Organisation, management and control model pursuant to Legislative Decree 231 of 8 June 2001

Industries S.p.A.

(updated February 2026)

BOARD OF DIRECTORS INDUSTRIES S.P.A.

FEBRUARY 16, 2026

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DEFINITIONS

"Contractors"	Conventionally, we mean all contractors of works or services pursuant to the Civil Code, as well as subcontractors, subcontractors, temporary workers, self-employed workers, who have entered into a contract with the Company and which it uses in the Sensitive Processes/Activities.
"Sensitive processes/activities"	The set of corporate activities and operations, also carried out with the help of the representatives of the other companies of the group by virtue of intra-group contracts (first and foremost the one with Moncler S.p.A.), organized in order to pursue a specific purpose or manage a specific business area of Industries S.p.A., in areas potentially at risk of committing one or more crimes provided for by the Decree, as listed in the Special Parts of the Model, also generically and collectively referred to as an area(s) at risk.
"CCNL"	National Collective Labour Agreement.
"Collaborators"	The Company's collaborators, including "seasonal" workers, project, temporary/temporary workers.
"Consultants"	Persons who are not employees of the Company who act in the name and/or on behalf of Industries S.p.A. on the basis of a mandate or other stylistic, technical, or professional consultancy relationship in Sensitive Processes/Activities.
"Decree"	Legislative Decree no. 231 of 8 June 2001.
"Delegation"	The internal act of assigning functions and tasks within the company organization.
"Recipients"	All the subjects to whom the Model is addressed and, in particular: the corporate bodies and their members, the Employees, the Collaborators, the Contractors, the Suppliers, the Consultants, the Partners and the representatives of the other companies of the group, the customers in the wholesale sector, involved in the Sensitive Activities, as well as the members of the Supervisory Body, as they do not belong to the aforementioned categories (see also par. 3.3).
"Employees"	For the purposes of this Model, the employees and managers of Industries S.p.A.
"Suppliers"	Suppliers of goods and services (including consultancy), which the Company uses as part of the Sensitive Processes. This includes suppliers of processing of finished products and raw materials, components and/or semi-finished products used in production.

"Sub-Suppliers"	Subjects to whom the Suppliers entrust in whole or in part processing of finished products and supply of raw materials, components and/or semi-finished products used in the production of the Suppliers.
"Template"	The organisation, management and control model envisaged by the Decree.
"OdV"	The Supervisory Body provided for by the Decree.
"Governing Body"	Board of Directors of Industries S.p.A..
"**Partners**"	Third parties with whom Industries in various capacities, also on behalf of Moncler S.p.A., maintains partnership and joint venture relationships as well as collaboration for the implementation of co-marketing projects and special projects.
"Process Owner"	The person who, due to the organisational position held or the activities carried out, is most involved in the Sensitive Activity of reference or has greater visibility for the purposes of Model 231.
"Power of attorney"	The unilateral legal transaction by which the Company assigns powers of representation towards third parties.
"Crimes"	The types of offences considered by the Decree.
"Company" or "Industries S.p.A." o "Industries"	Industries S.p.A., a joint-stock company with a single shareholder (Moncler S.p.A.), with registered office in Milan, via Stendhal no. 47, and secondary office in Via Venezia, Trebaseleghe (PD).

FOREWORD

Industries Spa is a company belonging to the Moncler Group, which carries out the marketing and production of clothing for the Moncler brand, of which Industries is a licensee as a brand owned by the parent company Moncler Spa, and which performs some centralized operational functions for the companies of the Group itself.

The Board of Directors of Industries Spa in its meeting of 23 June 2014 approved the "Organisation, management and control model" pursuant to Legislative Decree no. 231 of 8 June 2001, containing the "Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to art. 11 of Law no. 300 of 29 September 2000".

At the same time as the adoption of the Model, the Board of Directors appointed a specific body, called the Supervisory Body, to which it conferred the supervisory and control tasks provided for by the Decree itself*.*

Subsequently, in 2014, the Company carried out a specific risk assessment with reference to computer crimes, consequently amending the Model, which was approved, in its integrated and updated version, by resolution of the Board of Directors on 11 November 2015*.*

In the first half of 2016, the Company deemed it appropriate to carry out a project to update the *risk assessment* with specific reference to self-laundering and environmental crimes, also updating its Model, in the light of the results of the analyses carried out.

In 2017, the Company carried out a review of the *risk assessment* with reference to the new formulation of the crime of corruption between private individuals and the new crime of incitement to corruption between private individuals, as well as an update of the *risk assessment* with reference to the crime of illegal intermediation and labour exploitation.

In the first quarter of 2018, the Company adapted the Model to the legislative changes on the subject of "Whistleblowing" (in implementation of the amendments referred to in Article 6 of Legislative Decree 231/2001 introduced by Law No. 179 of 30 November 2017, containing "Provisions for the protection of those who report crimes or irregularities of which they have become aware in the context of a public or private employment relationship").

In the fourth quarter of 2020, the Company carried out an update of the *risk assessment* with reference to the crimes of fraud in sports competitions, abusive exercise of gaming or betting and games of chance exercised by means of prohibited devices; establishment of the national cyber security perimeter; tax crimes; implementation of the P.I.F. Directive containing, among others, smuggling crimes.
Following the results of the *risk assessment*, the Company has adjusted the specific reference to the crimes deemed applicable to Industries S.p.A., in particular tax crimes and smuggling crimes, and was approved by resolution of the Board of Directors on 18 February 2021.

During 2022, the Company carried out new *risk assessment* activities aimed at updating the Model to the offences introduced following the last approval. The Company then updated its Model following the organisational and business changes following the acquisition by Moncler S.p.A. of the company Sportswear Company S.p.A. and the regulatory changes.

In October 2023, the Company adapted the Model to the legislative changes on the subject of "Whistleblowing", following the issuance of Legislative Decree 24/2023 transposing Directive (EU) 2019/1937 "*concerning the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national* regulatory

provisions". This update also took into account the amendments introduced by Law No. 137 of 9 October 2023.

Consequently, the integrated and updated version of the Model was approved by the Company's Board of Directors at its meeting on 29 November 2023.

MODEL STRUCTURE

The Industries Organization, Management and Control Model consists of a "General Part" and several "Special Parts" (as better specified *below*) and the documents referred to from time to time in the text of the Model and to be considered an integral part of the Model itself.

In the General Part, after a reference to the principles of the Decree (Chapter 1), the methodology used to develop the Model is represented (Chapter 2), then the purposes and nature of the Model are illustrated, the methods of intervention and modification of the same are described (Chapter 3), the components of the preventive control system (Chapter 4), the characteristics and functioning of the SB (Chapter 5), the methods for managing reports of violations (Chapter 6), the methods for disseminating the Model (Chapter 7) and the disciplinary system linked to any violations of the principles enshrined in the Model (Chapter 8).

The Company has deemed it to comply with Legislative Decree 231/01 by carrying out various *Control & Risk Self Assessment* (hereinafter also "*CRSA") activities*, with reference to the following categories of offences:

- Crimes against the Public Administration;
- Corporate crimes, including the crime of corruption between private individuals and market abuse crimes;
- Offences of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin as well as self-laundering;
- Organized crime crimes;
- Crimes of forgery in the field of trademarks and patents;
- Crime of inducement not to make declarations or to make false statements to the Judicial Authority;
- Employment offences of illegally staying third-country nationals;
- Crimes of manslaughter and serious and very serious culpable bodily injury committed with violation of the rules for the protection of health and safety in the workplace;
- Crimes in violation of copyright;
- Offences against industry and commerce and smuggling offences;
- Computer crimes;
- Environmental crimes;
- Offences against the individual's personality;
- Tax crimes;
- Offences relating to means of payment other than cash;
- Crimes against cultural heritage;
- Recycling of cultural property and devastation and looting of cultural and landscape property.

reserving the right at a later stage to evaluate the extension of these *CRSAs* also to other types of crime referred to in the Decree.

On the basis of this preliminary assessment and the results of *CRSA's* activities , many "Special Parts" dedicated to each of the aforementioned families of crime have been developed, with the aim of:

- provide the Recipients with a representation of the Company's organisational, management and control system as well as an example of the methods of committing offences in the context of each Sensitive Activity;
- indicate to the Recipients the principles of conduct, the general rules of conduct and the specific requirements to which they must comply in carrying out their activities.

An integral part of the Model is the documentation drawn up at the end of the *Control & Risk Self Assessment activities.*

GENERAL PART

1. LEGISLATIVE DECREE NO. 231/2001

1.1 Key features and scope

Legislative Decree 231/2001 introduces and regulates the administrative liability of entities for crime. The Decree, which implements the legislation of EU origin on the fight against corruption, is an absolute novelty for our legal system, which did not know, until 2001, forms of criminal or administrative liability for collective subjects, who could at most be called upon to pay, jointly and severally, the fines, fines and administrative sanctions imposed on their legal representatives, directors or employees.

The scope of the Decree is quite vast and affects all entities with legal personality, companies, associations, including those without legal personality, public economic entities, private entities concessionaires of a public service. On the other hand, the State, local public bodies, non-economic public bodies, bodies that perform functions of constitutional importance (e.g. political parties and trade unions) are excluded.

The new liability attributed to entities is based on the following punitive model: the legislator identifies certain types of crimes, the perpetrators of which are always natural persons, which can be committed in the interest or to the advantage of the entity; it then identifies a particular link between the offender and the entity, such that it can be inferred that the offender acted as part of the activities carried out for the entity; derives direct liability of the latter from the link between the natural person-entity and the link between the crime-interest of the entity; he chooses a particular punitive system for the entity, which is independent of the one applicable to the natural person.

The liability of the entity therefore arises if:

- a crime is committed to which the Decree links the liability of the entity;
- the crime was committed by a person who has a particular link with the entity;
- there is an interest or advantage for the entity in the commission of the offence.

The nature of this new form of liability of the entity is of mixed gender. It can be defined as a responsibility that combines the essential features of the penal system with those of the administrative system. The entity is liable for an administrative offence and is punished with an administrative sanction, but the mechanism for imposing sanctions is based on the criminal process, the competent authority to contest the offence is the Public Prosecutor and the competent authority to impose sanctions is the criminal judge.

The administrative liability of the entity is autonomous from that of the natural person committing the crime and therefore exists even if the offender has not been identified or if the crime has been extinguished for a cause other than amnesty.

The liability of the entity, in any case, is in addition to and does not replace that of the natural person who committed the crime.

1.2. Cases of crime identified by the Decree and subsequent amendments

The liability of the entity arises within the limits provided for by law. The first and fundamental limit consists in the limited number of crimes for which the entity can be called to answer. This means that the entity cannot be sanctioned for any crime committed in the course of its activities, but only for crimes selected by the legislator and expressly indicated by law. The Decree, in its original version and subsequent additions, indicates in art. 24 et seq. the offences (so-called predicate offences) that may give rise to the liability of the entity.

The limit to the applicability of the Decree only to predicate crimes is logical and understandable: it would make no sense to punish the entity for the commission of crimes that have no connection with its activity and that derive solely from the choices or interests of the natural person who commits them. These are very different categories of crimes. Some are typical and exclusive to business activity; others, on the other hand, normally fall outside the activity of the actual business, and pertain to the typical activities of criminal organizations.

The enumeration of crimes was subsequently expanded to the original one contained in the Decree, concerning crimes against the Public Administration. The following extensions have been made: Legislative Decree no. 350 of 25 September 2001, which introduced art. 25-bis "Counterfeiting of coins, public credit cards and revenue stamps", subsequently amended to "Crimes of counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of recognition" by Law no. 99 of 23 July 2009; Legislative Decree no. 61 of 11 April 2002, which introduced art. 25-ter "Corporate Crimes", subsequently amended by Law no. 262 of 28 December 2005 and Law no. 69/2015; Law no. 7 of 14 January 2003, which introduced art. 25-quarter "Crimes with the purpose of terrorism or subversion of the democratic order"; Law no. 7 of 9 January 2006, which introduced art. 25-quarter.1 "Practices of mutilation of female genital organs"; Law no. 228 of 11 August 2003, which introduced art. 25-quinquies "Crimes against the individual personality"; Law no. 62 of 18 April 2005, which introduced art. 25-sexies "Market abuse"; Law no. 146 of 16 March 2006, which provides in art. 10 the liability of entities for transnational crimes; Law no. 123 of 3 August 2007, which introduced art. 25-septies "Manslaughter and serious or very serious culpable injuries, committed in violation of accident prevention regulations and on the protection of hygiene and health at work", later amended to "Manslaughter and serious or very serious culpable injuries, committed in violation of the rules on the protection of health and safety at work" by Legislative Decree no. 81 of 9 April 2008; Legislative Decree no. 231 of 21 November 2007, which introduced art. 25-octies "Receiving stolen goods, laundering and use of money, goods or utilities of illegal origin"; Law no. 48 of 18 March 2008, which introduced art. 24-bis "Computer crimes and unlawful data processing"; Law no. 94 of 15 July 2009, which introduced art. 24-ter "Crimes of organized crime"; Law no. 99 of 23 July 2009, already cited, which also introduced art. 25-bis.1 "Crimes against industry and commerce" and art. 25-novies "Crimes relating to copyright infringement", later amended by Law 93/2023 which intervened on art. 171-ter L. 633/1941 by adding the letter "h-bis"; Law no. 116 of 3 August 2009, which introduced art. 25-novies "Inducement not to make declarations or to make false declarations to the Judicial Authority"; Legislative Decree no. 121 of 7 July 2011, which introduced art. 25-undecies "Environmental crimes"; Legislative Decree no. 109 of 16 July 2012, which introduced art. 25-duodecies "Employment of illegally staying third-country nationals"; Law no. 190 of 6 November 2012, which inserted in art. 25, among the crimes against the Public Administration, the new crime of "undue inducement to give or promise benefits", as well as art. 25ter, among the corporate crimes, the new crime of "corruption between private individuals"; Law no. 186/2014, which inserted in art. 25octies, among the crimes relating to money laundering, the new crime of "self-laundering"; Law no. 68/2015 which included the new so-called eco-crimes in the scope of art. 25 *undecies*; Law no. 69/2015, which reformulated the crime of "false corporate communications" by inserting it in art. 25-ter "Corporate Crimes", together with the crimes of "false corporate communications of listed companies" and "minor facts"; Law no. 199 of 29 October 2016, which reformulated art. 603-bis of the Criminal Code, aimed at punishing the crime of illegal intermediation and exploitation of labour and included the same offence among the crimes against the individual personality provided for by Article 25 *quinquies*; Legislative Decree no. 38 of 15 March 2017, which reformulated Article 2635 of the Italian Civil Code aimed at punishing the crime of corruption between private individuals and inserted the new crime of "incitement to corruption between private individuals", *pursuant to* Article 2635 *bis* of the Italian Civil Code among the Corporate Offences provided for by Article 25 *ter*; Law no. 161 of 17 October 2017, which inserted in art. 25 *duodecies* of Legislative Decree 231/2001 two crimes on illegal immigration provided for by Article 12, paragraphs 3, 3-bis, 3-ter and 5 of Legislative Decree No. 286 of 25 July 1998; Law no. 167 of 20 November 2017, which introduced the new art.

25 *terdecies*, entitled "Racism and xenophobia" by inserting in Legislative Decree no. 231/2001 the cases of racism and xenophobia aggravated by the so-called negationism, as contemplated by art. 3, paragraph 3 *bis* of Law no. 654 of 13 October 1975; Law 36/18 which amended art. 640 (fraud) and art. 640-ter (computer fraud); Legislative Decree 21/18 which amended art. 25-terdecies "crimes of racism and xenophobia" and art. 25-undecies, "Environmental crimes"; Legislative Decree 107/18 which amended art. 184, 185, 187-bis, 187-ter of the T.U.F., in relation to Market abuse; Anti-Corruption Law (Law 3/19), which amended art. 316-ter of the Italian Criminal Code, 318 of the Italian Criminal Code, 322 bis of the Italian Criminal Code, 2635 of the Italian Civil Code, 2635 bis of the Italian Civil Code, and amended art. 25 in relation to the Crime of Trafficking in Illicit Influence (art. 346-bis); Law 39/19 which introduced the crimes of fraud in sports competitions, abusive exercise of gaming or betting and games of chance exercised by means of prohibited machines (art. 25-quaterdecies); Law 43/19 which amended art. 416-ter (political-mafia electoral exchange); Legislative Decree 105/2019 which amended Article 24-bis with the establishment of the national cyber security perimeter; Legislative Decree 124/19 which introduced the tax crimes provided for by Legislative Decree no. 74/00 (art. 25-quinquiesdecies); Implementation of Directive 2017/1371 (P.I.F. Directive) which introduced the crime of embezzlement, abuse of office, fraud in public supplies, fraud against the European Agricultural Fund into crimes against the Public Administration, introduced in art. 25-quinquiesdecies new tax offences (unfaithful declaration, omitted declaration, undue compensation) and introduced art. 25 sexiesdecies, which provides for the crime of smuggling; Law 238/2021 ("Provisions for the fulfilment of the obligations deriving from Italy's membership of the European Union - European Law 2019/2020"), which amended Articles 615-quarter, 615-quinquies, 617-quarter and 617-quinquies of the Criminal Code (referred to in Article 24-bis of the Decree), Articles 600-quarter *and 609-quarter undecies* of the Criminal Code (referred to in Article 25-quinquies of the Decree) and Articles 184 and 185 of Legislative Decree 58/1998 (referred to in Article 25-sexies of the Decree); Legislative Decree 195/2021 which amended Articles 648 of the Criminal Code, 648-ter, 648-bis and 648-ter.1 of the Criminal Code (referred to in Art. *25-octies* of Legislative Decree 231/2001); Legislative Decree 184/2021 which expanded the catalogue of predicate offences, introducing the new art. 25-octies.1, entitled "Offences relating to means of payment other than cash" which recalls arts. 493-ter of the Criminal Code (entitled "Undue use and forgery of payment instruments other than cash") 493-quarter of the Criminal Code (entitled "Possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash") Article 640-ter of the Criminal Code. (entitled "Computer fraud"); Law no. 22/2022 which introduced in the catalogue of predicate offences *pursuant* to Legislative Decree 231/2001, the administrative offences referred to in art. 25-septiesdecies (which recalls the offences referred to in art. 518-novies of the Criminal Code ("*Violations regarding the alienation of cultural property*"); 518-ter of the Criminal Code ("Embezzlement of cultural property"); 518-decies of the Criminal Code ("Illegal importation of cultural property"); 518-undecies of the Criminal Code ("Illegal exit or export of cultural property"); 518-duodecies of the Criminal Code ("Destruction, dispersion, deterioration, disfigurement, soiling and illegal use of cultural or landscape property"); 518-quaterdecies of the Criminal Code ("Counterfeiting of works of art"); 518-bis of the Criminal Code ("Theft of cultural property"); 518-quarter of the Criminal Code ("Receiving stolen cultural property"); 518-octies of the Criminal Code ("Falsification in private deed relating to cultural property")) and 25-duodevicies (which recalls the crimes referred to in articles 518-sexies of the Criminal Code ("Laundering of cultural property") and 518-terdecies of the Criminal Code ("Devastation and looting of cultural and landscape property"). Legislative Decree 13/2022 which amended art. 316-bis, 316-ter, 640-bis and 240-bis of the Criminal Code. Legislative Decree 156/2022 which amended: art. 322-bis of the Criminal Code, amended the crimes of smuggling (art. 301 of Presidential Decree 43/1973), amended the crime of fraud in agriculture (punished by art. 2 of Law 898/1986, referred to in art. 24 of Legislative Decree 231/2001), amended tax crimes (amended art. 6 of Legislative Decree 74/2000 which recalls articles 2-3-4 of Legislative Decree 74/2000) and amended art. 25-quinquiesdecies. Legislative Decree no. 19/2023, implementing EU Directive 2019/2121 of the European Parliament and of the Council of 27 November 2019, amending Directive (EU) 2017/1132, with regard to cross-border transformations,

mergers and divisions, amended art. 25 ter, supplementing letter s-ter, of Legislative Decree no. 231/2001, the new crime of "False or omitted declarations for the issuance of the preliminary certificate"; Law no. 137 of 9.10.2023 which amended: Article 24, introducing the offences of disturbed freedom of enchantments (353 of the Criminal Code) and disturbed freedom of the procedure for choosing the contractor (353-bis of the Criminal Code); Article 25-octies.1, introducing the crime of "Fraudulent transfer of values" (512-bis of the Criminal Code); Articles 452-bis and 452-quarter of the Criminal Code referred to in Article 25-undecies, reformulating them and tightening the sanctioning regime.

On the date of approval of this Model, the predicate offences belong to the categories indicated below:

- crimes committed in relations with the Public Administration (Articles 24 and 25);
- computer crimes and unlawful data processing (art. 24-bis);
- crimes of organized crime (art. 24-ter);
- crimes of counterfeiting coins, public credit cards, revenue stamps and identification instruments or signs (art. 25-bis);
- crimes against industry and commerce (art. 25-bis.1);
- corporate crimes (art. 25-ter);
- crimes with the purpose of terrorism or subversion of the democratic order (art. 25-quarter);
- practices of mutilation of the female genital organs (art. 25-quarter.1);
- crimes against the individual personality (art. 25-quinquies);
- market abuse (art. 25-sexies);
- manslaughter and serious or very serious culpable injuries, committed in violation of the rules for the protection of health and safety at work (art. 25-septies);
- receiving stolen goods, laundering and use of money, goods or utilities of illegal origin, as well as self-laundering (art. 25-octies);
- offences relating to means of payment other than cash (Article 25-octies.1);
- crimes relating to copyright infringement (art. 25-novies);
- inducement not to make declarations or to make false declarations to the Judicial Authority (art. 25-decies);
- environmental crimes (art. 25-undecies);
- offences relating to the employment of illegally staying third-country nationals (Article 25-duodecies);
- crimes of racism and xenophobia (art. 25-terdecies);
- offences of fraud in sports competitions, abusive exercise of gaming or betting and games of chance exercised by means of prohibited machines (Article 25-quaterdecies);
- transnational crimes (art. 10, L. 146/2006);
- tax offences (Article 25-quinquiesdecies);
- crime of smuggling (art.25- sexiesdecies);
- crimes against cultural heritage (art. 25-septiesdecies);
- laundering of cultural property and devastation and looting of cultural and landscape property (art. 25-duodevicies).

The list of predicate offences is likely to be further expanded in the future.

1.3. Criteria for attributing liability to the entity

If one of the predicate offences is committed, the entity can only be punished if certain conditions are met, which are defined as criteria for imputing the offence to the entity. These criteria can be divided into "subjective" and "objective".

The first "subjective" criterion is that the crime was committed by a person linked to the entity by a qualified relationship. There must, therefore, be a relevant link between the individual-offender and the entity. The administrative liability of the entity can only exist if the offender belongs to one of these two categories:

- **subjects in a "top position"**, such as, for example, the legal representative, the administrator, the general manager or the director of an autonomous organisational unit, as well as the persons who exercise, even de facto, the management of the entity. These are, in particular, of those who have an autonomous power to make decisions in the name and for the sake of company account. It is considered that all subjects belong to this category delegated by the directors to carry out management or management activities of the company or of its branch offices. From this point of view, the structure of the system of delegation of powers and functions is of particular importance in the overall logic of defining this Model organization, management and control.

- **"subordinate" subjects**, all those who are subject to the direction and supervision of the top subjects; Typically, employees, but also subjects not belonging to the staff of the institution, who have been entrusted with a task to be carried out under the direction and surveillance of top management. What counts for the purposes of belonging to this category is not the existence of an employment contract, but the activity in concrete turning point. The need for the law to prevent the entity from escaping from responsibilities, delegating to external collaborators activities in the context of which committed a crime. External stakeholders include, for example, employees, promoters, agents and consultants, who, on behalf of the Company, carry out activities in the interest. Finally, for the purposes of this Model, the mandates or contractual relationships with persons who do not belong to the Company's personnel, if they persons act in the name, on behalf of or in the interest of the same.

The second "objective" criterion is that the crime must be committed in the interest or to the advantage of the entity. The crime must, therefore, concern the company's activity or the company must have had some benefit, even potential, from the crime. The two conditions are alternative and it is sufficient that at least one of the two exists.

- The "interest" exists when the offender has acted with the intention of favoring society, regardless of the circumstance that this objective has been achieved.
- The "advantage" exists when the company has derived, or could have derived, a positive result, economic or otherwise, from the crime.

The law does not require that the benefit obtained or hoped for by the entity is necessarily of an economic nature: liability exists not only when the unlawful conduct has resulted in a financial advantage, but also in the event that, even in the absence of such a concrete result, the crime is justified in the interest of the company.
Even the improvement of the institution's position on the market, the concealment of a situation of financial crisis, the conquest of a new territorial area are results that involve the interests of the company, without providing it with an immediate economic benefit.

The entity is not liable if the offence was committed in the exclusive interest of the offender or in the exclusive interest of a third party.

The Decree also establishes the conditions under which the offence cannot be reproached to the entity: whether - before the commission of the offence - it adopted and effectively implemented an

"organisational and management model" (the Model), suitable for preventing the commission of offences of the kind that was carried out.

Turning the regulatory dictate positively, it can be said that the entity is liable for the crime only in the event of failure to adopt the Model or failure to comply with dutiful standards relating to its organization and the performance of its activity: a defect attributable to a wrong business policy or structural deficits of the company organization. Since the entity cannot express its own will to commit crimes, it will be its representatives, its directors or its organization that will express and concretize its guilty participation in the commission of the crime.

In order for the crime not to be imputed to it, the entity must demonstrate that it has done everything in its power to organize, manage and control that a crime provided for by the Decree cannot be committed in the exercise of the business activity. For this reason, the Decree provides for the exclusion of liability only if the entity demonstrates:

- that the management body has adopted and effectively implemented, before the commission of the act, organisational, management and control models suitable for preventing crimes of the kind that occurred;
- that the task of supervising the functioning and compliance of the models and of ensuring that they are updated has been entrusted to a body of the entity with autonomous powers of initiative and control (Supervisory Body referred to in paragraph 5 below);
- that there has been no omission or insufficient supervision on the part of the aforementioned body.

The conditions listed above must be combined so that the liability of the entity can be excluded. The company's exemption from fault therefore depends on the adoption and effective implementation of a Crime Prevention Model and the establishment of a Supervisory Body on the Model. The Supervisory Body is assigned the responsibility of supervising the compliance of the activity with the standards and procedures defined in the Model. In particular, the Decree assigns the following tasks to the Supervisory Body:

- supervision of the functioning of the Model;
- any update of the Model;
- acquisition of information relating to violations of behavioral precepts, including through the creation of internal information flow;
- coordination with other corporate bodies with similar skills;
- activation of disciplinary proceedings.

The Model operates as a cause of non-punishability of the entity whether the predicate crime is committed by a top person or whether it was committed by a subordinate person. However, the Decree is much stricter on the culpability of the entity and leaves less possibility of defense if the crime is committed by a top manager. In this case, in fact, the Decree provides that the entity must also prove that the persons have committed the crime by fraudulently circumventing the Model. The Decree requires proof of extraneousness to the strongest crime, since the entity must also prove a sort of internal "fraud" of the Model by the top management.

In the case of offences committed by subordinates, the entity may be held liable only if it is ascertained that the commission of the offence was made possible by non-compliance with management or supervisory obligations. This is a real organizational fault: the company indirectly consented to the commission of the crime, not overseeing the activities and subjects at risk of committing a predicate crime.

The entity participates in the criminal proceedings with its legal representative, unless the latter is accused of the crime on which the administrative offense depends. With reference to this aspect, in

the event that the legal representative is under investigation for a predicate offence of the administrative offence ascribed to the entity, and is therefore in a situation of conflict with the interests of the entity itself, the appointment of the entity's lawyer must take place through a person specifically delegated to this activity for cases of possible conflict with the criminal investigations against the legal representative (in this sense, see Cass. Pen., Sec. III, 13 May 2022, no. 35387).

The adoption and implementation of the Model does not constitute a mandatory requirement under the law. However, in light of the aforementioned criteria for attributing the crime to the entity, the Model is the only tool available to prove one's innocence and, ultimately, not to suffer the sanctions established by the Decree. It is therefore in society's interest to have an effective model and enforce it.

1.4. Indications of the Decree regarding the characteristics of the Organisation, Management and Control Model

The Decree does not analytically regulate the nature and characteristics of the Model, but limits itself to dictating some general principles. The mere adoption of the Model is not in itself a sufficient condition to exclude the liability of the company. The Model operates, in fact, as a cause of non-punishability only if:

- suitable, i.e. only if reasonably suitable for preventing the offence or offences committed;
- if it is actually implemented, i.e. if its content is applied in company procedures and in the internal control system.

As for the suitability of the Model, the Decree provides that it has the following minimum content:

- the activities of the company in which offences may be committed are identified;
- specific protocols are provided for to plan the formation and implementation of the company's decisions, in relation to the crimes to be prevented;
- the methods of managing financial resources suitable for preventing the commission of crimes are identified;
- a disciplinary system is introduced to sanction non-compliance with the measures indicated in the model;
- there are information obligations towards the Supervisory Body;
- one or more channels are provided for reporting relevant unlawful conduct pursuant to Legislative Decree 231/2001 or violations of the Model, at least one of which is suitable for guaranteeing the confidentiality of the identity of the whistleblower by electronic means;
- in relation to the nature and size of the organisation, as well as the type of activity carried out, suitable measures are provided to ensure that the activity is carried out in compliance with the law and to promptly detect and eliminate risk situations.

With reference to the effective implementation of the Model, the Decree provides for the need for periodic verification and updating of the Model, if significant violations of the provisions contained therein emerge or if changes occur in the organization or activity of the company.

The Model is therefore a set of principles, tools and conducts that regulate the organization and management of the company, as well as the control tools. It varies and takes into account the nature and size of the undertaking and the type of activity it carries out. The rules and conduct provided for in this Model must allow the company to find out if there are risky situations, i.e. those favourable to the commission of an offence relevant to the Decree. Once these risky situations have been identified, the Model must be able to eliminate them through the imposition of conduct and controls.

1.5. Penalties

An entity held liable for the commission of one of the predicate offences may be sentenced to four types of sanctions, different in nature and mode of enforcement:

1) the financial penalty

When the court finds the entity liable, a fine is always imposed. The financial penalty is determined by the court through a system based on "quotas". The level of the financial penalty depends on the seriousness of the offence, the degree of responsibility of the company, the activity carried out to eliminate or mitigate the consequences of the offence or to prevent the commission of other offences. The judge, in determining the *amount* of the sanction, takes into account the economic and financial conditions of the company.

2) disqualification sanctions

Disqualification sanctions may be applied in addition to financial penalties but only if expressly provided for the offence for which proceedings are being carried out and provided that at least one of the following conditions is met:

- the entity has made a significant profit from the crime and the crime has been committed by a top manager, or by a subordinate person, but only if the commission of the crime was made possible by serious organizational deficiencies;
- in the event of repetition of offences.

The disqualification sanctions provided for by the Decree are:

- temporary or permanent prohibition from carrying out the activity;
- the suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- the prohibition of contracting with the public administration, except to obtain the performance of a public service;
- the exclusion from facilitations, financing, contributions or subsidies and the possible revocation of those already granted;
- the temporary or permanent prohibition of advertising goods or services.

Disqualification sanctions relate to the specific activity to which the entity's offence refers and are normally temporary, in an interval ranging from three months to two years, but can exceptionally be applied with definitive effects. They can also be applied as a precautionary measure, before the conviction, at the request of the Public Prosecutor, if there are serious indications of the liability of the entity and there are well-founded and specific elements to consider the concrete danger that offences of the same nature as the one for which the proceedings are being carried out.

3) confiscation

It consists in the acquisition by the State of the price or profit of the crime or of a value equivalent to them.

4) the publication of the sentence of conviction

It consists of publishing the sentence only once, in extract or in full at the expense of the entity, in one or more newspapers indicated by the Judge in the sentence as well as by posting it in the Municipality where the entity has its main office.

All sanctions are administrative in nature, even if applied by a criminal judge. The sanctioning framework established by the Decree is very strict, both because the financial penalties can be very high and because the disqualification sanctions can significantly limit the normal exercise of the company's activities, precluding it from a series of business.

Administrative sanctions against the entity are time-barred, except in cases where the statute of limitations is interrupted, within five years from the date of the offence committed.

The final conviction of the entity is registered in the national registry of administrative sanctions for crimes of the entity: an archive containing all the decisions relating to sanctions that have become irrevocable, applied to entities pursuant to the Decree.

2. MODEL DRAFTING PROCESS

2.1 The choice of the Company

Although the Decree does not require the adoption of an Organizational, Management and Control Model, Industries has deemed it appropriate to do so in order to ensure ethically shared conduct and pursue compliance with the principles of legitimacy, fairness and transparency in the performance of corporate activities.

Furthermore, the decision to adopt an Organization, Management and Control Model corresponds to Industries' need to pursue its mission in strict compliance with the objective of creating value for its shareholders.

Industries has therefore decided to launch a project to adapt to the provisions of the Decree, in order to adopt its own Model. The latter represents not only a valid tool for raising awareness among all those who work on behalf of the Company, so that they behave correctly and smoothly in the performance of their activities, but also an essential means of prevention against the risk of committing the crimes provided for by the Decree.

As specified above, the Company has decided to start the process of adapting to Legislative Decree 231/01 by carrying out Control *& Risk Self Assessment activities*, as well as preparing and adopting this Model, with reference to the offences already mentioned in the introduction.

In particular, the Company deemed it appropriate to focus its attention on those categories of crimes that (as confirmed, moreover, by the results of the *CRSA*), appeared to be more concretely configurable, in consideration of the activity and the business context in which it operates. The Company reserves the right at a later date to evaluate the possible extension of *the CRSA* and the related integration of the Model, also to other types of offences provided for by the Decree.

2.2 Methodological approach adopted

The Model, inspired by the Guidelines for the purposes of Legislative Decree no. 231 of 8 June 2001 proposed and periodically updated by Confindustria, has been drawn up taking into account the structure and activity actually carried out by the Company, the nature and size of its organisation. In particular, the structure of the Project is described below in summary.

The Company has carried out a preliminary analysis of its business context and subsequently an analysis of the areas of activity that present potential risk profiles in relation to the commission of the offences indicated by the Decree deemed applicable for Industries.

In particular, the following were analyzed, by way of example, although not exhaustively:

- the history of the Company and the corporate context;
- the sector to which they belong;
- the organizational structure (formalized in company organization charts, service orders, etc.);
- the existing corporate governance system;
- the system of powers of attorney and delegations;
- existing legal relationships with third parties, also with reference to service contracts that govern intra-group relationships;
- the typical way of conducting business;
- the type of relationships and activities (e.g. commercial, financial, control, regulatory, representation, collective bargaining, etc.) maintained with public administrations;
- cases of any alleged irregularities that occurred in the past;
- the practices and procedures formalised and disseminated within the Company for the performance of corporate activities, also through the representatives of the other companies in the group.

On the basis of the preliminary analyses, the corporate functions involved in the areas of activity that present potential risk profiles in relation to the commission of the crimes indicated were then identified, as well as the subjects belonging to these functions who occupy key roles in the company organization, so-called "S.p.A. *Key Officers*, in order to be able to conduct interviews relating to the subsequent phase of the investigation.

For the purposes of preparing this document, the Company has therefore proceeded, through interviews with Key Officers and documentary analysis:

- the identification of Sensitive Activities, i.e. the areas in which it is possible that the predicate offences indicated in the Decree deemed applicable for Industries may be committed and the possible methods of implementing the offences themselves;
- the identification of the operating methods for the execution of the Sensitive Activities, the subjects involved and the system for sharing responsibilities;
- self-assessment of risks (so-called risk assessment). "*Control & Risk Self Assessment*") of the commission of a crime and of the internal control system suitable for preventing potentially unlawful conduct;
- the identification of adequate control measures, necessary for the prevention of the aforementioned crimes or for the mitigation of the risk of committality;
- the identification of any deficiencies and/or areas for improvement of the control measures.

The final phase of the Project is represented by the drafting of the Organization, Management and Control Model whose structure has been described at the beginning of this document.

In the light of the results of the *Control & Risk Self Assessment activities, the Model has therefore identified* the general principles of conduct and the rules of prevention, which must be implemented to prevent, as far as reasonably possible, the commission of predicate offences relevant to the Company. To this end, the Company has taken into account the control and prevention tools already in place, aimed at regulating corporate governance, such as the Articles of Association, the system of proxies and powers of attorney, contracts, including intercompany contracts, as well as other organisational documents, where existing, drawn up by the individual corporate functions.

In particular, the results of the analysis conducted and described above attributable to the various *Control & Risk Self Assessments* carried out by the Company, including examples of the possible methods of committing crimes in the context of Sensitive Activities, as well as the specific protocols identified by the Company, are contained or referred to in the documentation in which the evidence that emerged from the CRSA is formalized. This documentation is a prerequisite and an integral part of this Model.

The documentation in electronic and/or paper format relating to the Company and the outputs produced in the various phases of the Project have been archived and made available in a specific archive that can be consulted by the members of the SB (hereinafter the "Archive").

3. THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL

3.1 Purpose of the Model

The adoption of the Model is aimed at creating a system of prescriptions and organisational tools with the aim of ensuring that the Company's activities are carried out in full compliance with the Decree and preventing and sanctioning any attempts to engage in conduct at risk of committing one of the offences provided for by the Decree.

Therefore, the Model has the following purposes:

- improve the *Corporate Governance system*;
- introduce additional principles and rules of conduct into the Company aimed at promoting and enhancing an ethical culture within the Company, with a view to fairness and transparency in the conduct of business;
- prepare a structured and organic prevention and control system aimed at reducing the risk of committing crimes related to the company's activities;
- determine, in all those who operate in the name and on behalf of Industries in the "areas of activity at risk", the awareness of being able, in the event of violation of the provisions set out therein, to incur an offence punishable by sanctions both against the author of the violation (on a civil, disciplinary and, in some cases, criminal level) and against the Company (administrative liability pursuant to the Decree);
- inform all those who operate in any capacity in the name, on behalf or in any case in the interest of Industries that the violation of the provisions contained in the Model will result in the application of appropriate sanctions or the termination of the contractual relationship;
- reiterate that Industries does not tolerate unlawful conduct, of any kind and regardless of any purpose, as such conduct (even if the Company is apparently in a position to take advantage of it) is in any case contrary to the ethical principles to which the Company intends to adhere;
- effectively censure conduct in violation of the Model through the imposition of disciplinary and/or contractual sanctions.

The Model prepared by Industries is therefore based on a structured and organic system of protocols and control activities that:

- identifies the areas and activities potentially at risk in the performance of the company's activities, i.e. those activities in which the possibility of crimes being considered to be higher is considered to be higher;
- defines an internal regulatory system, aimed at the prevention of crimes, which includes, among other things:

  - a Code of Ethics that expresses ethical commitments and responsibilities in the conduct of business and corporate activities;
  - a system of delegations, powers and powers of attorney for the signing of company deeds that ensure a clear and transparent representation of the process of formation and implementation of decisions;
  - formalised procedures, aimed at regulating the operating and control methods in areas at risk;
- is based on an organisational structure consistent with the activities carried out by the Company and designed with the aim of ensuring, on the one hand, a correct strategic-operational management of business activities, and on the other, continuous control of behaviour. This control is ensured by guaranteeing a clear and organic assignment of tasks, applying a fair segregation of functions, ensuring that the structure of the defined organizational structure is actually implemented, through:
  - a formally defined, clear, adequate and consistent organization chart with the activity carried out by the Company a clear definition of the functions and responsibilities attributed to each organizational unit;
  - a system of delegation of internal functions and powers of attorney to represent the Company externally that ensures a clear and consistent segregation of functions;
  - the precise definition of intra-group relations, with the stipulation of written contracts containing the determination of the tasks entrusted to the representatives of the other group companies involved in the Sensitive Activities, the definition of the areas of responsibility of the persons involved, specifically appointed and endowed with adequate powers in compliance with the applicable company policies and procedures and the principles dictated in the Code of Ethics;
- identifies the management and control activities of financial resources in the activities at risk;
- assigns to the SB the task of supervising the operation and compliance with the Model and proposing its updating.

3.2 Code of Ethics

The provisions contained in this Model are integrated with those of the Code of Ethics (hereinafter the "Code of Ethics") (Annex A).

The provisions of the Code of Ethics are based on the principles of the latter, while presenting the Model, for the purposes it intends to pursue in implementation of the provisions set out in Legislative Decree 231/01, a different scope than the Code itself.

From this point of view, in fact:

- the Code of Ethics is an instrument adopted independently and can be applied on a general level by the Company in order to express the principles of "corporate ethics" that it recognizes as its own and on which it calls for compliance by all Recipients;
- the Model, on the other hand, responds to the specific requirements set out in the Decree, and is aimed at preventing the commission of particular types of offences for facts which, as they are committed apparently to the advantage of the Company, may entail administrative liability on the basis of the provisions of the Decree itself.

3.3 Recipients of the Model

The provisions of the Model are addressed to the corporate bodies and their members, to Employees, Collaborators, Suppliers, Contractors, Consultants, Partners, representatives of the other companies of the group, to customers in the wholesale sector, involved in Sensitive Activities,

as well as to members of the Supervisory Body, as they do not belong to the aforementioned categories.

The subjects to whom the Model is addressed are required to comply with all its provisions on time, also in fulfilment of the duties of loyalty, fairness and diligence that arise from the legal relationships established with the Company.

The Company condemns any conduct that does not comply not only with the law but also with the provisions of the Model, even if the conduct is carried out in the interest of the Company or with the intention of bringing it an advantage.

For Recipients not belonging to the Company (Suppliers, Contractors, Consultants, Collaborators, Partners, representatives of the other companies in the group, customers in the wholesale sector), the Supervisory Body, after consulting the relevant Management, will propose to the Management Body the types of legal relationships to which the provisions of the Model may be applied, depending on the nature of the activity carried out. To this end, the Supervisory Body will also propose, after consulting the relevant Management, the methods for communicating the Model to the external parties concerned and the procedures necessary for compliance with the provisions contained therein. For sanctions in the event of violations of the Model by parties outside the Company, please refer to the provisions of the following paragraph Measures against Consultants, Suppliers, Contractors, Partners, Collaborators, representatives of other group companies, customers in the wholesale sector, involved in Sensitive Activities 8.6.

3.4 Adoption, amendments and additions to the Model

The Decree provides that it is the Governing Body that adopts the Model, leaving to each entity the task of identifying the body to which this task is entrusted.
In line with the Confindustria Guidelines, Industries has identified its Board of Directors as the Management Body responsible for adopting the Model. The task of supervising the effective implementation of the Model is instead entrusted, in accordance with the provisions of the Decree, to the Supervisory Body.

Consequently, since this document is an "*act of issuance of the governing body*" (in accordance with the provisions of art. 6 paragraph I letter a) of the Decree) the subsequent amendments and additions of a substantial nature to the same are consistently subject to the competence of the Board of Directors itself.
Substantial changes include, but are not limited to:

- inclusion in this document of additional Special Parts;
- deletion of certain parts of this document;
- modification of the tasks of the SB;
- identification of a Supervisory Body different from the one currently envisaged;
- updating/modifying/supplementing the principles of control and rules of conduct.

The Chief Executive Officer is also entitled to make any amendments or additions to this document of an exclusively formal nature, provided that the content remains unchanged in substance. The Board of Directors and the SB must be promptly informed of such changes or additions.

3.5 Managing the Model within the Group

Moncler S.p.A. recommends that the individual companies of the group adopt their own organisational model, compatibly with the local situation and on the basis of directives issued for this purpose by each company.
It is the responsibility of the administrative bodies of the individual companies to evaluate and adopt their own organisational, management and control model.

Companies may eventually take the Moncler S.p.A. Model as a reference, which must in any case be adapted to the individual realities of each of them, in particular to the specific risk areas/activities identified within them.

It is also the responsibility of each company in the group to set up its own Supervisory Body, as provided for in art. 6, paragraph 1, letter b, of the Decree, with all the related attributions of competences and responsibilities. In this regard, please refer to the provisions of paragraph 5.9 Guidance and coordination functions of the Supervisory Body of Moncler S.p.A. on the subject of relations between the SBs of the group companies.

4. THE COMPONENTS OF THE PREVENTIVE CONTROL SYSTEM

The Model prepared by Industries is based on and integrated with a structured and organic internal control system consisting of protocols and rules, tools for defining responsibilities, as well as mechanisms and tools for monitoring business processes, which pre-existed with respect to the issuance of the Model.

The control principles that inspire the architecture of Industries' internal control system, with particular reference to the Sensitive Activities outlined by the Model and in line with Confindustria's provisions, are described below:

- **clear identification of roles, tasks and responsibilities** of the subjects involved in the implementation of company activities (internal or external to the organization);
- **segregation of duties** between those who operationally perform an activity, those who control it, those who authorize it and those who register it (where applicable);
- **verifiability and documentability of *ex-post transactions*:** the relevant activities carried out (especially in the context of Sensitive Activities) must be adequately formalized, with particular reference to the documentation prepared during the implementation of the same. The documentation produced and/or available on paper or electronic must be archived in an orderly and systematic manner by Industries by the functions/subjects involved;
- **identification of preventive controls and *ex-post checks*, manual and automatic:** manual and/or automatic safeguards must be provided to prevent the commission of Crimes or to detect *ex-post* irregularities that could conflict with the purposes of this Model. These controls are more frequent, articulated and sophisticated in the context of those Sensitive Activities characterized by a higher risk profile of committing crimes.

The components of the preventive control system that must be implemented at company level to ensure the effectiveness of the Model can be traced back to the following elements:

- system of ethical principles aimed at preventing the crimes provided for by the Decree;
- sufficiently formalized and clear organizational system;
- system of authorization and signature powers consistent with the organizational and managerial responsibilities defined;
- management control system capable of providing timely reporting of the existence and occurrence of critical situations;
- staff communication and training system concerning the elements of the Model;

- disciplinary system adequate to sanction the violation of the rules of the Model;
- system of manual or IT operating procedures aimed at regulating activities in the company areas at risk with the appropriate control points;
- information system and computer applications for carrying out operational or control activities in the context of Sensitive Activities, or in support of them.

Without prejudice to the provisions of this paragraph having common characteristics in relation to all the types of offences considered relevant, reference is made to each Special Part with regard to the protocols with specific characteristics for each Sensitive Activity.

4.1 System of ethical principles

The Company considers it essential that the Recipients comply with ethical principles and general rules of conduct in the performance of their activities and in the management of relations with corporate bodies, Employees, Collaborators, Suppliers, Contractors, Consultants, Partners, customers in the wholesale sector, in intra-group relations and with the Public Administration. These rules are formulated in the Code of Ethics (ANNEX A).

In addition, the Company has adopted a "Supplier Code of Conduct", inspired by the values formally described in the Code of Ethics, which illustrates the Company's expectations in relation to the main areas of the "responsible purchasing" process and consists of six sections that establish binding provisions relating to: Labour and Human Rights, Health and Safety, Environment, Animal Health and Welfare, Safety and Quality of Products and Services and Business Ethics and contains the mandatory requirements that suppliers must comply with in order to establish or continue a collaboration with the Group. All Suppliers undertake to comply with the principles and provisions contained in the Supplier Code of Conduct and to verify their application by their entire supply chain. Compliance with the Supplier Code of Conduct is a necessary condition for initiating and maintaining a business relationship with the Company.

4.2 Organizational system

The Company's organisational system is defined through the preparation of company organisation charts and the issuance of delegations of organisational functions and provisions (service, *job description*, internal organisational directives), which provide a clear definition of the functions and responsibilities attributed to each local organisational unit.

4.3 Authorization system

The authorisation and decision-making system translates into an articulated and coherent system of delegation of functions and powers of attorney of the Company, based on the following requirements:

- the delegations must combine each management power with the relative responsibility and an adequate position in the organization chart and be updated as a result of organizational changes;
- each delegation must define and describe in a specific and unequivocal way the managerial powers of the delegate and the person to whom the delegate reports hierarchically/functionally;
- the management powers assigned with the delegations and their implementation must be consistent with the company's objectives;
- the delegate must have spending powers appropriate to the functions conferred on him;

- powers of attorney may only be conferred on persons with internal functional delegation or specific assignments and must provide for the extension of powers of representation and, where appropriate, numerical expenditure limits;
- all those who maintain relations with the Public Administration on behalf of Industries must have a proxy/power of attorney to this effect.

In any case, in the event that the Company is investigated or accused in proceedings pursuant to the Decree, and the legal representative is in turn investigated or accused in relation to the predicate offence of an administrative offence ascribed to the Company itself in the context of such proceedings, the relevant appointment of the Company's counsel takes place through another person to whom this power is specifically attributed for cases of possible conflict with criminal investigations against the legal representative.

4.4 Management and Cash Flow Control System

The management control system adopted by Industries is divided into the various phases of preparation of the annual budget, analysis of periodic final accounts and preparation of forecasts at Company level.

The system guarantees the following:

- plurality of subjects involved, in terms of appropriate segregation of functions for the processing and transmission of information;
- ability to provide timely reporting of the existence and occurrence of critical situations through an adequate and timely system of information flows and *reporting*.

Art. Article 6, paragraph 2, letter c) of the Decree also explicitly states that the Model must "identify methods of management of financial resources suitable for preventing the commission of crimes".
To this end, the management of financial resources, managed in Industries, is defined on the basis of principles based on a reasonable segregation of functions (also in light of the structure and organisational structure of the Company and the group), such as to ensure that all disbursements are requested, made and controlled by independent functions or persons who are as distinct as possible. moreover, they are not assigned other responsibilities such as to determine potential conflicts of interest.
Finally, liquidity management is inspired by criteria of asset conservation, with the related prohibition of carrying out risky financial transactions, and possible double signature for the use of liquidity for amounts exceeding predetermined thresholds.

4.5 Information and training programme

With specific reference to the activities carried out as part of the Sensitive Activities, an adequate periodic and systematic information and training programme is provided and guaranteed for Employees and Collaborators involved in the same.
The program includes the discussion of *corporate governance* issues and the disclosure of operating mechanisms and corporate organizational procedures relevant to matters related to Sensitive Activities.
These activities integrate and complete the information and training course on the specific topic of the activities carried out by the Company in terms of compliance with Legislative Decree 231/01 provided for and specifically regulated in the dedicated chapters of the General Part of the Model.

4.6 Disciplinary system

The existence of a system of sanctions applicable in the event of non-compliance with the rules of business conduct and, specifically, with the requirements and internal procedures provided for by the Model is an indispensable component to ensure the effectiveness of the Model itself. On this aspect, please refer to what is described in detail below in Chapter 8. DISCIPLINARY SYSTEM of this document.

4.7 System of Operating Procedures

Article 6, paragraph 2, letter b) of the Decree explicitly states that the Model must "*provide for specific protocols aimed at planning the formation and implementation of the decisions of the entity in relation to the crimes to be prevented".*

To this end, the *applicable organisational documents are set out* in the Control & Risk Self Assessment documentation for each Sensitive Activity.

In particular, these documents make it possible to regulate in more detail the activities covered by the Sensitive Activities and therefore to guide and ensure the implementation and implementation in practice of the principles of conduct and control established in this Model.

To this end, the organisational documents applicable in Sensitive Activities shall ensure in particular the application of the following principles:

- clear formalization of roles, tasks and methods and timing for carrying out the regulated operational and control activities;
- representation and regulation of the separation of duties between the person who takes the decision (decision-making impulse), the person who authorizes its implementation, the person who performs the activities and the person who is entrusted with control;
- traceability and formalization of each relevant activity of the process subject to the procedure in order to retrace a posteriori what has been achieved and the evidence of the principles and control activities applied;
- adequate level of archiving of relevant documentation.

These organisational documents applicable to Sensitive Activities integrate and complete the principles and rules of conduct, as well as the components of the organisational, management and control system described or referred to in this Model and are, therefore, to be considered an integral part of the organisational protocols defined in the Model itself, useful for preventing the commission of the offences referred to in the Decree.

4.8 Information systems and computer applications

To safeguard the company's documentary and information assets, adequate security measures must be provided to protect against the risk of loss and/or alteration of documentation relating to Sensitive Activities or unwanted access to data/documents.

In order to oversee the integrity of the data and the effectiveness of the information systems and/or IT applications used to carry out operational or control activities in the context of the Sensitive Activities, or in support of them, the presence and operation of the following is guaranteed:

- user profiling systems in relation to access to modules or environments;

- rules for the correct use of company IT systems and aids (*hardware* and *software* supports);
- automated mechanisms for controlling access to systems;
- automated mechanisms for blocking or inhibiting access;
- automated mechanisms for the management of authorization workflows.

5. SUPERVISORY BODY

5.1 Identification of SB requirements

In order to fulfil the functions established by the Decree, the Body must meet the following requirements:

- **autonomy and independence:** as also specified by the Confindustria Guidelines, the position of the Body in the Body "*must guarantee the autonomy of the control initiative from any form of interference and/or conditioning by any member of the Body*" (including the Management Body). The Body must therefore be included as a staff unit in a hierarchical position (as high as possible) with the provision of a report to the highest operational management of the company. Not only that, in order to guarantee the necessary autonomy of initiative and independence, *"it is essential that the SB is not assigned operational tasks which, by making it a participant in operational decisions and activities, would undermine its objectivity of judgment when verifying conduct and the Model*";
- **professionalism:** this requirement refers to the specialized technical skills that the body must be equipped with in order to be able to carry out the activity that the standard attributes to it. In particular, the members of the Body must have specific knowledge in relation to any technique useful for carrying out inspection, consultancy analysis of the control system and legal activities (in particular in the criminal and corporate sector), as clearly specified in the Confindustria Guidelines. In fact, knowledge of risk analysis and assessment techniques, flow-charting of procedures and activities, methodologies for detecting fraud, statistical sampling and the structure and methods of carrying out crimes is essential;
- **continuity of action:** to ensure the effective implementation of the Organisational Model, the presence of a structure dedicated exclusively and full-time to supervisory activities is necessary.

Therefore, the SB must:

- be independent and in a position of impartiality with respect to those on whom it will have to carry out supervision;
- be placed in the highest possible hierarchical position;
- be endowed with autonomous powers of initiative and control;
- be financially independent;
- be devoid of operational tasks;
- to have continuity of action;
- have professional requirements;
- create a systematic channel of communication with the Board of Directors as a whole.

5.2 Identification of the SB

The Board of Directors of Industries has deemed it appropriate to set up a Supervisory Body (hereinafter also referred to as the SB) in collegial composition, whose members are as follows:

- an external consultant with the role of President;
- an external consultant with the role of member;
- Director of Internal Audit, with the role of member.

The reflections formulated in the light of the type of business and organization of the Company, and the characteristics of the same, lead to the belief that the optimal composition of the SB is collegial.

In order to fully comply with the provisions of the Decree, the SB, as identified above, is a subject that reports directly to the top management of the Company (Board of Directors) and is not linked to the operating structures by any hierarchical constraint, so as to guarantee its full autonomy and independence in the performance of its functions.

The activities carried out by the SB may not be reviewed by any other body or corporate structure, it being understood that the Management Body is in any case called upon to monitor the adequacy of its intervention, as it is ultimately responsible for the functioning and effectiveness of the Model.

As a further guarantee of autonomy and in line with the provisions of the Confindustria Guidelines, in the context of the procedures for the formation of the *company budget*, the Management Body must approve an allocation of financial resources, proposed by the SB itself, which the SB may have at its disposal for any need necessary for the correct performance of the tasks (e.g. specialist consultancy, travel, etc.).

Each member of the SB possesses the skills, knowledge and professional skills as well as the integrity requirements essential for the performance of the tasks assigned to them, being equipped with appropriate inspection and consulting skills.

The modification of the composition of the SB or the assignment of the SB role to subjects other than those identified herein or the modification of the functions assigned to the SB must be resolved by the Governing Body.

5.3 Methods of appointment of the SB and term of office

The SB is appointed by the Board of Directors by a decision taken by a majority of its members.

The completion of the appointment of the member of the SB is determined by the declaration of acceptance by the latter issued at the same time as the declaration referred to in the following paragraph 5.4.

Before each new appointment, the Board of Directors shall verify the existence of the requirements expressly required by the Decree for the member of the SB, as well as the other requirements mentioned in this chapter.

The Board of Directors periodically assesses the adequacy of the SB in terms of organisational structure and powers conferred.

Unless otherwise resolved by the Company's Board of Directors, the term of office of the SB is set at three years. At the end of this term, the SB remains in office until a new resolution appoints the Board of Directors.

The member of the SB may resign from office and, on the other hand, be re-elected at the end of the mandate.

5.4 Eligibility requirements, causes of ineligibility, incompatibility, grounds and powers of revocation

Appointment as a member of the Supervisory Body is subject to the presence of the subjective requirements of integrity, integrity, respectability and professionalism, as well as the absence of the following causes of ineligibility and incompatibility with the appointment itself:

- existence of kinship, marriage or affinity relationships within the fourth degree with members of the Board of Directors, with top management in general, with the Company's statutory auditors and with auditors appointed by the auditing firm;
- existence of conflicts of interest, including potential ones, with the Company such as to jeopardise the independence required by the role and duties of the Supervisory Body;
- provision of surety or other guarantee in favour of one of the directors (or his/her spouse), or having credit or debit relationships with the latter - unrelated to the assignment conferred;
- direct or indirect ownership of shareholdings of such a size as to allow it to exercise significant influence over the Company;
- exercise of administrative functions – in the three financial years prior to the appointment as a member of the SB – of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency proceedings;
- to the best of his knowledge, qualification as a member of the SB within companies against which the sanctions provided for by art. 9 of the Decree, for offences committed during his office;
- public employment relationship with central or local administrations in the three years prior to appointment as a member of the SB or the establishment of the consultancy/collaboration relationship with the same body;
- existence of a conviction even if it has not become final, or a sentence of application of the penalty on request (the so-called plea bargain), in Italy or abroad, for the crimes referred to in the decree;
- existence of a sentence, even if not final, to a penalty that involves the disqualification, even temporary, from public offices, or the temporary disqualification from the management offices of legal persons and companies;
- existence of a conviction, with a final judgment, or a sentence of application of the penalty on request (the so-called plea bargaining) in Italy or abroad, for crimes other than those referred to in the decree, which affect professional morality.

The member of the SB, with the acceptance of the appointment, simultaneously issues a specific declaration to the Company with which he certifies, under his own responsibility, that there are no such reasons for ineligibility and incompatibility.

The rules described above also apply in the event of the appointment of the member of the SB to replace the previously appointed member.

If the member of the SB dies during the term of office (e.g. due to resignation or revocation), the Board of Directors of the Company will appoint the replacement(s).

The revocation of the office of member of the SB and the assignment of this office to another person may only take place for just cause, including in connection with organizational restructuring of the Company, by means of a specific resolution of the Board of Directors taken by a majority of its members and with the approval of the Board of Statutory Auditors.

In this regard, "just cause" for revocation of the powers connected with the office of member of the Supervisory Body may be understood, by way of example and not exhaustively:

- the loss of the subjective requirements of integrity, integrity, respectability and professionalism present at the time of appointment;
- the occurrence of a reason for incompatibility;
- serious negligence in the performance of the duties related to the office such as (by way of example): failure to prepare the half-yearly information report or the annual summary report on the activities carried out to the Board of Directors; the failure to draw up the plan of activities;
- the "omitted or insufficient supervision" by the Supervisory Body; according to the provisions of art. 6, paragraph 1, letter d) of the Decree;
- the assignment of operational functions and responsibilities within the company organization that are incompatible with the requirements of "autonomy and independence" and "continuity of action" proper to the Supervisory Body;
- the false declaration about the non-existence of the reasons for incompatibility described above.

In particularly serious cases, the Board of Directors may in any case order – having heard the opinion of the Board of Statutory Auditors – to suspend the powers of the SB and appoint an *interim* Body before revoking the SB.

5.5 Functions of the SB

The SB is completely autonomous in the performance of its tasks and its decisions are final. In particular, the SB must:

- supervise compliance with the Model by the Recipients;
- supervise the effectiveness and adequacy of the Model in relation to the corporate structure and the effective ability to prevent the commission of Crimes;
- propose and solicit the updating of the Model where there is a need to adapt it in relation to changed company, regulatory or external conditions.

The SB must also operate:

- *ex-ante* (for example by working for staff training and information);
- continuously (through monitoring, supervision, auditing and updating activities);
- *ex-post* (analyzing causes and circumstances that led to the violation of the provisions of the Model or to the commission of the crime).

For the effective performance of the aforementioned functions, the SB is entrusted with the following tasks and powers:

- periodically check the map of the areas at risk in order to ensure adaptation to changes in the company's activity and/or structure;
- collect, process and store relevant information about the Model;
- periodically verify the effective application of company control procedures in the areas of activity at risk and their effectiveness;
- verifying the adoption of interventions to solve the critical issues in terms of internal control systems identified during *Control & Risk Self Assessment activities*;
- periodically carry out checks on specific operations or acts carried out in the context of Sensitive Activities;

- conduct internal investigations and carry out inspections to ascertain alleged violations of the provisions of the Model;
- monitor the adequacy of the disciplinary system provided for cases of violation of the rules defined by the Model;
- coordinate with the other corporate functions, as well as with the other control bodies (*first and foremost* the Board of Statutory Auditors), including through special meetings, for the better monitoring of activities in relation to the procedures established by the Model, or for the identification of new areas at risk, as well as, in general, for the assessment of the various aspects relating to the implementation of the Model;
- coordinate and cooperate with the parties responsible for the protection of the safety and health of workers, in order to ensure that the control system pursuant to the Decree is integrated with the control system prepared in accordance with the special regulations for safety in the workplace;
- coordinate with the heads of the company functions in order to promote initiatives for the dissemination of knowledge (also with specific reference to the organisation of training courses) and understanding of the principles of the Model and to ensure the preparation of the internal organisational documentation necessary for its operation, containing instructions, clarifications or updates;
- carry out regular checks on the content and quality of training programmes;
- propose to the Management Body the evaluation criteria for the identification of Information on Sensitive Activities (see par. 5.6).

To this end, the SB will have the right to:

- issue provisions and service orders aimed at regulating the activity of the SB itself;
- access to any and all company documents relevant to the performance of the functions assigned to the SB pursuant to the Decree;
- issue directives to the various corporate structures, including top management, in order to obtain from the latter the information deemed necessary for the performance of their duties, so that the timely detection of any violations of the Model is ensured;
- carry out periodic checks on the basis of their own activity plan or even spot interventions not scheduled in said plan, but, in any case, deemed necessary for the performance of their duties.

In carrying out its duties, the SB will in any case have the right to resort to the support of collaborators, identifiable as subjects belonging to any corporate function of the Company that may be useful to involve from time to time for the pursuit of the specified purposes and/or third-party consultants.

The SB's collaborators, on the instructions of the SB itself, may, even individually, proceed with the supervisory activities deemed appropriate for the operation and compliance with the Model.
Persons belonging to a corporate function, in carrying out the task assigned to them as collaborators of the SB, are exempt from carrying out their corporate operational functions and answer, hierarchically and functionally, exclusively to the SB.

The SB will adopt its own Regulations, also on the basis of the provisions of the similar regulations of the Moncler S.p.A. SB, which ensure its organisation and operational aspects such as, for example, the frequency of inspections, the methods of resolution, the methods of convening and recording minutes of its meetings, the resolution of conflicts of interest and the methods of amending/revising the Regulations themselves.
In addition, within the framework of the Regulations, the SB must expressly provide for formalized moments of meeting and discussion, in particular with:

- the board of statutory auditors;
- the relevant actors in the field of the internal control system;

- the relevant actors in the field of occupational safety and health management system.

The objective of these meetings will mainly be the discussion and coordination with the parties involved in the so-called front line in the implementation of the control system, each according to the area of its relevance, in order to allow the SB to seize opportunities to improve the controls in place for the purposes of the effectiveness of the Model. With this in mind, it will be the responsibility of the SB to verify with them the effectiveness of the information flows towards it, as defined in paragraph 5.6 "Information obligations towards the Supervisory Body".
The SB will regulate the operating methods and the periodicity of organization of these meetings, identifying the subjects involved from time to time, as well as the agenda of the same.

The SB will also provide for a "Plan of Activities" that it intends to carry out to fulfil the tasks assigned to it, to be communicated to the Governing Body.

5.6 Information obligations towards the Supervisory Body

In order to facilitate the supervision of the effectiveness and effectiveness of the Model, the SB is the recipient of useful and necessary information for the performance of the supervisory tasks entrusted to the SB, classified as follows:
- **General** Information and
- **Information on Sensitive Activities**.

The SB must be allowed access to any type of information useful for the purpose of carrying out its activities. On the other hand, the SB is obliged to keep all the information acquired secret.

In any case, in order to facilitate the supervisory activities for which it is responsible, the SB must promptly obtain the **General Information** deemed useful for this purpose, including, by way of example, but not limited to:

- the criticalities, anomalies or atypical issues encountered by the corporate functions in the implementation of the Model;
- the measures and/or news coming from judicial police bodies, or from any other authority, from which it is evident that investigations are being carried out, including against unknown persons, for crimes;
- internal and external communications concerning any case that may be connected with hypotheses of crime referred to in the Decree (e.g. disciplinary measures initiated/implemented against employees);
- requests for legal assistance submitted by employees in the event of the initiation of legal proceedings for Crimes;
- the commissions of inquiry or internal reports from which responsibility for the hypotheses of crime referred to in the Decree emerges;
- information relating to disciplinary proceedings carried out with reference to violations of the Model and any sanctions imposed (*including* measures against employees) or the measures for the dismissal of such proceedings with the related reasons;
- news relating to changes in the organisational structure;
- updates to the system of delegations and powers of attorney (including the system of powers and delegations in the field of safety and health at work);
- copy of the minutes of the meetings of the Board of Directors and the Board of Statutory Auditors;
- news relating to organisational changes in key roles in the field of safety and health in the workplace (e.g. changes in roles, tasks and subjects delegated to protect workers);
- changes to the regulatory system on safety and health in the workplace;

- any communications from the external auditors regarding aspects that may indicate deficiencies in the internal control system, reprehensible facts, observations on the Company's financial statements;
- any assignment conferred or intended to be conferred on the external auditing firm or a company associated with it, other than that relating to the audit of the financial statements or accounting control.

This General Information must be provided to the SB by the heads of the company functions according to their area of competence.

The "General Information" must be made in writing, also using a specially activated e-mail box duly communicated to the Recipients of the Model.

In order to facilitate access by the SB to as much information as possible, the Company guarantees the protection of any whistleblower against any form of retaliation, discrimination or penalization, without prejudice to legal obligations and the protection of the rights of the Company or of persons wrongly accused and/or in bad faith.

In addition, in order to allow the SB to monitor the activities of particular importance carried out as part of the Sensitive Activities referred to in the Special Parts, the *Process Owners* are required to transmit to the SB the "**Information on Sensitive Activities**" carried out. These subjects have been qualified as *Process Owners* on the basis of the *Control & Risk Self Assessment activities* conducted.

The identification of "**Information on Sensitive Activities**" takes place through the delineation of assessment criteria and parameters defined by the SB, based on the *Control & Risk Self Assessment activity* conducted, and assessing its effectiveness for the purpose of carrying out its tasks, as well as the constant consistency with the evolution of volumes and significance of the activities. The SB will proceed to appropriately inform the Board of Directors about the definition of these criteria and parameters.

In particular, the information content concerning Sensitive Activities, as well as, in general, the regulation of information flows towards the SB (including the identification/formalization of the *Process Owners* and the Reports described above) in terms of frequency, transmission methods and responsibility for the transmission of such flows are regulated in detail in a specific procedure.

5.7 *Reporting* dell'OdV

The SB reports directly to the Board of Directors on the implementation of the Model and any critical issues.

The SB, vis-à-vis the Board of Directors, is responsible for:

- communicate, at the beginning of each financial year, the Plan of Activities, which it intends to carry out in order to fulfil the tasks assigned to it;
- communicate periodically, and at least every six months, the progress of the Plan of Activities, and any changes made to it, justifying them;
- promptly report any violation of the Model or unlawful and/or unlawful conduct, of which it has become aware that the SB considers well-founded or that it has ascertained;
- to draw up, at least once a year, a summary report of the activities carried out in the previous twelve months and the results of the same, of the critical elements and violations of the

Model, as well as of the proposals relating to the necessary updates of the Model to be implemented.

The Board of Directors and the Board of Statutory Auditors have the right to convene the SB at any time, which, in turn, has the right to request, through the competent functions or subjects, the convening of the aforementioned bodies for urgent and particularly serious reasons.

The SB may also communicate the results of its investigations to the heads of the departments if the checks carried out result in deficiencies, behaviour or actions that are not in line with the Model. In this case, it will be necessary for the SB to obtain from the managers of the Activities themselves a plan of the actions to be taken, with relative timing, in order to prevent the recurrence of these circumstances.

The SB is obliged to immediately inform the Board of Statutory Auditors, as well as the Board of Directors, if the violation concerns the Company's top management.

5.8 Information Retention

All Information, reports and other documents collected and/or prepared in application of this Model are stored by the SB in a special archive (computer and/or paper), managed by the SB, for a period of 10 years.

Access to the archive is allowed exclusively to the SB and the Governing Body.

It should also be noted that the documentation, produced as part of the preparation and updating of the Model (*Control & Risk Self Assessment*, etc.) and collected in a specific Archive (referred to in Chapter 2.2), is also kept by the SB.

5.9 Guidance and coordination functions of the Supervisory Body of Moncler S.p.A.

Taking into account the provisions of paragraph 3.5 Managing the Model within the Group "Model management within the group" the Supervisory Body of Industries:

- in carrying out the task of supervising the operation and compliance with the Model, it will be able to make use of the resources allocated to the Supervisory Board of Moncler S.p.A., in compliance with confidentiality obligations;
- must inform the Supervisory Body of Moncler S.p.A. in the performance of its functions in the event of a suspected violation of the respective Model that may be relevant for Moncler S.p.A.

Without prejudice to the responsibility of the SB set up at Industries S.p.A. with regard to the performance of their respective tasks of supervising the implementation and updating of the Model, the Moncler S.p.A. Body may act as a stimulus for the activities of the Industries S.p.A. Body, always respecting the autonomy of the company and the latter.

In particular, the Supervisory Body of Moncler S.p.A. may:

- provide suggestions on the principles and methods to be followed in carrying out supervisory and control activities on the implementation of the Models of the subsidiaries;
- formulate proposals for amendments and updates to the Models of the subsidiaries, based on the experience gained in the course of carrying out its supervisory activities;
- at their request, jointly carry out special control actions on the areas of activity at risk for the latter jointly with the SB of the subsidiaries;
- report violations of the Model of the subsidiaries.

6. REPORTING OF WRONGDOING OR VIOLATIONS OF THE MODEL (so-called WHISTLEBLOWING)

6.1 General principles

Any violations of the Model or conduct that may constitute offences provided for by Legislative Decree 231/2001 may be reported through the channels made available by the Company.

The Company is aware that, in order to encourage reporting, it is appropriate to create an ad hoc management system, which protects the confidentiality of the identity of the reporting person, the person involved and the person in any case mentioned in the report, as well as the content of the report and the related documentation, through appropriate technical and organisational measures, and which is entrusted to an autonomous and specifically trained party.

The Company has therefore adopted, in accordance with the applicable regulations[1], specific reporting channels, also defining, in a special Procedure called "Whistleblowing Procedure" to be understood as fully referred to in the Model, the operating methods and responsibilities for the receipt, evaluation, management and closure of reports.

In cases where the Report relates to Violations attributable to relevant unlawful conduct pursuant to Legislative Decree 231/2001 of 8 June 2001 and violations of Model 231, the Whistleblowing Manager will send the Supervisory Body pursuant to Legislative Decree 231/2001 timely information about the receipt of such reports and the report on the activities carried out, for the evaluations and initiatives within its competence.

6.2 Reporting System

With specific reference to the scope of application of the Model, the internal and external parties indicated in the "Whistleblowing Procedure" (by way of example: employees, collaborators, shareholders, consultants, outsourcers, employees and collaborators of supplier companies), expressly indicated by the applicable legislation (hereinafter, also referred to as "Whistleblowers"), who in the context of the work context, understood as work or professional activity, present or past, carried out with the Company, have become aware of or have acquired information on violations of the Model or on relevant unlawful conduct pursuant to Legislative Decree 231/2001, may make reports in writing through one of the following channels:

- "Navex" platform accessible at the link "Moncler.ethicspoint.com" as a *whistleblowing platform;*
- Paper letter to be sent to the following address: Whistleblowing Moncler Group; c/o Industries S.p.A. - Internal Audit Director; Via Solari 33; 20144 MILAN – ITALY.

Reports may also be made orally, through a direct meeting with the Reporting Manager, which will be set within a reasonable time, or by contacting the telephone number specifically indicated on the Navex Platform.

[1] The reference is to Legislative Decree 24/2023, on "*Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law".*

Reports can also be anonymous, but they must still describe in detail the facts and persons covered by the report itself.

Through the aforementioned channels, in addition to reports relating to the scope of application of the Model, reports can also be made concerning the additional violations referred to in Legislative Decree 24/2023 and better identified in the Whistleblowing Procedure (reports relating to the scope of application of the Model and reports concerning further violations referred to by the applicable legislation and the Whistleblowing Procedure, hereinafter, jointly, also referred to as "Reports").

Within the aforementioned channels and in each subsequent phase of the management of the Report, the confidentiality of the identity of the Whistleblower is ensured. Specifically, the identity of the Whistleblower may not be revealed to persons other than those specifically designated and authorized to receive and manage the Report, without the express consent of the Whistleblower himself, without prejudice to the provisions on the obligation of confidentiality provided for by art. 12 of Legislative Decree 24/2023 and art. 8.1 of the Whistleblowing Procedure. In addition, the confidentiality of the identity of the person involved and of the person in any case mentioned in the Report, as well as of the content of the Report and the related documentation, is ensured.

The Whistleblowing Procedure describes the operating methods of the Whistleblowing management process in its main phases, the actors involved and their areas of intervention and responsibilities as well as the methods for archiving the documentation produced, with particular regard to the implementation of the protection of confidentiality and the following aspects:

- sending of the Report by the Whistleblower;
- receipt and registration of the Report;
- preliminary assessment and classification of the Report;
- internal checks and investigations;
- response to the Report;
- conclusion of the trial;
- reporting to top management;
- storage of Reports and related documentation

The person in charge of receiving and managing the Reports is the Group Internal Audit Director, an employee of Industries S.p.A..

6.3 Prohibition of retaliation

The Company guarantees the Whistleblowers in good faith against any form of retaliation, discrimination or penalization for reasons connected, directly or indirectly, to the Report, including the cases identified by way of example in Legislative Decree 24/2023 and in the Whistleblowing Procedure, to which reference is expressly made.

The aforementioned protections also apply:

- to the subjects who assist the Whistleblowers in the reporting process ("facilitators");
- to persons in the same work context as the Whistleblower and who are linked to him by a stable emotional or kinship bond within the fourth degree;
- to the Whistleblower's work colleagues, who work in the same working context as the Whistleblower and who have a habitual and current relationship with the Whistleblower;
- to entities owned by the Whistleblower or for which the Whistleblower works, as well as to entities operating in the same working context as the Whistleblower.

The aforementioned protections are not guaranteed if the Whistleblower is ascertained, even by first instance judgment, to be held liable for the crimes of defamation or slander or of a civil nature, for the same reason, in cases of wilful misconduct or gross negligence. The Report is considered made in good faith if the Whistleblower, at the time of the Report itself, had reasonable grounds to believe that the information on the reported violations was true.

Information relating to disciplinary proceedings and sanctions disbursed or to the measures for the dismissal of such proceedings with the related reasons must be sent to the SB.

7. DISSEMINATION OF THE MODEL

For the purposes of the effectiveness of the Model, full knowledge of the rules of conduct contained therein is of primary importance both by the resources already present in the company and by those who will become part of it in the future, as well as by any other Recipient, with different degrees of depth depending on the different degree of involvement in the Sensitive Activities. With reference to the Recipients who do not belong to the Company (Suppliers, Contractors, Consultants, Collaborators, Partners, representatives of the other companies in the group, customers in the wholesale sector), the Management Body will identify the types of legal relationships to which it is appropriate to apply, due to the nature of the activity carried out, the provisions of the Model. See paragraph 3.3 Recipients of the Model of the Model.

7.1 Initial communication

To ensure effective knowledge and application, the adoption of the Model is formally communicated by the Board of Directors to the various categories of Recipients.

In particular, after the approval of the Model, the Company's Employees and subsequently all new hires, are required to sign a declaration of acknowledgment of the Model itself and commitment to comply with its requirements (Annex B).

On the other hand, with regard to the Company's Collaborators, Suppliers, Contractors, Consultants, Partners, representatives of the other companies in the group, customers in the wholesale sector, the letter of appointment or the contract that involves the establishment of a form of collaboration with them must explicitly contain clauses drawn up in line with that reported in Annex C which may also be drawn up on separate documents from the contract itself (Annex D).

In the event of significant revisions and/or updates to the Model, the Company will duly notify the Recipients.

The Model is also made available in accordance with the methods and tools that the Board of Directors deems appropriate to adopt, such as, by way of example, dissemination on the Company's website, or the provision of a paper copy of the Model at the Company's registered office.

7.2 Staff training

The training of personnel for the purposes of implementing the Model is the responsibility of the Management Body, which identifies the internal or external resources of the Company to whom the organisation will be entrusted.

These resources proceed in coordination with the SB, which assesses their effectiveness in terms of planning, content, updating, timing, methods and identification of participants, in the organization of training sessions.

Participation in the aforementioned training activities by the identified subjects is mandatory: consequently, failure to participate will be sanctioned pursuant to the Disciplinary System contained in the Model.

The training must provide information at least with reference to: the regulatory framework (Legislative Decree 231/2001 and Confindustria Guidelines); the Model adopted by the Company; to business cases of application of the legislation; the safeguards and protocols introduced following the adoption of the Model itself.
The training must be differentiated in relation to the different company areas to which the recipients of the training itself belong and a final learning test must be provided. Timely records of the training carried out must be kept.

Finally, training planning must include periodic sessions that ensure a constant updating program.

8. DISCIPLINARY SYSTEM

The Decree provides for the preparation of a "disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model" both for persons in top positions and for subjects subject to the direction and supervision of others.

The existence of a system of sanctions applicable in the event of non-compliance with the rules of conduct, the prescriptions and the internal procedures provided for by the Model is, in fact, essential to ensure the effectiveness of the Model itself.

The application of the sanctions in question must remain completely independent of the course and outcome of any criminal or administrative proceedings initiated by the Judicial or Administrative Authority, in the event that the conduct to be criticised also constitutes a relevant offence pursuant to the Decree or a relevant criminal or administrative offence pursuant to the legislation on the protection of health and safety in the workplace. In fact, the rules imposed by the Model are adopted by the Company in full autonomy, regardless of the fact that any conduct may constitute a criminal or administrative offence and that the Judicial or Administrative Authority intends to prosecute such offence.

The verification of the adequacy of the disciplinary system, the constant monitoring of any procedures for the imposition of sanctions against Employees, as well as the interventions against external parties are entrusted to the SB, which also proceeds to report any infringements of which it becomes aware in the performance of its functions.

Subject to paragraph 5.4 ("Causes of ineligibility, reasons and powers of revocation"), the disciplinary system defined may also be applied to the members of the SB, with regard to the functions assigned to them by this Model (see the following paragraph on this point 8.5).

The disciplinary system is made accessible to all Employees.

8.1 Model Violations

The following constitute violations of the Model:

1. conduct that integrates the types of crime contemplated in the Decree;
2. conduct that, although not one of the offences contemplated in the Decree, is unequivocally aimed at committing it;
3. conduct that does not comply with the procedures referred to in the Model;
4. conduct in violation of the preventive control tools referred to in chapter 4 of this General Section;
5. conduct that does not comply with the provisions of the Model or referred to in the Model and, in particular:
   - in relation to the risk of committing a crime against the Public Administration, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs A.3 and A.4 below. of Special Part A;
   - in relation to the risk of committing a corporate crime, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs B.3 and B.4 of Special Part B below;
   - in relation to the risk of committing a crime of receiving stolen goods, money laundering or use of illicit goods, utilities, as well as self-laundering, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs C.3 and C.4 of Special Part C below;
   - in relation to the risk of violation of the rules established on the protection of health and safety at work from which the event of accident or occupational disease involving the crime of manslaughter or serious or very serious injuries may arise, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs D.3 and D.4 of Special Part D;
   - in relation to the risk of committing the crime of inducing not to make declarations or to make false declarations to the Judicial Authority, conduct in violation of the general principles and rules of conduct listed in paragraph E.3 of Special Part E below;
   - in relation to the risk of committing an organised crime offence, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs F.3 and F.4 of Special Part F below;
   - in relation to the risk of committing a crime of forgery in the field of trademarks and patents, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs G.3 and G.4 of Special Part G;
   - in relation to the risk of committing a crime in violation of copyright, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs H.3 and H.4 of Special Part H below;
   - in relation to the risk of committing an offence of employment of illegally staying third-country nationals, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs I.3 and I.4 of Special Part I below;
   - in relation to the risk of committing a crime against industry and commerce or smuggling conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs L.4 and L.5 of Special Part L below;
   - in relation to the risk of committing a computer crime, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs M.3 and M.4 of Special Section M;
   - in relation to the risk of committing an environmental crime, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs No. 3 and No. 4 of Special Part N below;
   - in relation to the risk of committing a crime against the individual personality, conduct in violation of the general principles of conduct and conduct and the specific principles listed in paragraphs O.3 and O.4 of Special Part O below;
   - in relation to the risk of committing a tax offence, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs P.3 and P.4 of Special Part P below;

- in relation to the risk of committing a crime in the field of means of payment other than cash, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs Q.3 and Q.4 of Special Part Q below.
- in relation to the risk of committing a crime against cultural heritage and laundering of cultural property and devastation and looting of cultural and landscape property, conduct in violation of the general principles, rules of conduct and specific protocols listed in paragraphs R.3 and R.4 of Special Part R.

6. non-cooperative behaviour towards the SB, consisting, by way of example but not limited to, in the refusal to provide the information or documentation requested, in the failure to comply with the general and specific directives addressed by the SB in order to obtain the information deemed necessary for the performance of its duties, in the failure to participate without justified reason in the inspection visits scheduled by the SB, in the failure to participate in training meetings.

The severity of violations of the Model will be assessed on the basis of the following circumstances:

- the presence and intensity of the subjective element, intentional or negligent;
- the presence and intensity of negligent, imprudent, imperious or otherwise unlawful conduct;
- the presence and intensity of the recidivist conduct;
- the extent of the danger and/or consequences of the violation for the persons covered by the legislation on the protection of health and safety in the workplace, as well as for the Company;
- the predictability of the consequences;
- the times and methods of the violation;
- the circumstances in which the violation took place.

8.2 Violations of the reporting system

The following also constitute violations of the Model:

- retaliation of any kind (see paragraph 6.3);
- attempt to obstruct the Report;
- obstruction of the Report;
- breach of confidentiality obligations;
- failure to adopt procedures for carrying out and managing Reports/adoption not in compliance with the provisions of art. 4 and 5 of Legislative Decree 24/2023, by the directors;
- failure to verify and analyze the Reports received.

In addition, in cases where it appears that a Report is unfounded and has been made with intent or gross negligence on the part of the Whistleblower, the person managing the Reports will proceed to transmit the relevant report to the competent corporate function for the assessment of appropriate initiatives, including disciplinary ones.

8.3 Measures against employees

The violation of the individual rules of conduct referred to in this Model by employees constitutes a disciplinary offence in accordance with the CCNL of the Textile and Clothing Industry.

Any type of violation of the rules of conduct contained in the Model authorizes the SB to request the competent corporate function of Industries to initiate the disciplinary complaint procedure and the possible imposition of one of the sanctions listed below, determined on the basis of the seriousness of the violation committed in the light of the criteria indicated in paragraph 8.1 and the conduct of the

perpetrator of the violation before (e.g. any previous violations committed) and after the fact (e.g. communication to the SB of the irregularity).

The disciplinary measures that may be imposed on these workers - in compliance with the procedures provided for in Article 7, paragraphs 2 and 3 of Law no. 300 of 30 May 1970 (Workers' Statute) and any special applicable regulations, as well as the aforementioned CCNL - are those provided for by the following sanctioning system:

a. Verbal warning;
b. written warning;
c. fine not exceeding two hours of hourly wage calculated on the minimum wage;
d. suspension from work and pay for up to a maximum of 3 days;
e. dismissal for just cause with immediate termination of the employment relationship.

In any case, the competent corporate function of Industries will always keep the SB informed of the sanctions imposed and/or violations ascertained.

In particular, with reference to violations of the Model carried out by the worker, it is provided that:

1. depending on the seriousness of the violation, an employee who violates the internal procedures provided for by this Model or adopts, in carrying out activities in areas at risk, conduct in violation of the provisions of the Model itself, provided that such conduct does not result in the application of the measures provided for by the Decree, **shall incur verbal** warnings or written warnings;

2. a **fine of no more than 2 hours of hourly wage** shall be imposed on a worker who repeatedly violates the internal procedures provided for by this Model or adopts several times, in the performance of activities in areas at risk, conduct in violation of the provisions of the Model itself, provided that such conduct does not result in the application of the measures provided for by the Decree, or carries out acts of retaliation against those who have made a Report for reasons directly or indirectly related to the Report itself;

3. An employee incurs the measure of **suspension from work and pay for up to a maximum of 3 days** if:

   - in violation of the internal procedures provided for by this Model or by adopting conduct in the performance of activities in areas at risk in violation of the provisions of the same, causes damage to the Company or exposes it to an objective situation of danger to the integrity of the Company's assets, provided that such conduct is not in any case unequivocally directed to the commission of the Crime or does not result in the application of the measures provided for by the Decree;
   - carries out acts of retaliation of particular gravity against those who have made a Report for reasons directly or indirectly related to the report itself;
   - obstructs or attempts to obstruct a Report;
   - does not carry out the verification and/or analysis of the Reports received;
   - violates confidentiality obligations on the identity of the Whistleblower;
   - makes a Report with gross negligence that turns out to be unfounded or maliciously makes a Report that turns out to be unfounded;

4. An employee incurs the measure of **dismissal** for just cause with immediate termination of the employment relationship if:
   - adopts conduct that does not comply with the requirements of this Model and is unequivocally aimed at committing an offence sanctioned by the Decree,

- adopts conduct that is clearly in violation of the provisions of this Model, such as to determine the concrete application to the Company of the measures provided for by the Decree;
- in retaliation, dismisses anyone who has reported unlawful conduct, relevant for the purposes of Legislative Decree 231/2001, or a violation of the Model, for reasons directly or indirectly related to the report itself;
- violates confidentiality obligations on the identity of the Whistleblower causing serious prejudice to the whistleblower;
- maliciously makes an unfounded report, attributing to others the commission of an unlawful conduct, relevant for the purposes of Legislative Decree 231/2001.

With reference to the risk of committing crimes in violation of the legislation on health and safety at work provided for by art. 25 septies of the Decree, also in compliance with the provisions of the Circular of the Ministry of Labour of 11 July 2011 no. 15816 concerning the "Organization and management model pursuant to art. 30 of Legislative Decree 81/2008", the possible violations are indicated below, graduated in ascending order of seriousness:

1. an **employee who does not comply with the Model incurs a written warning, in the event that the violation leads to the creation of a situation of possible danger to the physical integrity of one or more persons, including the perpetrator of the violation, and provided that one of the hypotheses provided for in points 2, 3, 4 below is not integrated;**
2. an employee who does not comply with the Model incurs a **fine of no more than 2 hours per hour**, in the event that the violation leads to the creation of a situation of possible danger to the physical integrity of one or more persons, including the perpetrator of the violation (with reference to recidivism that has already caused the imposition of written warnings), or an injury to the physical integrity of one or more subjects, including the perpetrator of the violation, and provided that one of the hypotheses provided for in points 3 and 4 below is not integrated;
3. an employee who does not comply with the Model is suspended **from work and pay for up to a maximum of 3 days**, in the event that the violation causes an injury, which can be qualified as "serious" pursuant to Article 583, paragraph 1 of the Criminal Code, to the physical integrity of one or more subjects, including the offender, and provided that one of the hypotheses provided for in point 4 below is not integrated;
4. an employee who does not comply with the Model shall be **dismissed for deficiencies** if the violation causes an injury, which can be qualified as "very serious" pursuant to Article 583, paragraph 2 of the Criminal Code.2 physical integrity or the death of one or more subjects, including the perpetrator of the offence.

In the event that the alleged infringement is of such seriousness as to lead to dismissal, the employee may be suspended from work as a precautionary measure until the time of the imposition of the sanction, in compliance with the provisions of the Workers' Statute and the above-mentioned CCNL.

[2] Art. 583 of the Criminal Code. Aggravating circumstances
The bodily injury is serious and imprisonment of three to seven years applies
1. if the act results in an illness that endangers the life of the injured person, or an illness or inability to attend to ordinary occupations for a time exceeding forty days;
2. if the fact produces the permanent weakening of a sense or an organ;
The personal injury is very serious, and imprisonment from six to twelve years is applied, if the fact results in:
1. a disease that is certainly or probably incurable;
2. the loss of meaning;
3. the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious difficulty of speech;
4. deformation, or permanent scarring of the face.

8.4 Violations of the Model by managers and related measures

With regard to violations of the individual rules referred to in this Model carried out by employees of the Company with the status of 'manager', these also constitute a disciplinary offence.

Any type of violation of the rules of conduct contained in the Model authorizes the SB to request the Management Body to impose one of the sanctions listed below, determined on the basis of the seriousness of the violation committed in the light of the criteria indicated in paragraph 8.1 and the conduct of the offender before (e.g. any previous violations committed) and after the fact.

The disciplinary measures that can be imposed on 'managers' - in compliance with the procedures provided for in Article 7, paragraphs 2 and 3 of Law no. 300 of 30 May 1970 (Workers' Statute), the CCNL for managers of companies producing goods and services and any applicable special regulations - are those provided for by the following sanctioning system:

a. written censorship;
b. disciplinary suspension;
c. dismissal for justified reason;
d. dismissal for just cause.

In any case, the competent company function will always keep the SB informed of the sanctions imposed and/or violations ascertained.
In particular, with reference to the violations of the Model carried out by the Company's managers, it is envisaged that:

1. in the event of a non-serious violation of one or more procedural or behavioural rules provided for in the Model, the manager incurs a **written complaint** consisting of a reminder to comply with the Model, which is a necessary condition for maintaining the relationship of trust with the Company;
2. in the event of a non-serious, but repeated, violation of one or more procedural or behavioral rules provided for in the Model, the manager incurs the measure of **disciplinary suspension**;
3. in the event of a serious violation of one or more procedural or behavioural rules provided for in the Model such as to constitute a significant non-compliance, the manager incurs the measure of **dismissal for justified reason**;
4. where the violation of one or more procedural or behavioural rules provided for in the Model is of such seriousness as to irreparably damage the relationship of trust, not allowing the continuation of the employment relationship, even temporarily, the manager incurs the measure of **dismissal for just cause**.

The manager incurs one of the previous sanctions, depending on the seriousness, in the event that the liability of the same is ascertained for one or more of the violations provided for with reference to the reporting system, namely:
- retaliation of any kind (see paragraph 6.3);
- attempt to obstruct the Report;
- obstruction of the Report;
- breach of confidentiality obligations;
- failure to adopt procedures for carrying out and managing Reports/adoption not in compliance with the provisions of art. 4 and 5 of Legislative Decree 24/2023;
- failure to verify and analyze the Reports received (where applicable);
- intentional or grossly negligent execution of a Report that proves to be unfounded.

In addition, for the Company's employees with the status of 'manager', the following constitutes a serious violation of the provisions of the Model:

5. failure to comply with the obligation of management or supervision of employees regarding the correct and effective application of the Model itself;
6. failure to comply with the obligation of management and supervision of other workers who, although not linked to the Company by a bond of subordination (these are, for example, Consultants, Collaborators, etc.), are nevertheless subject to the direction and supervision of the 'manager' pursuant to art. 5 paragraph 1 letter b) of Legislative Decree 231/01, without prejudice to the qualification of the contract with these workers.

8.5 Measures against the members of the Management Body, the Board of Statutory Auditors and the members of the Supervisory Body

In the event of a violation of the Model by one or more members of the Company's Management Body, the SB will inform the entire Board of Directors and the Board of Statutory Auditors, who will take the appropriate measures in line with the seriousness of the violation committed, in the light of the criteria indicated in paragraph 8.1 and in accordance with the powers provided for by law and/or by the Articles of Association (declarations in the minutes of the meetings, request to call or convene the Shareholders' Meeting with appropriate measures on the agenda against the persons responsible for the violation, etc.).

The disciplinary measures that may be imposed on one or more members of the Company's Management Body, subject to a resolution of the Board of Directors to be adopted with the abstention of the person concerned and, where provided for by law and/or by the Articles of Association, by resolution of the Shareholders' Meeting, are those provided for by the following sanctioning system:

a. written warning;
b. temporary suspension from office;
c. revocation from office.

In particular, with reference to violations of the Model carried out by one or more members of the Company's Management Body, it is envisaged that:

1. in the event of a non-serious violation of one or more procedural or behavioural rules provided for in the Model, including violations inherent in the reporting system, the member of the Management Body incurs a **written warning** consisting of a reminder to comply with the Model, which is a necessary condition for maintaining the relationship of trust with the Company;
2. in the event of a serious violation of one or more procedural or behavioural rules provided for in the Model, including violations inherent in the reporting system, the member of the Management Body shall be **temporarily suspended from office**;
3. in the event of a serious violation of one or more procedural or behavioural rules provided for in the Model, including violations inherent in the reporting system, such as to irreparably damage the relationship of trust, the member of the Management Body shall incur **revocation from office**.
4. the member of the Board of Directors incurs one of the previous sanctions, depending on the seriousness, in the event that the responsibility of the same is ascertained for one or more of the violations envisaged with reference to the reporting system, namely:
    - retaliation of any kind (see paragraph 6.3);
    - attempt to obstruct the Report;
    - obstruction of the Report;

- breach of confidentiality obligations;
- failure to adopt procedures for carrying out and managing Reports/adoption not in compliance with the provisions of art. 4 and 5 of Legislative Decree 24/2023;
- intentional or grossly negligent execution of a Report that proves to be unfounded.

In addition, for the members of the Company's Management Body, the violation of the obligation to direct or supervise subordinates regarding the correct and effective application of the provisions of the Model will also constitute a violation of the sanctionable Model.

In the event of violation of the Model by the entire Management Body of the Company, the SB will inform the Board of Statutory Auditors so that it can convene the Shareholders' Meeting without delay for the appropriate measures.

In the event of a violation of the Model by one or more members of the Board of Statutory Auditors or by the entire Board of Statutory Auditors of the Company, the SB will inform the Management Body which will take the appropriate measures in line with the seriousness of the violation and in accordance with the powers provided for by law and/or by the Articles of Association (statements in the minutes of the meetings, request to call or convene the Shareholders' Meeting with appropriate measures on the agenda with regard to the persons responsible for the violation, etc.).

If the Management Body is informed of violations of the Model by one or more members of the Supervisory Body, the said Management Body will take the initiatives deemed most appropriate in collaboration with the Board of Statutory Auditors in accordance with the seriousness of the violation and in accordance with the powers provided for by law and/or by the Articles of Association.

In particular, if the violation is committed by a member of the SB who is also an employee or manager of the Company, the sanctions referred to in Paragraphs 8.3 e 8.4.

In any case, the Board of Directors and the Board of Statutory Auditors will always keep the SB informed of the sanctions imposed and/or violations ascertained.

8.6 Measures against Consultants, Suppliers, Contractors, Partners, Collaborators, representatives of other group companies, customers in the wholesale sector, involved in Sensitive Activities

Any violation committed by Consultants, Suppliers, Contractors, Partners, Collaborators, representatives of other companies in the group, customers in the *wholesale sector*, involved in the Sensitive Activities may determine, in accordance with the provisions of the specific contractual clauses included in the letters of appointment or in the agreements with them and in the intra-group contracts, the termination of the contractual relationship, without prejudice to any request for compensation, if such conduct causes damage to Industries, as in the case of application by the Judge of the measures provided for by the Decree.

SPECIAL PARTS

SPECIAL PART "A" - CRIMES AGAINST THE PUBLIC ADMINISTRATION

This Special Section, relating to crimes against the Public Administration, the regulation of conduct and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of offences** attributable to the family of offences against the Public Administration, abstractly configurable in the reality of the Company;
- identification of the Company's corporate activities at risk of potential commission of the aforementioned offences and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of Crimes against the Public Administration.

A.1 Crimes in relations with the Public Administration (Articles 24 and 25 of the Decree)

Among the offences against the Public Administration envisaged by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by the Company:

- **Corruption for the exercise of the function (Article 318 of the Criminal Code)** – This hypothesis of crime arises in the event that a representative or employee of the Company promises or gives to a Public Official, for himself or for others, a salary that is not due to him, in the form of money or other benefits (e.g. a gift in kind) in order to be able to exercise his function (e.g. giving priority to some practices over others or "facilitating/speeding up" the practice itself). The crime is configured against both the corrupt and the corruptor.
- **Corruption for an act contrary to the duties of office (Article 319 of the Criminal Code)** – This hypothesis of crime arises in the event that a representative or employee of the Company gives or promises to a Public Official, for himself or for others, money or other benefits (e.g. gifts in kind) to omit or delay, for having omitted or delayed, an act of his office, or for performing or having performed an act contrary to the duties of office. The crime is configured against both the corrupt and the corruptor.
- **Corruption of a person in charge of a public service (Article 320 of the Criminal Code)** – This hypothesis of crime arises in the event that corruption for the exercise of his functions or powers or for an act contrary to the duties of office concerns a Public Service Officer.
- **Incitement to corruption (Article 322 of the Criminal Code) –** This hypothesis of crime arises in the event that the employee or representative of the Company offers money or other benefits to a Public Official or a Public Service Officer, for a corrupt purpose, but the offer or promise is not accepted.
- **Corruption in judicial acts (Article 319 ter of the Criminal Code)** – This hypothesis of crime occurs when the employee or representative of the Company bribes a magistrate or a witness in order to obtain favors in a civil, criminal or administrative proceeding involving the Company itself or a third party.
- **Undue inducement to give or promise benefits (Article 319 quarter of the Criminal Code) –** This hypothesis of crime occurs if the Public Official or the Person in charge of a Public Service, abusing his or her position or powers, induces someone to give or unduly promise, to him or to a third party, money or other benefits.
- **Fraud to the detriment of the State or other public body (Article 640 of the Criminal Code)** – This hypothesis of crime occurs when an employee or representative of the

Company, through artifices or deceptions (e.g., by showing false documents), misleads the State or a public body, obtaining a profit by causing damage to the State or public body.

- **Aggravated fraud for the achievement of public disbursements (Article 640 bis of the Criminal Code)** – This hypothesis of crime occurs when an employee or representative of the Company, through artifices or deceptions (e.g. by showing false documents), misleads the State or a public body or EU institutions, obtaining contributions, loans, subsidies, subsidized loans or other disbursements of the same type.
- **Computer fraud committed against the State or other Public Bodies (Article 640 ter of the Criminal Code) -** This hypothesis of crime occurs if there is the alteration of the Ministry of Labour's online portal dedicated to the inclusion of workers belonging to protected categories, thus obtaining an unfair advantage in favour of the company, to the detriment of the entity.
- **Bribery, undue inducement to give or promise benefits, corruption and incitement to bribery of members of the bodies of the European Communities and officials of the European Communities and of foreign States (Article 322 bis of the Criminal Code)** – This offence arises in the event that an employee or representative of the Company commits the offences of corruption and incitement to corruption with regard to members of the EU institutions (European Commission, European Parliament, Court of Justice, Court of Auditors).
- **Embezzlement of public funds (Article 316 bis of the Criminal Code)** – This offence arises in the event that the Company has obtained the disbursement, from the State or other Public Entity or from the European Communities, of contributions, subsidies or financing or other disbursements of the same type intended for the execution of works or the performance of activities of public interest, but has not allocated them for these purposes.
- **Undue receipt of public funds (Article 316 ter of the Criminal Code)** – This offence arises in the event that the Company has obtained contributions, loans, subsidised loans or other disbursements of the same type, from the State or other Public Bodies or from the European Community, through the use or submission of false declarations or documents or attesting to the falsehood, or through the omissions of due information. The crime exists as long as the extremes of fraud for the achievement of public disbursements are not configured, otherwise the discipline provided for the latter crime will apply.
- **Bribery (Article 317 of the Criminal Code)** – This hypothesis of crime occurs in the event that the Public Official, abusing his or her position or powers, forces someone to give or unduly promise, to him or to a third party, money or other benefits.
- **Trafficking in illicit influence (Article 346 bis of the Criminal Code) -** This offence punishes with imprisonment from one year to four years and six months anyone who, except in cases of complicity in the crimes referred to in Articles 318, 319, 319-ter and in the crimes of corruption referred to in Article 322-bis, exploits or boasts existing or alleged relationships with a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, unduly causes money or other benefits to be given or promised, to himself or to others, as the price of his illicit mediation towards a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, or to remunerate him in relation to the exercise of his functions or powers.

On the other hand, the following types of offences are excluded from this Special Section, although they can be traced back to the category of "offences in relations with the Public Administration":

- **Embezzlement (Article 314 of the Criminal Code)** - This case punishes the public official or the person in charge of a public service, who, having by reason of his office or service the possession or in any case the availability of money or other movable property of others, appropriates it. The sanction is relevant, pursuant to art. 25 paragraph 1 of Legislative Decree 231/01, when the fact offends the financial interests of the European Union.

- **Embezzlement by taking advantage of the error of others (Article 316 of the Criminal Code)** - This case punishes the public official or the person in charge of a public service, who, in the exercise of his functions or service, taking advantage of the error of others, receives or unduly retains, for himself or for a third party, money or other benefits. The sanction is relevant, pursuant to art. 25 paragraph 1 of Legislative Decree 231/01, when the fact offends the financial interests of the European Union.
- **Abuse of office (Article 323 of the Criminal Code)** - This case punishes the public official or the person in charge of a public service who, in the performance of functions or service, in violation of specific rules of conduct expressly provided for by law or by acts having the force of law and from which there are no margins of discretion, or by failing to abstain in the presence of an interest of his own or of a close relative or in the other cases prescribed, intentionally gives himself or others an unfair financial advantage or causes unjust damage to others. The sanction is relevant, pursuant to art. 25 paragraph 1 of Legislative Decree 231/01, when the fact offends the financial interests of the European Union.
- **Fraud in public procurement (Article 356 of the Criminal Code)** - This case punishes anyone who commits fraud in the execution of supply contracts or in the fulfilment of the other contractual obligations indicated in Article 355 of the Criminal Code (which refers to the obligations arising from a supply contract concluded with the State, or with another public body or with the European Union, or with a company providing public services or public necessity).
- **Fraud against the European Agricultural Guarantee Fund and the European Agricultural Development Fund (Article 2, paragraph 1, Law 898/1986)** – This offence punishes, unless the fact constitutes the most serious offence provided for in Article 640-bis of the Criminal Code, anyone who, through the display of false data or information, unduly obtains, for himself or for others, aid, premiums, allowances, refunds, contributions or other disbursements charged in whole or in part to the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.
- **Disturbed freedom of enchantments (Article 353 of the Criminal Code)** – This case punishes anyone who, with violence or threat, or with gifts, promises, collusion or other fraudulent means, prevents or disturbs the tender in public tenders or private tenders on behalf of public administrations, or drives away bidders.
- **Disturbed freedom of the procedure for choosing the contractor (Article 353-bis of the Criminal Code) -** This case punishes, unless the fact constitutes a more serious crime, anyone who, with violence or threats, or with gifts, promises, collusion or other fraudulent means, disturbs the administrative procedure aimed at establishing the content of the notice or other equivalent act in order to condition the methods of choosing the contractor by the public administration.

A.2 Sensitive Activities

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A.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct which, together with the specific protocols set out in paragraph A.4, must be followed by the Recipients in order to prevent the occurrence of crimes against the Public Administration.

This Special Part "A" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in:

- such as to integrate the types of offences considered above (Articles 24 and 25 of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not in compliance with the principles and requirements contained in this Model and the Code of Ethics, or in any case with company procedures.

To this end, the Recipients **may not** :

a) create situations where the Recipients themselves, involved in transactions, are, or may appear to be in conflict with the interests of the Public Body;
b) carry out actions or conduct that are or can be interpreted as corrupt practices, illegitimate favours, collusive behaviour, solicitations, directly or through third parties, of privileges for themselves or for others relevant to the commission of the offences referred to in the Decree;
c) make or promise, in favour of Italian and foreign public officials or their relatives, even through an intermediary, cash donations, distributions of gifts or other benefits, or benefits of any kind, such as to influence the independence of judgment of the public officials themselves or induce them to ensure undue advantages;
d) recognize, in favor of Suppliers, Contractors, Consultants and/or Collaborators, Partners, fees that are not adequately justified in relation to the type of assignment to be carried out and the practice in force in the sector of activity concerned;
e) submit untruthful declarations to national and foreign public bodies in order to obtain authorizations, licenses and administrative measures of any kind;
f) submit untruthful declarations to national or foreign public bodies in order to obtain funding, contributions or disbursements of various kinds;
g) to allocate the sums received from those public bodies for purposes other than those for which they were granted;
h) conclude consultancy contracts with subjects within the Public Administration on the basis of which the impartiality and good performance of the Public Administration itself could be undermined.

In particular, the Recipients must comply with the following obligations:

- the management of Sensitive Activities must be carried out exclusively by the competent corporate functions, in accordance with the organisational system, in compliance with the roles and responsibilities defined by the internal organisational documents (e.g. job description) and by the system of powers in force (e.g. powers of attorney and delegations), in strict compliance with organisational policies, procedures and/or directives, also of the group, possibly with the help of the representatives of the other companies of the group, by virtue of intra-group service contracts;
- organizational provisions must be provided that clearly establish the areas of activity of the subjects specifically involved in the Sensitive Activities in question.
- In particular:

- the roles, tasks and areas of activity of the subjects involved in the Sensitive Activity must be defined by internal and group directives, as well as by proxies or powers of attorney that explicitly describe the scope of action and responsibility;
- the reward and incentive systems must be able to ensure consistency with the provisions of the law and with the principles contained in this Model;
- all those who materially maintain relations with the Public Administration on behalf of the Company must enjoy representative and formalized powers and/or an authorization to that effect by the Company itself (consisting of a specific proxy/power of attorney or internal organizational directives for Employees, corporate bodies and representatives of the other

companies of the group, or in a consultancy or collaboration contract for Consultants and Collaborators);

- the Sensitive Processes under discussion must be regulated in appropriate organizational tools, in order to:

- detail each phase of the process, highlight the activities carried out, the controls/checks carried out and the authorisation process;
- ensure compliance with the principle of segregation of duties, providing for the involvement of different parties in the performance of the main activities envisaged by the Sensitive Processes;
- clearly identify the subjects and functions that carry out the various activities (operational-management activities, control activities, authorization/approval activities);
- define the methods and responsibilities for the documentation and traceability of the individual activities carried out and ensure the correct archiving and conservation of all the documentation produced, in such a way as not to allow access to third parties who are not expressly authorized.

In particular, also:

- all Recipients involved in Sensitive Activities who, in carrying out specific and defined work activities, have formal relationships, in the name and on behalf of Industries, with bodies of the Public Administration must comply with the principles and methods of conduct provided for by the company procedures applicable to the activities carried out in the context of Sensitive Activities, as well as the principles of the Code of Ethics;
- all declarations and communications made to representatives of the Public Administration and required by the regulations in force or specifically requested by the aforementioned representatives (for example, for the request of contributions or public funding) must comply with the principles of clarity, correctness, completeness and transparency;
- No type of payment can be made unless adequately documented and in any case in discrepancy with the company's internal procedures. No payment can be made by utility exchange;
- in relations with the Public Administration, both assets and liabilities, there must be coincidence between the person who performs a service and the beneficiary of the payment;
- it is mandatory to record and document the relationships between the individual company functions and the Public Officials and/or Public Service Officers. This documentation may be subject to verification by the heads of the company functions to which the subject belongs;
- any situations of uncertainty regarding the conduct to be adopted (also due to any unlawful or simply incorrect conduct of the Public Official or the Public Service Officer), the interpretation of current legislation and internal procedures and, in general, any element of criticality/irregularity that may arise in the context of the relationship with the Public Administration must be brought to the attention of the hierarchical superior and/or the SB;
- the heads of the Company's functions involved in Sensitive Activities must ensure that the personnel and third parties in charge are constantly updated on the contents of the Model and on the internal and external regulations of reference for the performance of Sensitive Activities, in particular governing relations with subjects belonging to the Public Administration.

If the involvement of third parties is envisaged such as, by way of example, Suppliers, Contractors, Consultants and/or Collaborators, representatives of other companies in the group, Partners, main third parties, such as customers in the wholesale sector, the following rules must also be complied with as part of the Sensitive Activities:

- the choice and involvement of the aforementioned subjects must take place on the basis of criteria of seriousness, integrity, competence and professionalism, verification and monitoring of the existence of the aforementioned requirements and of the technical and authorization requirements, on the basis of a decision-making process that guarantees the traceability and segregation of tasks and responsibilities; this choice must first of all be oriented according to criteria that take into account the principles of prevention and integrity referred to in this Model;
- the choice in particular of Suppliers, Contractors, Consultants and/or Collaborators, Partners, customers in the wholesale sector, is made on the basis of requirements predetermined by the Company and reviewed by it and, if necessary, updated on a regular basis, as part of internal and group procedures; the Company also formalises the criteria on the basis of which they can be removed from the Company's special list and the choices regarding their maintenance or their removal from the aforementioned list cannot be determined by a single person and must always be justified; this selection must be carried out through clear, certain and non-discriminatory procedures, comparing, where possible, a shortlist of potential offers and ensuring orientation towards subjects that give the greatest guarantees from an ethical, organisational, technical and financial point of view;
- the Company determines the evaluation criteria of Suppliers, Contractors, Consultants and/or Collaborators, Partners, customers in the wholesale sector, such as to allow a prior judgment of their reliability on the basis of cumulative findings of a type: a) subjective (e.g. their institutional history deducible from elements such as criminal records and chamber of commerce searches); b) objective (e.g. activity usually carried out, consistency between the same and the type of transaction requested from the Company, consistency of the means of payment used in relation to the nature and amount of the transaction); these requirements must then be made the subject of periodic control and verification also during the execution of the contract;
- in particular, the Company may not have financial and commercial relations with third parties (natural and legal persons) known or suspected of committing crimes against the Public Administration, belonging to criminal organizations or in any case operating outside the law, such as, by way of example but not limited to, subjects linked to or in any case attributable to the environment of organized crime, money laundering and financing of terrorism, drug trafficking, usury, etc.;
- contracts with these parties must be defined in writing, highlighting all the conditions underlying them (with particular reference to the agreed economic conditions); contracts must also be proposed, verified and approved by the Company's subjects with the appropriate signing powers;
- the activity provided by Suppliers, Contractors, Consultants and/or Collaborators, representatives of the other companies of the group, Partners, customers in the wholesale sector, in the context of Sensitive Activities, must be duly documented and, in any case, the function that has availed itself of their work must, before the payment of the relevant considerations, certify in writing the effectiveness of the service;
- each intercompany contract, in order to regulate relations with the other companies of the group, must provide for the insertion of the so-called clause 231, on the basis of which the aforementioned third party declares to be aware of Legislative Decree 231/01, to have read the contents of the Model and the Code of Ethics and to undertake to comply with its provisions, under penalty of termination of the contract;
- any contract with third parties, such as Suppliers, Contractors, Consultants and/or Collaborators, Partners, customers in the wholesale sector, must provide for a specific contractual clause informing the counterparty of the adoption by the Company of the Model and the Code of Ethics, providing for compliance with the relevant principles, under penalty of termination of the contract, with the right of Industries to carry out checks and *Audit* periodicals for monitoring contractual obligations; these contracts must also provide for the

obligation of the counterparty to communicate the loss of the integrity requirements already communicated and verified by Industries during the selection of said counterparty, under penalty of termination of the contract.

A.4 Specific protocols of behavior and control

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SPECIAL PART "B" - CORPORATE CRIMES AND MARKET ABUSE

This Special Section, relating to corporate crimes, the regulation of conduct and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of offences** attributable to the family of corporate offences that can be abstractly configured in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of corporate crimes.

B.1 Corporate offences (Article 25 ter of the Decree) and market abuse (Article 25 sexies of the Decree)

Among the corporate offences envisaged by the Decree, the following are those that are considered to be theoretically configurable in the context of the activities carried out by Industries, as evidenced in the *CRSA activities* carried out by the Company:

- **False corporate communications (Article 2621 of the Italian Civil Code) –** This offence occurs if the Company's directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, in order to obtain an unfair profit for themselves or for others, knowingly disclose material facts that are not true or omit material facts whose communication is required by law on the situation economic, equity or financial situation of the company or group to which it belongs, in a way that is concretely capable of misleading others.
- **Minor facts (Article 2621 bis of the Italian Civil Code)** – This offence occurs if the facts referred to in Article 2621 of the Italian Civil Code are minor, taking into account the nature and size of the company and the methods or effects of the conduct.
- **False corporate communications of listed companies (Article 2622 of the Italian Civil Code)** – This offence occurs if the directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors and liquidators of companies issuing financial instruments admitted to trading on a regulated market in Italy or in another country of the European Union, in order to obtain an unfair profit for themselves or for others, in the financial statements, reports or other corporate communications addressed to shareholders or the public knowingly disclose material facts that are not true or omit material material facts whose communication is required by law on the economic, equity or financial situation of the company or group to which it belongs, in a manner that is concretely likely to mislead others, They shall be punished with imprisonment from three to eight years.
- **Impeded control (art. 2625 of the Italian Civil Code)** – This offence occurs if, by concealing documents or other suitable artifices, the directors prevent or in any case hinder the performance of the control activities legally attributed to the shareholders or the board of statutory auditors, causing damage to the shareholders.
- **Undue restitution of contributions (Article 2626 of the Italian Civil Code)** – This type of offence occurs in the event that a director, except in cases of legitimate reduction of the share

capital and in any form, returns the contributions to the shareholders or frees them from the obligation to make them.

- **Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code)** – This offence occurs in the event that the directors allocate profits or advances on profits not actually achieved or allocated by law to reserves, or allocate reserves, even if not constituted with profits, which cannot be distributed by law.
- **Unlawful transactions on the shares or quotas of the company or of the parent company (Article 2628 of the Italian Civil Code)** - This offence occurs when the directors purchase or subscribe, outside the cases provided for by law, shares or quotas, causing damage to the integrity of the share capital or reserves that cannot be distributed by law.
- **Transactions to the detriment of creditors (art. 2629 of the Italian Civil Code)** – This type of crime occurs in the event that the directors, in violation of the provisions of the law protecting creditors, carry out reductions in the share capital or mergers with another company or demergers, causing damage to creditors.
- **Fictitious formation of capital (Article 2632 of the Italian Civil Code)** – This offence arises when the directors and contributing shareholders, even in part, fictitiously form or increase the share capital by assigning shares or quotas in excess of the total amount of the share capital, reciprocal subscription of shares or quotas, significant overvaluation of contributions of assets in kind or receivables or of the Company's assets in the event of transformation.
- **Undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code)** - This type of offence arises in the event that the liquidator, if any, by distributing the company's assets before the payment of the company's creditors or the provision of the sums necessary to satisfy them, causes damage to the creditors themselves.
- **Corruption between private individuals (Article 2635 of the Italian Civil Code) -** This type of offence may arise in the event that a representative of the Company, even through an intermediary, offers, promises or gives money or other benefits to a director, general manager, manager in charge of preparing the company's accounting documents, statutory auditor, liquidator of a different company or private entity or to those who exercise managerial functions other than those of the persons indicated, or to a person subject to the direction and supervision of the former, so that he or she performs or omits acts, in violation of the obligations inherent in his office or the obligations of loyalty.
- **Incitement to corruption between private individuals (Article 2635-bis of the Italian Civil Code) -** This type of offence may arise in the event that a representative of the Company, even through an intermediary, offers or promises money or other benefits to the persons indicated with reference to the case of corruption between private individuals, if the offer or promise is not accepted.
- **Unlawful influence on the shareholders' meeting (Article 2636 of the Italian Civil Code)** – This type of offence arises in the event that a top management or a person subject to the management and supervision of one of these (the offence can, in fact, be committed by "anyone", therefore also by persons outside the Company), with simulated or fraudulent acts, determines the majority in the shareholders' meeting, in order to procure an unfair profit for himself or others.
- **Obstruction of the exercise of the functions of public supervisory authorities (Article 2638 of the Italian Civil Code)** – This offence occurs where the communications to the supervisory authorities required under the applicable legislation on the subject expose material facts that do not correspond to the truth, or conceal by other fraudulent means facts that should have been communicated, in order to obstruct the exercise of supervisory functions.
- **Rigging (Article 2637 of the Italian Civil Code) and market manipulation (Articles 185 and 187 *ter* of the TUF)** – Market abuse carried out through the alteration of the dynamics relating to the correct formation of the price of financial instruments is now punished both as a crime, by Articles 2637 of the Italian Civil Code (rigging) and 185 of the TUF (market manipulation) and as an administrative offence (Article 187 *ter* of the TUF).

The two hypotheses of crime are distinguished in relation to the nature of the financial instruments whose price could be influenced by the punished conduct.
In the case of rigging, financial instruments that are not listed or for which an application for admission to trading on a regulated market has not been submitted are taken into consideration; in the case of the crime and administrative offence of market manipulation, these are listed financial instruments for which a request for admission to trading on regulated markets has been submitted.
The conduct constituting the crimes of rigging and market manipulation consists of:

- in the dissemination of false news (*information based manipulation*);
- in the performance of simulated transactions or other artifices capable of causing a significant alteration in the price of listed or unlisted financial instruments (*action based manipulation*).

It should be noted, however, that, in the case of the crime of market manipulation, the conduct of those who have committed the act through orders to sell or transactions carried out for legitimate reasons and in accordance with accepted market practices is not criminally relevant.

The administrative offence of market manipulation (art. 187 *ter*) is instead configured in the cases of violation of the prohibition of market manipulation referred to in art. 15 of the MAR, which provides that "*it is not permitted to carry out market manipulation or attempt to carry out market manipulation".*
The administrative offence has a much wider scope of application than the offence, from which it differs in that it is punishable even by way of simple negligence (and therefore for having carried out the conduct indicated above due to imprudence, negligence or inexperience) and does not require the suitability of the information, operations or artifices to cause a significant alteration in the price of financial instruments.

- **Abuse and unlawful disclosure of inside information. Recommendation or inducement of others to the commission of insider dealing (Articles 184 and 187 *bis* of Legislative Decree No. 58/1998 Consolidated Law on Finance)**
  The rules in question punish the abuse of inside information known due to the activity carried out through the performance of transactions on the financial instruments to which the information refers, or through the communication – directly or indirectly – of such information.
  The crime and administrative offense[3] – better known as *insider trading* – can be carried out in various ways:

  - First of all, the so-called "Tax Assessment" is taken into consideration. *trading,* i.e. the purchase, sale or performance of other transactions, directly or indirectly, on one's own account or on behalf of third parties, on financial instruments, using inside information. In this regard, it should be noted that the prohibition of use includes any transaction on financial instruments: not only, therefore, the purchase or sale, but also carry-overs, exchanges, etc.;
  - On the other hand, we speak of *tipping* with regard to the undue disclosure of inside information to others. More specifically, the hypothesis occurs in the case where the *primary insider* communicates the inside information "*outside the normal exercise of*

[3] Literally, art. 187 bis, following Legislative Decree 107/2018 (which adapted national legislation to the MAR) provides that "*Without prejudice to criminal penalties when the fact constitutes a crime, anyone who violates the prohibition of insider dealing and unlawful disclosure of inside information referred to in Article 14 of Regulation (EU) No. 596/2014 shall be punished with an administrative fine ranging from twenty thousand euros to five million euros*"

work, profession, function or office or a market survey carried out pursuant to Article 11 of Regulation (EU) No. 596/2014". In this regard, communication is considered lawful when it is based on rules that allow or require it or in the context of established practices or customs. More specifically, with reference to corporate groups, there is a communication relating to the normal exercise of the office in the transmission of the data necessary for the preparation of the consolidated financial statements (Article 43 of Legislative Decree No. 127 of 1991 and Article 25, paragraph 4, of Legislative Decree No. 356 of 1990), as well as in the communications exchanged in the context of the management and coordination activity that is currently the responsibility of the *holding company* pursuant to art. 2497 of the Italian Civil Code, or disseminated pursuant to art. 114 of the TUF which imposes, "*without prejudice to the disclosure obligations provided for by specific legal provisions*" listed issuers and the entities that control them to communicate to the public, without delay and in accordance with the procedures indicated by Consob, inside information that directly concerns such issuers and its subsidiaries;

- finally, the so-called "S.p.A. *tuyautage,* i.e. the recommendation or inducement of others to carry out one of the transactions described in relation to inside information. In this specific case, the *insider* does not communicate the inside information to third parties, but limits himself – on the basis of this – to advising or inducing third parties to carry out a specific transaction that he knows, by virtue of the information to his knowledge, capable of significantly influencing the prices of financial instruments.

As for the notion of financial instruments, Article 180 of the T.U.F. specifies that they are, *first of all,* those provided for by Article 1, paragraph 2, of the T.U.F. "*admitted to trading or for which a request for admission to trading has been submitted on a regulated market in Italy or in another country of the European Union, as well as any other instrument admitted or for which a request for admission to trading on a regulated market has been submitted of a country of the European Union*".[4]

Pursuant to Article 7 of the MAR (Market Abuse Regulation, Reg. EU. 596/2014), *inside information is* that "of a *precise nature, which has not been made public, concerning, directly or indirectly, one or more issuers of financial instruments or one or more financial instruments, which, if made public, could have a significant effect on the prices of such financial instruments or on the prices of related derivative financial instruments*".

The same Article 7, paragraph 4, of the MAR also specifies the notion of *price sensitive* news, defining it as "*information that a reasonable investor would probably use as one of the elements on which to base his investment decisions*".
In addition, the information shall be deemed to be of a precise nature if: *it refers to a series*

[4] *Article 180 of Legislative Decree 58/98 as amended by Legislative Decree 107/2018 introduces the following definition: < For the purposes of this title, the following definitions shall apply:*
(a) "financial instruments" means:
1) the financial instruments referred to in Article 1, paragraph 2, admitted to trading or for which a request for admission to trading has been submitted on a regulated market in Italy or in another country of the European Union;
2) the financial instruments referred to in Article 1, paragraph 2, admitted to trading or for which a request for admission to trading has been submitted on an Italian multilateral trading facility or in another country of the European Union;
2-bis) financial instruments traded on an Italian or other European Union trading facility;
(2-ter) financial instruments not covered by the previous numbers, the price or value of which depends on the price or value of a financial instrument referred to therein, or has an effect on that price or value, including, but not limited to, credit default swaps and contracts for difference.

of circumstances which exist or which may reasonably be expected to occur or to an event which has occurred or which can reasonably be expected to occur and whether that information is sufficiently specific to permit conclusions to be drawn as to the possible effect of that set of circumstances or event on the prices of financial instruments or related derivative financial instrument, related spot commodity contracts or products auctioned on the basis of emission allowances. In that regard, in the case of a prolonged process which is intended to materialise, or which results in, a particular circumstance or event, that future circumstance or event, as well as the intermediate stages of that process which are linked to the materialisation or determination of the future circumstance or event, may be regarded as information of a precise nature" (MAR, Article 7, paragraph 2).

Article 7 of the MAR in paragraph 1, lett. *(d)*, also specifies that "*in the case of persons entrusted with the execution of orders relating to financial instruments, it also means the information transmitted by a Client and related to pending orders in the Client's financial instruments, having a precise nature and concerning, directly or indirectly, one or more issuers or one or more financial instruments and which, if communicated to the public, could have a significant effect on the prices of such financial instruments [...] or on the price of related derivative financial instruments*".

Although the crime in question is mostly committed by the *insider* for his own benefit, exclusive or prevalent, using information acquired by virtue of his profession for private purposes, it may happen that the agent operates in the interest – exclusive or concurrent – of the Entity: in this case, the liability of the natural person who has carried out the material conduct referred to in art. 184 will also be accompanied by that of the legal person to whom he is functionally linked pursuant to art. 5 of Legislative Decree no. 231/2001.
In this regard, it is clear that greater risk profiles exist with reference to top management who – more than the employee – could act in the interest or to the advantage of the Company, to increase or preserve its assets or consolidate its image. On the subjective level, while the crime is punishable only by way of intent, therefore it is necessary to be aware of and willing to unduly exploit the inside information in one's possession, the administrative offence is also punishable by way of mere negligence, therefore negligence consisting in the careless use or communication to third parties of the inside information is sufficient.

B.2 Sensitive Activities

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B.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of corporate crimes, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph B.4, for each Process.

This Special Part "B" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in:

- such as to integrate the types of crime considered above (art. 25 ter of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

To this end, the Recipients are **prohibited,** in particular, from engaging in the following behaviors/carrying out the following operations:

- prevent or hinder in any way, including by concealing documents or using other suitable artifices, the performance of the institutional control and auditing activities of the Board of Statutory Auditors and/or the Independent Auditors;
- to determine or illicitly influence the adoption of the resolutions of the shareholders' meeting, to this end by carrying out simulated or fraudulent acts that are intended to artificially alter the normal and correct procedure for the formation of the will of the shareholders' meeting;
- return, even simulated, the contributions to the shareholder or release him from the obligation to carry them out, obviously without prejudice to the hypothesis of legitimate reduction of the share capital;
- to allocate profits or advances on profits not actually achieved, or allocated by law to reserves, or to allocate reserves, even if not constituted with profits, which cannot be distributed by law;
- purchase or subscribe for company shares or subsidiaries outside the cases permitted by law, thereby causing damage to the integrity of the share capital or reserves that cannot be distributed by law;
- carry out reductions in the share capital or mergers with other companies or demergers in violation of the law, thereby causing damage to creditors;
- to form or fictitiously increase the share capital through the allocation of shares for a sum lower than their nominal value, reciprocal subscription of shares or quotas, significant overvaluation of contributions of assets in kind or receivables, or of the company's assets in the event of transformation.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- all Recipients involved in Sensitive Activities must comply with the principles and methods of conduct provided for by the company procedures applicable to the activities carried out, as well as the principles of the Code of Ethics; in particular, the Recipients must behave in accordance with principles of integrity, fairness and transparency in the preparation of the financial statements in order to provide the shareholder and third parties with truthful and correct information on the economic, equity and financial situation of Industries and the group to which it belongs, in compliance with all legal provisions and the accounting principles of application;
- therefore, it is forbidden to indicate false, artificial, incomplete or in any case untrue data on the economic, equity or financial situation of the Company in the financial statements. It is also forbidden to carry out activities and/or operations aimed at creating non-accounting assets (e.g. by resorting to invoices for non-existent transactions or over-invoicing), or aimed at creating "black funds" or "parallel accounting". Particular attention must be paid to the estimation of accounting items: the parties involved in the estimation procedure must comply

with the principle of reasonableness and clearly set out the valuation parameters followed, providing any additional information that is necessary to guarantee the veracity of the document. The financial statements must also be complete in terms of corporate information and must contain all the elements required by law and by the Supervisory Instructions. Similar correctness is required of directors, statutory auditors, any general managers, any liquidators in the preparation of all other communications required or in any case required by law and directed to shareholders/shareholders or the public, so that they contain clear, precise, truthful and complete information;

- the Recipients must comply with conduct aimed at ensuring the regular functioning of the Company, and the correct interaction between its corporate bodies, ensuring and facilitating any form of control over the company's management, in the manner provided for by law, as well as the free and regular formation of the will of the shareholders' meeting;
- they must ensure timely compliance with all legal provisions that protect the integrity and effectiveness of the share capital, in order not to harm the guarantees of creditors and, more generally, third parties. In this perspective, it is forbidden: a) to return, even simulated, the contributions to the shareholder or to release him from the obligation to make them, except of course in cases of legitimate reduction of the share capital; b) to allocate profits or advances on profits not actually achieved, or allocated by law to reserves, or to allocate reserves, even if not constituted with profits, which cannot be distributed by law; c) purchase or subscribe to company shares or shares of the parent company outside the cases permitted by law, thereby causing damage to the integrity of the share capital or reserves that cannot be distributed by law; d) carry out reductions in the share capital or mergers with other companies or demergers in violation of the law, thereby causing damage to creditors; e) to form or fictitiously increase the share capital through the allocation of shares for a sum lower than their nominal value, reciprocal subscription of shares or quotas, significant overvaluation of contributions of assets in kind or receivables, or of the company's assets in the event of transformation;
- in carrying out transactions of any kind on financial instruments or securities not listed on regulated markets or in the dissemination of information relating to the same, the Recipients must comply with the principles of correctness, transparency, completeness of information, market protection and compliance with the dynamics of free determination of the price of securities. In this perspective, it is absolutely forbidden to disseminate, contribute to the dissemination, in any way, false information, news or data or to carry out fraudulent or otherwise misleading transactions in a way that is even potentially likely to cause an alteration in the price of financial instruments or securities not listed on regulated markets.
- In this regard, Industries undertakes: a) to always behave with diligence, fairness and transparency, in the interest of the public, investors and the market; b) to organize itself in such a way as to exclude the recurrence of situations of conflict of interest and, on such occasions, to ensure the balanced protection of conflicting interests; c) adopt measures to ensure that there is no undue circulation/dissemination of material information within the company and the group;
- The Recipients must behave in accordance with ethical principles of integrity, fairness and transparency in the preparation of the prospectuses required for the purposes of soliciting investment, or the documents to be published on the occasion of takeover bids or exchanges, so as to allow the recipients of the prospectuses to arrive at an informed and objective opinion on the economic situation, equity or financial statements of the Company or on the financial instruments issued by the latter and on the related rights. To this end, the prospectuses and/or the documents in question must be complete in terms of information and must contain all the elements, where required, required by law and by the instructions from the Supervisory Authorities;
- The Recipients must base their relations with the Supervisory Authorities on criteria of integrity, fairness, transparency and collaboration, avoiding conduct that could in any way be considered an obstacle to the activities that these Authorities are called upon to carry out. In

this perspective, the Recipients (with particular reference to the corporate bodies and their members, as well as the Employees) must avoid any conduct that may hinder the Supervisory Authorities in the exercise of their prerogatives (through, for example, lack of cooperation, obstructive conduct, reticent or incomplete responses, specious delays);

- the corporate bodies and their members as well as the Company's Employees must: a) send to the Supervisory Authorities the reports required by law and regulations or otherwise requested from the Company in a timely, complete and accurate manner, transmitting for this purpose all the data and documents required or requested; b) indicate in the aforementioned reports true, complete and correct data, giving indications of any relevant fact relating to the economic, equity or financial situation of the Company; c) avoid any behaviour that could hinder the Supervisory Authorities in the exercise of their prerogatives (through, for example, lack of cooperation, obstructive behaviour, reticent or incomplete responses, specious delays);
- it is mandatory to refrain from carrying out actions or behaving in relation to representatives of companies (whether they are customers, suppliers, consultants, partners, contractors, other group companies, etc.) that are or can be interpreted as corrupt practices, illegitimate favours, collusive behaviour, solicitations, directly or through third parties, of privileges for themselves or for others relevant for the purpose of committing the crime of corruption between private individuals; the Recipients must refrain from distributing or receiving commercial gifts, gifts or other benefits that may constitute a violation of laws or regulations or are in contrast with the Code of Ethics, or may - if made public - constitute a prejudice, even if only in terms of image, for Industries or the group;
- any situations of uncertainty regarding the conduct to be adopted (also due to any unlawful or simply incorrect conduct of the counterparty), the interpretation of current legislation and internal procedures must be brought to the attention of the hierarchical superior and/or the SB.
- the heads of the Company's functions involved in Sensitive Activities must ensure that the personnel and third parties in charge are constantly updated on the contents of the Model and on the internal and external regulations of reference for the performance of Sensitive Activities.

If the involvement of third parties is envisaged such as, by way of example, Suppliers, Contractors, Consultants and/or Collaborators, representatives of other companies in the group, Partners, customers in the wholesale sector, beneficiaries of sponsorships, in the context of Sensitive Activities, the following rules must also be complied with, in addition to those already indicated in paragraph A3:

- in particular, the Company may not have financial and commercial relations with third parties (natural and legal persons) known or suspected of committing corruption crimes between private individuals, belonging to criminal organizations or in any case operating outside the law, such as, by way of example but not limited to, subjects linked to or in any case attributable to the environment of organized crime, money laundering and financing of terrorism, drug trafficking, usury, etc.

With reference to the prevention of **crimes and administrative offences of Market Abuse**, reference is also made to the principles of conduct adopted by Industries with the Code of Ethics, aimed at ensuring compliance with the primary and secondary legislation in force and applicable on the subject, and the principles of confidentiality of the information processed and secrecy in the processing of information not in the public domain.

In addition, again in order to avoid the performance of activities capable of producing influence on the market, the following principles must be respected:

- all parties who carry out activities in any way related to the dissemination of news, including via the internet or any other means of information, relating to financial instruments and/or transactions relevant for the purposes of changing the price of such instruments, must comply with the principles of transparency and fairness, ensuring the timeliness, clarity, genuineness and completeness of the data processed and equal access to information, the protection of the market and respect for the dynamics of free determination of the price of securities.
- It is therefore expressly forbidden to carry out transactions on financial instruments (including those of other companies in the Group), directly or indirectly, on one's own account or on behalf of third parties, using inside information, or in a manner likely to alter the market or, more generally, by providing inaccurate or misleading information.
- it is also forbidden to communicate to third parties inside information acquired as a result of one's activity, or to recommend or induce third parties to carry out transactions in financial instruments.
- it is also forbidden to disseminate information relating to financial instruments or other circumstances, which – as inaccurate, incorrect, false or in any case misleading – may theoretically be capable of influencing the price of financial instruments.

In addition, compliance with the following principles is expressly provided:

- obligation of confidentiality on confidential information acquired or in any case available by virtue of one's function, whether it refers to the Company or to other companies of the group or to third parties in business relations with them. They may not disclose to third parties or misuse confidential information of which they have become aware;
- where confidential information is required to be disclosed to third parties for official reasons, it is necessary to ascertain that they are subject to a legal, regulatory or statutory obligation of confidentiality; failing this, it is necessary to formalize, by signing a confidentiality agreement, the reciprocal duty of confidentiality regarding the information exchanged;
- it is forbidden to disseminate information, rumours or news that do not correspond to reality, or information whose veracity is not certain, whether to other personnel or outside the Company, through any information channel, including the internet, which is capable, or even potentially susceptible, of providing false or misleading information in relation to the Company or other group company and/or its financial instruments, as well as in relation to third party companies in business with the Company. Companies or other companies of the group and related financial instruments;
- it is forbidden to carry out personal transactions, on one's own account or on behalf of third parties, even through third parties, carried out using inside information acquired by virtue of one's duties, as well as the prohibition to recommend or induce others to carry out transactions using the aforementioned inside information.

B.4 Specific protocols of behavior and control

OMISSIS

SPECIAL PART "C" - THE CRIMES OF RECEIVING STOLEN GOODS, MONEY LAUNDERING, USE OF MONEY, GOODS OR UTILITIES OF ILLEGAL ORIGIN AS WELL AS SELF-LAUNDERING

This Special Section, relating to the crimes of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, as well as self-laundering, the regulation of the behaviors and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of offences** attributable to the family of offences of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, as well as self-laundering, which can be abstractly configured in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

C.1 The offences of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, as well as self-laundering (Article 25octies of the Decree)

The crimes of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, as well as self-laundering that can be abstractly configured as part of the activities carried out by Industries, are:

- **Receiving stolen goods (Article 648 of the Criminal Code)** – This hypothesis of crime arises in the event that someone buys or receives or conceals money or things deriving from any crime in order to procure a profit for himself or others. For example, if a manager in charge of selecting suppliers and purchasing raw materials for the Company, purchases a raw material below cost because it comes from an illicit act (e.g. theft), with profit for the Company.

- **Money laundering (Article 648 bis of the Criminal Code)** – This hypothesis of crime arises in the event that someone replaces or transfers money or goods deriving from a crime or carries out other operations in relation to them, in such a way as to hinder their criminal origin; for example, if a manager in charge of purchasing for the company, pays as consideration to a supplier sums of money that he knows comes from a crime, in order to conceal this origin.

- **Use of money, goods or utilities of illicit origin (648-ter of the Criminal Code)** – This hypothesis of crime occurs in the event that someone uses money, goods or other benefits deriving from a crime in economic or financial activities; for example, if a manager buys for the company a machine that he knows comes from a crime (e.g. theft) using it as a company asset and therefore in the economic activity of the company.

- **Self-laundering (Article 648-ter.1 of the Criminal Code):** this hypothesis of crime arises in the event that someone, having contributed to committing a crime, uses, replaces, transfers, in economic, financial, entrepreneurial or speculative activities, the money, goods or other benefits deriving from the commission of such crime, in such a way as to concretely hinder the identification of their criminal origin.

C.2 Sensitive Activities

OMISSIS

C.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of the crimes of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, as well as self-laundering, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph C.4, for each Process.

This Special Part "C" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of crime considered above (art.25 octies of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- definition and maintenance of policies, procedures and/or organisational directives, including group directives, for the management, control and authorisation of payment arrangements and money transfers, including within the Group companies;
- it must be inspired by criteria of transparency in the exercise of the company's activities and in the choice of the financial and/or commercial partner, paying the utmost attention to information concerning third parties with whom Industries has financial, commercial or corporate relationships that may even generate the suspicion of the commission of one of the crimes referred to in this special section;
- in particular, commercial relationships must not be maintained with subjects (natural persons and legal persons) whose membership in criminal organizations is known or suspected or in any case operating outside the law, such as, by way of example but not limited to, subjects linked or in any case attributable to the environment of organized crime, money laundering and terrorist financing, drug trafficking, usury;
- it is necessary to behave correctly, transparently and collaboratively, in compliance with the law, the principles of the Code of Ethics and the internal and group company directives and procedures, with particular reference to activities aimed at managing the personal data of Suppliers/Contractors/Consultants/Collaborators/Partners, customers in the wholesale sector, and in general in maintaining relations with other third parties, even foreigners, etc;
- the traceability of the phases of the decision-making process relating to financial and corporate relations with third parties must be ensured;

- the supporting documentation must be kept, adopting all the physical and logical security measures established by Industries;
- you must maintain a collaborative behavior with the Supervisory and/or Judicial Authorities;
- any situations of uncertainty regarding the conduct to be adopted, the interpretation of current legislation and internal procedures must be brought to the attention of the hierarchical superior and/or the SB;
- any violations of the rules and any unusual operations that could be an indication of receiving stolen goods, money laundering and use of money, goods and utilities of illegal origin, as well as self-laundering, must be reported to the department managers and/or to the SB.

The company figures and representatives of the other group companies involved in the Sensitive Activities are required to strictly comply with the corporate organisational procedures in force.

If the involvement of third parties such as, by way of example, Suppliers, Contractors, Consultants and/or Collaborators, Partners, customers in the wholesale sector, is envisaged in the context of Sensitive Activities, the rules already mentioned in paragraph A.3 must also be complied with.

In addition, the activity provided by Suppliers, Contractors, Consultants and/or Collaborators, representatives of the other companies of the group, Partners, in the context of Sensitive Activities, must be duly documented and, in any case, the function that has made use of their work must, before the payment of the relevant considerations, certify in writing the effectiveness and adequacy of the service with respect to what has been paid.

C.4 Specific protocols of behavior and control

OMISSIS

SPECIAL PART "D": CRIMES RELATING TO HEALTH AND SAFETY AT WORK

D.1 Cases of crimes relating to health and safety at work

The crimes relating to health and safety at work provided for by the Decree that can be configured as part of the activities carried out by Industries are the following:

- **Manslaughter (Article 589 of the Criminal Code)**

  Article 25 *septies,* first paragraph, of the Decree introduces, as an offence punishable under the Decree itself, the offence of manslaughter committed in violation of Article 55, paragraph 2[5], of the legislative decree implementing the delegation referred to in Law No. 123 of 3 August 2007, on health and safety at work, or of Legislative Decree No. 81/2008.
  Article 25 *septies*, second paragraph, also sanctions the crime of manslaughter referred to in Article 589 of the Criminal Code if it is committed, in general, with violation of the rules on the protection of health and safety at work.
  Pursuant to art. 589 of the Criminal Code, this type of crime commits "*anyone who causes the death of a person through negligence*"; pursuant to the third paragraph of the said article, it is an aggravating circumstance to have committed the act in violation of the "*rules for the prevention of accidents at work*".
  This hypothesis of crime could occur in the event that the culpable violation of the regulations on the protection of safety and health at work, adopted in the company, determines an accident at work that causes the death of an Industries employee.
  For example, in the event of death following a fire that broke out on the company premises due to a short circuit of a defective machine, in relation to which the periodic verification of functionality and safety had been negligently omitted by the company persons in charge of this.

- **Serious and very serious culpable bodily injury (Article 590 of the Criminal Code)**

  Article 25 *septies* also introduces, as an offence sanctioned by the Decree, the offence of culpable personal injury referred to in Article 590, third paragraph, of the Criminal Code, committed in violation of the rules on the protection of health and safety at work.
  Pursuant to art. 590 of the Criminal Code, this type of crime commits "*anyone who causes personal injury to others, through negligence";* An aggravating circumstance, pursuant to the third paragraph of the said article, is the fact of having caused the personal injury with violation of the "*rules for the prevention of accidents at work*".

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[5] *The latter provision establishes that, in the cases provided for by art. 55, paragraph 1, letter a) of Legislative Decree no. 81/2008, or in cases where the employer omits the risk assessment and the adoption of the document referred to in art. 17, paragraph I, letter a), or adopts it in the absence of the elements referred to in letters a), b), d) and f) of art. 28, and violates the provisions of art. 18, paragraph I, letters q) and z) first part, the penalty of imprisonment from six months to one year and six months is applied if the violation is committed:*
***(a)** in the companies referred to in art. 31, paragraph 6, letters a, b, c, d, f, namely:*
- industrial companies referred to in art. 2 of Legislative Decree 334/99, subject to the obligation of notification or report;
- in thermoelectric power plants;
- in nuclear plants and installations or that use radioactive material for any reason or that dispose of radioactive waste (Legislative Decree 230/1995, articles 7, 28 and 33);
- in companies for the manufacture and separate storage of explosives, powders and ammunition;
- in extractive industries with more than 50 workers.
***(b)** in companies that carry out activities that expose workers to "serious" biological risks (Article 268, paragraph I, letters c and d), from explosive atmospheres, mutant carcinogens and from maintenance, removal, disposal and remediation of asbestos;*
***(c)** for activities governed by Title IV ("temporary or mobile construction sites") of Legislative Decree no. 81/2008 and characterized by the coexistence of several companies and whose presumed amount of work is not less than 200 man-days.*

Serious injuries are those consisting of an illness that endangers life or causes an inability to attend to ordinary occupations for a period of more than forty days, or in a permanent weakening of a sense or an organ; Very serious injuries are understood to be the disease that is probably incurable, the loss of a sense, a limb, an organ or the ability to procreate, permanent difficulty in speech, permanent deformation or scarring of the face.
This hypothesis of crime could arise in the event that the culpable violation of the rules on the protection of safety and health at work leads to an accident at work that causes a serious or very serious personal injury to an employee of Industries.
For example, if an employee of Industries, in charge of the operation of a machine, suffers an injury to a limb – judged to be curable in more than 40 days – due to the malfunction of the said machinery, which was not repaired promptly despite the timely report from the employee himself.

D.2 Occupational health and safety risk management process

OMISSIS

D.3 General principles and rules of conduct

This section contains the general Rules of Conduct which, together with the General Principles of Conduct highlighted above, must be followed by the Recipients in order to prevent the occurrence of the Offences described in paragraph D.1.

All Employees and Collaborators of the Company, including those of the other companies of the group, the Contractors in their respective areas and for their competence – are required to:

- comply with the rules, obligations and principles set out in current legislation and the health and safety rules/guidelines listed in paragraph D.2;
- comply with the rules of general conduct, the principles of control and the specific requirements formulated in this Model;
- promote compliance with the aforementioned standards, rules and principles and ensure compliance with health and safety at work;
- adopt a conduct of maximum collaboration and transparency and comply with the principles of conduct and conduct specified in Special Part A "Crimes against the Public Administration" in relations with the public bodies responsible for health and safety at work, both during the drafting and communication of any declarations, and on the occasion of inspections/inspections;
- promote internal information and training on specific risks related to the performance of its duties and activities, company structure and regulations on health and safety, prevention and protection procedures and measures and/or take note of the information provided and/or actively participate in training courses;
- correctly use machinery, equipment, tools, materials, means of transport and other work equipment, as well as safety devices;
- report violations of the defined rules and any situation of potential or real danger to the persons responsible for the management of health and safety;
- scrupulously comply with the guidelines, directives and operational indications given by the Company, as well as the principles of the Code of Ethics.

D.4 Control principles and specific requirements applicable to occupational safety and health risk management

OMISSIS

SPECIAL PART "E" – THE CRIME OF INDUCING NOT TO MAKE STATEMENTS OR TO MAKE FALSE STATEMENTS TO THE JUDICIAL AUTHORITY

This Special Section, relating to the crime of inducing not to make declarations or to make false declarations to the Judicial Authority, to the regulation of behaviors and activities that could abstractly configure them and to the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of crime** attributable to the family of crimes of receiving stolen goods, money laundering, use of money, goods or utilities of illegal origin, abstractly configurable in the reality of Industries;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- **for homogeneous categories of Activities**, specific protocols of conduct and control ***are finally provided***, in order to prevent the occurrence of the aforementioned crimes.

It is recalled what has already been highlighted in the CRSA regarding the fact that a specific sensitive activity at risk of committing the crime in question cannot be identified, a crime that in any case has been assessed as theoretically conceivable in the reality of the Company.
Therefore, general principles are envisaged, to be applied in general to Sensitive Processes/Activities, also recalling the general principles of the Code of Ethics, as well as some specific protocols.

E.1 The offence of inducement not to make declarations or to make false declarations to the Judicial Authority (Article 25decies of the Decree)

The crime of **inducement not to make declarations or to make false declarations to the Judicial Authority** is the following:

- **(Art. 377 bis of the Criminal Code).** The offence punishes anyone who, with violence or threats, or with the offer or promise of money or other benefits, induces the person called upon to make statements before the Judicial Authority that can be used in criminal proceedings, when the latter has the right not to answer, not to make statements or to make false statements.

The rule that sanctions the crime of inducement not to make statements or to make false statements to the Judicial Authority was introduced into our legal system by Law 116 of 3 August 2009 in the context of the implementation reform of the principles of due process and aims to protect the possible instrumentalization of the right to remain silent granted to suspects and defendants, as well as to the so-called suspects/defendants in related proceedings, in order to protect the correct conduct of the trial activity against all undue interference capable of negatively affecting the ascertainment of the truth.
The conduct is carried out against the person who, called upon to make statements before the Judicial Authority that can be used in a criminal trial, can make use of the right not to answer and consists in inducing him not to make the aforementioned statements (and therefore to make use of the faculty that the law recognizes him) or to make false statements as a result of violence, threat or offer or promise of money or other benefits.
The active subject of the crime can be anyone, while the recipients of the conduct are only suspects and defendants (even in a related proceeding or in a related crime) to whom the law recognizes the right not to answer.

E.2 General principles, rules of conduct and specific protocols

This section illustrates the general principles and rules of conduct which, together with the principles defined in Chapter 4 of the General Part of the Model, as well as those contained in par. A.3 and in the Code of Ethics, must be followed by the Recipients in order to prevent the occurrence of the crime of inducement not to make declarations or to make false declarations to the Judicial Authority.

In particular, this Special Part "E" provides for the express prohibition, for the Recipients, to behave:

- such as to integrate the offence considered above (Article 25 decies of the Decree);
- which, although they are such that they do not constitute in themselves offences such as the one considered above, they can potentially become so;
- not in line with or not in compliance with the principles and requirements contained in this Model.

In this regard, the Recipients must:

- refrain from adopting reticent, omissive or omissive behaviour that may result, even indirectly and/or involuntarily, in hindrance to the work of the bodies of Justice;
- refrain from any pressure or threat, including through the use of physical violence, as well as from any offer of money or other benefits, in order to induce a person not to make statements or to make false statements before a Judicial Authority;
- refrain from inducing or persuading any person from providing false statements to the competent authorities;
- to provide effective cooperation and make truthful and exhaustively representative statements of the facts in relations with the Judicial Authority.

In the exercise of Sensitive Activities, the following principles must also be followed:

- Employees, as well as Collaborators in various capacities of the Company, must promptly notify their direct manager of any criminal proceedings that involve them, in any respect, in relation to the work performed or in any case related to it. A similar communication must be sent to the SB;
- if a director, manager or employee of the Company is called upon (respectively in the capacity of suspect/accused, assisted/accused in related proceedings) to make statements before the Judicial Authority regarding activities related to the management and administration of the company, he or she is required to maintain the utmost confidentiality with regard to the statements made and their subject, where they are covered by investigative secrecy;
- similar confidentiality must be maintained by the Legal Advisor who attends the issuance of such statements;
- the Company, when there is no obligation to carry out acts by other parties, must reserve these relationships exclusively to the Legal Department which will keep the documentation and keep track of the same relationships, always communicating formally and in writing;
- each Recipient is obliged to firmly reject any attempt by directors, managers, employees or other third parties acting on behalf of the Company (e.g. legal advisors) aimed at conditioning the content of their statements or inducing them, if permitted by law, to make use of the right not to respond;
- if the Recipient who is a director, manager, employee, receives undue pressure in this regard or promises of money or other benefits aimed at the same purpose, he is required to

immediately inform his hierarchical superior (or the person hierarchically superior to him if the undue pressure and promise of goods or benefits comes from his hierarchical superior).

SPECIAL PART "F" - ORGANIZED CRIME CRIMES

This Special Section, relating to organised crime offences, the regulation of behaviours and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of crimes** attributable to the family of organized crime crimes, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

F.1 Organised crime offences (Article 24 ter of the Decree)

Among the organised crime offences envisaged by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by the Company:

- **Criminal association (Article 416 of the Criminal Code):** The crime occurs when three or more people associate for the purpose of committing several crimes. Those who promote, constitute or organize the association are punished with imprisonment from three to seven years; For the mere fact of participating in the association, the penalty is imprisonment from one to five years. The leaders are subject to the same penalty as the promoters. The penalty is increased if the number of members is ten or more. If the association is aimed at committing one of the crimes referred to in Articles 600 of the Criminal Code (reduction or maintenance in slavery or servitude), 601 of the Criminal Code (trafficking in persons) and 602 of the Criminal Code (purchase and alienation of slaves), as well as Article 12, paragraph 3-bis of the Consolidated Law on the provisions concerning the regulation of immigration and rules on the condition of the foreigner referred to in Legislative Decree no. 286/98 (provisions against illegal immigration), imprisonment from five to fifteen years is applied in cases of promotion, constitution, organization of the association and from four to nine years in cases of mere participation in the association.
- **Mafia-type association (Article 416 bis of the Criminal Code)**tag. The crime is configured against anyone who is part of a mafia-type association formed by three or more people; The participant is punished with imprisonment from ten to fifteen years. Those who promote, direct or organize the association are punished, for this reason alone, with imprisonment from twelve to eighteen years. An association is of a mafia type when those who are part of it make use of the force of intimidation of the associative bond and the condition of subjection and silence that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make profits or unfair advantages for themselves or for others or in order to prevent or hinder the free exercise of the vote or to procure votes for oneself or others during electoral consultations. If the economic activities of which the members intend to take over or maintain control are financed in whole or in part by the price, the product, or the profit of crimes, the above-mentioned penalties are increased from one third to one-half. These provisions also apply to the Camorra and other associations, however

locally denominated, including foreign ones, which, making use of the intimidating force of the associative bond, pursue purposes corresponding to those of mafia-type associations.

- **Crimes committed using the conditions provided for by the aforementioned Article 416 bis of the Criminal Code, or in order to facilitate the activity of the associations provided for by the same article (Article 24 ter, first paragraph, Legislative Decree 231/01):** this regulatory provision is aimed at sanctioning crimes committed by making use of the intimidating force of the associative bond and the condition of subjection and silence that derives from it, as well as the crime of so-called external participation in the mafia association, a case of jurisprudential elaboration, which is found in the conduct of a person external to the criminal association who makes a decisive causal contribution to the pursuit of the illicit purposes and to the very life of the mafia association. The requirements for the configuration of the external contribution in a mafia association are the following: the occasionality and autonomy of the contribution made; the functionality of the contribution to the pursuit of the association's purposes and the causal efficiency of the contribution to the strengthening and consolidation of the association; moreover, it is necessary for the person acting the intent to be aware of favoring the achievement of the illicit purposes. Pursuant to Article 7 of Law Law 12 July 1991 nr. 203, for crimes punishable by a penalty other than life imprisonment committed using the conditions provided for by art. 416-bis of the Criminal Code or in order to facilitate the activity of the associations provided for by the same article, the penalty is increased from one third to one-half.

On the other hand, the following are excluded from this special section, although they can be traced back to the category of "Organized crime crimes":

- **Offences of unlawful manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or place open to the public of weapons of war or war-type weapons or parts thereof, explosives, clandestine weapons as well as several common firearms (Article 407, first paragraph, letter A), no. 5 of the Code of Criminal Procedure).** The crimes in question are provided for by Law 895/1967 and Law 110/1975. The main types of offences are reported: Art. 1 of Law 895/1967 (manufacture or introduction into the State or sale or transfer for any reason, without a licence, of weapons of war or war-type, or parts thereof, suitable for use, ammunition of war, explosives of all kinds; penalty: imprisonment from three to twelve years and a fine from €413 to €2,065); Art. 2 L. 895/1967 (illegal possession for any reason of the above-mentioned weapons, ammunition and explosives, penalty: imprisonment from one to eight years and a fine from €206 to €1,549); Art. 4 L. 895/1967 (illegal transport in a public place or open to the public of weapons, ammunition, explosives referred to in art. 1 of Law 895/67; penalty: imprisonment from two to ten years and a fine from € 206 to € 2,065); Article 23, paragraphs 2, 3, 4, 5 and 6, Law 110/1975 (manufacture, introduction into the State, export, trade, sale or transfer of clandestine weapons or barrels; penalty: imprisonment from three to ten years and a fine from €206 to €1,549; possession of clandestine weapons or barrels, penalty: imprisonment from one to six years and a fine from €103 to €1,032. The penalty of imprisonment from two to eight years and a fine from €154 to €1,549 are applied to anyone who brings clandestine weapons or barrels into a public place or open to the public. The same penalty also applies to anyone who deletes, counterfeits or alters the catalogue or serial numbers and other distinguishing marks of the weapons).
- **Political-mafia electoral exchange (Article 416 ter of the Criminal Code).** The crime in question is committed by anyone who accepts, directly or through intermediaries, the promise to procure votes from individuals belonging to mafia associations formed by three or more people (Article 416-bis) or through the methods referred to in the third paragraph of Article 416-bis (which punishes the conduct of obtaining votes during electoral consultations) in exchange for the disbursement or promise of disbursement of money or any other benefit. The penalty is imprisonment from four to ten years.

- **Kidnapping for the purpose of robbery or extortion (Article 630 of the Criminal Code)**tag. The crime is configured against anyone who kidnaps a person in order to obtain, for himself or for others, an unjust profit as the price of release; the penalty is imprisonment from twenty-five to thirty years. If the kidnapping results in the death, as an unintended consequence of the offender, of the kidnapped person, the culprit is punished with imprisonment of thirty years. If the culprit causes the death of the kidnapped, the penalty of life imprisonment is applied.
- **Association aimed at trafficking narcotic or psychotropic substances (art. 74 Presidential Decree no. 309/90).** The offence is when three or more persons join together for the purpose of committing several offences among those provided for in Article 73 (i.e. illegal production, trafficking and possession of narcotic or psychotropic substances); whoever promotes, establishes, directs, organises or finances the association shall be punished with imprisonment of not less than twenty years. Those who participate in the association are punished with imprisonment of not less than ten years. The penalty is increased if the number of members is ten or more or if among the participants there are people addicted to the use of narcotic or psychotropic substances.

For the purposes of preventing these types of crimes, where possible, the principles and safeguards contained in the Code of Ethics will be applied.

F.2 Sensitive Activities

OMISSIS

F.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of organized crime crimes, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph F.4, for each Process.

This Special Part "F" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of crime considered above (art.24 ter of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not in compliance with the principles and requirements contained in this Model and the Code of Ethics or in any case with company, internal and group directives and procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- the Recipients must behave correctly, transparently and collaboratively, in compliance with the law, the principles of the Code of Ethics and the internal and group company directives and procedures, with particular reference to activities aimed at managing the personal data of Suppliers/Contractors//Consultants/Collaborators/Partners, customers in the wholesale sector and in general in maintaining relations with other third parties, even foreigners, etc;

- not to entertain relationships, in particular, with subjects (natural or legal) of whom the performance of illegal activities is known or suspected, with reference to the types of crime referred to in art. 24 ter of Legislative Decree 231/2001, or in any case membership of criminal organizations or organizations operating outside the law, such as, by way of example but not limited to, subjects linked or in any case attributable to the environment of organized crime, including mafia, money laundering and financing of terrorism, drug trafficking, usury;
- not to pay in favour of Employees, Collaborators, Suppliers, Consultants, Contractors, Partners, representatives of other companies in the group, customers, remuneration, increases, benefits or discounts on the consideration that are not adequately justified either by contract or by the commercial practice in force in the sector of activity concerned, in relation to the type of performance/supply/assignment/service to be performed or received;
- take immediate action in the event of negative perceptions and/or reports about the integrity of subjects with whom one interacts;
- not to carry out or promise, in favour of subjects with whom an associative relationship has been established, even temporary, services that are not adequately justified in the light of the associative relationship established with them;
- bring to the attention of the hierarchical superior and/or the SB any situations of uncertainty regarding the conduct to be adopted, the interpretation of current legislation and internal procedures;
- report to the department managers and/or the SB any violations of the rules and any unusual operations that could be an indication of receiving stolen goods, money laundering and use of money, goods and utilities of illegal origin;
- to keep the supporting documentation, adopting all the physical and logical security measures established by Industries and to ensure the traceability of the phases of the decision-making process relating to financial and corporate relations with third parties;
- maintain a collaborative behavior with the Supervisory and/or Judicial Authorities.

The company figures and representatives of the other group companies involved in the Sensitive Activities are required to strictly comply with the corporate organisational procedures in force.

If the involvement of third parties such as, by way of example, Suppliers, Contractors, Consultants and/or Collaborators, Partners, is envisaged in the context of Sensitive Activities, the rules already mentioned in paragraph A.3 must also be complied with.

In addition, the activity performed by these subjects, in the context of Sensitive Activities, must be duly documented and, in any case, the function that has made use of their work must, before the payment of the relevant considerations, certify in writing the effectiveness and adequacy of the service with respect to what has been paid.

F.4 Specific protocols of behavior and control

OMISSIS

SPECIAL PART "G" - THE CRIMES OF FORGERY IN THE FIELD OF TRADEMARKS, PATENTS AND DISTINCTIVE SIGNS

This Special Section, relating to the offences of forgery in the field of trademarks, patents and distinctive signs, the regulation of the conduct and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of offences** attributable to the family of offences of forgery in the field of trademarks, patents and distinctive signs, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

G.1 The offences of forgery in the field of trademarks, patents and distinctive signs (Article 25 bis of the Decree)

The following are the offences of forgery in the field of trademarks and patents that can be abstractly configured in the context of the activities carried out by Industries:

- **Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 455 of the Criminal Code)**

This offence arises when someone, outside the cases provided for by art. 453 and 454, introduces into the territory of the State, acquires or holds counterfeit or altered coins, in order to put them into circulation, or spends them or otherwise puts them into circulation, is subject to the penalties established in the said articles, reduced from one third to one half

- **Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473 of the Criminal Code)**

This offence occurs when someone, being aware of the existence of the industrial property right, counterfeits or alters trademarks or distinctive signs, national or foreign, of industrial products, or, without being involved in the counterfeiting or alteration, makes use of such counterfeit or altered trademarks or signs. This hypothesis is punished with imprisonment from six months to three years and with a fine from 2,500 to 25,000 euros.

Anyone who infringes or alters patents, industrial designs, national or foreign, or, without being a contributor to the infringement or alteration, makes use of such counterfeit or altered patents, designs or models, shall be subject to imprisonment from one to four years and a fine of between €3,500 and €35,000.

The above crimes are punishable provided that the rules of domestic laws, EU regulations and international conventions on the protection of intellectual or industrial property have been observed.

- **Introduction into the state and trade in products with false signs (Article 474 of the Criminal Code)**

This hypothesis of crime occurs if, except in cases of complicity in the crimes provided for in Article 473 of the Criminal Code, someone introduces into the territory of the State, in order to make a profit, industrial products with counterfeit or altered trademarks or other distinctive signs, national or foreign. This hypothesis is punished with imprisonment from one to four years and a fine from € 3,500 to € 35,000.

Except in cases of complicity in counterfeiting, alteration, introduction into the territory of the State, the person who holds for sale, puts up for sale or otherwise puts into circulation, in order to make a profit, the products referred to above is punished. This hypothesis is punished with imprisonment of up to two years and a fine of up to € 20,000.

The crimes mentioned above are punishable provided that the rules of domestic laws, EU regulations and international conventions on the protection of intellectual or industrial property have been observed.

G.2 Sensitive activities

OMISSIS

G.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of counterfeiting offences in the field of trademarks, patents and distinctive signs, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph G.4, for each Process.

This Special Section "G" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in:

- such as to integrate the types of crime considered above (art.25 bis of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- a correct, transparent and collaborative behaviour must be maintained in compliance with the law and internal company procedures, in all Sensitive Activities and in particular aimed at managing relations with Suppliers/Contractors/Consultants/Collaborators/Partners;
- in the choice of the Business Partner, the utmost attention must be paid to information concerning third parties who may even generate the suspicion of the commission of one of the crimes referred to in this special section;
- the traceability of the phases of the decision-making process relating to financial and corporate relations with third parties must be ensured;
- the supporting documentation must be kept, adopting all the physical and logical security measures established by Industries;
- any situations of uncertainty regarding the conduct to be adopted, the interpretation of current legislation and internal procedures must be brought to the attention of the hierarchical superior and/or the SB;
- it is mandatory to comply with the principles of the Code of Ethics and the *policies* adopted by the Company and the group containing principles aimed at respecting the industrial property rights of third parties and protecting those of the Company, even in the event of collaboration with external bodies;
- the reliability of letters of formal notice received from persons reporting alleged conduct by the Company that is detrimental to the rights protected by the rules on trademarks and patents must be verified;
- it is necessary to verify with legal opinions or other professionals the possibility that a company's conduct may constitute one of the crimes in the field of trademarks and patents;
- A "clearance" process must be adopted divided into several phases that takes the form of the search for previous filings of trademarks and patents of others.

The company figures and representatives of the other group companies involved in the Sensitive Activities are required to strictly comply with the corporate organisational procedures in force.

If the involvement of third parties such as, by way of example, Suppliers, Contractors, Consultants, Collaborators, Partners, is envisaged, in the context of Sensitive Activities, the rules already mentioned in paragraph A.3 must also be complied with.

In addition, the activity performed by these subjects, in the context of Sensitive Activities, must be duly documented and, in any case, the function that has made use of their work must, before the payment of the relevant considerations, certify in writing the effectiveness and adequacy of the service with respect to what has been paid.

G.4 Specific protocols of behavior and control

OMISSIS

SPECIAL PART H: CRIMES IN VIOLATION OF COPYRIGHT

H.1 Offences in violation of copyright

This Special Section, relating to crimes in violation of copyright, the regulation of behaviors and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of crimes** attributable to the family of crimes of forgery in the field of copyright infringement, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

The following are the types of offences that can be abstractly configured in the context of the activities carried out by Industries:

- **Art. 171, paragraph 1, letter a-bis) and paragraph 3 of Law no. 633 of 22.04.1941.** The offence arises when someone, without having the right, for any purpose and in any form, makes available to the public, by placing it in a system of telematic networks, through connections of any kind, a protected intellectual work, or part of it. In this case, the penalty is a fine of € 51.00 to € 2,065, but, according to the provisions of paragraph 3, the penalty is imprisonment of up to one year or a fine of not less than € 516 if the above crimes are committed on a work of others not intended for publication, or with usurpation of the authorship of the work, or with deformation, mutilation or other modification of the work itself, if it is offended to the honor or reputation of the author.

- **Art. 171 *bis* of Law no. 633 of 22.041941.** This case is aimed at the protection of *software* (paragraph 1) and databases (paragraph 2). In particular, the first paragraph considers as the material object of the case the computer programs and the programs contained in media not marked by the SIAE, while the typified conducts consist in the abusive duplication of the former or in the distribution, sale, possession for commercial or entrepreneurial purposes leasing of the latter, as well as in relation to events aimed solely at allowing or facilitating arbitrary removal or functional circumvention of devices applied to protect a computer program.
  The second paragraph, on the other hand, contemplates the conduct of reproduction on non-SIAE marked media, transfer to another support, distribution, communication, presentation or demonstration in public of the contents of a database in violation of the provisions of art. 64 *quinquies* and 64 *sexies* of the same Law no. 633/1941, as well as extraction or reuse of databases in violation of arts. 102 *bis* and 102 *ter* of the same Law no. 633/1941 or, finally, of distribution, sale, rental of databases (always, obviously, without the required SIAE mark). Both provisions provide that such conduct is supported by the purpose of profit, outlining a significant expansion of the content of the subjective element compared to what was established in the past where the purpose of profit was required (which is instead required for the integration of the cases referred to in the subsequent Article 171 ter), which, unlike the purpose of profit, constitutes an element of more limited content as it is integrated only in the presence of an "*purpose of economically appreciable gain or capital increase, to which*

the mere saving of expenditure outside the performance of an economic activity remains extraneous, and which cannot be identified with any advantage of any other kind" (so Cass. pen., sec. III, 22.11.2006, Rizzi in *CP*, 2007, p. 2977).

- **Art. 171 *ter* of Law no. 633 of 22.04.1941.** The provision referred to in art. 171 *ter* currently constitutes the 'main rule' of the entire system of criminal protection in the field, providing for a multiplicity of conducts suitable for covering a very wide spectrum of possible violations of the discipline on copyright and related rights.

  In particular, this provision, with the express exclusion of cases of purely personal use, contemplates in the first paragraph the fact of those who:

  "*a) unlawfully duplicates, reproduces, transmits or disseminates in public by any process, in whole or in part, an intellectual work intended for television, cinema, sale or rental, records, tapes or similar supports or any other medium containing phonograms or videograms of musical, cinematographic or equivalent audiovisual works or sequences of moving images;*
  b) unlawfully reproduces, transmits or disseminates in public, by any means, works or parts of literary, dramatic, scientific or didactic, musical or dramatic-musical works, or multimedia, even if included in collective or composite works or databases;
  c) although it has not participated in the duplication or reproduction, introduces into the territory of the State, holds for sale or distribution, distributes, puts on the market, rents or in any case transfers for any reason, screens in public, transmits by means of television by any process, transmits by means of radio, makes the duplications or abusive reproductions referred to in letters a) and b) heard in public;
  d) holds for sale or distribution, puts on the market, sells, rents, assigns for any reason, projects in public, transmits by radio or television by any means whatsoever, video cassettes, cassettes, any medium containing phonograms or videograms of musical, cinematographic or audiovisual works or sequences of moving images, or other medium for which it is prescribed, pursuant to this law, the affixing of a mark by the Italian Society of Authors and Publishers (S.I.A.E.), without the same mark or with a counterfeit or altered mark;
  e) in the absence of an agreement with the legitimate distributor, retransmits or disseminates by any means an encrypted service received by means of equipment or parts of equipment suitable for the decoding of conditional access transmissions;
  f) introduces into the territory of the State, holds for sale or distribution, distributes, sells, leases, assigns for any reason, commercially promotes, installs special decoding devices or elements that allow access to an encrypted service without payment of the fee due;
  f-bis) manufactures, imports, distributes, sells, rents, transfers for any reason, advertises for sale or rental, or holds for commercial purposes, equipment, products or components or provides services that have the prevalent purpose or commercial use of circumventing effective technological measures referred to in art. 102-quarter or are mainly designed, produced, adapted or manufactured with the aim of making possible or facilitating the circumvention of the aforementioned measures. Technological measures include those applied, or remaining, following the removal of the same measures as a result of the voluntary initiative of rightholders or agreements between the latter and the beneficiaries of exceptions, or following the execution of measures of the administrative or judicial authority;
  h) unlawfully removes or alters the electronic information referred to in Article 102-quinquies, or distributes, imports for distribution, broadcasts by radio or television, communicates or makes available to the public works or other protected subject matter from which the electronic information has been removed or altered";
  (h-bis) *Abusively, also in the manner indicated in paragraph 1 of Article 85-bis of the Consolidated Law on Public Security, referred to in Royal Decree No. 773 of 18 June 1931, it carries out the fixation on a digital, audio, video or audio-video medium, in whole or in part,*

of a cinematographic, audiovisual or editorial work or carries out the reproduction, performance or communication to the public of the fixation unlawfully carried out

In the second paragraph, on the other hand, it contemplates the fact of those who:
a) reproduces, duplicates, transmits or disseminates illegally, sells or otherwise puts on the market, transfers for any reason or illegally imports more than fifty copies or copies of works protected by copyright and related rights;
(a-bis) in breach of Article 16, for profit, communicate to the public by placing it in a system of telematic networks, by means of concessions of any kind, an intellectual work protected by copyright, or part thereof;
b) by carrying out in an entrepreneurial form the activity of reproduction, distribution, sale or marketing, importation of works protected by copyright and related rights, is guilty of the acts referred to in paragraph l;
c) promotes or organizes the illegal activities referred to in paragraph 1.

As far as the subjective element is concerned, unlike the provisions of Article 171 *bis*, the specific intent of profit is required to be assessed in the narrower sense that characterizes this element with respect to the different purpose of profit (see the above with regard to Article 171 *bis*).
The following paragraph 2 provides as aggravated cases the conduct of abusive reproduction, duplication, transmission, dissemination, sale or marketing of works protected by copyright or related rights if they relate to more than fifty copies or copies (lett. *a*); communication to the public, even in part, of intellectual works by entering a system of telematic networks and with connections of any kind (lett. *a-bis*); as well as the commission of the same conducts already provided for in paragraph 1 by those who carry out a business activity of reproduction, distribution, sale, marketing and import of works protected by copyright or related rights (lett. *b*) or, finally, the fact of who organizes or promotes the activities referred to in the previous paragraph (lett. *c*).

- **Art. 171 *septies* of Law no. 633 of 22.04.1941.** This provision also provides for the conduct (equating them from the point of view of the sanctioning treatment with the penalties provided for by art. 171 *ter*) of failure to communicate to the SIAE within the prescribed terms the data necessary for the unequivocal identification of non-subject media, *pursuant to* art. 181 *bis*, the affixing of the SIAE mark by the producer or importer of the same, as well as – provided that the fact does not constitute a more serious crime – that of false certification of the fulfilment of the specific obligations provided for pursuant to art. 181 *bis*, paragraph 2.

On the other hand, the following types of offences are excluded from this Special Section, although they can be traced back to the category of "Offences in violation of copyright":

- **Art. 171 *octies* of Law no. 633 of 22.04.1941.** This provision punishes (provided that the extremes of a more serious offence are not met) the production, sale, importation, promotion, installation, modification, use for public and private use of tools suitable for the decoding of "*conditional access" audiovisual broadcasts* (according to the precise definition of this element provided by the same provision to which reference is made)"*carried out over the air, by satellite, by cable, in both analogue and digital form*". The subjective element of the case is constituted by specific intent, given that the conduct must be carried out "*for fraudulent purposes*".

H.2 Sensitive Activities

OMISSIS

H.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of crimes in violation of copyright, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph H.4, for each Process.

This Special Part "H" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of crime considered above (art.25 novies of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below, in addition to what has already been specified in par. A.3:

- behave correctly, transparently and collaboratively in compliance with the law and internal procedures, in all activities aimed at managing relationships with Suppliers/Contractors/Consultants/Collaborators/Partners, including companies providing e-commerce services;
- not to maintain relations with subjects (natural or legal) of whom it is known or suspected to be carrying out illegal activities with reference to the types of crime referred to in art. 25 *novies* in violation of copyright;
- comply with any policies and procedures adopted by the Company and the group containing principles to be followed in order to respect the copyrights of intellectual works owned by third parties;
- verify the reliability of letters of formal notice received from subjects who denounce alleged conduct by the Company that is detrimental to the rights protected by copyright laws;
- verify, through legal opinions or those of other Consultants/professionals, the possibility that the Company's conduct may constitute one of the copyright offences;
- avoid making available to the public, unless the ownership of the relevant rights are verified by the Company, as well as disseminate, duplicate, reproduce, transmit, enter on the internet or on television, radio or telematic channels, put on the market for any reason, or in any case exploit, any protected intellectual work, images, music, works or parts of cinematographic works, photographs, works or parts of literary, dramatic, scientific or educational works, works of the figurative arts and in any case use *software* or protected databases.

In addition, the Recipients:

- unauthorized downloading of software or other copyrighted intellectual works is prohibited;
- it is forbidden to modify the software and/or hardware configuration of fixed or mobile workstations unless provided for by a company rule or, in a different case, unless expressly and duly authorized;

- reproduce, duplicate, transmit or disseminate abusively, sell or otherwise put on the market, transfer for any reason or illegally import copies or copies of works protected by copyright and related rights.

The SB must be informed in writing of any critical element/irregularity that may arise in the context of the activities attributable to the Sensitive Processes outlined or of other relevant information as defined in the General Part, paragraph 5.6.

If the involvement of third parties such as, by way of example, Suppliers, Contractors, Consultants, Collaborators, Partners, is envisaged, in the context of Sensitive Activities, the rules already mentioned in paragraph A.3 must also be complied with.

In addition, in general, in carrying out activities within the areas at risk, the procedures and/or instructions and/or any operational or organisational provisions must be scrupulously observed, which define, among other aspects, the subjects/business areas involved, the areas of responsibility, the decision-making/authorisation process and the operating methods within the activities attributable to processes at risk.

H.4 Specific Behavior and Control Protocols

OMISSIS

SPECIAL PART "I": OFFENCE OF EMPLOYMENT OF ILLEGALLY STAYING THIRD-COUNTRY NATIONALS

This Special Section, relating to the offence of employment of illegally staying third-country nationals, the regulation of behaviour and activities that could abstractly constitute them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **offence** attributable to the family of offences involving illegally staying third-country nationals, which can be abstractly configured in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

I.1 The offence relating to the employment of illegally staying third-country nationals (Article 25k of the Decree)

Article 2 of Legislative Decree no. 109 of 16 July 2012 (on "Implementation of Directive 2009/52/EC introducing minimum standards on sanctions and measures against employers who employ illegally staying third-country nationals") introduced into the Decree Article 25-duodecies, entitled "Employment of illegally staying third-country nationals", providing for the administrative liability of entities for the offence provided for in art. 22, paragraph 12-bis of Legislative Decree no. 286/1998 (Consolidated Law on the provisions concerning the regulation of immigration and rules on the conditions of foreigners).

The criminal offence referred to in art. 25 duodecies of the Decree.

- **Article 22, paragraph 12-bis, of Legislative Decree no. 286 of 25 July 1998**

12. An employer who employs foreign workers who do not have the residence permit provided for in this article, or whose permit has expired and whose renewal has not been requested within the terms of the law, revoked or cancelled, shall be punished with imprisonment from six months to three years and with a fine of 5000.00 euros for each worker employed.
12-bis. The penalties for the offence provided for in paragraph 12 are increased from one third to one-half:

a) if the number of workers employed is greater than three;
b) if the workers employed are minors of non-working age;
c) if the workers employed are subject to the other particularly exploitative working conditions referred to in the third paragraph of Article 603-bis of the Criminal Code (NDR: i.e. "situations of serious danger, having regard to the characteristics of the services to be performed and the working conditions").

I.2 Sensitive Activities

OMISSIS

I.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of the crime in question, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph I.4, for each Process.

This Special Part "I" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in:

- such as to integrate the offence considered by art. 25 *duodecies* of the Decree;
- which, although they are such that they do not constitute in themselves the offence considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model, in the Code of Ethics.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- behave correctly, transparently and collaboratively in compliance with the law and internal procedures, in all activities aimed at hiring and managing human resources;
- not to maintain commercial relations with subjects (natural or legal) of whom the performance of illegal activities is known or suspected with reference to the criminal offences punished by the "Consolidated Law on the provisions concerning the regulation of immigration and rules on the conditions of the foreigner" (hereinafter "Consolidated Immigration Act") and, in general, by immigration legislation;
- comply with any *policies* adopted by the Company containing the principles to be followed in order not to violate the requirements, including procedural requirements, provided for by immigration legislation;
- verify, through legal opinions or other professionals, the possibility that a conduct of the Company may constitute an offence provided for by the Consolidated Immigration Act.

I.4 Protocols specific to Behavior and control

OMISSIS

SPECIAL PART "L": CRIMES AGAINST INDUSTRY AND COMMERCE AND SMUGGLING CRIMES

This Special Section, relating to crimes against industry and commerce, the regulation of conduct and activities that could abstractly constitute them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **offence attributable** to the family of offences against industry and commerce that can be abstractly configured in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

L.1 Crimes against industry and commerce (Article 25 bis.1 of the decree)

Among the crimes against industry and commerce provided for by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by Industries:

- **Disturbed Freedom of industry and commerce (art. 513 of the Criminal Code)** The crime occurs when someone uses violence against property or fraudulent means to prevent or disturb the exercise of an industry or trade. This hypothesis is punished, upon complaint by the injured party, if the fact does not constitute a more serious crime, with imprisonment of up to two years and a fine from 103 to 1,032 euros.
- **Unlawful competition with threat or violence (Article 513 *bis of the* Criminal Code)** The offence arises when someone, in the exercise of a commercial, industrial or other productive activity, carries out acts of competition with violence or threat. This hypothesis is punishable by imprisonment from two to six years. The penalty is increased if the acts of competition concern an activity financed in whole or in part and in any way by the State or other public bodies.
- **Fraud in the exercise of trade (Article 515 of the Criminal Code) -** This offence arises when someone, in the exercise of a commercial activity, or in a shop open to the public, delivers to the buyer a movable thing for another, or a movable thing, by origin, provenance, quality or quantity, different from that declared or agreed. This hypothesis is punished, if the fact does not constitute a more serious crime, with imprisonment of up to two years or with a fine of up to Euro 2,065. If the objects are valuable, the penalty is imprisonment of up to three years or a fine of not less than Euro 103.
- **Sale of industrial products with false signs (Article 517 of the Criminal Code) -** This offence arises when someone offers for sale or otherwise puts into circulation intellectual works or industrial products, with national or foreign names, trademarks or distinctive signs, capable of misleading the buyer as to the origin, provenance or quality of the work or product. This hypothesis is punished, if the fact is not provided for as a crime by another provision of law, with imprisonment up to two years and a fine of up to 20,000 euros.
- **Manufacture and trade of goods made by usurping industrial property rights (Article 517-ter of *the* Criminal Code)** - Without prejudice to the application of Articles 473 and 474 of the Criminal Code, this offence arises when someone, being aware of the existence of the industrial property right, manufactures or industrially uses objects or other goods made by

usurping an industrial property right or in violation of the same. This offence is punished, upon complaint by the injured party, with imprisonment of up to two years and a fine of up to €20,000. The same penalty shall apply to those who, in order to make a profit, introduce into the territory of the State, hold for sale, put up for sale with a direct offer to consumers or in any case put into circulation the goods referred to in the first paragraph. In these cases, the crimes are punishable provided that the rules of domestic laws, EU regulations and international conventions on the protection of intellectual or industrial property have been observed.

On the other hand, the following types of offences are excluded from this Special Section, although they can be traced back to the category of "crimes against industry and commerce":

- **Fraud against national industries (Article 514 of the Criminal Code)** The offence occurs when someone, by selling or otherwise putting into circulation, on national or foreign markets, industrial products, with counterfeit or altered names, trademarks or distinctive signs, causes damage to the national industry. This hypothesis is punished with imprisonment from one to five years and a fine of not less than 516 euros. If the rules of domestic laws or international conventions on the protection of industrial property have been complied with for trademarks or distinctive signs, the penalty is increased and the provisions of Articles 473 and 474 of the Criminal Code do not apply.
- **Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code)** This offence arises when someone sells or otherwise markets non-genuine foodstuffs as genuine. This hypothesis is punished with imprisonment up to six months or with a fine of up to 1,032 euros.
- **Counterfeiting of geographical indications or designation of origin of agri-food products (Article 517 *quarter of the* Criminal Code)** This offence arises when someone counterfeits or otherwise alters geographical indications or designations of origin of agri-food products. This offence is punishable by imprisonment of up to two years and a fine of up to €20,000. The same penalty applies to those who, in order to make a profit, introduce into the territory of the State, hold for sale, put on sale with a direct offer to consumers or in any case put into circulation the same products with the counterfeit indications or names. These crimes are punishable provided that the rules of domestic laws, EU regulations and international conventions on the protection of geographical indications and designations of origin of agri-food products have been observed. For the purposes of preventing these types of crimes, where possible, the principles and safeguards contained in the Code of Ethics will be applied.

L.2 The types of contraband crimes

The smuggling offences that can be abstractly configured in the context of the activities carried out by Industries are:

- **Smuggling in non-customs areas (Art. 286 D.P.R. 43/1973)** This offence is punishable by a fine of not less than two and not more than ten times the border duties due for anyone in the non-customs territories indicated in Art. 2, constitutes unauthorised warehouses of foreign goods subject to border duties, or constitutes them to an extent greater than that permitted.
- **Smuggling for undue use of goods imported with customs facilities (Art. 287 of Presidential Decree 43/1973)** This offence is punishable by a fine of not less than two and not more than ten times the border duties due for anyone who gives, in whole or in part, to foreign goods imported duty-free and with a reduction of the duties themselves a destination or use other than that for which the exemption or reduction was granted, except as provided for in art. 140.
- **Smuggling in customs warehouses (Art. 288 D.P.R. 43/1973)** This offence occurs when the concessionaire of a privately owned customs warehouse holds foreign goods for which

there has not been the required declaration of introduction or which are not taken over in the warehouse registers. This offence is punishable by a fine of not less than two and not more than ten times the border fees due.

- **Smuggling in cabotage and circulation (Art. 289 of Presidential Decree 43/1973)** This offence is punishable by a fine of not less than two and not more than ten times the border duties due for anyone who introduces foreign goods into the State to replace national or nationalised goods shipped in cabotage or in circulation.
- **Smuggling in the export of goods eligible for the refund of duties (Art. 290 of Presidential Decree 43/1973)** This offence arises when someone uses fraudulent means in order to obtain undue restitution of duties established for the import of raw materials used in the manufacture of domestic goods that are exported. Such an offence shall be punishable by a fine of not less than twice the amount of the charges which he has unduly collected or attempted to collect, and not more than ten times the amount of the charges which he has unduly collected or attempted to collect.
- **Smuggling in temporary import or export (Art. 291 of Presidential Decree 43/1973)** This offence occurs when someone in the operations of temporary import or export or in the operations of re-export and re-importation, in order to remove goods from the payment of duties that would be due, subjects the goods themselves to artificial manipulation or uses other fraudulent means. This offence shall be punishable by a fine of not less than two and not more than ten times the amount of the duties evaded or attempted to evade.
- **Other cases of smuggling (Art. 292 of Presidential Decree 43/1973)** This offence occurs when someone, outside the cases provided for in the previous articles, subtracts goods from the payment of the border duties due. This offence shall be punishable by a fine of not less than two and not more than ten times the same rights.
- **Penalty for smuggling in the event of failure or incomplete verification of the object of the crime (Art. 294 D.P.R. 43/1973)** In cases of smuggling, if the faulty party has not been able to ascertain, in whole or in part, the quality, quantity and value of the goods, instead of the proportional penalty, a fine of up to € 516 is applied. In any case, the penalty may not be less than twice the fees due on the quantity of goods that it has been possible to ascertain.
- **Aggravating circumstances of smuggling (Art. 295 D.P.R. 43/1973)** This offence is punished with a fine of not less than five and not more than ten times the border duties due for anyone who, in order to commit smuggling, uses means of transport belonging to a person unrelated to the crime. For the same offences, imprisonment of between between and five years shall be added to the fine: a) when the offender is caught at gunpoint in committing the offence, or immediately afterwards in the surveillance area; b) when, in committing the offence, or immediately afterwards in the surveillance area, three or more persons guilty of smuggling are caught together together and in such a condition as to obstruct the police bodies; c) when the act is committed with another offence against the public faith or against the public administration d) when the offender is an associate to commit smuggling offences and the offence committed is among those for which the association was constituted For the same offences, imprisonment of up to three years is added to the fine when the amount of border fees due is greater than € 49,993.
- **Differences with respect to the declaration of goods intended for definitive importation, storage or shipment to another customs (Art. 303 of Presidential Decree 43/1973)** [Paragraph 1]. If the declarations relating to the quality, quantity and value of the goods intended for final importation, storage or shipment to another customs office with a security bill, do not correspond to the assessment, the declarant shall be punished with an administrative fine ranging from €103 to €516 unless the incorrect indication of the value has led to the redetermination of border duties, in which case the penalties indicated in paragraph 3 below shall apply. [Paragraph 2] The provision referred to in paragraph 1 shall not apply: a) when, in the cases provided for in Article 4(2)(e) of Legislative Decree No 374 of 8 November 1990, although the name of the tariff is incorrect, the commercial name of the goods has been precisely indicated, so as to make it possible to apply the charges; (b) where

the goods declared and those recognised at the time of the assessment are taken into account in the tariff under different subheadings of the same heading, and the amount of the boundary duties which would be payable according to the declaration is equal to the amount of the duties paid or exceeds it by less than one third; (c) where the differences in quantity or value do not exceed five per cent for each quality of the goods declared. [Paragraph 3] If the total border fees payable according to the assessment are greater than those calculated on the basis of the declaration and the difference in fees exceeds five per cent, the administrative sanction, if the fact does not constitute a more serious offence, shall be applied as follows: a) for fees up to €500, an administrative fine of €103 to €500 shall be applied; b) for fees from 500.1 to 1,000 euros, an administrative penalty of 1,000 to 5,000 euros shall be applied; c) for fees from 1000.1 to 2,000 euros, an administrative sanction from 5,000 to 15,000 euros is applied; d) for fees from €2,000.1 to €3,999.99, an administrative fine of €15,000 to €30,000 shall apply; e) for fees equal to or greater than 4,000 euros, an administrative penalty of 30,000 euros to ten times the amount of the fees shall be applied.

- **Differences with respect to the declaration for the export of goods with refund of duties (Art. 304 of Presidential Decree 43/1973)** This offence arises if there are differences in quality and quantity between the goods intended for export and the declaration submitted to obtain the refund of duties. The declarant shall be punished with an administrative fine not less than the sum that would have been unduly returned and not more than ten times the amount of the amount, provided that the act does not constitute a smuggling offence. However, if the inaccuracy of the declaration is due to errors in calculation or transcription made in good faith, an administrative sanction of not less than one-tenth and not more than the entire amount of the aforementioned sum shall be applied instead of the fine. The foregoing provisions shall not apply when the difference between the entitlements for which restitution has been requested in accordance with the declaration and those actually to be repaid in accordance with the assessment does not exceed five per cent.
- **Failure to discharge the deposit bill. Differences in quantity (Art. 305 D.P.R. 43/1973)** This offence arises when the goods shipped from one customs to another with a deposit note are not presented to the customs of destination. The consignor is subject to the penalty of an administrative fine ranging from one tenth to the full amount of the border fees. If, on the other hand, on arrival of the goods at the customs of destination there is a quantity greater or less than that indicated on the deposit bill, the consignor is subject to the penalty of an administrative fine of not less than one tenth and not more than the entire difference in border fees. The penalties established in the previous provisions also apply when goods exempt from assessment are transported in any case, in which case the amount of border duties will be calculated in the amount established in art. 143, second paragraph.
- **Differences in quality with respect to the security bill (Art. 306 of Presidential Decree 43/1973)** This offence occurs if there is a difference in quality between the goods arrived and those indicated in the deposit bill at the destination customs. The consignor is subject to the penalty of an administrative fine from a minimum of once to a maximum of three times the amount of the border duties due on the goods indicated on the bill itself and which do not meet the qualities ascertained by the customs of departure. In the case of goods intended for transit, and at the customs of exit instead of those described in the security bill there are others subject to export duty, in addition to the penalty established in the previous paragraph, an administrative sanction shall be applied not less than the amount of the export duty due on the goods found and not exceeding three times the duty itself.
- **Penalties for the alteration of packages shipped with a deposit bill exempt from visits (Art. 307 D.P.R. 43/1973)** This offence occurs if the customs of destination finds that the packages shipped exempt from assessment have been altered in such a way that a difference in quantity has resulted, the administrative sanction established in Article 305 is increased by not less than two hundred thousand lire and not more than one million lire for each package altered.

- **Differences in goods stored in private customs warehouses (Art. 308 Presidential Decree 43/1973)** This offence occurs when in the verification of goods placed in privately owned customs warehouses there is a difference in quality, or there is a quantity surplus exceeding two percent. The warehouse concessionaire shall be punished with an administrative fine of not less than half and not more than three times the boundary duties due on the goods of different quality or on the surplus that has been found. If there is a deficiency of more than two per cent over and above the recognised decrease, the penalty of an administrative penalty shall be applied to the extent established in the previous paragraph, calculated on the entire difference, without taking into account said reduction. Regardless of the application of criminal sanctions, if the difference in quantity plus or minus exceeds twenty percent, the dealer is obliged to immediately clear all goods registered in his name through customs. In the event that, previously, another difference in quantity of more than twenty per cent has been ascertained at his expense in the warehouse managed by him, even if relating to goods of different quality, he is also deprived of the concession of storage for a period of one year. If missing packages are found noted in the registers, the penalty of the administrative penalty is not less than two and not more than ten times the border fees due on the missing packages. If the weight of the missing packages is not known, this is calculated on the basis of the average of those of the same species constituting the deposited part. If the acts provided for in the previous provisions constitute a smuggling offence, the penalties established for this offence shall apply.
- **Differences found in temporary storage warehouses (Art. 309 of Presidential Decree 43/1973)** This offence occurs if the differences in quantity and quality referred to in the third and fourth paragraphs of Art. 98. The operator shall be punished with an administrative fine of not less than half and not more than three times the fees relating to the missing or surplus goods, unless the operator or other persons are charged with the offence of smuggling.
- **Differences with respect to the declaration of goods intended for temporary import or export (Art. 310 of Presidential Decree 43/1973)** This offence arises if there are differences in quality or quantity between the declaration and the goods intended for temporary importation. An administrative penalty shall be imposed not less than the full amount of the border duties due for goods found to be of a different quality from the declared one and for excess or missing quantities, and not more than ten times the same. If deficiencies are found on goods intended to be re-exported in products subject to exit duty, this duty will also be included in the calculation of the administrative sanction, commensurate with the products corresponding to the quantities missing with respect to the declaration. In the case of differences in quality or quantity between the declaration and the goods intended for temporary export, an administrative penalty shall be imposed not less than the entire difference between the duties of entry which would be payable on the reimportation of the goods according to the declaration and those which would be payable according to the assessment, if the goods to be reimported were foreign, and not greater than ten times the difference. If differences are found on goods subject to exit duty, this duty will also be included in the calculation of the administrative sanction, commensurate with the differences ascertained with respect to the declaration. The administrative penalty does not apply when the difference in quantity does not exceed five percent.
- **Differences in quality in re-export to temporary importation (Art. 311 D.P.R. 43/1973)** This offence occurs if the goods presented for re-export are all or partly different from those that should have been re-exported. An administrative penalty shall be imposed not less than twice or more than ten times the duties due on temporarily imported goods in place of which others are presented. If the goods presented for re-export in place of those temporarily imported are subject to exit duties, an administrative penalty of not less than twice or more than ten times the duties due for the export of the goods shall also apply.
- **Differences in quality in the re-importation for temporary export unloading (Art. 312 D.P.R. 43/1973)** This offence occurs if the goods presented for re-importation are all or partly different from those that should have been re-imported. An administrative penalty of not less

than twice or ten times the amount of the fees due on goods found to be of different quality shall be applied. If the goods temporarily exported, in lieu of which others are presented for reimportation, were subject to exit duties, an administrative penalty shall also be imposed not less than twice or more than ten times the duties payable for the export of the goods in question.

- **Differences in quantity with respect to the declaration for re-export and re-importation (Art. 313 D.P.R. 43/1973)** This offence occurs if in comparison with the declaration for re-export there are differences in quantity that exceed five percent. An administrative penalty shall be imposed not less than the full amount, nor greater than ten times the entry duties due on the missing goods or the exit duties due on the excess goods. If, in comparison with the re-import declaration, differences in quantities of more than five per cent are found, an administrative penalty shall be imposed not less than the full amount or greater than ten times the entry duties payable on the excess goods or the exit duties payable on the missing goods.
- **Errors made in good faith in the compilation of declarations relating to goods temporarily imported or exported (Art. 314 D.P.R. 43/1973)** In the cases provided for in Articles 310 and 313, an administrative sanction of not less than one-tenth and not more than the entire amount of the difference in border duties shall be applied if the inaccuracy of the declaration is due to errors in calculation or transcription committed in good faith, without prejudice to the exemption from penalties for differences in quantity that do not exceed five percent.
- **Release for consumption without authorisation of goods temporarily imported (Article 315 of Presidential Decree 43/1973)** In addition to the provisions of Article 198, in the case of release for consumption in the customs territory, without authorisation from the head of the customs district, of goods temporarily imported which do not meet the conditions laid down in Articles 9 and 10 of the Treaty establishing the European Economic Community, an administrative penalty of between €516 and €5160 shall be applied, without prejudice to any other penalties that may be applicable as a result of other provisions.
- **Omission or delay in the submission of the customs declaration (Art. 318 D.P.R. 43/1973)** This offence is punished with an administrative fine ranging from €258 to €2,582 by those who fail to make the declaration prescribed by art. 56 within the established deadline, or extended pursuant to art. 95.
- **Failure to comply with customs formalities (Art. 319 of Presidential Decree 43/1973)** This offence is punished with an administrative fine ranging from €103 to €516 for anyone who: a) imports or exports goods exempt from border duties by unauthorised routes or at unauthorised times; b) is not in possession of the pass or security bill by which national or nationalised goods must be accompanied in circulation by land, in accordance with art. 227. Anyone who: a) presents foreign goods, shipped by another customs with a security bill, after the deadline established in the bill itself, to the customs of destination when the delay is not justified, shall be punished with an administrative fine of between 10 and 25 euros; (b) present to the customs of destination, in the cases referred to in the preceding subparagraph, packages which are externally altered, but without a difference in weight. The administrative penalty applies for each altered package.
- **Penalties for violations of the rules on warehouses in the surveillance areas (Art. 320 D.P.R. 43/1973)** This offence arises if someone violates the rules established by the decree of the President of the Republic indicated in art. 26, to regulate the establishment and operation of warehouses of goods in the surveillance areas. This offence is punishable by a fine of between €103 and €516.

On the other hand, the following types of offences are excluded from this Special Section, although they can be traced back to the category of "smuggling offences":

- **Smuggling in the movement of goods across land borders and customs areas (Art. 282 of Presidential Decree 43/1973)** This offence is punishable by a fine of not less than

two and not more than ten times the border duties due for anyone who: a) introduces foreign goods across the land border in violation of the requirements, prohibitions and limitations established pursuant to Article 16; (b) unload or store foreign goods in the intermediate space between the border and the nearest customs; c) is caught with foreign goods hidden on the person or in luggage or packages or furnishings or among goods of any other kind or in any means of transport, in order to avoid customs inspection; d) removes goods from customs areas without having paid the duties due or without guaranteeing payment, except as provided for in art. 90; (e) takes out of the customs territory, under the conditions laid down in the preceding paragraphs, domestic or nationalised goods subject to border duties; f) holds foreign goods, when the circumstances provided for in the second paragraph of art. 25 for the crime of smuggling.

- **Smuggling of the movement of goods in border lakes (Art. 283 D.P.R. 43/1973)** This offence is punishable by a fine of not less than two and not more than ten times the border duties due for the captain: a) who introduces foreign goods through Lake Maggiore or Lake Lugano into the Porlezza basins without presenting them to one of the national customs offices closest to the border, without prejudice to the exception provided for in the third paragraph of Article 102; b) who, without the permission of customs, transporting foreign goods by ship in the stretches of Lake Lugano where there are no customs, borders the national shores opposite the foreign ones or drops anchor or stands at the hood or in any case communicates with the customs territory of the State, so that the unloading or embarkation of the goods is easy, except in cases of force majeure. Anyone who hides foreign goods in the ship in order to evade customs inspection shall be punished with the same penalty.
- **Smuggling in the maritime movement of goods (Art. 284 D.P.R. 43/1973)** This offence is punished with a fine of not less than two and not more than ten times the border duties due for the captain: a) who, without the permission of customs, transporting foreign goods by ship, borders the seashore or drops anchor or stands at the hood near the beach itself, except in cases of force majeure; b) who, transporting foreign goods, lands in places where there are no customs, or disembarks or transships the goods themselves in violation of the prescriptions, prohibitions and limitations established pursuant to art. 16, except in cases of force majeure; c) who transports foreign goods without manifest with a ship of a net tonnage not exceeding two hundred tons, in cases where the manifest is required; d) that at the time of departure of the ship it does not have on board the foreign goods or the national goods for export with the refund of rights that should be found there according to the manifest and other customs documents; e) transporting foreign goods from one customs to another, with a ship of a net tonnage not exceeding fifty tons, without the relevant security bill; f) who has embarked foreign goods leaving the customs territory on a ship of no more than fifty tons, except as provided for in art. 254 for the embarkation of ship's stores. Anyone who hides foreign goods in the ship in order to evade customs inspection shall be punished with the same penalty.
- **Smuggling in the movement of goods by air (Art. 285 of Presidential Decree 43/1973)** This offence is punishable by a fine of not less than two and not more than ten times the border fees payable for the captain of an aircraft: a) who transports foreign goods into the territory of the State without being in possession of the manifest, as far as this is required; b) that at the time of departure of the aircraft it does not have foreign goods on board, which should be found there according to the manifest and other customs documents; c) who removes goods from the places of arrival of the aircraft without carrying out the prescribed customs operations; d) who, landing outside a customs airport, fails to report, within the shortest possible time, the landing to the Authorities indicated by art. 114. In such cases, in addition to cargo, the aircraft is considered to have been smuggled into the customs territory. The same penalty shall be imposed on anyone who throws foreign goods into the customs territory from an aircraft in flight, or hides them in the aircraft itself in order to avoid customs

inspection. The penalties indicated above apply independently of those imposed for the same act by the special laws on air navigation, in so far as they do not concern customs matters.

- **Smuggling of foreign manufactured tobacco (Art. 291 bis Presidential Decree 43/1973)** This offence occurs when someone introduces, sells, transports, purchases or holds in the territory of the State a quantity of smuggled foreign manufactured tobacco exceeding ten conventional kilograms. This offence is punishable by a fine of €5.16 for each conventional gram of product, as defined by Article 9 of Law No. 76 of 7 March 1985, and imprisonment from two to five years. The acts referred to in paragraph 1, when they concern a quantity of foreign manufactured tobacco up to ten conventional kilograms, shall be punished with a fine of € 5.16 for each conventional gram of product and in any case not less than € 516.
- **Criminal conspiracy to smuggle foreign manufactured tobacco (Art. 291 quarter of Presidential Decree 43/1973)** [paragraph 1] When three or more persons associate for the purpose of committing more than one of the crimes provided for in Article 291 bis, those who promote, constitute, direct, organize or finance the association are punished, for this reason alone, with imprisonment from three to eight years. [paragraph 2] Those who participate in the association are punished with imprisonment from one year to six years. [paragraph 3] The penalty is increased if the number of members is ten or more. [paragraph 4] If the association is armed or if the circumstances provided for in letters d) or e) of paragraph 2 of Article 291 ter occur, the penalty of imprisonment from five to fifteen years shall be applied in the cases provided for in paragraph 1 of this article, and from four to ten years in the cases provided for in paragraph 2. The association is considered armed when the participants have the availability, for the achievement of the purposes of the association, of weapons or explosive materials, even if concealed or kept in a place of storage. [paragraph 5] The penalties provided for in Articles 291-bis, 291-ter and this article shall be reduced from one third to one half in the case of the accused who, dissociating himself from the others, shall endeavour to prevent the criminal activity from being brought to further consequences, also by concretely assisting the police or judicial authorities in the collection of decisive elements for the reconstruction of the facts and for the identification or capture of the perpetrators of the crime or for the identification of resources relevant to the commission of crimes.
- **Differences between the load and the manifest (Art. 302 D.P.R. 43/1973)** This offence occurs if there are differences between the number of packages and that indicated in the manifest of the load and, in the cases provided for by Articles 107 and 108, in the starting manifest. The master of the ship or the master of the aircraft shall be punished, for each piece not recorded, with an administrative penalty not less than the amount of the border duties and not more than four times them. For the purposes of the previous provision, if the excess packages have the same marks and numerical figures as other packages indicated in the manifest, those subject to higher rights are considered as not recorded.
- **Failure to comply with the obligations imposed on captains (Art. 316 of Presidential Decree 43/1973)** This offence is punished with an administrative fine ranging from 10 to 25 euros for the captain who: a) anchors the ship outside the established spaces; b) delays the presentation of the manifesto, when it is required; c) does not have the pass that takes the place of the manifesto, pursuant to art. 121; d) carries out the embarkation, disembarkation and transhipment of goods without the permission of customs or without the assistance of the soldiers of the Guardia di Finanza, provided that the act does not constitute a more serious crime; e) does not have a pass or a security bill, except in the case referred to in art. 284, letter e), which must be accompanied, in accordance with Articles 141 and 227, foreign goods in the transport from one customs to another by sea and national goods in cabotage or in circulation through Lake Lugano. The captain of a ship of more than two hundred tons, who does not possess the manifest and the cargo documents or refuses to produce them, shall be punished with an administrative fine of between 8 and 41 euros. An administrative fine of between €10 and €61 shall be imposed on a captain who, when he is obliged to do so, refuses to receive customs officials and soldiers of the Guardia di Finanza on board, or

sends the ship on board without the permission of customs, provided that the act does not constitute a more serious offence.

- **Failure to comply with customs requirements by aircraft captains (Art. 317 of Presidential Decree 43/1973)** This offence is punishable by an administrative fine of between €10 and €20 for the aircraft commander who: a) crosses the border of the airspace subject to the sovereignty of the State outside the prescribed points; b) voluntarily lands outside the prescribed customs airport, even if it reports its landing to the Authorities referred to in art. 114; c) does not have the poster referred to in art. 115, when it is time-barred, or refuses to present it, provided that the fact does not constitute a more serious crime; d) does not comply with the obligation to present the manifest before departure, when such presentation is required; e) embarks, disembarks or transshipments goods, baggage and persons without the permission of customs or without the assistance of the soldiers of the Guardia di Finanza, provided that the act does not constitute a more serious crime. The commander of the aircraft, who opposes the investigations under the competence of the customs authorities or violates their orders, is punished with an administrative fine ranging from 10 to 61 euros, provided that the act does not constitute a more serious crime. The penalties indicated above apply independently of those imposed for the same act by the special laws on air navigation, in so far as they do not concern customs matters.
- **Penalties for violations of the regulations imposed on navigation in the surveillance areas (Art. 321 D.P.R. 43/1973)** This offence occurs if the captain violates the disciplines established by the decree of the President of the Republic indicated in Art. 27, for navigation in the lakes and rivers included in the surveillance areas. This offence is punished with an administrative fine ranging from €10 to €24.

L.3 Sensitive processes

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L.4 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of crimes against industry and commerce, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the general principles already dictated in par. A.3 in Special Part A (Crimes against the Public Administration);
- the specific protocols set out in paragraph L.4, for each Process.

This Special Part "L" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of crime considered above (art.25 bis.1 of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

In addition, Recipients may not:

- introduce or export goods that violate the requirements, prohibitions and limitations set out in the Consolidated Law on Customs Matters;
- evade customs inspections

In particular, the Recipients must comply with the following **obligations**:

- behave correctly, transparently and collaboratively in compliance with the law and internal and group directives and procedures, in all activities aimed at managing relations with customers, including foreign ones;
- not to maintain commercial relations with subjects (natural or legal) of whom it is known or suspected to be carrying out illegal activities with reference to the types of crime against industry and commerce;
- comply with any *policies* and procedures adopted by the Company containing the principles to be followed in order not to violate the industrial property rights of third parties, protect those of the Company, even in the event of collaboration with external bodies;
- not to interfere, impeding or disturbing it, in the exercise of the industry or commerce of others;
- take action in the event of negative perception and/or reporting of the integrity of subjects with whom one interacts or of the ownership by them of industrial property rights, and in particular of Suppliers/Contractors/Consultants/Collaborators/Partners;
- verify the reliability of letters of formal notice received from persons who report alleged conduct by the Company that is detrimental to the rights protected by the regulations that provide for crimes against industry and commerce;
- verify, through legal opinions or other professionals, the possibility that the Company's conduct may constitute one of the crimes against industry and commerce;
- when the Company comes into contact with third parties, all necessary measures must be taken to avoid:
  - that acts are committed which, by translating into violence and/or threats, may produce an infringement of the rights of others to the free exercise of industry or commerce, and to free competition;
  - that goods that do not comply with the characteristics indicated or agreed, counterfeit, marked by false signs and/or detrimental to the rights of others or in violation of the industrial property rights of others, may be acquired and, above all, that may be transferred to third parties by the Company.
- in relation to relations with the Customs Agency, pay the duties due or guarantee the due payments.

L.5 Specific principles by Behavior and control

OMISSIS

SPECIAL PART "M": COMPUTER CRIMES

This Special Section, relating to computer crimes, the regulation of behaviors and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **type of crime** attributable to the family of computer crimes, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and examples of some types of crime;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, ***specific protocols of conduct and control*** (defined as control standards) are provided in order to prevent the occurrence of the aforementioned crimes.

M.1 Cases of computer crimes

Among the cybercrime crimes provided for by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by Industries:

- **Forgery in a public electronic document or document having probative value (Article 491-bis of the Criminal Code)** – This offence arises in the event that a representative or employee of the Company falsifies a public or private electronic document, having probative value. To this end, "electronic document " means the computer representation of legally relevant acts, facts or data, with the exclusion of computer programs.
- **Abusive access to an IT or telematic system (Article 615-ter of the Criminal Code)** – This hypothesis of crime occurs in the event that a representative or employee of the Company illegally enters a computer or telematic system protected by security measures, or remains there against the express or tacit will of those who have the right to exclude him. To this end, " computer system" means any equipment or network of interconnected or connected equipment, one or more of which, through the execution of a computer program, carry out the automatic processing of data (it has been considered, for example, that even a simple personal computer can be considered a real system, due to the richness of the data contained).
- **Illegal possession, dissemination and installation of equipment, codes and other means of access to computer or telematic systems (Article 615-quarter of the Criminal Code)** – This offence arises in the event that a representative or employee of the Company unlawfully procures, reproduces, disseminates, communicates or delivers codes or keywords or other means suitable for access to a computer or telematic system protected by security measures, or in any case provides indications or instructions suitable for the aforementioned purpose, in order to procure a profit for himself or others or to cause damage to others.
- **Illegal possession, dissemination and installation of equipment, devices or computer programs aimed at damaging or interrupting an IT or telematic system (Article 615-quinquies of the Criminal Code)** – This offence arises in the event that a representative or employee of the Company procures, disseminates, communicates or delivers a computer program with the purpose or effect of unlawfully damaging a computer or telematic system, the information, data or programs contained therein or pertaining to it, or of facilitating the interruption (total or partial) or alteration of its operation.

- **Unlawful interception, impediment or interruption of computer or telematic communications (Article 617-quarter of the Criminal Code)** – This offence arises in the event that a representative or employee of the Company fraudulently intercepts communications relating to an IT or telematic system or between several systems, or prevents or interrupts them. The offence also arises if the content of the aforementioned communications is revealed to the public by any means of information.
- **Unlawful possession, dissemination and installation of equipment and other means to intercept, prevent or interrupt computer or telematic communications (Article 617-quinquies of the Criminal Code)** – This offence arises in the event that a representative or employee of the Company installs equipment designed to intercept, prevent, or interrupt communications relating to an IT or telematic system or between several systems.
- **Damage to information, data and computer programs (Article 635-bis of the Criminal Code)** – This hypothesis of crime occurs in the event that a representative or employee of the Company destroys, deteriorates, deletes, alters or renders useless, even partially, information, data or computer programs of others. If the act is committed with abuse of the quality of system administrator, it constitutes an aggravating circumstance.
- **Damage to information, data and computer programs used by the State or by another public body or in any case of public utility (Article 635-ter of the Criminal Code)** – This hypothesis of crime occurs in the event that a representative or employee of the Company destroys, deteriorates, deletes or renders unusable information, data or computer programs used by the State or by another public body, or in any case of public utility. If the act is committed with abuse of the quality of system administrator, it constitutes an aggravating circumstance.
- **Damage to computer or telematic systems (Article 635-quarter of the Criminal Code)** – This hypothesis of crime occurs in the event that a representative or employee of the Company destroys, damages, deteriorates, or renders useless, even partially, the computer or telematic systems of others. If the act is committed with abuse of the quality of system administrator, it constitutes an aggravating circumstance.
- **Damage to computer or telematic systems of public utility (Article 635-quinquies of the Criminal Code)** – This hypothesis of crime occurs in the event that a representative or employee of the Company destroys, damages, deteriorates, renders useless, even partially, the computer or telematic systems of public utility, or hinders their proper functioning. If the act is committed with abuse of the quality of system administrator, it constitutes an aggravating circumstance.
- **Computer fraud of the electronic signature certifier (Article 640 quinquies of the Criminal Code)** – This hypothesis of crime arises in the event that the person who provides electronic signature certification services violates the obligations provided for by law for the issuance of a qualified certificate, in order to procure an unfair profit for himself or others or to cause damage to others. Since this is a proper crime, the same will be configurable for the Company if the conduct is carried out in conjunction with the subject "who provides certification services of electronic signatures".

On the other hand, the following type of Offence is excluded from this Special Section, although it can be traced back to the category of "computer crimes":

- **Whoever**[6] , in order to hinder or condition the performance of the procedures referred to in paragraph 2, letter b) (census of networks, information systems and IT services including architecture and components), or in paragraph 6, letter a) (assignment of supplies of ICT goods and services and related tests), or of the inspection and surveillance activities provided

[6] The complete assessment of the applicability of this type of crime will be subject to the identification of public administrations, public and private bodies and operators based in the national territory, included in the national cyber security perimeter and required to comply with the measures and obligations envisaged.

for in paragraph 6, letter c) (implemented by the Presidency of the Council of Ministers or by the Ministry of Economic Development), provides information, data or factual elements that do not correspond to the truth, relevant for the preparation or updating of the lists referred to in paragraph 2, letter b) (networks, information systems and IT services), or for the purposes of the requested communications or for the performance of the inspection and supervisory activities referred to in paragraph 6), letter c) or fails to communicate the aforementioned data, information or factual elements within the prescribed terms, shall be punished with imprisonment from one to three years and the entity, responsible pursuant to Legislative Decree no. 231 of 8 June 2001, shall be fined up to four hundred shares.

M.2 Sensitive Activities

OMISSIS

M.3 General principles and rules of conduct

This section illustrates the general principles of conduct and behaviour, as well as the structure of the organisational, management and control system, which must be followed by the Recipients in order to prevent the occurrence of computer crimes, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph M.4.

This Special Part "M" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of crime considered by art. 24bis of the Decree;
- which, although they are such as not to constitute in themselves the types of crime considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in the Model and the Code of Ethics.

In particular, all Recipients are required to:

- comply with the rules of general conduct, the principles of control and the specific requirements formulated in the Model and in the Code of Ethics;
- comply with the rules, *policies* and company procedures governing access to and use of the Company's IT systems and applications;
- promote compliance with the aforementioned standards, rules and principles;
- not to maintain relations with subjects (natural or legal) of whom the performance of illegal activities is known or suspected with reference to the types of crime referred to in art. 24 bis of Legislative Decree 231/2001 (computer crimes).

M.4 Specific principles by Behavior and control

OMISSIS

SPECIAL PART "N": ENVIRONMENTAL CRIMES

This Special Section, relating to environmental crimes, the regulation of behaviors and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- **illustration** of the **type of crime** attributable to the family of environmental crimes, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with the exemplification of some types of crime;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, ***specific protocols of conduct and control*** (defined as control standards) are provided in order to prevent the occurrence of the aforementioned crimes.

N.1 Cases of environmental crimes

Among the environmental crimes provided for by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by Industries:

Waste offences

Unauthorized waste management activities (Art. 256, paragraphs 1, 3, 5 and 6, first sentence, Legislative Decree 152/2006)
This offence arises in the event that someone carries out an activity of collection, transport, recovery, disposal, trade and brokerage of waste in the absence of the authorisations, registrations or communications required by law (for example, in the absence of the single authorisation for new waste disposal and recovery plants in the cases provided for by law), or builds or manages an unauthorised landfill, or carries out unauthorised waste mixing activities, or mixes waste with different characteristics (hazardous waste with non-hazardous waste) or, finally, carries out temporary storage at the place of production of hazardous medical waste.

Violation of the obligations of communication, keeping of mandatory registers and forms (Art. 258, paragraph 4, second sentence, Legislative Decree 152/2006)
This hypothesis of crime occurs in the event that the Company, in the preparation of a certificate of analysis of waste, provides false information on the nature, composition and chemical-physical characteristics of the waste, or makes use of a false certificate during transport.

Illegal trafficking of waste (Art. 259, paragraph 1, Legislative Decree 152/2006)
This offence arises in the event that someone carries out a shipment of waste constituting illegal trafficking within the meaning of Article 2 of Regulation (EEC) No 259 of 1 February 1993.

Computer system for the control of waste traceability (Art. 260-bis, paragraphs 6, 7 and 8, Legislative Decree 152/2006)

This hypothesis of crime arises in the event that someone, in the preparation of a certificate of analysis of waste, used as part of the waste traceability control system, provides false information on the nature, composition and chemical-physical characteristics of the waste, as well as to the person who inserts a false certificate in the data to be provided for the purpose of waste traceability, or fails to accompany the transport of the waste with a paper copy of the SISTRI - HANDLING AREA form and, where necessary on the basis of current legislation, with a copy of the analytical certificate identifying the characteristics of the waste, as well as to the person who, during transport, makes use of a certificate of analysis of waste containing false indications on the nature, on the composition and chemical-physical characteristics of the waste transported or, finally, in the event that the transporter accompanies the transport of waste with a paper copy of the SISTRI - AREA Fraudulently altered handling form.

Offences relating to industrial water discharges

Discharges of industrial waste water containing hazardous substances (Art. 137 paragraphs 2, 3 and 5 of Legislative Decree 152/2006)
This hypothesis of crime arises in the event that someone, for example, discharges industrial waste water containing hazardous substances included in the families and groups of substances indicated by law, without authorization, or in carrying out a discharge of industrial waste water, exceeds the limit values set by law.

Discharges on soil, subsoil and groundwater (Art. 137 paragraph 11 of Legislative Decree 152/2006)
This hypothesis of crime arises in the event that someone does not observe the prohibitions on discharge onto subsoil and groundwater established by law.

Offences relating to emissions into the atmosphere

Exceeding emission and air quality limit values (Art. 279 paragraphs 2 and 5 of Legislative Decree 152/2006)
This offence arises in the event that someone, in the operation of an establishment, violates the emission limit values or the requirements established by the authorisation, plans and programmes or the applicable legislation.

Offences relating to flora, fauna, habitat, environmental pollution

Destruction or deterioration of habitats within a protected site (Article 733 bis of the Criminal Code)
This hypothesis of crime arises in the event that someone, outside the permitted cases, destroys a habitat within a protected site or in any case deteriorates it by compromising its state of conservation.

Environmental pollution, including culpable pollution (Articles 452-bis and 452-quinquies of the Criminal Code)
These offences arise in the event that someone unlawfully causes, intentionally or negligently, a significant and measurable impairment or deterioration: 1) of water or air, or of extensive or significant portions of the soil or subsoil; 2) of an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna.

Aggravated criminal conspiracy (Articles 416 of the Criminal Code and Article 452-octies of the Criminal Code)
This hypothesis of crime occurs in the case of direct, exclusive or concurrent criminal conspiracy for the purpose of committing the crime of environmental pollution.

Organised activities for the illegal trafficking of waste (Article 452-quaterdecies of the Criminal Code)
This hypothesis of crime arises in the event that someone, in order to obtain an unfair profit, with several operations and through the preparation of means and continuous organized activities, transfers, receives, transports, exports, amounts, or in any case illegally manages large quantities of waste, even with high radioactivity.

N.2 Sensitive Activities

OMISSIS

N.3 General principles and rules of conduct

This section illustrates the general principles of conduct and behaviour, as well as the structure of the organisational, management and control system, which must be followed by the Recipients in order to prevent the occurrence of environmental crimes, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph 4.

This Special Section "N" provides for the express **prohibition** – on the part of the Recipients of this Model – to engage in:

- such as to integrate the types of crime considered by art. 25 *undecies* of the Decree;
- which, although they are such as not to constitute in themselves the types of crime considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in the Model and the Code of Ethics.

All employees and collaborators of the Company are required to:

- comply with the rules, obligations and principles set out in current environmental legislation;
- comply with the rules of general conduct, the principles of control and the specific requirements formulated in this Model;
- promote compliance with the aforementioned standards, rules and principles and ensure compliance with environmental matters;
- adopt a conduct of maximum collaboration and transparency and respect the principles of conduct and conduct specified in Special Part A in relations with public bodies competent in environmental matters, both during the drafting and communication of any declarations, and on the occasion of inspections/inspections;
- promote internal information and training on specific risks related to the performance of its duties and activities, corporate structure and regulations on environmental matters, and/or take note of the information provided and/or actively participate in training courses;
- refrain from illegally abandoning or depositing waste;
- report violations of the defined regulations to the parties responsible for environmental management.

N.4 Specific principles by Behavior and control

OMISSIS

SPECIAL PART "O": CRIMES AGAINST THE INDIVIDUAL PERSONALITY

This Special Section, relating to crimes against the individual personality, the regulation of behaviors and activities that could abstractly configure them and the rules and protocols of behavior, is structured in the following sections:

- illustration of the **type of crime** attributable to the family of crimes against the individual personality, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and examples of some types of crime;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, ***specific protocols of conduct and control*** (defined as control standards) are provided in order to prevent the occurrence of the aforementioned crimes.

O.1 Offences against the individual

Among the crimes against the individual personality provided for by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by Industries:

Illegal intermediation and exploitation of labour (603-bis of the Criminal Code) – This hypothesis of crime arises in the event that anyone who 1) recruits labour for the purpose of allocating it to work for third parties in conditions of exploitation, taking advantage of the workers' state of need a) uses, hires or employs labour, including through the intermediation activity referred to in number 1), subjecting workers to conditions of exploitation and taking advantage of their state of need.

An indication of exploitation **is** the existence of one or more of the following conditions:

- the repeated payment of wages in a way that is clearly different from the national or territorial collective agreements stipulated by the most representative trade unions at national level, or in any case disproportionate to the quantity and quality of the work performed;
- the repeated violation of the legislation relating to working hours, rest periods, weekly rest, compulsory leave, holidays;
- the existence of violations of the rules on safety and hygiene in the workplace;
- the subjection of the worker to degrading working conditions, surveillance methods or housing situations.

O.2 Sensitive Activities

OMISSIS

O.3 General principles and rules of conduct

This section illustrates the general principles of conduct and behaviour, as well as the structure of the organisational, management and control system, which must be followed by the Recipients in

order to prevent the occurrence of the crime of illegal intermediation and labour exploitation, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph O.4.

This Special Section "O" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the crime of illegal intermediation and exploitation of labor considered by art. 25 *quinquies* of the Decree;
- which, although they are such that they do not constitute in themselves the offence considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and in the Code of Ethics and in any case with the company procedures/policies and guidelines.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- maintain correct, transparent and collaborative behaviour in compliance with the law and internal procedures, in all activities aimed at hiring and managing employees, including seasonal staff, and using any temporary staff;
- comply with the requirements, including procedural requirements:
    a. national and territorial collective agreements entered into by the comparatively more representative trade unions or in any case by legitimately applicable collective agreements, at any level;
    b. the legislation relating to working hours, rest periods, weekly rest, compulsory leave, holidays;
    c. by the rules on safety and hygiene in the workplace;
- not to have commercial relations with subjects (natural or legal) of whom it is known or suspected to carry out activities in contrast with:
    a. the provisions of national or territorial collective agreements stipulated by the most representative trade unions at national level;
    b. the legislation relating to working hours, rest periods, weekly rest, compulsory leave, holidays;
    c. the rules on safety and hygiene in the workplace;
- consider, in any case, the protection of workers to prevail over any economic consideration;
- to base relations with Contractors/Subcontractors and Suppliers/Subcontractors in compliance with the indications of the Authorities, Trade Associations, as well as in accordance with the main international standards on human rights, worker safety and environmental protection;
- promote the culture of compliance and continuous improvement through assessment, training and periodic monitoring tools, including through internal and/or third-party audits;
- formalize the on-boarding and periodic monitoring processes of Suppliers and Subcontractors in specific organizational procedures that govern the following aspects:
    - roles and responsibilities of the departments involved;
    - selection and identification of the Supplier;
    - formalization and content of contracts;
    - methods, criteria and periodicity of on-site checks.

In addition, the Recipients are prohibited from:

- recruit, use, hire or employ labour, including through intermediary activities, subjecting workers (whether they are employees or temporary workers or seasonal workers) to conditions of exploitation and/or taking advantage of their state of need;
- pay wages in a way that is significantly different from the national or territorial collective agreements stipulated by the most representative trade unions at national level, or in any case disproportionate to the quantity and quality of the work performed;
- violate the legislation relating to working hours, rest periods, weekly rest, compulsory leave, holidays;
- violate the rules on safety and hygiene in the workplace[7];
- subjecting workers, whether they are employees, including seasonal workers, or temporary workers, to degrading working conditions, surveillance methods or housing situations.

O.4.1 Specific Protocols relating to Sensitive Activities referred to below:

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O.4.2 Specific Protocols relating to Sensitive Activity referred to below:

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SPECIAL PART "P": TAX CRIMES

This Special Section, relating to tax crimes, the regulation of conduct and activities that could abstractly configure them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **type of crime** attributable to the family of tax crimes, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and examples of some types of crime;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, ***specific protocols of conduct and control*** (defined as control standards) are provided in order to prevent the occurrence of the aforementioned crimes.

In this regard, it should be noted that the group has defined and implemented an effective system for detecting, measuring, managing and controlling tax risk, the so-called "Tax Risk Assessment". ***Tax Control Framework*** (also **TCF**), one of the main tools for preventing the risk of committing tax offences within the Company.

The TCF is not a static system, but is intended to adapt to the main changes that may affect both the structure and business model of the company (adaptability to the internal context), as well as any changes made in the meantime to the current tax legislation (adaptability to the external context).

[7] Non rilevano il numero e la ricorrenza delle condotte in violazione della normativa antinfortunistica, essendo sufficiente il mero fatto che tali violazioni sussistano.

P.1 Tax offences

Among the tax crimes provided for by the Decree, the following are those that can be abstractly configured in the context of the activities carried out by Industries:

- **Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2 of Legislative Decree no. 74/2000)** [Paragraph 1] Anyone who, in order to evade income or value added taxes, using invoices or other documents for non-existent transactions, indicates fictitious liabilities in one of the declarations relating to such taxes is punished with imprisonment from four to eight years. [Paragraph 2] The act is considered to have been committed using invoices or other documents for non-existent transactions when these invoices or documents are recorded in the compulsory accounting records, or are held as evidence against the tax authorities. [Paragraph 2-bis]. If the amount of the fictitious liabilities is less than one hundred thousand euros, imprisonment from one year and six months to six years is applied.
- **Fraudulent declaration by means of other artifices (Article 3 of Legislative Decree No. 74/2000)** [Paragraph 1] Except in the cases provided for in Article 2, anyone who, in order to evade income or value added tax, by carrying out objectively or subjectively simulated transactions or by making use of false documents or other fraudulent means capable of hindering the assessment and misleading the tax authorities, shall be punished with imprisonment from three to eight years. indicates in one of the declarations relating to such taxes assets for an amount lower than the actual amount or fictitious liabilities or fictitious receivables and withholdings, when, together: a) the evaded tax is higher, with reference to some of the individual taxes, than thirty thousand euros; b) the total amount of assets evaded from taxation, including by means of the indication of fictitious liabilities, is greater than five per cent of the total amount of the assets indicated in the tax return, or in any case, is greater than one million five hundred thousand euros, or if the total amount of fictitious credits and withholdings decreasing the tax is greater than five per cent of the amount of the tax itself or in any case thirty thousand. [Paragraph 2] The act is considered to have been committed using false documents when these documents are recorded in the compulsory accounting records or are held for the purposes of evidence against the tax authorities. [Paragraph 3] For the purposes of applying the provision of paragraph 1, the mere violation of the obligations to invoice and record assets in the accounting records or the mere indication in invoices or entries of assets lower than the actual ones do not constitute fraudulent means.
- **Unfaithful declaration (Article 4 of Legislative Decree 74/2000)** Except in the cases provided for in Articles 2 and 3, anyone who, in order to evade income or value added tax, indicates in one of the annual returns relating to such taxes assets for an amount lower than the actual amount or non-existent liabilities, when, jointly: a) the tax evaded is higher, with reference to some of the individual taxes, than one hundred thousand euros; b) the total amount of assets evaded from taxation, including through the indication of non-existent liabilities, is greater than ten per cent of the total amount of the assets indicated in the tax return, or, in any case, is greater than two million euros.
  For the purposes of applying the provision of paragraph 1, the incorrect classification, the valuation of objectively existing assets or liabilities, with respect to which the criteria actually applied have in any case been indicated in the financial statements or in other documentation relevant for tax purposes, the violation of the criteria for determining the year of competence, the non-inherence, of the non-deductibility of real liabilities.
  Except in the cases referred to in paragraph 1-bis, assessments which, taken as a whole, differ by less than 10 per cent from the correct ones shall not give rise to punishable acts. The amounts included in this percentage shall not be taken into account in verifying whether the thresholds of punishability provided for in paragraph 1, letters a) and b) have been exceeded.

If committed in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros, a fine of up to three hundred shares is applied to the entity.
An attempt is also punishable when it is made in a transnational context (within the European Union) and if committed in order to evade value added tax for an amount of not less than ten million euros.

- **Failure to declare (Article 5 of Legislative Decree 74/2000)** Anyone who, in order to evade income or value added taxes, does not submit, being obliged to do so, one of the declarations relating to such taxes, when the evaded tax is higher, with reference to some of the individual taxes, is punishable by imprisonment from two to five years, to fifty thousand euros. Anyone who does not submit, being obliged to do so, the withholding tax declaration is punished with imprisonment from two to five years, when the amount of unpaid withholding taxes is greater than fifty thousand euros. For the purposes of the provision provided for in paragraphs 1 and 1-bis, a declaration submitted within ninety days of the expiry of the deadline or not signed or not drawn up on a printout conforming to the prescribed model shall not be considered omitted.
  If committed in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros, a fine of up to three hundred shares is applied to the entity.
- **Issuance of invoices or other documents for non-existent transactions (Article 8 of Legislative Decree no. 74/2000)** Anyone who, in order to allow third parties to evade income or value added taxes, issues or issues invoices or other documents for non-existent transactions is punished with imprisonment from four to eight years. For the purposes of applying the provision provided for in paragraph 1, the issuance or issuance of several invoices or documents for non-existent transactions during the same tax period is considered as a single offence. If the untrue amount indicated in the invoices or documents, per tax period, is less than one hundred thousand euros, imprisonment from one year and six months to six years is applied.
- **Concealment or destruction of accounting documents (Article 10 of Legislative Decree No. 74/2000)** Unless the fact constitutes a more serious crime, anyone who, in order to evade income or value added taxes, or to allow third parties to evade it, conceals or destroys all or part of the accounting records or documents whose retention is mandatory, shall be punished with imprisonment from three to seven years. so as not to allow the reconstruction of income or turnover.
- **Undue compensation (Article 10-quarter of Legislative Decree 74/2000)** Anyone who fails to pay the sums due, using in compensation, pursuant to Article 17 of Legislative Decree No. 241 of 9 July 1997, undue credits, for an annual amount exceeding fifty thousand euros, is punished with imprisonment from six months to two years. Anyone who fails to pay the sums due, using as compensation, pursuant to Article 17 of Legislative Decree 9 July 1997, no. 241, non-existent credits for an annual amount exceeding fifty thousand euros, shall be punished with imprisonment from one year and six months to six years.
  If committed in the context of cross-border fraudulent schemes and in order to evade value added tax for a total amount of not less than ten million euros, a fine of up to three hundred shares is applied to the entity.
- **Fraudulent evasion of the payment of taxes (Article 11 of Legislative Decree no. 74/2000)** Anyone who, in order to avoid the payment of income or value added taxes or interest or administrative penalties relating to such taxes for a total amount exceeding fifty thousand euros, simulates or performs other fraudulent acts on his own or on others' assets suitable for returning in whole or in part is punished with imprisonment from six months to four years the compulsory collection procedure is ineffective. If the amount of taxes, penalties and interest is greater than two hundred thousand euros, imprisonment from one year to six years is applied. Anyone who, in order to obtain for himself or for others a partial payment of taxes and related accessories, indicates in the documentation submitted for the purposes of

the tax settlement procedure assets for an amount lower than the actual amount or fictitious liabilities for a total amount exceeding fifty thousand euros, shall be punished with imprisonment from six months to four years. If the amount referred to in the previous period is greater than two hundred thousand euros, imprisonment from one year to six years is applied.

P.2 Sensitive Activities

OMISSIS

P.3 General principles and rules of conduct

This section illustrates the general principles of conduct and behaviour, as well as the structure of the organisational, management and control system, which must be followed by the Recipients in order to prevent the occurrence of computer crimes, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph P.4.

This Special Part "P" provides for the express **prohibition** - on the part of the Recipients of this Model - to:

- adopt conduct that constitutes a crime included among those considered by the Decree or that may become so;
- record fictitious liabilities in the compulsory accounting records or hold fictitious liabilities for the purpose of evidence vis-à-vis the tax authorities using invoices or other documents for non-existent transactions when submitting tax returns;
- carry out objectively or subjectively simulated transactions or using false documents or other fraudulent means capable of hindering the assessment and misleading the tax authorities when submitting tax returns;
- conceal or destroy all or part of the accounting records or documents whose retention is mandatory in order to evade taxes;
- simulated alienating or carrying out fraudulent acts on one's own or others' assets capable of rendering the compulsory collection procedure ineffective in whole or in part in order to evade payment of taxes;
- approve passive invoices for non-existent services in whole or in part;
- create fictitious suppliers;
- make payments or pay to third parties, without adequate contractual justification or in any case not adequately documented, justified and authorised;
- approve payments in the absence of formally vested powers;
- pay fees to consultants and suppliers that are not justified in relation to the type of assignment to be carried out and market prices;
- arrange payments or collect money to/from countries included in the main international black lists, without adequate documentation proving the real and specific need;
- entrusting works, services and supplies and arranging the related payments without complying with the requirements of form and traceability required by the regulations in force on public contracts and traceability of financial flows, where applicable;
- establish relationships or carry out transactions with third parties if there is a well-founded suspicion that this may expose the Company to the risk of committing crimes.

In particular, all Recipients involved in Sensitive Activities are required to:

- comply with the principles and methods of conduct provided for by the company procedures applicable to the activities carried out, as well as the principles of the Code of Ethics; in particular, the Recipients must observe conduct based on principles of integrity, fairness and transparency;
- comply with the principles of clarity, correctness, completeness and transparency in the declarations and communications made to representatives of the Public Administration and the Tax Administration, provided for by the regulations in force or specifically requested by the aforementioned representatives.

P.4 Specific principles by Behavior and control

OMISSIS

SPECIAL PART "Q" - OFFENCES RELATING TO MEANS OF PAYMENT OTHER THAN CASH

This Special Section, relating to offences relating to means of payment other than cash, the regulation of behaviours and activities that could theoretically constitute them and the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of offences** attributable to the family of offences relating to means of payment other than cash, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

Q.1 Offences relating to means of payment other than cash (Article 25-octies1 of the Decree)

The crimes relating to payment instruments other than cash that can be abstractly configured in the context of the activities carried out by Industries S.p.A. are:

- **Undue use and falsification of non-cash payment instruments (Article 493 ter of the Criminal Code)** – This hypothesis of crime arises in the event that someone, in order to make a profit for himself or for others, unduly uses, not being the holder, credit or payment cards, or any other payment instrument other than cash. For example, if Company personnel obtain the physical availability of the credit card data of a customer in the e-commerce channel, requesting them from the payment service provider to use them improperly by carrying out further transactions for the benefit of the Companies.
- **Fraudulent transfer of valuables (Article 512 bis of the Criminal Code)** – This offence punishes anyone who fictitiously attributes to others the ownership or availability of money, goods or other utilities in order to evade the provisions of the law on asset prevention

measures or smuggling, or to facilitate the commission of one of the crimes referred to in Articles 648, 648 bis and 648 ter.

Q.2 Sensitive Activities

OMISSIS

Q.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of crimes relating to non-cash means of payment, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph Q.4, for each Process.

This Special Part "Q" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of offences considered above (Article 25 octies1 of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- definition and maintenance of policies, procedures and/or organisational directives, including group directives, for the management, control and authorisation of payment instructions, money transfers and collections;
- in particular, commercial relationships must not be maintained with subjects (natural persons and legal persons) whose membership in criminal organizations is known or suspected or in any case operating outside the law, such as, by way of example but not limited to, subjects linked or in any case attributable to the environment of organized crime, money laundering and terrorist financing, drug trafficking, usury;
- it is necessary to behave correctly, transparently and collaboratively, in compliance with the law, the principles of the Code of Ethics and the internal and group company directives and procedures, with particular reference to activities aimed at managing the personal data of Suppliers/Contractors/Consultants/Collaborators/Partners, Customers, and in general in maintaining relations with other third parties, including foreigners, etc;
- the traceability of the phases of the decision-making process relating to financial and corporate relations with third parties must be ensured;
- the supporting documentation must be kept, adopting all the physical and logical security measures established by Industries;
- you must maintain a collaborative behavior with the Supervisory and/or Judicial Authorities;
- any situations of uncertainty regarding the conduct to be adopted, the interpretation of current legislation and internal procedures must be brought to the attention of the hierarchical superior and/or the SB;

- any violations of the rules and any unusual operations that could be an indication of receiving stolen goods, money laundering and use of money, goods and utilities of illegal origin, as well as self-laundering, must be reported to the department managers and/or to the SB.
- behave correctly, transparently and collaboratively, in compliance with the law and internal company procedures, in all activities aimed at managing customer records, including foreign ones (through the administration, updating and monitoring of the relevant historical list);
- not to use/accept anonymous instruments for carrying out money transfer transactions;
- operate in compliance with the respective procedures with regard to payments and collections by Credit Card, as well as in compliance with the limits of the proxies and powers of attorney granted in this area;
- in the event of payment by the Company by credit card, use only the company credit card or other instrument in the name of the Company or an individual on its behalf;
- operate in compliance with legal obligations and ensure the correct implementation of policies for the management of the risk of money laundering and terrorist financing;
- not to have commercial relationships with subjects (natural or legal) of whom it is known or suspected to belong to criminal organizations or in any case operating outside the lawfulness (i.e. by way of example but not limited to, people linked to the environment of money laundering, drug trafficking, usury);
- not to use credit cards or payment cards in an unlawful way – whether their origin is lawful or illicit – in order to make a profit;
- not to possess, transfer or acquire such cards or documents of illicit origin or in any case falsified or altered, as well as payment orders produced with them;
- not to produce, import, export, sell, transport, distribute equipment, devices or computer programs for the commission of offences involving non-cash payment instruments;
- it is forbidden to transfer or fictitiously register shares, shareholdings, movable or immovable property or business units as well as to carry out other transactions in order to circumvent the provisions of the law on asset prevention or smuggling measures, or in order to facilitate the commission of one of the crimes referred to in articles 648, 648 bis and 648 ter;
- not to have relationships, in particular, with subjects (natural or legal) of whom it is known or suspected to be carrying out illegal activities or subject to asset prevention measures, or in any case to be involved in activities related to smuggling and money laundering;
- take immediate action in the event of negative perceptions and/or reports about the good repute of counterparties;
- report to the department managers any situations of uncertainty regarding the possible involvement of counterparties in activities of receiving stolen goods, laundering and use of money or goods and utilities of illegal origin, smuggling or other criminal activities;
- to keep the supporting documentation, adopting all the physical and logical security measures established by the Company aimed at ensuring the traceability of the phases of the decision-making process relating to corporate transactions with third parties;
- maintain a collaborative behavior with the Supervisory and/or Judicial Authorities.

Q.4 Specific protocols of behavior and control

OMISSIS

SPECIAL PART "R" - CRIMES AGAINST CULTURAL HERITAGE AND LAUNDERING OF CULTURAL PROPERTY AND DEVASTATION AND LOOTING OF CULTURAL AND LANDSCAPE PROPERTY

This Special Section, relating to crimes against cultural heritage and laundering of cultural property and devastation and looting of cultural and landscape property, to the regulation of behaviors and activities that could abstractly configure them and to the rules and protocols of conduct, is structured in the following sections:

- illustration of the **types of crimes** attributable to the family of crimes against cultural heritage and laundering of cultural property and devastation and looting of cultural and landscape property, abstractly configurable in the reality of Industries;
- identification of the corporate activities of Industries at risk of potential commission of the aforementioned crimes and deriving from the *Control & Risk Self Assessment activities* carried out (so-called Control **& Risk Self Assessment activities).Sensitive Activities**) with a **brief description** of the same and some examples of potentially relevant crimes;
- outline of the ***general principles and rules of conduct*** applicable in the implementation of Sensitive Activities;
- finally, for **each Sensitive Activity or for homogeneous categories of Activities**, specific protocols of conduct and control ***are provided***, in order to prevent the occurrence of the aforementioned crimes.

R.1 Crimes against cultural heritage and laundering of cultural property and devastation and looting of cultural and landscape property (Articles 25 septiesdecies and 25 duodevicies of the Decree)

The crimes against cultural heritage and laundering of cultural property and devastation and looting of cultural and landscape property abstractly configurable in the context of the activities carried out by Industries, are:

- **Destruction, dispersion, deterioration, disfigurement, soiling and illegal use of cultural or landscape property (Article 518-duodecies of the Criminal Code)** – This hypothesis of crime arises in the event that someone destroys, disperses, deteriorates or makes his or her own cultural or landscape assets useless or unusable in whole or in part, or if someone defaces or defaces his or her own or others' cultural or landscape assets, or destines cultural assets to a use incompatible with their historical or artistic character or detrimental to their conservation or integrity. For example, if the Company's personnel carry out extensive work in the context of the renovation of real estate leased to be used as a point of sale, which involves the deprivation or loss of characteristics of the original appearance.

R.2 Sensitive Activities

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R.3 General principles and rules of conduct

This section illustrates the general principles and rules of conduct that must be followed by the Recipients in order to prevent the occurrence of crimes relating to non-cash means of payment, together with:

- the principles defined in Chapter 4 of the General Part of the Model;
- the specific protocols set out in paragraph R.4, for each Process.

This Special Part "R" provides for the express **prohibition** - on the part of the Recipients of this Model - to engage in conduct:

- such as to integrate the types of offences considered above (Articles 25 septiesdecies and 25 duodevicies of the Decree of the Decree);
- which, although they are such that they do not constitute in themselves offences falling within those considered above, they can potentially become so;
- not in line with or not compliant with the principles and requirements contained in this Model and the Code of Ethics or in any case with company procedures.

For the purposes of implementing the aforementioned prohibitions, the Recipients must comply with the rules indicated below:

- definition and maintenance of policies, procedures and/or organizational directives, including group directives, for the management, control and authorization of interventions on cultural heritage;
- it is necessary to behave correctly, transparently and collaboratively, in compliance with the law, the principles of the Code of Ethics and the internal and group company directives and procedures, with particular reference to activities aimed at the management of real estate, including those of third parties;
- existence of procedures/manuals/operating instructions for the management of immovable/movable assets of cultural interest that guarantee their correct conservation;
- adoption of formalized procedures/manuals/operating instructions that govern the methods of managing interventions on assets subject to constraints, providing for the verification and authorization process by the competent company functions;
- periodic monitoring of the state of conservation of cultural heritage, through the preparation of special reports, by the competent company function;
- archiving of documentation certifying the cultural interest of owned or leased assets;
- provision of controls prior to interventions on assets subject to restrictions in order to verify the existence of the necessary authorizations by the competent company functions;
- ongoing *monitoring* of interventions on assets subject to restrictions, in order to verify their adequacy and consistency with the authorizations obtained.

In the event that a cultural asset is purchased or sold:

- attribution of powers for the request of administrative measures necessary for the alienation and/or export of cultural property exclusively to persons with suitable powers of attorney and delegations and within the powers of expenditure;
- archiving of private deeds relating to the purchases or sales of cultural goods;
- formalization/traceability of the reasons that led to the possible decision to purchase a cultural asset;

- provision for the obligation to issue the certificate of authenticity of the work at the time of the sale of a cultural asset;
- archiving: 1) any authorizations issued by the competent authorities for the sale of assets; 2) reports of deeds of transfer of ownership or cultural property submitted to the competent authorities;
- archiving of the certificate of authenticity of the purchased asset bearing 1) name of the artist, 2) title, 3) year of creation, 4) technical specifications (materials used and dimensions), 5) provenance, 6) signature and/or stamp of the person issuing the declaration.
- registration of incoming and outgoing movements of cultural heritage (mapping and inventory updating).

R.4 Specific protocols of behavior and control

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