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ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL

pursuant to Legislative Decree no. 231 of 8 June 2001

GENERAL SECTION

Updated by resolution of the Board of Directors
on 13 November 2025

This document has been prepared based on the Guidelines for the construction of Organizational, Management and Control Models issued by Confindustria approved on 07 March 2002 and updated in March 2014 and June 2021.

LIST OF REVISIONS*

REVISION	DATE	REASON	TYPE OF CHANGES
01	7 July 2015 3 September 2015	Inclusion of new crimes	Entry of protocols for corporate crimes and crimes for receiving stolen goods, money laundering, and use of money, goods or benefits of unlawful origin, as well as the crime of self-laundering
02	29 March 2018	Change in corporate status and inclusion of new crimes	Adjustment of the status of listed company and entry of protocols for new crimes
03	20 October 2020	Inclusion of new crimes	Entry of protocols for tax crimes
04	7 September 2021	Inclusion of new crimes	Entry of protocols for crimes of smuggling
05	8 November 2023	MOG update for whistleblowing Legislative Decree 24/2023	MOG update general section
06	13 November 2025	MOG update	MOG update general and special section

231 SYSTEM documents are made available on the Company server. Any hard copy may, therefore, not have been submitted for updating. We invite you to check the revision status.

DATE 13 November 2025

DEFINITIONS

For a better understanding of this document, here below are the definitions of the most relevant recurring terms:

ANAC: National Anti-Corruption Authority, an independent Italian administrative body responsible for safeguarding public administration's integrity, combating unlawful activities, fighting corruption, implementing transparency, and overseeing public procurement.

Areas at risk: the areas of activity of the Company subject to a more tangible risk of the commission of Crimes, as identified in the Special Section of the Model.

CCNL: the National Collective Labour Agreement applied by the Company.

Code of Ethics: the Group's Code of Ethics adopted by the Company and approved by the Board of Directors.

External Parties: all third parties (self-employed or semi-subordinate workers, professionals, consultants, agents, suppliers, business partners, etc.) who act, under contractual relationships, on behalf of the Company.

Whistleblowing Committee (or also "Head of the Investigation"): the party responsible for making decisions regarding the initiation of the investigation phase, the evaluation of the report, and determining the final outcome. In this context, the party responsible for initiating the investigation phase is the Whistleblowing Committee (hereinafter referred to also as WC). However, for predicate crimes under Legislative Decree 231/01, the person in charge is the SBH (Supervisory Board Head), to whom the WC has forwarded the information after an initial review.

Associates: persons who have a semi-subordinate employment relationship with the Company.

Consultants: persons who act in the name and/or on behalf of the Company under an agency contract or other contractual relationship of professional collaboration.

Recipients: Company Representatives and External Parties.

Employees: persons who have a subordinate employment relationship with the Company, including executives, and those who, regardless of the type of contract, perform in any case working activities with the Company.

Legislative Decree 231/2001 or the Decree: Legislative Decree no. 231 of 8 June 2001 as subsequently amended and supplemented.

Entities: companies, consortia, etc.

Company Representatives: directors, statutory auditors, and employees of the Company.

Persons in charge of a public service: pursuant to Article 358 p.c., "persons in charge of a public service are those who provide a public service in any capacity. Public service is understood as an activity governed in the same way as a public function, but without the typical powers of a public function, and excluding the performance of routine tasks and purely manual work".

Guidelines: the "Guidelines for the construction of organizational, management and control models pursuant to Article 6, par. three, Legislative Decree 231/01", approved by Confindustria on 7 March 2002 as subsequently updated.

Model (MOG): this Organizational, Management and Control Model, which contains the provisions adopted by NEODECORTECH S.p.A. in compliance with Legislative Decree no. 231/2001 as subsequently amended.

Corporate Bodies: the Board of Directors, the Board of Statutory Auditors and their members.

Supervisory Board or SB: the internal control body tasked with overseeing the operation of and compliance with the Model, as well as with updating the Model.

Whistleblowing Procedure: a document designed to outline and govern the system for reporting breaches that have come to the attention of the whistleblower during the course of their employment relationship and within the workplace, along with the protective mechanisms in place to safeguard the entire reporting process (please refer to the procedure for the respective details).

Public Administration or "P.A.": the State (including governmental, territorial, local, and sectoral entities, such as, governmental bodies, regulatory authorities, regions, provinces, municipalities, districts) and/or all public entities and subjects (and in cases determined by law or functions, private subjects who, in any case, perform a public function, such as, by way of example, licensees, bodies governed by public law, contracting authorities, mixed public-private companies) that carry out activities for the pursuit of public interests and public administration in the broadest sense, and of an administrative management function. This definition includes the Public Administration of foreign countries and of the European Union as well as, again in relation to Crimes against Public Administration, staff or persons in charge of a public service (by concession or otherwise) or performing public functions and/or public officials. In this context, (i) public service includes, *inter alia*, activities carried out, by concession or agreement, in the general interest and subject to the supervision of public authorities, activities relating to the protection of or relating to life, health, welfare, education, etc. (ii) public function includes, inter alia, activities governed by public law, including the legislative, administrative and judicial functions of any public body. **Business Partners**: the natural and/or legal persons who have collaborative relationships with the Company governed by contract.

Public Official: as provided for in Article 357 p.c., "for the purposes of penal law, public officials are those who exercise a legislative, judicial or administrative public function.

For these purposes, an administrative function is public when it is governed by provisions of public law and provisions laid down by authorities. It is reflected in the forming and manifestation of the will of the public administration or by the fact that it is carried out through authoritative or certification powers".

Crimes: the types of crimes covered by the regulations set out in Legislative Decree 231/2001 on the administrative liability of entities.

Reference Manager or "Manager": the Company Representative entrusted, by delegation or by organizational arrangement, with the responsibility (jointly or severally with other persons) of specific functions and activities.

SBH: Supervisory Board Head.

Company: NEODECORTECH S.p.A. (also referred to in short as "NDT")

External Parties: persons who, while not functionally linked to the Company by a subordinate or semi-subordinate employment relationship, are linked to it under a specific contract (e.g., self-employed workers, professionals, consultants, agents, suppliers, business partners, etc.).

TUF: Legislative Decree no. 58 of 24 February 1998 as subsequently amended and supplemented.

1. Organizational, Management and Control Model pursuant to Legislative Decree no. 231 of 8 June 2001

Legislative Decree 231/01 was issued in implementation of the delegated power referred to in Article 11 of Law no. 300 of 29 September 2000, bringing the regulatory framework into line with a number of international conventions previously adopted by Italy, specifically: i) the Brussels Convention of 26 July 1995 on the protection of the European Community's financial interests; ii) the Brussels Convention of 26 May 1996 on combating bribery of public officials of the European Community and its member states; iii) the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.

The Decree, containing the "*Regulations governing the administrative liability of legal persons, companies and associations, including those without legal personality*", introduced into the Italian legal system a system of administrative liability on entities for crimes that are exhaustively listed (hereinafter the "**Crimes**").
Confalonieri S.p.A. - transformed later in June 2017 into NEODECORTECH S.p.A. ("**NDT**") - fully aware of this, had already adopted its own Organizational Model.
NDT, also as a company listed on a regulated market, has further developed, strengthened and updated its Model, also in view of the introduction into the legal system of new types of crimes.
The Organizational Model undergoes regular revision, for example, the Pandemic plan implemented by the Company to tackle the COVID-19 Emergency.

NDT has also decided to voluntarily obtain the following certifications:

RELEVANT STANDARD	CERTIFICATION
UNI EN ISO 9001:2015	Quality Management System
UNI EN ISO 14001:2015	Environmental Management System
ISO 45001:2018 (formerly OHSAS 18001:2007)	Occupational Health and Safety Management System
ISO 50001:2011	Energy Management System
FSC - STD - 40 - 004 (VERS. 2–1)	FSC chain of custody certification
IT01 SYSTEM 100%	Original Italian Quality

The Model, in conjunction with the Group Code of Ethics, therefore contains a *corpus* of principles, values, oversights, operational instructions and ethical rules deemed by NDT as fundamental and indispensable to carry on all company activities, which it requires the following **Recipients** to strictly abide by: members of the Corporate Bodies, Company Representatives, Company Employees and all those who work, even de facto, for the Company, including third parties such as, by way of example but not limited to, agents, associates, consultants, etc..

Specifically, the Model intends to: a) make all those who operate in the name and on behalf of the Company fully aware of the risk of incurring, in the event of a breach of the provisions contained therein, in an offence punishable, both on a criminal and administrative level, not only against themselves but also against the Company; b) reiterate that the Company firmly suppresses and condemns any conduct contrary to the provisions of the law in force and to the principles enshrined in the Group Code of Ethics and in the Model, taking all the appropriate measures for preventing such conduct; c) enable the Company, thanks to oversight on the areas of activity at risk, to act readily in order to prevent or oppose commission of the Crimes.

The Company has always considered it an overriding need, over any business requirement, to comply with - and ensure compliance with - the highest standards of ethics and transparency. The Company, therefore, expects all those who have and intend to have dealings with it to adopt a conduct that complies with the principles and provisions set forth in its Model (and in the Code of Ethics) and in line with the ethical principles set forth in the Decree and contained therein.

The Model consists of a document made up of a General Section and a Special Section divided into specific Protocols for each family of Crimes, each of which is accompanied by an attachment in Excel format detailing the Sensitive Activities identified.

The General Section includes:

1. A summary of the regulatory provisions set out in Legislative Decree 231/01 and the main implications that these provisions have and/or may have for NDT and all those who work with and/or on behalf of NDT;
2. Criteria for conducting risk mapping;
3. System of delegated powers and proxies;
4. The regulations governing the Supervisory Board pursuant to Legislative Decree 231/01;
5. Information flows;
6. Training and communication plan;
7. Disciplinary system
8. Model and Group Code of Ethics;
9. Collection and retention of information;
10. Annex 1 Company organization chart;
11. Annex 2 Regulations and predicate crimes;
12. Annex 3 List of predicate crimes;
13. Annex 4 Whistleblowing regulations;
14. Annex 5 Whistleblowing procedure;
15. Annex 6 Reporting form.

The Special Section gives a general overview, in order to facilitate maximum coordination with the Company's compliance procedures, of:

1. the activities most exposed to the risk of committing predicate crimes;
2. the risk profile for each of the activities involved;
3. the prevention and control instruments put in place by the Company.

An integral and essential part of the Model are:

1. the Group Code[1] of Ethics;
2. the annexes to the Code;
3. internal regulations (procedures, including the whistleblowing procedure, circulars, service orders,

[1] By Order no. 23427/2023 of 1 August 2023, the Supreme Court Civil Sect. II ruled that the company's Code of Ethics serves the purpose of supplementing the Organizational Model implemented in accordance with Leg. Decr. 231/01.

regulations, etc.), whether or not they are referred to in the Model.

1.1 Recipients of the Model

The following are recipients of the Model (hereinafter “**Recipients**"):

- persons in top management positions, i.e. members of the Board of Directors and heads of departments (hereinafter referred to as "**Company Representatives**");
- persons subject to the direction or control of the former, or all those who have a subordinate working relationship (hereinafter "**Employees**") or semi-subordinate working relationship (hereinafter “**Associates**") with the Company;
- all those who, while not functionally linked to the Company by a subordinate or semi-subordinate employment relationship, are linked to it under a specific contract (hereinafter also referred to as "**External Parties**").

The contracts that govern relationships with Associates and External Parties shall include specific clauses identifying the consequences and responsibilities deriving from failure to comply with the principles set out in this Model.

All Recipients, as defined, are required to comply with all the provisions contained in the Model with the utmost diligence.

1.2 Guiding principles of the Model

The Model has been drawn up taking account of the governance system, control and/or management systems adopted by the Company, where deemed suitable for use also as measures for the prevention of Crimes and control of areas at risk. Specifically, the Company has identified the following as specific existing instruments aimed at planning the formation and implementation of corporate decisions, also with regard to the Crimes:

1. Corporate Governance principles adopted, including de facto, by the Company;
2. the hierarchical/functional organizational setup;
3. the company procedures and controls in place with regard to the management systems implemented;
4. the personnel communication system and the relating training activities undertaken, as additional measures to the existing legal obligation, and currently adopted by the Company;
5. the disciplinary system set out in the relevant national collective labour agreement;
6. the disciplinary system relevant to Whistleblowing issues;
7. generally speaking, the applicable Italian and European legislation.

The Model also draws inspiration from:

a) the Confindustria Guidelines updated to 2021, representing the basis for the preparation of the mapping of areas of activities at risk (specific protocols);

b) the requirements set out in Legislative Decree no. 231/2001, specifically:
   - i) raising awareness and disseminating the rules of conduct and the procedures established in the Group Code of Ethics at all company levels;
   - ii) the assigning to a Supervisory Board (SB) of the task of promoting the effective and proper implementation of the Model, also by monitoring corporate conduct and the right to ongoing information on the activities relevant for the purposes of the Decree;
   - iii) the provision to the Supervisory Board of adequate resources to facilitate it in its tasks, within a pre-established budget;
   - iv) assessment of the adequacy of the Model, i.e. its actual ability to prevent prohibited conduct;

v) constant updating of the mapping of the Areas at Risk and of the Model in general, in light of the developments or changes in the needs and structure of the company and of the regulations in force;
vi) methods for managing financial resources suitable for preventing the commission of the Crimes referred to in the Decree;
vii) an adequate system of penalties, applicable in case of breach of the Model.

c) the general principles of an adequate system of internal control, including:
   i) the possibility of ascertaining and recording every operation relevant for the purposes of Legislative Decree 231/2001;
   ii) observance of the principle of separation of functions whereby no person can independently manage an entire process;
   iii) the definition of authorization powers consistent with the duties assigned;
   iv) communication of relevant information to the Supervisory Board.

d) EU Directive 2019/1937, Legislative Decree of 10 March 2023 no. 24 "Whistleblowing Decree" and ANAC Guidelines of 12 July 2023 no. 311.

2. Criteria for conducting risk mapping

Article 6 of Legislative Decree 231/01 provides for an analysis of the activities carried out within the Company in order to identify those which, in compliance with the Decree, may be considered at risk of offences. Therefore, the first to be identified were the Areas at Risk (or "sensitive areas"), as required by the above legislation.

In order to determine the potential risk profiles for the Company, pursuant to the regulations set out in the Decree, the following actions were taken:

1) identification of the activities carried out by each corporate function, by reviewing the organizational provisions in force;
2) interviews made with the various corporate functions and with other subjects identified by the same functions;
3) assessments performed on the individual activities at risk for the purposes of the Decree, within the various corporate functions.

The mapping of the activities at risk allowed for the identification of the units at risk, broken down into relevant areas/functions and processes. The diagnosis was then addressed to the sectors, processes and corporate functions considered, based on the results of the "risk assessment" analysis, more exposed to the Crimes provided for by the Decree. The findings are summarized in the special section, where the processes and sensitive areas in relation to the commission of each type of predicate crime are detailed within each sheet.

2.1 Updating the Model

The measures for adjusting and/or updating the Organizational Model are expressly set out in Article 6, par. 1, letter b) of Legislative Decree no. 231/2001, and will be carried out in the event of:

1) changes in legislation and the guidelines that inspire the Organizational Model;
2) possible breaches of the Model and/or results of assessments on its effectiveness;
3) changes in the Company's organizational, management and operational setup.

For the identified areas of activity at risk, the following must be taken into consideration:

a. the general principles of the organizational system inspiring the Company;
b. the relevant principles originating from application of the Management Systems, which shall govern

the control, monitoring and assessment activities of the Supervisory Board;
c. prevention measures of a special nature, adopted by the Company or to be adopted on the date of approval of the Organizational Model.

2.2 Offences relevant to the Company

In view of the structure and activities carried out by the Company, the following categories of offences have been identified as relevant:

a. offences committed in relations with the Public Administration (Articles 24 and 25);
b. computer crimes and unlawful data processing (Article 24-bis);
c. organised crime offences (Article 24-ter);
d. offences involving counterfeit currency, public credit cards, revenue stamps and identification instruments or marks (Article 25-bis);
e. crimes against industry and commerce (Article 25-bis 1);
f. corporate crimes (Article 25-ter);
g. crimes against the individual (Article 25 quinquies) with particular reference to the crime of unlawful intermediation and exploitation of labour (Article 603-bis of the Criminal Code);
h. market abuse (Article 25-sexies);
i. crimes of manslaughter or serious or very serious injury committed in violation of health and safety at work regulations (Article 25-septies);
j. receiving, laundering and use of money, goods or benefits of illegal origin, as well as self-laundering (Article 25-octies);
k. offences relating to non-cash payment instruments and fraudulent transfer of assets (Article 25-octies.1);
l. offences relating to copyright infringement (Art. 25-novies)
m. inducement not to make statements or to make false statements to the judicial authorities (Art. 25-decies);
n. environmental offences (Article 25-undecies);
o. employment of third-country nationals whose stay is irregular (Article 25-duodecies);
p. transnational offences (Article 10, Law No. 146 of 16 March 2006);
q. tax offences (Art. 25-quinquiesdecies);
r. smuggling and customs violations (Art. 25-sexiesdecies).

3. General principles of the organizational system

3.1 The system of delegated powers and proxies

In principle, the system of delegated powers and proxies must be hinged on elements of "certainty" to identify the powers assigned and allow for the efficient management of the Company's activities in order to prevent the commission of the Crimes.

"Delegated power" refers to the internal act of assigning functions and tasks, reflected in the organizational communication system. "Proxy", on the other hand, is the unilateral legal transaction whereby the company grants a single person the power to represent it.

The prerequisites of the system of delegated powers and proxies are as follows:

a. all those who deal with the P.A. on behalf of the Company shall be provided with a formal delegation of powers in this sense and/or a formal proxy to represent the Company in acts with the P.A.;
b. a specific delegation of powers for the activity to perform and/or a formal proxy to represent the Company in acts effective vis-à-vis third parties or public authorities shall be possessed by all those who:
    i. are involved in the preparation of documents and other communications required by law and intended for shareholders or the public;

ii. hold tasks relating to the management of relations with the Independent Auditors;
iii. hold tasks relating to the management of relations with public oversight authorities;
iv. all those who are involved in activities that may integrate or give rise to the conduct envisaged in the types of Crimes covered by this Model;

c. each proxy implying the power to represent the Company vis-à-vis third parties shall be matched by an internal proxy describing the relevant management powers;
d. delegations of power shall combine each power with the relevant responsibility and an appropriate position in the organization chart;
e. the management powers granted by delegation and their implementation shall be consistent with the Company's objectives;
f. each delegation shall specifically and unambiguously define:
g. the powers of the delegate and their limits;
h. the person (body or individual) to whom the delegate hierarchically reports;
i. the delegate shall be granted spending powers commensurate with the functions assigned;
j. the proxy shall explicitly provide for cases of forfeiture of the powers granted (revocation, transfer to different duties inconsistent with those for which the proxy was granted, dismissal, etc.);
k. a specific procedure shall be adopted to regulate the methods and responsibilities for guaranteeing the timely updating of the delegated powers and/or proxies.

The Supervisory Board, assisted by the competent functions, checks the system of delegated powers and proxies in force on a regular basis, as well as their consistency with the system of organizational communications, reporting any need for changes if the management power and/or qualification does not match the powers of representation granted to the delegate or if other anomalies are found.

4. The Supervisory Board

The exemption from administrative liability - as governed by Article 6, par. 1, letters b) and d) of Legislative Decree 231/2001 - also provides for the mandatory establishment of a Supervisory Board of the entity, having an autonomous power of control (which allows it to oversee the operation of and compliance with the Model) and an independent power of initiative, to ensure the constant updating of the Model.

The Supervisory Board’s main tasks are to:

a) establish control activities at every operational level, fitting itself with the tools, informative or otherwise, to promptly report anomalies and dysfunctions of the Model and the Group Code of Ethics;
b) set control procedures, bearing in mind that the primary responsibility for controlling activities lies with the Company's top management, the Corporate Bodies appointed for this purpose and the Independent Auditors;
c) verify the updating of the Model and the Group Code of Ethics as legal developments emerge, and as a result of changes in the internal organization and in corporate activities;
d) oversee the adequacy of the Model and propose to the Board of Directors any necessary supplements and changes;
e) participate in the preparation and integration of internal "regulations" (Group Codes of Ethics and Conduct, Operating Instructions, Control Manuals, etc.) that the Company may adopt;
f) promote initiatives aimed at disseminating knowledge among the Recipients of the Model, the Code of Ethics, and company procedures, if necessary by organizing specific training seminars;
g) coordinate with the other company departments for everything regarding the effective implementation of the Model;
h) arrange for special audits and/or targeted investigations where necessary;
i) promptly report to the Board of Directors, for the purpose of taking the appropriate measures, identified breaches of the Model which may give rise to liability for the entity.

The measures implemented by the SB cannot be called in question by any other company body or structure, it being understood that the Board of Directors remains ultimately responsible for the adoption (and effective implementation) of the Model.

The SB has unrestricted access to all company functions - with no need for any prior consent - in order to obtain any information or data it deems necessary for the performance of its duties under Legislative Decree 231/01.

The SB may, under its direct supervision and responsibility, avail itself of the assistance of all the Company's structures, or of Consultants.

4.1 Appointment and requirements

The SB is a collegial body appointed by the Board of Directors of the Company for a maximum of three years; it remains in office until the new Supervisory Board is appointed following expiry of its term of office, regardless of the expiry or eventual lapse of the Board of Directors that appointed it; its members are eligible for re-appointment.

The SB is appointed by the Board of Directors of the Company, with a reasoned decision that acknowledges the existence of the requirements of integrity, professionalism, autonomy and independence.
For this purpose, external candidates are required to send their Curriculum Vitae accompanied by a statement in which they certify that they meet the requirements described above.

In compliance with the Guidelines of Confindustria Bergamo of 2021, the Company's SB may be composed of one or more members, as decided by the Board of Directors of the Company at the time of appointment.

If the Company opts for a multi-member composition, the majority of the members (and in any case the Chairman of the SB) shall be identified by the Board of Directors from among the Company's External Parties; the SB may be assisted in its activities by Internal Audit/Compliance. The members of the SB, whether single or multi- member, shall be chosen from among those who meet the requirements of:

- autonomy and independence: absence, for the SB as a whole, of operational tasks, position of impartiality with the subjects on which oversight is exercised;
- professionalism: technical and professional skills in inspection and consulting, as well as legal skills appropriate to the functions to perform;
- continuity of action: ability to perform constant oversight on compliance with the Model and ongoing assessment of its effectiveness and efficacy, seeing to the preparation and filing of documentation and reports relating to the activities carried out.

The members of the Supervisory Board are also required to possess subjective requirements aimed at further guaranteeing their autonomy, integrity and independence, specifically:

- absence of conflicts of interest;
- absence of family ties with Company Representatives;

With regard to integrity, members of the Supervisory Board (grounds for ineligibility) shall not include:

a. those who have been convicted, even if not in a final judgment or on a conditional suspended sentence, or sentenced pursuant to articles 444 et seq. of the Code of Criminal Procedure, without prejudice to the effects of rehabilitation:

    a.to imprisonment for a period of no less than one year for one of the crimes envisaged by Royal Decree no. 267 of 16 March 1942;

- to prison sentence for a period of no less than one year for one of the crimes envisaged by the regulations governing banking, financial, securities and insurance activities and by the regulations governing markets and securities, and payment instruments;

- to imprisonment for a period of no less than one year for a crime against public administration, against public faith, against property, against the public economy, for a tax-related crime;
- for any intentional offence to imprisonment for a period of no less than one year;
- for one of the crimes provided for in Title XI of Book V of the Civil Code as reformulated by Legislative Decree no. 61/2002 and most recently amended by Law 69/2015;
- for a crime that involves and has involved a sentence that results in disqualification, including temporary disqualification, from holding public office, or temporary disqualification from holding management positions in legal persons and companies;
- for one of the Crimes or administrative offences referred to in the Decree, even if sentenced to lesser penalties than those indicated in the previous points;

b. those who have been the recipients of a decree ordering their committal for trial for one of the Crimes or administrative offences referred to in the Decree;

c. those against whom one of the prevention measures envisaged by Article 10, par. 3, of Law no. 575 of 31 May 1965, as replaced by Article 3 of Law no. 55 of 19 March 1990 as subsequently amended, has been finally applied.

Candidates to the position of members of the Supervisory Board must self-certify, by means of a statement in lieu of affidavit, that they meet the requirements of integrity and that they are not in any of the abovementioned conditions of ineligibility, expressly undertaking to communicate any changes to the content of such statements.

4.2 Revocation

The Board of Directors of the Company, having heard the opinion of the Board of Statutory Auditors, may revoke the members of the SB for just cause only.
Serious negligence in the performance of duties of the position held shall constitute just cause for revocation; the examples include:

- significant cases of failure to comply with the task assigned, with regard to the duties referred to in the Model, including breach of confidentiality obligations on the news and information acquired as a result of the task and negligence in pursuing the activities of control and updating of the Model;
- existence of the above causes of ineligibility, prior to appointment as a member of the SB and not specified in the self-certification;
- occurrence of the causes of forfeiture specified in paragraph 4.3 of reference;
- failure to draw up information reports on the activities carried out for the Board of Directors and the Independent Auditors, as referred to in paragraph of reference;
- failure to draw up the SB Audit Plan (referred to in paragraph);
- failure to verify the reports of which it is the recipient pursuant to paragraph, regarding the commission or alleged commission of crimes referred to in the Decree, as well as breach or alleged breach of the Code of Ethics, the Model or the procedures established to implement it;
- failure to convene and hold meetings of the SB over a six-month period;
- failure to assess the adequacy of training programs, implementation methods and results (see paragraph of reference);

- failure to inform the Board of Directors and the Independent Auditors of any changes in the regulatory framework and/or significant changes in the internal structure of the Company and/or in the way in which business activities are carried out requiring an update of the Model;
- failure to report to the Board of Directors any disciplinary measures and penalties applied by the Company, with regard to breaches of the provisions of this Model, the prevention protocols and the relating implementation procedures, as well as breaches of the provisions of the Code of Ethics;
- failure to carry out routine/ad hoc checks on sensitive activities as set out in the SB Audit Plan.

4.3 Forfeiture

The members of the Supervisory Board cease to hold office when, once appointed, they then:

- find themselves in one of the situations envisaged by Article 2399 of the Civil Code;
- lose the requirements of integrity indicated above.

The members of the Supervisory Board may withdraw from their appointment at any time, giving at least two months' notice, without having to give any reason.

4.4 Financial resources of the SB

The SB is provided with an adequate financial budget - decided annually by the Board of Directors - which it can use to perform its functions or engage in activities that demand specialized knowledge in specific areas, requiring the aid of experienced professionals; in the event of extraordinary needs requiring additional financial resources, the SB submits a specific request to the Board of Directors.
The members of the SB shall be adequately remunerated and the Board of Directors shall establish their annual remuneration.

Regarding the autonomous expenditure budget entrusted to the Supervisory Board, the main items of investment on the Model are:

- management and updating of the Organizational Model;
- monitoring of changes in crime risk processes and related systemic documents;
- monitoring of the context of references, with particular regard to the legislative framework concerning the crimes of interest and their associated interpretative system (**e.g., the implementation of Safety Walking**);
- advisory support to the Supervisory Board for different areas of expertise;
- information and training activities, targeted also to new professionals in the organization, such as Whistleblowing Committee Members;
- analysis of information/reports flowing to the Supervisory Board;
- investigation on management based on reports from "whistleblowing" only for potential crimes under Legislative Decree 231/01.

4.5 Duties and responsibilities

The activities that the Board is called upon to perform are outlined in articles 6 and 7 of the Decree, and can be summarized, in a non-exhaustive manner, as follows:

- oversight on the effectiveness of the Model, i.e. consistency between actual conduct and the Model;
- review of the adequacy of the Model, i.e. its actual - not merely formal - ability to prevent prohibited conduct;

- analysis of the maintenance over time of the requirements of soundness and functionality of the Model;
- seeing to the necessary dynamic updating of the Model in the event that the analyses carried out require and/or find it appropriate to make corrections and adjustments.

The latter aspect is implemented through:

- suggestions and proposals for adapting the Model to the corporate bodies or functions capable of giving it tangible implementation in the company fabric, depending on the type and scale of the actions: proposals on formal or minor aspects shall be addressed to Compliance or the Chief Executive Officer, while other more relevant cases shall be submitted to the Board of Directors-regular follow-ups aimed at assessing the implementation and actual functionality of the solutions proposed.
- regular follow-ups aimed at assessing the implementation and actual effectiveness of the solutions proposed by the SB and/or directly by the Company, provided in general Compliance.

Broadly speaking, the SB performs two types of activities aimed at reasonably reducing the risks of commission of Crimes:

- ensure that the Recipients of the Model, specifically identified on the basis of the various types of crimes and relevant processes identified, comply with the provisions contained therein;
- assess the results achieved by application of the Model with regard to the prevention of Crimes and ascertain the need or opportunity to adapt the Model to new regulations or new company requirements.

As a result of these audits, the SB proposes any adjustments and updates to the Model that it deems appropriate: it shall therefore be promptly informed of any changes to both the Model and the Company's corporate structure.

With regard to the new Whistleblowing issues (as per Legislative Decree 24/2023), and with reference to Annexes 5 and 6 for more detailed discussion, the duties of the SB are outlined below in a non-exhaustive manner:

- oversee the timely adoption of the internal reporting channels prepared by the company and their compliance, as well aś the subsequent updating of the Organizational Model;
- oversee the successful adoption of Internal Whistleblowing Procedures;
- oversee the training, information and dissemination of the provisions of the updated Organizational Model and Internal Whistleblowing Procedures (specifically, pursuant to Article 5, lett. e) Legislative Decree 24/2023);
- oversee the effectiveness and accessibility of reporting channels;
- oversee the effective operation and compliance with the provisions of the updated Organizational Model and Internal Whistleblowing Procedures (by way of example: assess compliance with Article 4, par. 2 Legislative Decree 24/2023 as to the person identified as the Manager, carry out periodic spot checks on compliance with the timeframes under Legislative Decree 24/2023 on the acknowledgement of receipt and feedback, on the possible application of the disciplinary system, on the measures taken to ensure compliance with confidentiality obligations and the prohibitions of retaliation);
- acknowledge Whistleblowing reports received by the WC solely under Legislative Decree 231/01 and initiate, if deemed necessary, the relevant investigations and their management, as per the Procedure to which reference is made for completion;
- receive information flows from the WC on all Whistleblowing reports, even if not exclusive to 231/01

matters, consider them for the purpose of monitoring the MOG and overall good performance;

From an operational point of view, in addition to the above pertaining specifically to Whistleblowing, the SB is tasked with:

- carrying out actions and regular controls on the adequacy and effectiveness of the Model in preventing Crimes, based on an annual plan drawn up by the SB itself, to ascertain the provisions of the Model and, in particular, verifying that:
    - the procedures and controls, which encompass the provisions detailed in the Whistleblowing Procedure (to which full reference is made regarding the issues covered) set out therein, are applied by the Recipients and recorded in a compliant manner;
    - ethical principles are upheld;
- report any deficiencies/inadequacies of the Model in the prevention of the crimes relevant for the purposes of the Decree and assess that the Company Representatives implement the remedies;
- suggest appropriate verification and monitoring procedures, taking account of the responsibility of Company Representatives to control activities;
- launch internal investigations in the event that a breach of the Model or the commission of Crimes is identified or suspected;
- regularly assess the most significant corporate acts and the main contracts concluded by the Company in the Areas at Risk;
- promote initiatives to spread knowledge and effective understanding of the Model among Recipients, ensuring the preparation of internal documentation (instructions, clarifications, updates) or specific training seminars, necessary for the Model to be understood and applied, in accordance with the provisions of paragraph 7 below;
- coordinate with the managers of the various company functions for the control of the activities in the Areas at Risk and sharing all the problems regarding implementation of the Model (e.g. definition of standard clauses for contracts, organization of staff courses, new relations with Public Administration, etc.);
- keep the Model up-to-date, ensuring that it is adjusted to any new regulations or organizational changes in the Company;
- request regular updating of the risk map, and check that it is actually updated by means of periodic audits focused on activities at risk. To this end, the SB shall receive reports from Company Representatives of any situations that may expose the Company to the risk of crime;
- collect, process and retain all relevant information received on compliance with the Model.

For the proper performance of its duties, the SB shall:

- have unrestricted access, with no need for any prior consent, to persons and to all company documentation (documents and data), as well as the possibility of obtaining relevant data and information (financial, equity and business transactions and all those transactions that more generally regard the management of the company) from the relevant parties; to this end, the Supervisory Board may request from the various company structures, including top management, all the information deemed necessary for the performance of its activities;
- have allocated the resources required to perform the activities within their remit, including an adequate budget for the activities required for their task (e.g. specialist advice, travel, etc.);
- have the right, by coordinating and informing the company departments concerned in advance, to ask for and/or assign tasks of a technical nature to third parties possessing the necessary specific skills;
- issue regulations governing the schedule of activities and the arrangements for meetings and

information management;

- meet at least four times a year and as often as deemed necessary or urgent; the meetings shall be minuted and copies of the minutes shall be kept by the SB and by the Company in a special folder accessible only to individuals authorized by the Company

4.6 Reporting to Corporate Bodies

The Supervisory Board prepares - with regard to the issues of Legislative Decree 231/01 - a report, at least every six months, for the Board of Directors and the Board of Statutory Auditors on the application and effectiveness of the Model.
Additionally, the Supervisory Board - ahead of the Shareholders' Meeting for the approval of the Financial Statements - prepares an annual report addressed to the Board of Directors, the Board of Statutory Auditors and the Shareholders' Meeting, containing:

- the checks carried out by them;
- a summary of the activities carried out during the six mouth, and of the checks and controls performed;
- any need to update the Model;
- other major issues;

The Board of Directors may convene the Supervisory Board at any time to report on its activities and ask to consult with it.

The Supervisory Board may, in turn, ask to be heard by the Board of Directors of the Company or, in urgent cases, by the Chairman of the Board of Directors or the Chief Executive Officer, whenever it deems it appropriate to report promptly on breaches of the Model or to request attention to critical issues on the operation of and compliance with the Model.

4.7 Communications to the SB

In order to allow the Supervisory Board to oversee the adequacy and operation of the Model, a communication system has been implemented between the Company and the SB regarding all sensitive areas, as identified in the Special Section.

The purpose of the communication system vis-à-vis the SB is to allow it to constantly acquire relevant information on all sensitive areas.

The system implemented by the Company provides for two different forms of communication with the SB:

- Reports (so-called Whistleblowing as per Legislative Decree 24/2023 and as per the Related Procedure);
- General Information flows.

4.8 Whistleblowing system

Legislative Decree 24/2023, implementing the European Directive on Whistleblowing, approved by the Council of Ministers. was published in the State Gazette and came into force on 30 March 2023.

The provision introduces significant advancements in reporting channels and grants specific authority to ANAC (National Anticorruption Authority), as well as regulating in greater detail a number of aspects already provided for in the previous legislation.

The Decree, within the "Definitions" section (Article 2), explicitly states that the reportable breaches encompass conduct detrimental to the public interest, the integrity of public administration or private entities (Company), as well as the financial interests of the European Union and/or matters pertaining to the internal market. These behaviours can include administrative, accounting, civil or criminal offenses, unlawful conduct relevant to Legislative Decree no. 231/2001, and breaches of Models 231.

Regarding the Company's handling of the Whistleblowing issue, in alignment with the aforementioned legislation,
please refer to Annexes 5 and 6 of this MOG.

5. General information flows

The purpose of the information flow system implemented by the Company is to create a well-organized, ongoing and widespread communication system between those responsible for activities potentially at risk and the SB.

General information flows consist in sending communications and/or documents to the SB according to specific timescales and methods.

Information flows can be divided into:

- **Periodic information flows** to be compiled and sent to the SB at a pre-established frequency (quarterly, every six months);
- **Event-driven information flows** to be compiled and sent to the SB upon occurrence of certain events. In addition to the above formalized flows, all Recipients are required to transmit/report to the SB for example:
    a) the internal reports that identify liability for the crimes relevant for the purposes of the Decree, or facts, events or omissions that can even only potentially be linked to crimes relevant for the purposes of the Decree;

    b) visits, inspections and audits carried out by the competent bodies and the results thereof;

    c) measures and/or news coming from the judicial police or any other authority, indicating that investigations are underway, even against unknown persons, for the Crimes envisaged in the Decree;

    d) requests for legal aid forwarded by directors, executives and/or Employees against whom the Judiciary proceeds for the Crimes envisaged in the Decree;

    e) news relating to disciplinary proceedings (relating to the Model) carried out and any penalties applied or measures taken to dismiss such proceedings with the relating reasons;

    f) information on the developments of the activities pertaining to the Areas at Risk identified by the Model and/or changes in the company organization;

    g) information relating to security management and the progress of planned actions;

    h) copies of the minutes of the Board of Statutory Auditors and the Board of Directors;

    i) the organization charts and the system of delegation of powers and signatory powers in force and any amendments thereto;

    j) certification of attendance at training courses by all the Recipients of the Model;

    k) any news regarding the commission or attempted commission of unlawful conduct provided for by the Decree or which are in any case relevant for the purposes of the Company's administrative liability;

    l) any news regarding breaches of the behavioural and operational procedures envisaged in the Model, and more generally any act, fact, event or omission concerning possible critical issues that have been found on the observance and correct implementation of the Model;

    m) news of changes in the Company's internal structure;

    n) all decisions related to the application for, disbursement, and use of public funds;

o) information that generally pertains to all the news[2] related to the commission of crimes as outlined in Legislative Decree no. 231/2001 concerning the company's operations or behaviour that deviates from the rules of conduct adopted by the company;

p) information regarding the effective implementation of the Organizational Model across all levels of the company, with a specific focus on the management of disciplinary proceedings, their results, and any penalties applied;

Specifically, from a Whistleblowing perspective, the Supervisory Board is the recipient of reports, related to Legislative Decree 231/01 only, after an initial review by the Whistleblowing Committee (WC). Please refer to Annexes 5 and 6 of this MOG.

General communications, such as information flows, should be sent to the following e-mail address neodecortech@odv-ndt.it.

5.1 Collection and retention of information

All the information, reports, general flows, and reporting provided for in the Model are retained by the Supervisory Board in a special computer and/or paper archive, in compliance with the confidentiality obligations provided for by Regulation (EU) 2016/679 (GDPR) and Legislative Decree 196/2003 as amended, without prejudice to the fulfilment by the SB of the reporting obligations provided for by the Model.

The Company will ensure the retention of copies of the documentation associated with the MOG for potential future use.

6. Training and communication plan

In order to effectively implement the Model, the Company's HR and Compliance departments, in conjunction with the Supervisory Board, Whistleblowing (Legislative Decree 24/2023) and implemented channels, shall prepare, based on the tangible needs identified by the SB, an annual training plan for the members of the statutory bodies, Employees, and Associates working directly within the Company and Company agents.

Specifically, the training programs shall focus, among other things, on the Model as a whole, the Code of Ethics, the operation of the Supervisory Board, the information flows to the latter and the Disciplinary System, the Company's operating procedures that are relevant for the purposes of the Model, as well as issues concerning the Crimes for which liability pursuant to Legislative Decree 231/01 is applicable.
The training programs shall be arranged, where necessary, in order to provide users with the appropriate tools for full compliance with the provisions of the Decree with regard to the scope of operations and the duties of the recipients of the training programs.

The training programs are diversified, in terms of content and delivery methods, based on the role of the recipients, the risk level of their area, and whether or not they have functions of representation of the Company.

The training programs are managed by Human Resources (HR) and by Compliance, in close cooperation with the SB; in this regard, all the information regarding the Model (and the related training program) shall be provided to the Employees, Executives and the members of the Corporate Bodies through special periodic training, which shall include a training meeting with all the Employees of the Company, also remotely, at least once a year.
At the time of hiring Employees and assigning tasks to Associates and agents, they shall receive an information set to ensure that they have the primary knowledge considered essential to operate within the Company (see paragraph below).
The content of the courses shall be agreed upon in advance with the Supervisory Board which, to this end,

within the scope of its activity, may and shall indicate the appropriate subjects and topics to discuss and treat in depth or, in any case, are such as to draw the interest of the members of the statutory bodies and of the Employees.

The Supervisory Board, in agreement with Human Resources (HR) and Compliance, ensures that the training program is adequate and effectively implemented. Training can also take place remotely or through the use of computer systems.

Participation in training activities is mandatory for employees and members of corporate bodies.

Attendance of Employees and members of Corporate Bodies in training programs is mandatory. Human Resources (HR), in coordination with Compliance, records the attendance of Employees, Executives and Associates in the training programs and sends the relating documentation to the Supervisory Board.
Appropriate communication tools, if necessary in addition to e-mail updates, shall be adopted to update members of statutory bodies and Employees, Executives on any changes made to the Model, as well as any significant procedural, regulatory or organizational changes.

6.1 Circulation of the Model to members of Corporate Bodies, Employees and Associates

Each member of the statutory bodies, each Employee, Executive and Associate of the Company is required to:

i. acquire awareness of the content of the Model;
ii. learn the operating methods to carry out their activities;
iii. contribute actively, with regard to their role and responsibilities, to the effective implementation of the Model, reporting any shortcomings found in it as well as report conduct that is alleged to breach the Model itself.

In order to guarantee an effective and rational communication activity, the Company fosters and facilitates knowledge of the content of the Model on the part of the Employees and Executives with a degree of detail that varies according to the degree of involvement in sensitive activities, as identified in the Special Section of the Model.

Information on the content of the Model is provided to the members of the statutory bodies, Employees, Executives and Associates by means of:

- delivery or, in any case, making available the Model and its annexes, including the Group Code of Ethics, at the time of hiring/assigning their function, also by electronic means;
- informative e-mails, also for the purpose of regularly sending updates of the Model;
- knowledge of the channels made available to the Company for Whistleblowing reporting.

Responsibility for the dissemination of the Model and its updates lies with the head of Human Resources (HR) and the head of Compliance. Specifically, the above functions see to forwarding the documentation to the recipients via e-mail and receiving through the same channel from each recipient the relating certificate of receipt. The Supervisory Board checks that the competent functions ensure that the Model and its updates are correctly disseminated.

All members of the statutory bodies (directors and statutory auditors) and Employees and Executives are required to fill in a statement in which, having acknowledged the Model, they undertake to comply with its provisions, such as the following:

"Statement of commitment issued by the members of the statutory bodies, Employees and Associates
I, the undersigned.............,
state

- *to have received and carefully reviewed and understood the Organizational and Management Model* *(hereinafter the "**Model**") pursuant to Legislative Decree no. 231 of 8 June 2001 (hereinafter the "**Decree**"), adopted by Neodecortech S.p.A. (hereinafter also only "**NDT**") and its annexes;*

- *to have received, carefully reviewed and understood the Group's Code of Ethics (hereinafter the "**Code of Ethics"**), which is an integral part of the Model;*
- *to be aware of the Whistleblowing reporting channels implemented by the Company;*
- *to be fully aware that the activities of NDT are based on compliance with current legislation and abstention from any conduct likely to constitute the crimes referred to in the Decree;*

and undertake
to comply with the provisions of the Model and to respect the principles of the Code of Ethics.

Date and Signature
__________________"

6.2 Circulation to Consultants and other External Parties

Circulation of the content of the Model is also addressed to those Recipients of the Model who have a contractual relationship with the Company, but who are not Employees, Associates or members of the statutory bodies.
To this end, the Company Function that has requested service from the Consultant (or the External Party), at the time of signing the relevant contract, shall provide the latter with a copy of the Group Code of Ethics and have a statement filled in by the Consultant (or the External Party), acknowledging the content of the Group Code of Ethics, and undertaking to comply with its provisions, such as the following:

"Statement of commitment issued by External Parties (suppliers, consultants, etc.)
*"I, the undersigned .... [as legal representative of], aware of the relevance of my statements for the purposes of the completion and continuation of relations with Neodecortech S.p.A. (hereinafter also only "**NDT**"), under my responsibility **state***

- to be fully aware that the activities of NDT, as my own, shall be based on compliance with current legislation and abstention from any conduct likely to constitute crimes;
*- that I have carefully reviewed and understood the **Code of Ethics** of the Neodecortech Group available on https://www.neodecortech.it/codice-etico-e-modello-organizzativo/, which is an integral part of NDT's Organizational, Management and Control Model pursuant to Legislative Decree 231/01 (hereinafter also referred to as the "**Model**") and which sets out the principles and provisions on which the Model is based;*
- that I have been informed about the whistleblowing reporting channels set up by Neodecortech;
- that I have not committed any of the Crimes envisaged by Legislative Decree 231/01 as from the date on which the latter came into force and that should this occur, I will promptly inform Neodecortech;
and undertake

- to comply with Legislative Decree 231/01 and, in general, with the regulations in force and to operate in accordance with the principles and provisions contained in the Group Code of Ethics.
It is hereby acknowledged that failure by [name of person/company] to comply with any of the foregoing provisions shall result in a material breach of its obligations under the existing contract between NDT and [name of company] and shall entitle NDT, pursuant to and in accordance with Article 1456 of the Civil Code, to terminate the contract with immediate effect, without prejudice, in any event, to the right to compensation for any damages suffered by NDT."
Date, Stamp and Signature
______________________"

Lastly, on the establishment of any new relationship, contracts with External Parties who are Recipients of the Model shall include specific clauses indicating clear responsibilities for non-compliance with this Model, such as the following:

["S*upplier/Consultant/Associate] undertakes to comply with the strictest observance of the laws in force and, among these, specifically, undertakes not to commit any of the Crimes referred to in Legislative Decree 231/2001, and also undertakes to comply with, adapt its conduct and operate, in the execution of this contract and any related or connected aspect thereof, in accordance with the principles and provisions set forth in the Code of Ethics of the Neodecortech Group, available at https://www.neodecortech.it/codice-etico-e-modello-organizzativo/ and which constitutes an integral part of the Organizational, Management and Control Model adopted by Neodecortech S.p.A.. Failure on the part of [Supplier/Consultant/Associate] to comply with the provisions of the law or the provisions contained in the Code of Ethics is a circumstance capable of damaging the relationship of trust established between the Company and [Supplier/Consultant/Associate] and constitutes a serious breach of this contract, entitling Neodecortech S.p.A. to terminate it in advance and with immediate effect pursuant to and for the purposes of Article 1456 of the Italian Civil Code, without prejudice to the right to compensation for any damages suffered*".

7. Disciplinary system

7.1 General principles

The adoption of an adequate system of penalties, with penalties proportionate to the severity of the breach of the rules set out in the Model by the Recipients, is a prerequisite for the full effectiveness of the Model.

In compliance with best practices, the penalty system as a whole is autonomous, as it is independent from the results of any penal or civil investigations, and is self-sufficient therefrom, drawing inspiration from the tenets of proportionality and respect for the adversarial principle.

Illegal conduct, breaches of the Model, as well as its circumvention are brought to the attention of the SB, it being understood that the exercise of disciplinary power remains with the employer.

The disciplinary response of the Company is based on the nature of the breach and its consequences, and on the type of relationship that binds the Company to the violator and the level of hierarchy and responsibility within the organization.

In the whistleblowing area:

In accordance with the specific cases envisaged for each category of Recipients, the Company shall also subject to penalty any person who interferes with, or unduly uses, the whistleblowing channels established for reporting unlawful conduct relevant for the purposes of the Decree 24/2023 or breaches of the Model, specifically: a) by violating the measures to protect the whistleblower, reported person and any interested party; b) by making with malice or gross negligence reports that prove to be unfounded. The Company may also take any appropriate disciplinary and/or legal action against any person who takes retaliatory or discriminatory action against the reporting party as a result of his or her report.

Please refer to **Annexes 5 and 6** of this MOG for the specific section on Whistleblowing.

7.2 Subjects

Employees, Executives, Directors and Associates, as well as all Recipients who have contractual relationships with the Company, within the scope of those relationships, are subject to the disciplinary system set forth in this Model.

7.3 Employees

The provisions of the Organizational, Management and Control Model adopted pursuant to the Decree, as well as the provisions and principles established in the Code of Ethics supplement the provisions pursuant to Articles 2104 and 2105 of the Italian Civil Code and the National Collective Labour Agreement; therefore, their breach constitutes a disciplinary offence and may entail the application of the following disciplinary penalties:

a) verbal warning;
b) written warning;
c) fine of up to four hours' pay;
d) suspension from work and pay up to a maximum of ten days (for part-time staff up to a period of fifty hours);
e) dismissal, with or without notice, in accordance with the National Collective Labour Agreement of the paper industry.

In any case, the Company's right to compensation for damages - also by means of a deduction from the salary, in compliance with the legal limits - is unaffected whenever the employee's conduct clearly prejudices the Company or has caused it certain damage.

Determination of the type, among those listed above, as well as the extent of the penalty applicable as a result of the infringement shall be based on the respect and evaluation of the following principles:

- severity of the conduct, including omission;
- consequences, even if possible or potential, arising from the conduct;
- position held by the employee within the company organization, also considering the responsibilities associated with his/her duties;
- any aggravating and/or mitigating circumstances that may be found in relation to the employee's conduct, including, by way of example, the application of previous disciplinary penalties against the same person or any repetition committed in the previous two years.

With regard to applicable penalties, it should be noted that they shall be applied in compliance with the provisions of Article 7 of the Workers' Statute and the applicable National Collective Labour Agreement.

7.4 Executives

Executives have a relationship that is strongly based on trust. The Executive's conduct not only reflects within the Company, representing a model and example for all those who work there, but also affects its reputation with the outside world. Therefore, compliance by the Company's executives with the provisions of the Group Code of Ethics, the Model and the related implementation procedures is a vital element of the managerial employment relationship.

The provisions of the Organizational, Management and Control Model adopted pursuant to the Decree, as well as the provisions and principles established in the Group Code of Ethics supplement the provisions pursuant to Articles 2104 and 2105 of the Italian Civil Code and the National Collective Labour Agreement applied; therefore, their breach constitutes a disciplinary offence and may entail the application of the disciplinary penalties provided for by law and/or pursuant to the National Collective Labour Agreement applied, in compliance with the procedures and principles set out for employees.

Penalties shall be applied gradually and proportionally vis-à-vis the severity of the fact and the guilt or possible malice. Additionally, upon notification, the person involved may be revoked of any proxies assigned as a precautionary measure, up to possible termination of the relationship in the presence of breaches so severe as to undermine the relationship of trust with the Company.

7.5 Directors and Statutory Auditors

In the event of a breach of the provisions of the Organizational, Management and Control Model adopted pursuant to the Decree, as well as of the provisions and principles established in the Group Code of Ethics by one or more members of the Board of Directors, the SB shall inform the entire Board of Directors and the Board of Statutory Auditors, who shall take the appropriate measures vis-à-vis the severity of the breach committed and in accordance with the powers provided for by law.
The applicable measures on one or more members of the Board of Directors of one of the Companies of the Group, subject to a resolution of the Board of Directors to adopt with the abstention of the person involved and, where provided for by the law and/or the Bylaws, with a resolution of the Shareholders' Meeting, may include the total or partial revocation of the proxies and/or of the office and, where the director is linked to the Company by a subordinate working relationship, the disciplinary penalties provided for with regard to the employees and executives of the Company may also be applied.

In the event of breaches by the entire Board of Directors of the Company, the SB shall inform the Board of Statutory Auditors, so that the latter can promptly convene the Shareholders' Meeting for appropriate measures.

In the event of breaches by one or more members of the Board of Statutory Auditors or by the entire Board of Statutory Auditors, the SB shall inform the Board of Directors, which shall take the appropriate measures vis- à-vis the severity of the breach and in accordance with the powers provided for by law.

When informed of breaches by one or more members of the SB, the Board of Directors, in conjunction with the Board of Statutory Auditors, shall take the measures deemed most appropriate vis-à-vis the severity of the breach and in accordance with the powers provided for by law, keeping the SB itself informed.

7.6 External associates and, in general, subjects with contractual/business relationships with the Company

Failure to comply with the procedures set out in the Organizational, Management and Control Model adopted by the Company, as well as breaches of the provisions and principles established in the Group Code of Ethics by external associates or, in general, by persons having contractual/business relationships with the Company, may determine, in accordance with the provisions of the specific contractual relationship, termination of the relating contract, without prejudice to the right to claim compensation for damages incurred as a result of such conduct.

Any behaviour adopted by External Parties and/or Business Partners, as well as by suppliers and/or representatives, against the lines of conduct set out in the Group Code of Ethics and such as to entail the risk of committing a crime punished by the Decree, may determine, in accordance with the provisions of the specific contractual clauses included in the letters of appointment or in the partnership agreements, termination of the contractual relationship, or the right to withdraw from the relationship, without prejudice to any claim for compensation if such behaviour results in actual damage to the Company, as in the case of application by the judge of the measures provided for.

8. Model and Group Code of Ethics

The rules of conduct contained in this Model find a natural complement in the Group Code of Ethics adopted by the Company, since this Model, in compliance with the provisions of the Decree, has the specific purpose of preventing the Crimes that imply the administrative liability of the Company.

In this sense, in fact:

1. The Group **Code of Ethics** forms an essential part of the Model. The Group Code of Ethics sets out the fundamental ethical principles that represent the essential and functional elements for a proper collaboration with the Company at every level, the breach of which entails application of the penalties set out in the relevant chapter of this general section. These principles emphasize the need

to:
- comply with applicable laws, regulations and internal policies;
- direct the performance of activities by all Recipients towards criteria of diligence, competence, professionalism and efficiency.

2. The **Organizational Model**, on the other hand, constitutes a tool, with a specific scope and purpose, in that it aims to prevent the commission of the Crimes provided for in Legislative Decree no. 231/2001. The Model sets out rules and provides for procedures that must be complied with in order to hold the Company harmless from liability in the event of a commission of the Crimes provided for by Legislative Decree no. 231/2001.

3. The Company **Protocols** outline an internal control system for each company process, relevant for the purposes of the regulations set out in Legislative Decree no. 231/2001, making clear and verifiable:
- the chain of command;
- virtuous behaviour to be observed;
- the prevention measures of the “Predicate crimes" to comply with.

9. Collection and retention of information

All the information, notifications and reports provided for in this Organizational Model are retained by the Supervisory Board in a special archive (computerized and on paper) and by the Company in a special folder. Access to the archive is allowed - in addition to the Supervisory Board - exclusively to all the members of the Board of Directors.

Annex 1: Company organization chart

Annex 2: Regulations and Predicate crimes

The administrative liability of entities

In implementation of certain international conventions, Legislative Decree 231/2001 has established the administrative liability of entities for certain Crimes committed in their interest or to their advantage.

In implementation of the delegated power referred to in Article 11 of Law no. 300 of 29 September 2000, Legislative Decree no. 231 (hereinafter referred to as the "**Decree**") was issued on 8 June 2001 and came into force on 4 July 2001, by means of which the legislator brought domestic legislation into line with international conventions on the liability of legal persons that Italy had already long adopted.

The Decree, containing the "*Regulations governing the administrative liability of legal persons, companies and associations, including those without legal personality*", introduced into the Italian legal system a system of administrative liability for entities (understood as associations, consortia, etc., hereinafter referred to as "**Entities**") for the crimes exhaustively listed and committed in their interest or to their advantage:
1. by natural persons holding positions of representation, administration or management of the Entities or of one of their organizational units having financial and functional autonomy, as well as by natural persons who exercise, also de facto, management and control of the Entities;
2. by natural persons subject to the direction or supervision of one of the abovementioned subjects.

The Entity's liability is in addition to the liability (penal and civil) of the natural person who materially committed the crime in the interest of the entity.

The provision of the administrative liability referred to in the Decree involves, in the repression of the criminal offences expressly provided for therein, the Entities that have gained ***advantage*** and/or ***interest*** from the commission of the crime. Among the applicable penalties, the severest for the Entity are undoubtedly the disqualification measures, such as the suspension or revocation of licences and concessions, the prohibition to deal with public administration, the prohibition to exercise activities, the exclusion or revocation of financing and contributions, and the prohibition to advertise goods and services. The abovementioned liability also applies to Crimes committed abroad, provided that the State of the location where they were committed does not take action to punish them.

In its original drafting, the Decree listed, among the Crimes leading to the administrative liability of Entities, exclusively those committed in dealings with public administration.

Many other categories of predicate crimes have been subsequently added as per Annex 3.

Adoption of the Organizational Model as an exemption

The regulation envisages a specific form of exemption where the entity proves that it has implemented an organizational and management model suitable for preventing the commission of predicate crimes, continuously overseeing its operation and effectiveness, and updating it in light of developments in the company setting and in the regulatory framework.

These Organizational, Management and Control Models must meet the following requirements:

1. identify the activities within the scope of which the crimes provided for by the Decree may be committed;
2. provide for specific protocols directed at planning the formation and performance of the decisions of the Entity relating to Crimes to be prevented;
3. identify methods for managing financial resources suitable for preventing the commission of such Crimes;
4. provide for disclosure obligations with the body tasked with overseeing the operation of and compliance with the Models;
5. introduce a disciplinary system suitable for punishing non-compliance with the measures set out in the Models.

If the crime is committed by persons holding positions of representation, administration or management of the Entity or of one of its organizational units with financial and functional autonomy, as well as by persons who exercise, also de facto, management and control of the same, the Entity shall not be liable if it proves that:

1. the management body has adopted and effectively implemented, before the commission of the crime, organizational and management models capable of preventing crimes of the kind committed;
2. the task of overseeing the operation of and compliance with the Models and seeing to their updating has been entrusted to a body of the Entity possessing autonomous powers of initiative and control (Supervisory Board - SB);
3. the subjects have committed the crime by fraudulently circumventing the Models;
4. there has been no omitted or insufficient oversight on the part of the supervisory body on the Models.

If, on the other hand, the crime is committed by persons subject to the direction or supervision of one of the persons indicated above, the Entity is liable if the crime was committed as a result of non-compliance with the management and supervision obligations.

Such non-compliance is, in any case, excluded if the Entity, prior to the commission of the crime, has adopted and effectively implemented Models suitable to prevent crimes of the type of the crime occurred, according to an assessment that must necessarily be made beforehand.

Regarding affiliation to a Group:
Neodecortech S.p.A. is the parent company of Cartiere di Guarcino S.p.A. and Bio Energia Guarcino S.r.l..

Each company of the group, as individual recipients of the obligations of Legislative Decree 231/01, is called upon to independently carry out the activity of preparing and revising its own organizational model. This activity can also be carried out based on indications and implementation methods provided by the holding company with regard to the organizational and operational setup of the group, bearing clearly in mind that such indications shall not determine any limit to autonomy by the subsidiaries in the adoption and implementation of their own Model.

Specifically, the adoption by each company of the group of its own independent Model:
- allows it to construct a Model that is truly shaped on its own organizational setup. In fact, only the latter can carry out a clear and effective recognition and management of the risks of crime, which is necessary for the Model to be recognized as having the exempting effect referred to in article 6 of Legislative Decree 231/01; and
- reasserts the absolute autonomy of the individual operating unit of the group.

Annex 3: List of predicate crimes included in Legislative Decree no. 231/01

Crimes
The Crimes that entail the liability of the Entity are exhaustively indicated by the legislator, and are subject to its frequent and periodic amendments and supplements; the need arises, therefore, to constantly assess the adequacy of the system of rules underlying the Organizational, Management and Control Model envisaged by the Decree and functional to the prevention of such Crimes.

Additionally, the scope of application of the administrative liability of entities will inevitably be further extended, but, in any event, these groups can be identified as follows*:

*Updated as of 23 March 2022 10 October 2023 (most recent provision added Legislative Decree 2 March 2023, no. 19 Law 9 October 2023, no. 137).

Undue receipt of disbursements, fraud to the detriment of the State or a public body or the European Union or for the purpose of obtaining public disbursements, computer fraud to the detriment of the State or a public body and fraud in public supplies (Art. 24, Leg. Decr. no. 231/2001) [article amended by Law no. 161/2017 and Leg. Decr. no. 75/2020 and Law no. 137/2023]

- Misappropriation of public disbursements (art. 316-bis p.c.) [article amended by LD 13/2022]
- Undue receipt of public disbursements (art. 316-ter p.c.) [amended by Law no. 3/2019 and LD 13/2022]
- Fraud to the detriment of the State or other public body or the European Communities (art. 640, par. 2, no. 1, p.c.)
- Aggravated fraud for obtaining public disbursements (art. 640-bis p.c.) [article amended by LD 13/2022]
- Computer fraud to the detriment of the State or other public body (art. 640-ter p.c.)
- Fraud in public supplies (art. 356 p.c.) [article added by Leg. Decr. no. 75/2020]
- Fraud against the European Agricultural Fund (art. 2. Law no. 898 of 23/12/1986) [article added by Leg. Decr. no. 75/2020]
- Interference with the freedom of tenders (art.353 p.c.) [article introduced by Law no. 137/2023]
- Interference with the freedom of the procedure for choosing a contractor (art. 353-bis) [article introduced by Law no. 137/2023]

Computer crimes and unlawful data processing (Art. 24-bis[3], Leg. Decr. no. 231/2001) [article added by Law no. 48/2008; amended by Leg. Decr. nos. 7 and 8/2016 and by LD 105/2019]

- Computer documents (art. 491-bis, p.c.)
- Unauthorized access to a computer or electronic system (art. 615-ter p.c.)
- Unauthorized possession and disclosure of access codes to computer or electronic systems (art. 615-quater p.c.) [article amended by Law 238/2021]
- Unauthorized possession, dissemination and installation of computer equipment devices or computer programs aimed at damaging or interrupting a computer or electronic system (article 615-quinquies p.c.) [article amended by Law 238/2021]
- Unlawful interception, impediment or interruption of computer or electronic communications (art. 617-quater p.c.) [article amended by Law 238/2021]
- Unauthorized possession, dissemination and installation of equipment capable of intercepting, impeding or interrupting computer or electronic communications (art. 617-quinquies p.c.)
- Damage to information, data and computer programs (art. 635-bis p.c.)
- Damage to information, data and computer programs used by the State or other public body or in any case of public utility (art. 635-ter p.c.)
- Damage to computer or electronic systems (art. 635-quater p.c.)
- Damage to computer or electronic systems of public utility (art. 635-quinquies p.c.)
- Computer fraud of the electronic signature certifier (art. 640-quinquies p.c.)
- Breach of the rules on the National Cybersecurity Scope (art. 1, par. 11, LD no. 105 of 21 September 2019)

Crimes associated with organized crime activities[4] (Art. 24-ter, Leg. Decr. no. 231/2001) [article added by Law no. 94/2009 and amended by Law no. 69/2015]

- Mafia-type association, including from outside Italy (art. 416-bis p.c.) [article amended by Law no. 69/2015]
- Criminal association (art. 416 p.p.c.)
- Political-mafia electoral exchange (art. 416-ter p.c.) [replaced by art. 1, par. 1, Law no. 62 of 17 April 2014, effective 18 April 2014, pursuant to the provisions of art. 2, par. 1 of the same Law 62/2014)
- Kidnapping for the purpose of extortion (art. 630, p.c.)
- Association aimed at the unlawful trafficking of drugs or psychotropic substances (art. 74 PD no. 309 of 9 October 1990) [paragraph 7-bis added by Leg. Decr. no. 202/2016]
- All crimes if committed by taking advantage of the conditions envisaged in Article 416-bis of the Penal Code to facilitate the activity of the associations provided for in the same article (Law 203/91)
- Illegal manufacture, introduction into the national domain, sale, transfer, possession and carrying in a public place or a place open to the public of weapons of war or war-like weapons or parts thereof,

[3] Law no. 238/2021 with "Provisions for the fulfillment of obligations arising from Italy's membership in the European Union - European Law 2019-2020" consists of 48 articles that amend or supplement existing provisions within the national framework to align their contents with European law requirements. Of noteworthy significance are the provisions aimed at aligning with Directive no. 2013/40/EU, which addresses offenses related to attacks against information systems, which involve an amendment to Articles 615 et seq. of the Penal Code, as referenced in Article 24-bis of Legislative Decree 231/2001.

[4] On 27 October 2021, the Council of Ministers approved the Law Decree containing "Urgent Provisions for the Implementation of the National Recovery and Resilience Plan and for the Prevention of Mafia Infiltration". This decree redesigns the process for the enforcement of anti-mafia restrictions, thereby facilitating the use of precautionary measures outlined in Legislative Decree 231/2001. Specifically, Article 43 of the new legislation introduces the concept of a prior discussion before the issuance of the restriction: if the Prefect deems that the conditions for implementing the measure are met, they are required to promptly inform the company involved. This notification should outline the indicative elements suggestive of potential mafia infiltration and set a deadline for the company to submit its observations. Additionally, in accordance with the newly-introduced Article 44, if the Prefect determines that the mafia infiltration attempts are not of a permanent nature, they have the authority to instruct the company to "adopt and execute organizational measures, also in compliance with Articles 6, 7, and 24-ter of Legislative Decree no. 231 of 8 June 2001. These measures should be designed to eliminate and prevent the factors contributing to occasional facilitation".

explosives, clandestine weapons,
- as well as more common firearms excluding those referred to in art. 2, par. 3 of Law no. 110 of 18 April 1975 (art. 407, par. 2, lett. a), no. 5) p.p.c.).

Embezzlement, extortion, undue induction to give or promise other benefits, bribery[5] and abuse of office (Art. 25, Leg. Decr. no. 231/2001) [article amended by Law no. 190/2012 and Leg. Decr. no. 75/2020]

- Extortion (art. 317 p.c.) [article amended by Law no. 69/2015]
- Bribery for the exercise of a function (art. 318 p.c.) [article amended by Law no. 190/2012 and Law no. 69/2015 and Law no. 3/2019]
- Bribery for an act contrary to official duties (art. 319 p.c.) [article amended by Law no. 69/2015]
- Aggravating circumstances (art. 319-bis p.c.)
- Bribery in judicial proceedings (art. 319-ter p.c.) [article amended by Law no. 69/2015]
- Undue inducement to give or promise benefits (art. 319-quater) [article added by Law no. 190/2012 and amended by Law no. 69/2015]
- Bribery of a person in charge of a public service (art. 320 p.c.)
- Penalties for the corruptor (art. 321 p.c.)
- Incitement to bribery (art. 322 p.c.)
- Embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of international courts of the bodies of the European Communities or international parliamentary assemblies or international organizations and officials of the European Communities and foreign states (art. 322-bis p.c.) [article amended by Law no. 190/2012 and Law no. 3/2019]
- Trafficking in unlawful influences (art. 346-bis p.c.) [article amended by Law no. 3/2019]
- Embezzlement (first paragraph only) (art. 314 p.c.) [article added by Leg. Decr. no. 75/2020]
- Embezzlement by profiting from the error of others (art. 316 p.c.) [article added by Leg. Decr. no. 75/2020]
- Abuse of office (art. 323 p.c.) [article added by Leg. Decr. no. 75/2020]

Counterfeiting money, public credit cards, revenue stamps, and identification instruments or signs (Art. 25-bis, Leg. Decr. no. 231/2001) [article added by LD no. 350/2001, converted with amendments by Law no. 409/2001; amended by Law no. 99/2009; amended by Leg. Decr. 125/2016]

- Alteration of money (art. 454 p.c.)
- Counterfeiting money, spending and complicit introduction into the national domain of counterfeit money (art. 453 p.c.)
- Spending and non-complicit introduction of counterfeit money into the national domain (art. 455 p.c.)
- Spending of counterfeit money received in good faith (art. 457 p.c.)

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[5] NOTE: Anti-corruption: Law no. 3/2019 - Trafficking of Unlawful Influences - is in effect.
On 31 January 2019, Law no. 3 of 9 January 2019, with "Measures for combating crimes against public administration, as well as on the statute of limitations of crime and on the transparency of political parties and movements", came into force. This law was published in the State Gazette on 16 January. The text contains major changes in criminal matters. These include the revision of trafficking in unlawful influences and the introduction of undercover agents, even for investigations pertaining to crimes against the P.A.. The measure introduces significant changes in the liability of entities. In this sense, the reform of trafficking in unlawful influences (art. 346-bis p.c.) and its inclusion among "231" predicate crimes are of particular note. Furthermore, the extension of disqualification penalties against the entity for crimes against the P.A. covered by Article 25 of Decree 231 also becomes effective.
In connection with these specific instances, it is stipulated that such an extension will be waived if the entity, "prior to the judgment of first instance, has taken measures to prevent the continuation of criminal activities, secure evidence of the crimes and identify the perpetrators, or seize transferred funds or other assets, and has rectified the organizational shortcomings that contributed to the commission of the offense through the adoption and implementation of Organizational Models designed to prevent such crimes" (Article 25, par. 5-bis of Leg. Decr. 231/2001).

- Counterfeiting of revenue stamps, introduction into the national domain, purchase, possession or putting into circulation of counterfeit revenue stamps (art. 459 p.c.)
- Counterfeiting of watermarked paper in use to manufacture public credit cards or revenue stamps (art. 460 p.c.)
- Manufacture or possession of watermarks or instruments intended to counterfeit money, revenue stamps or watermarked paper (art. 461 p.c.)
- Use of counterfeit or altered revenue stamps (art. 464 p.c.)
- Counterfeiting, alteration or use of trademarks or distinctive signs or of patents, models and designs (art. 473 p.c.)
- Introduction into the national domain and trading of products with false signs (art. 474 p.c.)

Crimes against industry and trading (Art. 25-bis. 1, Leg. Decr. no. 231/2001) [article added by Law no. 99/2009]

- Unlawful competition using threats or violence (art. 513-bis p.c.)
- Disturbing freedom of industry or trading (art. 513 p.c.)
- Fraud against domestic industries (art. 514)
- Fraud in the exercise of trading (art. 515 p.c.)
- Sale of non-genuine food products as genuine (art. 516 p.c.)
- Sale of industrial products with deceptive marks (art. 517 p.c.)
- Manufacture and trading of goods produced unlawfully appropriating industrial property rights (art. 517-ter p.c.)
- Counterfeiting of geographical indications or designation of origin of agro-food products (art. 517-quater p.c.)

Corporate crimes (Art. 25-ter, Leg. Decr. no. 231/2001) [article added by Leg. Decr. no. 61/2002, amended by Law no. 190/2012, Law no. 69/2015 and by Leg. Decr. no. 38/2017 and Leg. Decr. no. 19/2023]

- False corporate statements (art. 2621 c.c.) [article amended by Law no. 69/2015]
- Misdemeanors (art. 2621-bis c.c.)
- False corporate statements of listed companies (article 2622) [article amended by Law no. 69/2015]
- Control obstruction (art. 2625, par. 2, c.c.)
- Undue repayment of contributed capital (art. 2626 c.c.)
- Illegal distribution of profits and reserves (art. 2627 c.c.)
- Unlawful transactions involving shares or equity stakes of a company or its parent company (art. 2628 c.c.)
- Transactions to the detriment of creditors (art. 2629 c.c.)
- Failure to disclose a conflict of interest (art. 2629-bis c.c.) [added by Law no. 262/2005]
- Fictitious capital formation (art. 2632 c.c.)
- Undue distribution of corporate assets by liquidators (art. 2633 c.c.)
- Bribery among private individuals (art. 2635 c.c.) [added by Law no. 190/2012 amended by Leg. Decr. no. 38/2017 and Law no. 3/2019]
- Incitement to bribery among private individuals (art. 2635-bis c.c.) [article added by Leg. Decr. no. 38/2017 and amended by Law no. 3/2019]
- Unlawful influence on the shareholders' meeting (art. 2636 c.c.)
- Market rigging (art. 2637 c.c.)
- Obstructing public regulatory authorities in the performance of their duties (art. 2638, par. 1 and 2 c.c.)

- False or omitted statements for the issuance of the preliminary certificate (art. 54 Leg. Decr. no. 19/2023) [added by Leg. Decr. no. 19/2023]

Crimes for the purpose of terrorism or subversion of the democratic order envisaged by the Penal Code and special laws (Art. 25-quater, Leg. Decr. no. 231/2001) [article added by Law no. 7/2003]

- Subversive associations (art. 270 p.c.)
- Associations for the purpose of terrorism, including of an international nature, or to subvert the democratic order (art. 270-bis p.c.)
- Aggravating and mitigating circumstances (art. 270-bis 1 p.c.) [introduced by Leg. Decr. 21/2018]
- Assistance to association members (art. 270-ter, p.c.)
- Recruitment for the purposes of terrorism, including of an international nature (art. 270-quater p.c.)
- Organization of transfer for the purpose of terrorism (art. 270-quater 1) [introduced by LD no. 7/2015, converted, with amendments, by Law no. 43/2015]
- Training for activities for the purpose of terrorism, including of an international nature (art. 270-quinquies p.c.)
- Financing of conduct for the purpose of terrorism (art. 270-quinquies 1)
- Removal of assets or money subject to seizure (art. 270-quinquies 2)
- Conduct for the purposes of terrorism (art. 270-sexies p.c.)
- Attack for the purposes of terrorism or subversion (art. 280 p.c.)
- Act of terrorism with lethal or explosive devices (art. 280-bis p.c.)
- Acts of nuclear terrorism (art. 280-ter)
- Kidnapping for the purpose of terrorism or subversion (art. 289-bis p.c.)
- Kidnapping for the purpose of coercion (art. 289-ter p.c.) [introduced by Leg. Decr. no. 21/2018]
- Incitement to commit any of the crimes under Chapters One and Two (art. 302, p.c.)
- Political conspiracy by agreement (art. 304 p.c.)
- Political conspiracy by association (art. 305 p.c.)
- Armed gang: formation and participation (art. 306 p.c.)
- Assistance to participants in conspiracy or armed gang (art. 307 p.c.)
- Possession, hijacking and destruction of an aircraft (Law no. 342/1976, art. 1)
- Damage to ground installations (Law no. 342/1976, art. 2)
- Penalties (Law no. 422/1989, art. 3)
- Active cooperation (Leg. Decr. no. 625/1979, art. 5)
- New York Convention of 9 December 1999 (art. 2)

Female genital mutilation practices (Art. 583-bis p.c.) (Art. 25-quater. 1, Leg. Decr. no. 231/2001) [article added by Law no. 7/2006]

- Female genital mutilation practices (art. 583-bis)

Crimes against the individual (Art. 25-quinquies[6], Leg. Decr. no. 231/2001) [article added by Law no. 228/2003 and amended by Law no. 199/2016]

- Reduction or maintenance in a state of slavery or servitude (art. 600 p.c.)

[6] Law no. 238/2021 "Provisions for the fulfillment of obligations arising from Italy's membership in the European Union - European Law 2019-2020" consists of 48 articles that amend or supplement existing provisions within the national framework to align their contents with European law requirements. Of particular note are the provisions for the alignment with Directive no. 2011/93/EU on combating the sexual abuse and sexual exploitation of minors and child pornography, which supplement Articles 600-quater and 609-undecies of the Penal Code, a requirement for the liability of entities under Article 25-quinquies of Legislative Decree 231/2001.

- Child prostitution (art. 600-bis p.c.)
- Child pornography (art. 600-ter p.c.)
- Possession of pornographic material (art. 600-quater)
- Digital pornography (art. 600-quater 1, p.c.) [added by art. 10, Law 6 Feb, 2006 no. 38]
- Tourist trips for the exploitation of child prostitution (art. 600-quinquies p.c.)
- Trafficking in human beings (article 601 p.c.) [amended by Leg. Decr. no. 21/2018]
- Purchase and alienation of slaves (art. 602 p.c.)
- Unlawful intermediation and exploitation of labour (art. 603-bis)
- Solicitation of minors (art. 609-undecies)

Market abuse crimes (Art. 25-sexies, Leg. Decr. no. 231/2001) [article added by Law no. 62/2005]

- Market manipulation (art. 185 Leg. Decr. no. 58/1998) [article amended by Leg. Decr. 107/2018 and Law 328/2021]
- Abuse of inside information (art. 184 Leg. Decr. no. 58/1998) Recommendation or inducement of others to commit insider trading (art. 184 Leg. Decr. no. 58/98) [article amended by Law no. 238/2021]

Other cases of market abuse Art. 187-quinquies TUF (article amended by Leg. Decr. no. 107/2018)

- Prohibition of market manipulation (art. 15 EU Reg. no. 596/2014)
- Prohibition of insider trading and unlawful disclosure of inside information (art. 14 EU Reg. no. 596/2014)

Crimes regarding manslaughter and grievous or extremely grievous bodily harm, committed in violation of the regulations governing accident prevention and the protection of health and safety in the workplace (Art. 25-septies, Leg. Decr. no. 231/2001) [article added by Law no. 123/2007, amended Law no. 3/2018]

- Manslaughter (art. 589 p.c.)
- Serious personal injuries (art. 590, p.c.).

Receipt of stolen goods, money laundering[7] and use of money, goods or benefits of unlawful origin, as well as self-money laundering (Art. 25-octies, Leg. Decr. no. 231/2001) [article added by Leg. Decr. no. 231/2007; amended by Law no. 186/2014 and Leg. Decr. 195/2021]

- Receipt of stolen goods (art. 648 p.c.) [article amended by Leg. Decr. no. 195/2021]
- Money laundering (art. 648-bis p.c.) [article amended by Leg. Decr. no. 195/2021]
- Use of money, goods or benefits of unlawful origin (art. 648-ter, p.c.) [article amended by Leg. Decr. 195/2021]
- Self-laundering (art. 648-ter.1 p.c.) [article amended by Leg. Decr. 195/2021]

Crimes regarding non-cash payment instruments (Art. 25-octies. 1, Leg. Decr. no. 231/2001) [article added

[7] The Council of Ministers, at its meeting on 4 November 2021, finally approved the Legislative Decree for the transposition of EU Directive 2018/1673 on combating money laundering through criminal law. Thanks to this most recent measure, all EU member states can rely on unified definitions of money laundering and self-laundering. Individuals involved in these activities will be subject to consistent criteria and penalties, aligning the regulations with the international standards set forth by the Financial Action Task Force (FATF) recommendations. One of the notable changes includes extending the scope of crimes related to receiving, laundering, self-laundering, and reusing to encompass the proceeds of all criminal activities, including both premeditated crimes and misdemeanors. Furthermore, a new aggravating circumstance is introduced for individuals who engage in the receipt of stolen goods as part of their professional activities. Additionally, the prosecution for receiving and self-money laundering committed by a citizen abroad is extended.

by Leg. Decr. 184/2021 and amended by Law no. 137/2023]

- Misuse and forgery of non-cash payment instruments (art. 493-ter p.c.)
- Possession and dissemination of computer equipment, devices or programs intended for committing crimes regarding non-cash payment instruments (art. 493-quater p.c.)
- Computer fraud aggravated by the execution of a money, monetary value or virtual currency transfer (art. 640-ter p.c.)
- Fraudulent transfer of valuables (art. 512-bis) [article introduced by Law no. 137/2023]

Other cases of non-cash payment instruments (Art. 25-octies 1 paragraph 2, Leg. Decr. no. 231/2001) [article added by Leg. Decr. 184/2021]

- Other cases[8]

Copyright infringement crimes (Art. 25-novies, Leg. Decr. no. 231/2001) [article added by Law no. 99/2009; amended by Law no. 93/2023]

- Crimes referred to in the above paragraph committed on others' works not intended for publication if their integrity or reputation is offended (art. 171, Law no. 633/1941 par. 3)
- Providing access to the public, via a system of electronic networks and through various types of connections, to a protected intellectual work or a portion thereof (art. 171, Law no. 633/1941, par. 1, letter a) bis)
- Unauthorized duplication, with the intent of making a profit, of computer programs; import, distribution, sale, or possession for commercial or entrepreneurial purposes, or the lease of programs found in media not marked by the SIAE; creation of means to remove or bypass protection devices for computer programs (art. 171-bis Law no. 633/1941, par. 1)
- Reproduction, transfer to another medium, distribution, communication, presentation or public demonstration, of the contents of a database; extraction or reuse of the database; distribution, sale or lease of databases (art. 171-bis Law no. 633/1941 par. 2)
- Unauthorized duplication, reproduction, transmission or public dissemination by any process, in whole or in part, of intellectual works intended for the television, film, sale or rental circuit of records, tapes or similar media or any other media containing phonograms or videograms of musical, cinematographic or audiovisual works assimilated or sequences of moving images; literary, dramatic, scientific or didactic, musical or dramatic-musical, multimedia works, even if included in collective or composite works or databases; reproduction, duplication, transmission or unauthorized dissemination, sale or trade, transfer for any reason or abusive import in excess of fifty copies or specimens of works protected by copyright and related rights; placement in a system of electronic networks, through connections of any kind, of an intellectual work protected by copyright, or a part thereof (art. 171-ter Law no.633/1941) [amended by Law no. 93/2023]

[8] Legislative Decree 184/2021, containing the "Implementation of Directive (EU) 2019/713 on combating fraud and counterfeiting of non-cash means of payment and replacing Council Framework Decision 2001/413/JHA", was published in the State Gazette. Specifically, Article 3 of the new legislation, effective as of 14 December 2021, introduces into Legislative Decree 231/2001 the new Article 25-octies 1 on "Crimes regarding non-cash payment instruments". As a result, the list of crimes underlying the liability of legal entities has also been extended to include Article 493-ter of the Penal Code (undue use and falsification of credit and payment cards), Article 493-quater p.c. (possession and dissemination of computer equipment, devices or programs intended for committing crimes regarding non-cash payment instruments), and Article 640-ter p.c. (computer fraud). The inclusion of this article covers not only cases committed to the detriment of the State, other public body, or the European Union, as previously outlined in Article 24 of the Decree, but also covers cases "in the scenario aggravated by the execution of a money, monetary value, or virtual currency transfer". Legislative Decree 184/2021 not only amended the text of the crimes of undue use of credit cards and computer fraud, but also added the new Article 493-quater into the Penal Code. Thus, unless the act constitutes a different, more severely sanctioned administrative offense, in connection with the perpetration of any other crime against public faith, against property or otherwise offending property as stipulated in the Penal Code, when it pertains to payment instruments other than cash, the following financial penalties will be applied to the entity: a) if the crime is punishable by less than ten years' imprisonment, a fine of up to 500 quotas; b) if the crime is punishable by not less than ten years' imprisonment, a fine of 300 to 800 quotas.

- Failure to notify the SIAE of identification data of media not subject to marking or false statement (art. 171-septies Law no. 633/1941)
- Fraudulent manufacturing, sale, import, promotion, installation, modification, and use for public and private use of devices or device components capable of decrypting audiovisual transmissions with conditional access, whether over the air, by satellite, by cable, in both analogue and digital form (art. 171-octies Law no. 633/1941).

Inducement not to make statements or to make false statements to the judicial authorities (Art. 25-decies, Leg. Decr. no. 231/2001) [article added by Law no. 116/2009]

- Inducement not to make statements or to make false statements to the judicial authorities (art. 377-bis p.c.).

Environmental crimes[9] (Art. 25-undecies, Leg. Decr. no. 231/2001) [article added by Leg. Decr. no. 121/2011, amended by Law no. 68/2015, amended by Leg. Decr. no. 21/2018 and amended by Law no. 137/2023]

- Environmental disaster (art. 452-quater p.c.) [article amended by Law no. 137/2023]
- Environmental pollution (art. 452-bis p.c.) [article amended by Law no. 137/2023]
- Pre-meditated crimes against the environment (art. 452-quinquies p.c.)
- Trafficking and neglect of highly radioactive material (art. 452-sexies p.c.)
- Aggravating circumstances (art. 452-octies p.c.)
- Killing, destroying, capturing, taking, possessing of specimens of protected wild animal or plant species (art. 727-bis, p.c.)
- Destruction or deterioration of habitats within a protected site (art. 733-bis, p.c.)
- Import, export, possession, use for profit, purchase, sale, display or possession for sale or commercial purposes of protected species (Law no. 150/1992, art. 1, art. 2, art. 3-bis and art. 6)
- Discharges of industrial wastewater containing hazardous substances; discharges to soil, subsoil and groundwater; discharges to sea water from ships or aircraft (Leg. Decr. no. 152/2006, art. 137)
- Unauthorized waste management activities (Leg. Decr. no. 152/2006, art. 256)
- Pollution of soil, subsoil, surface water or groundwater (Leg. Decr. no. 152/2006, art. 257)
- Illegal waste trafficking (Leg. Decr. no. 152/2006, art. 259)
- Breach of disclosure obligations, of keeping mandatory registers and forms (Leg. Decr. no. 152/2006, art. 258)
- Activities organized for unlawful waste trafficking (art. 452-quaterdecies p.c.) [introduced by Leg. Decr. no. 21/2018]
- False information on the nature, composition and chemical-physical characteristics of waste in the preparation of a waste analysis certificate; addition in SISTRI[10] of a false waste analysis certificate; omission or fraudulent alteration of the hard copy of the SISTRI form - handling area in the transport of waste (Leg. Decr. no. 152/2006, art. 260-bis)

[9] February 2022 marks the significant milestone where environmental protection becomes enshrined in the Constitution. Reform amending Articles 9 and 41 of the Constitution. Specifically, this law initiates changes by amending Article 9. It introduces a third paragraph in which, alongside the protection of the Country's landscape and historical and artistic heritage mentioned in the second paragraph, the Republic is now tasked with safeguarding the environment, biodiversity, and ecosystems. Furthermore, a principle of animal protection is introduced by including a provision that reserves State law to regulate the methods and means of ensuring animal protection. Article 41 of the Constitution, which governs the exercise of economic initiatives, was then amended. Initially, amendments were made to the second paragraph, which now specifies that private economic initiatives must not harm health and the environment. These new constraints are added to the existing ones, which include security, freedom, and human dignity. Amendments were then made to the third paragraph, granting the law the authority to guide and coordinate economic activities, both public and private, not only for social objectives, but also for environmental purposes.

[10] The conversion into law of LD 135/2018 confirmed the repeal of SISTRI, declaring that the future management of waste traceability will be through an **"Electronic Register"**. **Please refer to the specific regulations.**

- Penalties (Leg. Decr. no. 152/2006, art. 279)
- Malicious pollution caused by ships (Leg. Decr. no. 202/2007, art. 8)
- Negligent pollution caused by ships (Leg. Decr. no. 202/2007, art. 9)
- Cessation and reduction of the use of harmful substances (Law no. 549/1993 art. 3)
- Employment of illegally-staying third-country nationals (art. 25-duodecies, Leg. Decr. no. 231/2001) [article added by Leg. Decr. no. 109/2012, amended by Law no. 161 of 17 October 2017 and LD no. 20/2023]
- Employment of illegally-staying third-country nationals (art. 22, par. 12-bis, Leg. Decr. no. 286/1998)
- Provisions against illegal immigration (art. 12, paras. 3, 3-bis, 3-ter and 5, Leg. Decr. no. 286/1998) [article amended by LD no. 20/2023]

Racism and Xenophobia (Art. 25-terdecies, Leg. Decr. no. 231/2001) [article added by Law no. 167 of 20 November 2017, amended by Leg. Decr. no. 21/2018]

- Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination (art. 604-bis).

Fraud in sports competitions, unauthorized gaming or betting and gambling exercised by means of prohibited devices (Art. 25-quaterdecies, Leg. Decr. no. 231/2001) [article added by Law no. 39/2019]

- Fraud in sports competitions (art. 1 Law no. 401/1989)
- Unauthorized exercise of gambling or betting (art. 4 Law no. 401/1989)

Tax crimes (Art. 25-quinquesdecies, Leg. Decr. no. 231/2001) [article added by Law no. 157/2019, amended by Leg. Decr. 75/2020]

- Fraudulent tax return by using invoices or other documents for non-existent transactions (art. 2 Leg. Decr. no. 74/2000)
- Fraudulent tax return by using other expedients (art. 3 Leg. Decr. no. 74/2000)
- Issuance of invoices or other documents for non-existent transactions (art. 8 Leg. Decr. no. 74/2000)
- Concealment or destruction of accounting documents (art. 10 Leg. Decr. 74/2000)
- Fraudulent avoidance of tax payments (art. 11 Leg. Decr. no. 74/2000)
- Untrue tax return (art. 4 Leg. Decr. no. 74/2000) [article added by Leg. Decr. no. 75/2020]
- Omitted tax return (art. 5 Leg. Decr. no. 74/2000) [article added by Leg. Decr. no. 75/2020]
- Undue offsetting (art. 10-quater Leg. Decr. no. 74/2000) [article added by Leg. Decr. no. 75/2020]

Smuggling (Art. 25-sexiesdecies, Leg. Decr. no. 231/2001) [article added by Leg. Decr. no. 75/2020]

- Smuggling in the movement of goods across land borders and customs areas (art. 282 PD no. 43/1973)
- Smuggling in the movement of goods in border lakes (art. 283 PD no. 43/1973)
- Smuggling in the movement of goods by sea (art. 284 PD no. 43/1973)
- Smuggling in the movement of goods by air (art. 285 PD no. 43/1973)
- Smuggling in non-customs areas (art. 286 PD no. 43/1973)
- Smuggling for undue use of goods imported with customs facilities (art. 287 PD no. 43/1973)
- Smuggling in customs warehouses (art. 288 PD no. 43/1973)
- Smuggling in cabotage and traffic (art. 289 PD no. 43/1973)
- Smuggling in the export of goods admitted to duty drawback (art. 290 PD no. 43/1973)
- Smuggling in temporary import or export (art. 291 PD no. 43/1973)

- Smuggling of foreign processed tobacco (art. 291-bis PD no. 43/1973)
- Aggravating circumstances for the crime of smuggling foreign processed tobacco (art. 291-ter PD no. 43/1973)
- Criminal association for the purpose of smuggling foreign processed tobacco (art. 291-quater PD no. 43/1973)
- Other cases of smuggling (art. 292 PD no. 43/1973)
- Aggravating circumstances of smuggling (art. 295 PD no. 43/1973)

Crimes against property (Art. 25-septiesdecies, Leg. Decr. no. 231/2001) [article added by Law no. 22/2022]

- Theft of cultural property (art. 518-bis p.c.)
- Misappropriation of cultural property (art. 518-ter p.c.)
- Receipt of cultural property (art. 518-quater p.c.)
- Forgery in private writing relating to cultural property (art. 518-octies p.c.)
- Breach of the disposal of cultural property (art. 518 -novies p.c.)
- Illegal import of cultural property (art. 518-decies p.c.)
- Illicit exit or export of cultural property (art. 518-undecies p.c.)
- Destruction, dispersion, deterioration, disfigurement, soiling, and illicit use of cultural or landscape property (art. 518-duodecies, p.c.)
- Counterfeiting of works of art (art. 518-quaterdecies p.c.)

Laundering of cultural property and devastation and looting of cultural and landscape property (Art. 25-duodevicies, Leg. Decr. no. 231/2001) [article added by Law no. 22/2022]

- Laundering of cultural property (art. 518-sexies p.c.)
- Devastation and looting of cultural and landscape property (art. 518-terdecies p.c.)

Liability of entities for administrative offenses dependent on crime (Art. 12, Law no. 9/2013) [Serve as a prerequisite for entities involved in the virgin olive oil supply chain]

- Trading in counterfeit or adulterated foodstuffs (art. 442 p.c.)
- Adulteration and counterfeiting of foodstuffs (art. 440 p.c.)
- Trading in harmful food substances (art. 444 p.c.)
- Counterfeiting, alteration or use of distinctive signs of intellectual works or industrial products (art. 473 p.c.)
- Introduction into the national domain and trading of products with false signs (art. 474 p.c.)
- Fraud in the exercise of trading (art. 515 p.c.)
- Sale of non-genuine food products as genuine (art. 516 p.c.)
- Sale of industrial products with deceptive marks (art. 517 p.c.)
- Counterfeiting of geographical indications or designations of origin of agro-food products (art. 517-quater p.c.)

Transnational Crimes (Law no. 146/2006) [The following crimes are prerequisites for the administrative liability of entities if committed transnationally]

- Association aimed at the unlawful trafficking of drugs or psychotropic substances (art. 74 Consolidated Act of PD no. 309 of 9 October 1990)
- Provisions against illegal immigration (art. 12, par. 3, 3-bis, 3-ter and 5, Consolidated Act of Leg. Decr. no. 286 of 25 July 1998)
- Criminal association for the purpose of smuggling foreign processed tobacco (art. 291-quater Consolidated Act of PD no. 43 of 23 January 1973)
- Inducement not to make statements or to make false statements to the judicial authorities (art. 377-bis p.c.)
- Personal aiding and abetting (art. 378 p.c.)
- Criminal association (art. 416 p.c.)
- Mafia-type association (art. 416-bis p.c.)

Penalties

The determination of the applicable **pecuniary penalties** pursuant to the Decree hinges on a quota system. For each offence, in fact, the law abstractly determines a minimum and maximum number of quotas; the number of quotas can never be less than one hundred and more than one thousand, and the amount of the individual quotas can range from a minimum of approximately € 258 to a maximum of approximately € 1,549. Based on these numbers, the judge, having ascertained the liability of the entity, determines the pecuniary penalty applicable to the case.
The judge's determination of the number of quotas is commensurate with the severity of the act, the degree of liability of the entity, and any activity carried out to remedy the consequences of the offence committed and to prevent others. The amount of the individual quotas is, on the other hand, fixed based on the financial and equity conditions of the entity, in order to guarantee the effectiveness of the penalty.

A ruling of conviction usually leads to an order of **confiscation** (also for equivalent amounts) of the price or profit deriving from the crime committed (except for the portion that can be returned to the damaged party). Failing an execution of the confiscation on the goods directly constituting the price or profit of the crime, the confiscation may concern sums of money, goods, or other benefits with a value equivalent to the price or profit of the crime.
As a precautionary measure, seizure may be ordered of things that, constituting the price or profit of the crime or their monetary equivalent, are susceptible to confiscation.
In the cases envisaged by the law, the penal judge may apply **disqualification penalties**, which can be extremely punitive as they affect the very activity of the entity.
In this sense, the need arises, first of all, to expressly provide for the possibility of applying a disqualification penalty following the commission of the predicate crime actually committed.

The second requirement is that the crime committed by the top manager has resulted in a significant profit for the entity, that the crime committed by the subordinate has been determined or facilitated by serious organizational deficiencies, or that the crimes have been repeated.
Disqualifying penalties may consist in:

a) disqualification from exercising the activity;
b) suspension or revocation of authorizations, licences or concessions functional to the commission of the offence;
c) prohibition to deal with public administration, except to obtain the performance of a public service;
d) exclusion from benefits, financing, contributions or subsidies and possible revocation of those already granted;
e) prohibition on advertising goods or services.

The **publication of the sentence** in one or more newspapers, either in excerpt or in full, may be ordered by the judge, together with posting in the municipality where the Entity is headquartered, when a disqualification penalty is applied. Publication is carried out by the clerk of the competent judge and at the expense of the Entity.
In cases where the interruption of the Entity's activity could determine significant repercussions on

employment and/or serious damage to the community (for entities that carry out a public service or a service of public necessity), the judge may order, in place of the disqualifying penalty, the continuation of the activity by an administrator.

Crimes committed abroad
Article 4 of the Decree also regulates crimes committed abroad. The article envisages that entities with their head offices in Italy are also liable for crimes committed abroad in the cases and under the conditions envisaged by articles 7 to 10 of the Penal Code, provided that the State of the location where the crime was committed does not take action against them.

Therefore, the entity (the company) is punishable when:

- it has its head office in Italy, i.e. the actual location where administrative and management activities are carried out, which may also be different from the location of the company or registered office (entities with legal personality), or the location where activity is carried out on a continuous basis (entities without legal personality);
- the State of the location where the act was committed is not proceeding against the entity;
- the request from the Ministry of Justice, to which punishment may be subordinated, refers also to the entity itself.

These rules cover crimes committed entirely abroad by Company Representatives or subordinates.
As for the scope of application of the provision in question, any entity established abroad under the provisions of its domestic legislation which has, however, the headquarters or the main object in Italy, is subject to Italian legislation - therefore also to the Decree.

Attempted crimes
The scope of application of the set of penalties provided for by Legislative Decree 231/2001 also applies if the crime has remained at the level of attempt (art. 26 of the Decree). The liability of the company, in fact, may also apply if the predicate crime takes the form of an attempt (Article 26 of the Decree), that is, when the subject carries out acts that are unequivocally suitable for committing the crime and the action is not carried out or the event does not take place (Article 56 p.c.).
In such case, the pecuniary and disqualification penalties are reduced by between one third and one half. Additionally, the entity is not liable when it voluntarily prevents the action from being carried out or the event from taking place.

Annex 4: Whistleblowing regulations

The regulations governing the reporting of unlawful actions learned during one's employment relationship (commonly known as whistleblowing) and the protection of whistleblowers from retaliation or discrimination due to whistleblowing was already part of our legal framework: at first only for public entities, then extended to private entities, but only for those that had adopted an Organizational Model pursuant to Legislative Decree 231/01.

On 9 March 2023, the Legislative Decree containing measures for the implementation of EU DIR 2019/1937 - concerning the protection of persons who report breaches of EU law - was endorsed by the government. This decree governs the same matter and introduces several substantial changes, to which the Company has made the necessary adjustments.

Indeed, the Company established its own reporting channels (**in consultation with trade union representatives or organizations**). These channels ensure, including through encryption tools, the confidentiality of the identities of the whistleblower, the reported person, and all other persons mentioned in the report, as well as the content of the report, throughout the entire process.

Key figures involved in the process

- **Whistleblower**: the person who makes a report;
- **Reported person or "person involved"**: the natural or legal person mentioned in the internal or external report or public disclosure as the person to whom the breach is attributed or as a person otherwise implicated in the reported or publicly disclosed breach;
- **Head of the investigation**: the **Whistleblowing Committee (henceforth also "WC")** is the party responsible for making decisions regarding the initiation of the investigation phase, the evaluation of the report, and determining the final outcome. In this context, the party responsible for initiating the investigation phase is the **WC**. However, for predicate crimes under Legislative Decree 231/01, the person in charge is the SBH (Supervisory Board Head), to whom the WC has forwarded the information after an initial review.
- **The SBH:** once taken charge of the reports received from the **WC** for areas under 231/01, as above.

In situations where deficiencies of the Organizational Model become apparent, the SB must in any case receive periodic information flows from the WC (periodicity should align consistently with the terms established by Legislative Decree 24/2023 for feedback to reports) regarding all reports (even those not under "231" or assessed as "non-whistleblowing"), in order to verify the system's operation and the quality of the categorization process, allowing it to remedy any assessment errors and work toward continuous improvement of the Organizational Model.
The reports that the WC sends to the SBH must, in any case, ensure the confidentiality of those involved, including the way in which they are sent.

What can be reported following approval of Leg. Decr. 24/2023 (New Whistleblowing Decree)

Previously, reports through the special channels outlined in Model 231 were required to pertain to breaches of the Organizational Model or offenses relevant to the Model (e.g., predicate crimes under Legislative Decree 231/01). **Now**, Legislative Decree 24/2023 broadens the scope of reporting, stipulating that reports may encompass any information, including well-founded suspicions, that the whistleblower has come across in the workplace, relating to:

- administrative, accounting, civil or criminal offenses;
- offenses committed in breach of the EU regulations specified in Annex 1 to Legislative Decree no. 24/2023 and all national provisions that enforce them;
- acts or omissions that impact the financial interests of the Union or relate to the internal market and national laws;
- crimes under Legislative Decree 231/01 or failure to comply with the control mechanisms set forth in Models 231 and breaches of the Organizational Model;
- conduct aimed at concealing such breaches.

However, it EXCLUDES information that is evidently unsubstantiated, information that is already publicly available, and information obtained through rumors or otherwise unreliable.

The rules do NOT apply to complaints, claims or demands related to an interest of a personal nature of the whistleblower or pertaining to their individual employment relationship.

Who can make the report

The protection and safeguards, as mandated by the Law and guaranteed by the Company, are extended to all parties related in a comprehensive manner to the organization (Stakeholders):

- employees;

- self-employed workers;
- workers or associates who work for the Company or provide goods or services or perform works for third parties;
- freelancers and consultants who serve at the Company;
- shareholders and persons holding positions of administration, management, control, supervision or representation, even when such positions are exercised on a de facto basis, at the Company;
- volunteers and trainees, paid and unpaid, who serve at the Company;
- persons whose legal relationship has not yet commenced, if information regarding breaches was acquired during the selection process or other pre-contractual stages or persons during the probationary period;
- colleagues of the whistleblower;
- all Stakeholders and/or to the person of the whistleblower;
- former employees;
- facilitators,
- relatives within the 4th degree or persons with whom the whistleblower has emotional ties.

Reports can also be made:

- when the relationship has not yet commenced, if the information was acquired during the selection process or at other pre-contractual stages
- subsequent to termination of the relationship, if it was acquired during the employment relationship.

How to report: <<"internal" reporting channels>>

The Company has established its own reporting channels that ensure, including through encryption tools, the confidentiality of the identities of the whistleblower, the reported person, and all other persons mentioned in the report, as well as the content of the report, throughout the entire process.

Management is entrusted to the internal and independent **WC** with specifically trained staff.

The Company has created and made accessible to everyone **on its website** a dedicated Procedure that provides clear information regarding reports.

Methods of reporting allowed for whistleblowers

Regarding the methods of reporting as well as the management of such reports, please refer to the provisions in the Procedure **(Annex 6** of this Organizational and Management Model).

Penalties for the whistleblower in the event of false reports

It is understood that if, through false reporting, the whistleblower harms the reputation of the reported person (by falsely attributing a non-criminal act that is likely to bring their reputation into disrepute), it may prove to constitute the crimes of:

- insult (Article 594 p.c.), which involves a person offending the integrity or decorum of a person who is present, was decriminalized by Legislative Decree no. 7 of 2016. Today, it is punishable by a fine starting from € 100.00;
- defamation (Article 595 p.c.), which involves anyone who harms the reputation of others in the absence of the offended person and in the presence of at least two people. The penalty is imprisonment of up to one year and a fine of up to € 1032.91;

- slander (Article 368 p.c.), which occurs when someone, through a complaint, suit, request, or petition, whether anonymous or under a false name, addressed to the Judicial Authority or another Authority required to report to the Judicial Authority, falsely accuses a person whom they know to be innocent of a crime or fabricates evidence of a crime against a person.

Entry into force of the provisions of the Decree

The provisions will take effect as of 15 July 2023, with the exception of companies that employed 249 or fewer employees during the past year, for which the provisions will apply as of 17 December 2023.

Annex 5: Whistleblowing Procedure:

Annex 6: Reporting form for misconduct or breaches of the Organizational Model (in its entirety).

REPORTING FORM (excluding anonymous)**

(SOURCE CONFINDUSTRIA BERGAMO)

*It is recommended that all documentation believed to be useful in corroborating the Report be attached. If the Report is made orally, such documentation may be delivered in analogic form. If the reported information is not sufficiently substantiated, the Whistleblowing Committee may request additional details from the whistleblower.

☐ I explicitly declare my intention to avail myself of whistleblower protections and, accordingly, request that this report, if received from an unauthorized party, (i) be forwarded to the appropriate party within seven days of receipt, and (ii) that I be notified simultaneously of this transmission

Department and qualification (optional data)

____

Chosen contact channels (e.g., private email address, phone number, etc.)

____

Does the Whistleblower have a private interest related to the Report? ☐ Yes No ☐

Specify the nature of the private interest related to the Report

Is the Whistleblower jointly responsible for the breaches reported? ☐ Yes No ☐

1. Reported offence

Circumstances of time and place in which the event that is the subject of the Report took place

____

Area of corporate operations to which the incident may relate

____

Parties involved[11]

Internal	External

Description of the fact being reported [12]

Other parties who may report on the facts being reported

Internal	External

Other parties to whom the Report of the Fact was forwarded? Yes ☐ No ☐

Specify which parties and when

Date and place

Signature

___________________________ ___________________________

[11] Providing personal details or other information that allows the identification of the party involved in the reported facts is sufficient.

[12] Any documents that may provide evidence of the facts being reported may be attached.