



ORGANIZATION, MANAGEMENT AND CONTROL MODEL

Pursuant to Italian Legislative Decree 231/2001

Champion Europe S.r.l.

Updated version approved by the Board of Directors on 11 June 2024.

*This is an English courtesy translation of the original document in Italian.
In case of discrepancy between the Italian version and the English version, the Italian one shall prevail.*

TABLE OF CONTENTS

DEFINITIONS	4
PURPOSE AND STRUCTURE OF THIS DOCUMENT	6
1. THE COMPANY AND ITS INTERNAL CONTROL SYSTEM	7
1.1. Business operations	7
1.2. The Company's corporate governance system	8
1.3. Purposes of the Model.....	8
1.4. Adoption of the Model by Champion Europe S.r.l.	9
1.5. Modifications to and updating of the Model.....	9
1.6. The Model and the Code of Ethics	10
1.7. Offences that are material for the Company	10
1.8. Recipients of the Model	11
1.9. The Organizational Models within Groups	12
1.10. Intra-group contracts and services provided by third parties.....	13
1.11. The procedures.....	13
1.12. The system of delegations and powers of attorney	14
2. SUPERVISORY BODY	15
2.1. Requirements and composition	15
2.2. Eligibility requirements.....	16
2.3. Appointment, removal from office, loss of office, termination.....	17
2.4. Activities and powers	18
2.5. Reporting to and from the Supervisory Body and whistleblowing management.....	19
3. WHISTLEBLOWING	21
4. THE DISCIPLINARY SYSTEM	22
4.1. Introduction	22

4.2.	Disciplinary measures against employees other than senior managers	23
4.3.	Disciplinary measures against senior managers	23
4.4.	Disciplinary measures against directors	24
4.5.	Disciplinary measures against members of the Board of Auditors	24
4.6.	Disciplinary measures against third parties	24
4.7.	Penalties applying to Whistleblowing recipients	25
5.	COMMUNICATION AND DISSEMINATION OF THE MODEL	26
5.1.	Foreword	26
5.2.	Communication to Employees	26
5.3.	Communication to Third-party Recipients	27
5.4.	Training	27
	SPECIAL PART	29

DEFINITIONS

- **“Sensitive Activities/Processes”**: The set of business activities and corporate operations, carried out also with the help of the other companies of the Group under intra-group agreements, organized in order to pursue a given goal or manage a given business scope of the Company, in which scope there is the risk, also potential, that offences envisaged by the Decree may be perpetrated.
- **“CCNL”**: the Italian National Collective Bargaining Agreements applicable to the Company’s Employees, i.e. the Italian National Collective Bargaining Agreement for the Service sector, which includes distribution services, as amended and supplemented; as regards senior managers it is the Italian National Collective Bargaining Agreement for senior managers of the Service sector, which includes distribution services, as amended and supplemented.
- **“Contract Workers”**: in general, People that work for the Company, also vested with specific powers and with no subordination, agency, trade representation or other relationships consisting of the provision to the Company of professional services other than as its employees or subordinates, irrespective of whether said services are provided on a continuous or occasional basis by self-employed workers strictly speaking or by specifically appointed agents and attorneys representing the Company in its relations with third parties.
- **“Consultants”**: those that provide advisory services, information and opinions and assist the Company in carrying out certain transactions and deeds as they have proven professional skills and expertise in specific matters.
- **“Decree”**: Italian Legislative Decree no. 231 of 8 June 2001 as amended and supplemented.
- **“Recipients”** and **“Third-party Recipients”**: all persons belonging and not belonging to the Company to whom the Organization, Management and Control Model under Italian Legislative Decree 231/2001 applies, as better specified in paragraph 2.7 of the General Part of this document.
- **“Employees”**: all persons that have an employment relationship, of any type whatsoever, with the Company.
- **“Entity”**: a collective organization having some degree of organizational independence, with or without legal personality, to which the Decree applies (for example, companies, consortia, associations, foundations, etc.).
- **“Suppliers/Providers”**: all suppliers, vendors, providers and contractors the Company procures goods, services and works from (including advisory services) to be used within the Sensitive Activities.
- **“Insider Information”**: any and all specific pieces of information having certain content not available to the public, concerning financial instruments, which, if made public, would be capable of markedly affecting the price of the financial instruments.
- **“Guidelines”**: Model design Guidelines issued and updated by Confindustria (the main organization representing Italian manufacturing and service companies) and approved by the Italian Ministry of Justice, which has assessed them as fit to achieve the purposes of the Decree.
- **“Model”** or **“Organizational Model”**: the Organization, Management and Control Model under Italian Legislative Decree 231/2001 adopted by the Company.
- **“Corporate Bodies”** and **“Corporate Officers”**: the Company’s Board of Directors and Board of Auditors and the members thereof.
- **“Supervisory Body”** (“*Organismo di Vigilanza*”) or for short with its acronym **“OdV”**: the Body provided for by Article 6 of the Decree and in charge of supervising proper operation of and compliance with the Model, as well as the related updating.
- **“Partners”**: the Company’s contractual counterparties, irrespective of whether natural or legal persons, with which the Company has or establishes any form of collaboration governed by a contract.

- **“Procedure”**: an organizational rule describing roles, responsibilities and operating methods for the implementation of a business or corporate process or a sequence of activities.
- **“Protocols”**: the organizational measures and rules, physical and/or logical (guidelines, procedures, limits to powers, assessment and control systems), that can be deemed appropriate to prevent the perpetration of the Offences and to govern the identified risk profiles.
- **“Predicate Offences”** or for short **“Offences”**: the specific offences set out by the Decree which can generate the Entity’s corporate liability, as well as, to the extent they are equivalent to ones under the Decree, specific administrative offences to which the provisions of the Decree apply.
- **“Company”**: Champion Europe S.r.l., with registered office at Via dell’Agricoltura 51, 41012 Carpi (MO), Italy.
- **“Top Officers”**: persons vested with powers to represent, manage or direct the Company or one of its units that is independent in financial and functional terms, as well as persons that exercise the management or control of the Company, also as a matter of fact. Specifically, the members of the Board of Directors, the Chairman, the Chief Executive Officer, the General Manager, where appointed, the Top Managers, the Employees vested with specific independence and decision-making powers, agents, where appointed and attorneys.
- **“Subordinates”**: persons that, irrespective of being Employees, Contract Workers, external parties, etc., are subject to the direction or supervision of one of the Top Officers.
- **“Stakeholders”**: all individuals and organizations that are actively involved in a business initiative (project, business unit or entity), whose interest is unfavourably or favourably affected by the result of the execution or by the performance of the initiative and whose action or reactions affects, in its turn, the phases or completion of a project or the fate of an organization.

PURPOSE AND STRUCTURE OF THIS DOCUMENT

The purpose of this document is to represent the "Organization, Management and Control Model" of Champion Europe S.r.l., aimed at preventing any corporate liability of the Company from arising in the event any of the offences provided for by Italian Legislative Decree 231/2001 are perpetrated by shareholders, directors, senior managers, employees or contract workers of the Company in general.

Its specific goal is to optimize the Company's internal control system and to make it compliant with Italian Legislative Decree 231/2001 in order to create the conditions for the prevention of the offences (thus preventing the imposition of penalties and measures) and to prevent, in any case, conducts that are inappropriate and unethical in the Company's relations with the Public Administration and towards all its Stakeholders.

This document consists of a **General Part** and a **Special Part**.

The **General Part** contains the description of the provisions laid down by the Decree, sets out its parts that specifically apply to the Company, sets out the Model Recipients, the principles governing the operation of the Supervisory Body, the definition of a penalty system designed to control any possible infringements and the reporting and personnel training obligations.

The **Special Part** sets out the Company's Sensitive Activities, companies identified through risk assessment, the general principles of conduct, the prevention elements ensuring oversight of the aforementioned activities and the essential control measures adopted to prevent the offences or to mitigate the risk of their perpetration.

Furthermore, the following are an integral part of the Model:

- The *Control & Risk Self-Assessment* aimed at identifying the Sensitive Activities, which is here fully referred to and on file in the Company's records
- The *Code of Ethics*, which defines the principles and rules of conduct the Company shall comply with;
- The *Model Implementing Instruments*, such as policies, procedures and rules of conduct in force.

Those deeds and documents can be found, in accordance with the set methods for their dissemination and keeping, at the Company and are regularly updated in order for them to be consistent with any changes and revisions of the organizational structure, the business models and in the applicable legislation.

1. The Company and its internal control system

1.1. Business operations

Champion® is a lifestyle-inspired trademark and brand born of sports and created in 1919 by the Feinbloom Brothers in Rochester, NY (U.S.A.).

In 1934, Champion created the first ever innovative sweatshirt in the world: the Reverse Weave sweatshirt. To solve the problem of shrinking due to sportswear being frequently washed, the fabric weave was positioned vertically. In but a short time the Reverse Weave sweatshirt started to be used by sports teams throughout the United States. The iconic Champion Reverse Weave sweatshirt was patented in 1952 and is still a timeless classic. Giving evidence of Champion's rich heritage, its Reverse Weave hoodie was on display at the Modern Art (MoMA) within the "*Items: Is fashion modern?*" a retrospective exhibition of the most significant fashion items in modern society. In 2018 the Champion hoodie became part of the MoMA permanent collection.

Since its conception, the Champion® trademark and brand has always been linked to the world of sports and of music. For example, Champion was the official outfitter of all 27 teams of the National Basketball Association (NBA) and outfitted every USA basketball team from 1989-2001. Champion's jerseys were proudly worn by the first men's "Dream Team" – the first American Olympic basketball team to feature active professional players from the NBA and the first women's Dream Team in 1996.

Furthermore, Champion has worked with internationally renowned artists and designers, including: Clothurgeon, Todd Snyder, Rick Owens, Muhammad Ali, Glen Rice, Beastie Boys, Naughty by Nature and many others.

Since 1919, Champion has been supplying a full line of innovative athletic apparel for men and women, including activewear, sweatshirts, t-shirts, women's sports bras, team uniforms, footwear and accessories. Today, Champion uses innovative design and state-of-the-art product testing to ensure uncompromised quality and innovative apparel for its consumers.

The main activities performed by the Company are:

- Design and development and procurement of Champion® brand products in the apparel, footwear and accessories, both sportswear and lifestyle inspired.
The industrial design and development of the products are performed by the relevant teams, also with the help of external Consultants who are experts in this field.
- The marketing of Champion® products through the *Wholesale* and *Direct-to-Consumer* (Retail and E-Commerce) channels in Europe, the Middle East and Africa.
Specifically, the Company manages directly about fifty Champion® brand points of sale throughout Italy and indirectly networks of stores in the United Kingdom and in Greece.
The products are marketed also through Italian and foreign fully held subsidiaries that perform distribution or agency functions.

The Company belongs to Hanesbrands Inc., a company listed on the New York Stock Exchange (NYSE: HBI) and is headquartered in Winston-Salem, North Carolina (USA).

1.2. The Company's corporate governance system

The Company's corporate governance model, as well as, in general, its entire organizational system, is fully structured in order to ensure the implementation of the Company's strategies and the achievement of the set goals.

Considering its organizational structure and the activities it performs, the Company chose the management and control system known as the "traditional" one, pursuant to Article 2380-*bis et seq.* of the Italian Civil Code. This system provides for a Board of Directors, tasked with management functions and vested with extensive powers for the management of day-to-day operations and of extraordinary operations of the Company, and with all the powers to pursue and achieve the Company's corporate purposes, on the one hand, and on the other hand, it provides for a Board of Auditors tasked with management control functions. Both Boards are appointed by the General Meeting of Shareholders.

The Company's corporate governance system is currently structured as follows:

- A. **General Meeting of Shareholders:** the General Meeting is entitled to resolve, as an ordinary or extraordinary general meeting, on the matters that are reserved to it by law or by the Company's Articles of Association.
- B. **Board of Directors:** the Company is managed by a Board of Directors consisting of a minimum of three to a maximum of seven Directors. The Board of Directors is vested with extensive powers for the management of day-to-day operations and of extraordinary operations of the Company and is responsible and authorized for carrying out all deeds that are deemed useful and appropriate to achieve the Company's corporate purposes, except for those reserved to the General meeting of Shareholders by law.
- C. **Board of Auditors:** the Board of Auditors consists of three standing auditors and two alternate auditors. It is appointed and operates in accordance with the law.

The Company is also required to have its annual accounts audited by an independent auditor that is on the register of statutory auditors pursuant to Article 2409-bis of the Italian Civil Code.

1.3. Purposes of the Model

The Company has adopted this document in order to fully comply with the applicable legislation, to abide by the core principles of the Decree and to improve its internal controls system and its corporate governance system already in place, making them as efficient as possible.

Therefore, the main purpose of the Model is to create an organic and structured system of control principles and procedures that is fit to prevent, where possible and actually feasible, the perpetration of the offences set out by the Decree. The Model complements the Company's governance system and strengthens the process to disseminate a corporate culture informed by fairness, transparency and legality.

Furthermore, the Model has the following purposes:

- To provide appropriate information on the topics addressed by the Model and by the applicable legislation, as well as on control system adopted by the Company, to all those that operate on its behalf or are associated to it with relationships that are material for the Decree, as regards the activities that entail the risk of perpetration of the relevant offences;
- To disseminate and management culture based on legality, as the Company condemns any and all conducts that are not compliant with the law or with its internal rules and, especially, with the rules and provisions contained in its Model;
- To disseminate a culture of control and risk management;

- To implement an effective and efficient organization of its operations, focusing especially on how decisions are made and, on their transparency, on setting ex-ante and ex-post controls and on the management of internal and external reporting;
- To deploy all necessary measures to eliminate as soon as possible any and all situations entailing offence perpetration risks;
- To inform all those who operate with the Company that any infringement of the rules contained in the model shall entail the application of specific penalties, including the penalty of contractual relationship termination.

1.4. Adoption of the Model by Champion Europe S.r.l.

In compliance with the Decree, the Company has adopted its Model with a specific resolution passed by the Board of Directors on 11 June 2024.

The Model, which draws its inspiration from the Guidelines issued by Confindustria (the main organization representing Italian manufacturing and service companies), was designed taking into account the Company's structure and actual operations, as well as the nature and size of its organization.

On a preliminary basis the Company analysed its corporate context and then the business areas that show potential risk of perpetration of the offences referred to in the Decree.

The Model preparation activity comprises the phases described below:

1. Preliminary examination of the corporate context through the analysis of the relevant corporate documents and through interviews with the Company's managers who have knowledge of and insight into its structure and business operations, in order to define the organization and the activities carried out by the various organizational units/corporate functions, as well as the corporate processes in which the activities are structured and their actual and effective implementation;
2. Identification of the Sensitive Activities, i.e. the areas in which the Predicate Offences set out in the Decree may be perpetrated.
3. Control and Risk Self-assessment focusing on the risks of offence perpetration and on ensuring that the internal control system is fit to detect any misconducts.
4. Identification of appropriate controls, necessary to prevent the Offences or to mitigate the risk of their perpetration, already in place or to be implemented;
5. Analysis of the Company's system to delegate duties and powers and to assign responsibilities.

1.5. Modifications to and updating of the Model

The Model shall always be modified or supplemented without delay, with the relevant resolution adopted by the Board of Directors, also at the proposal of the Supervisory Body, when:

- The rules and requirements it establishes have been infringed or circumvented, giving evidence that it is not effective or is inconsistent for offence prevention purposes;
- Significant changes have occurred in the applicable legislation or in the Company's organization or business operations;
- In any other cases in which modifying the Model is necessary or useful.

In the event any merely formal modifications, such as clarifying or specifying the text, become necessary, the Company's Chief Executive Officer may see to them at his or her own initiative, informing the Supervisory Body and reporting this to the Board of Directors without delay.

In any case, any events that make the Model modification or updating necessary shall be reported in writing by the Supervisory Body to the Board of Directors, in order for the BoD to adopt the resolutions in its scope of responsibility.

Any modifications to the corporate procedures as necessary to implement the Model are made by the relevant Function holders and do not necessarily have to be approved by the Board of Directors or by the Supervisory Body.

If necessary, the Chief Executive Officer shall update the special part of the Model; those modifications shall be submitted to the Board of Directors for its endorsement at its first meeting thereafter and may require a specific training programme for all the function holders the operational and organizational revisions are relevant for.

The Supervisory Body shall be constantly kept informed of the updating and implementation of new operating procedures and is entitled to express its opinion on the modifications made to the Model.

1.6. The Model and the Code of Ethics

The Code of Ethics lays down the "corporate ethics" rules that the Company holds as its own and with which it requires compliance by its Corporate Bodies, Employees, Partners and Stakeholders in general. The Code of Ethics states principles that are fit also to prevent any misconducts pursuant to the Decree and therefore it is material for and complementary to the Model.

The Company has adopted the Code of Ethics of its Parent Company Hanesbrands Inc. (called "*Global Code of Conduct*"), which has the ultimate purpose of disseminating and making known the guiding principles to follow and comply with. Therefore, that Code represents the Company's commitment to establishing and pursuing business relationships that are ethical and compliant with the law. Fairness, equity, honesty, integrity, compliance with all applicable laws, regulations and codes of ethics are the core values of the Company's organizational culture and of the business operations it carries out.

The Model assumes compliance with the Code of Ethics, with which it forms a corpus of internal rules aimed at disseminating a culture informed by business ethics and transparency. The Code of Ethics, as reformulated in the future, is fully referred to herein and is the essential basis of the Model, the provisions of which are consistent and integrated with the Code.

1.7. Offences that are material for the Company

Considering the Company's existing structure and the business operations it carries out, the managers involved in the assessment has identified the Predicate Offences listed below as material:

- a) Offences perpetrated in relationships with the Public Administration (Articles 24 and 25);
- b) Information and Communication Technology offences and unlawful data processing (Article 24-bis);
- c) Organized crime offences (Article 24-ter);
- d) Offences that consist in counterfeited money, legal tender, revenue stamps and forged identification instruments or marks (Article 25 - bis);
- e) Offences against manufacture and trade (Article 25-bis.1);

- f) Corporate criminal offences, including private-to private bribery and corruption and incitement to private-to-private bribery and corruption (Article 25-*ter*);
- g) Offences for the purposes of terrorism and subversion of democracy
- h) Offences against people's fundamental rights and dignity, including illegal intermediation and exploitation of workers under Article.603-*bis* of the Italian Criminal Code, and as implemented by Italian Law no. 199 of 2016 (Article 25-*quinquies*);
- i) Market abuse (Article 25-*sexies*);
- j) Other offences in the market abuse scope (Article 187-*quinquies* of the Italian Consolidated Law on Finance);
- k) Transnational offences (Article 10 of Italian Law no. 146 of 16 March 2006);
- l) Manslaughter and grievous or very grievous bodily harm, perpetrated violating the applicable legislation and regulations on occupational health and safety (Article 25-*septies*);
- m) Offences that consist in receiving stolen property, laundering and use of money, assets or advantages having unlawful origin, as well as self-laundering (Article 25-*octies*);
- n) Offences regarding payment instruments other than cash (Article 25-*octies*.1);
- o) Offences regarding copyright infringement (Article 25-*novies*);
- p) Inducement not to give statements or to give false statements to judicial authorities (Article 25-*decies*);
- q) Environmental offences (Article 25-*undecies*);
- r) Employment of third country nationals who are illegally in Italy (Article 25-*duodecies*);
- s) Tax offences (Article 25-*quinquiesdecies*);
- t) Smuggling offences (Article 25-*sexiesdecies*);

In its Special Part, this document identifies the activities known as “sensitive”, as they show inherent risk of perpetration of offences of the kind listed herein, for each one of the Company's material corporate processes and lays down prevention principles and control frameworks for each Sensitive Activity. The Company constantly assesses the materiality for the Model of any other offences, both already provided for by the Decree and that it may provide for in the future.

For the breakdown of the offences that are material for the Company, please see Annex A – *offences applicable to sensitive activities/processes*.

1.8. Recipients of the Model

The “Recipients” of the Model are:

- The Directors and all other Top Officers and all those that are vested with the functions of representing, managing and directing the Company, also as a matter of fact, or one of its organizational units that is independent in financial and functional terms;
- All the Company's employees and especially those that perform the activities identified as at risk. Therefore, the provisions of this Model shall be complied with by all workers that have an employment relationship with the Company - senior managers, junior managers, white-collar workers and blue-collar workers;
- All contract workers that are subject to the direction or supervision exercised by the Company's management and that work for the Company with a quasi-employment relationship or that, albeit external to the Company, operate directly or indirectly (indefinitely or temporarily), on its behalf (such as, by way of example and not limited to, temporary workers, agency workers, people that work for the Company under any kind of contract or arrangement, attorneys, agents, consultants, suppliers and providers, business partners, etc.) - hereinafter referred to jointly as “Third-Party Recipients”.

All the Recipients of the Model are required to fully comply with its provisions and with its implementation procedures.

1.9. The Organizational Models within Groups

The Decree does not expressly address aspects related to the liability of an Entity belonging to a group of companies. However, the Confindustria Guidelines address the issue of liability for offences in groups of companies. Specifically, based on the assumption that the 'group' can be considered neither an Entity nor a direct centre of imputation of liability for offences and cannot even be classified among the subjects referred to in Article 1 of the Decree, a direct liability of the group under the Decree cannot be affirmed.

On the contrary, the Entities that are members of the group may be liable for offences committed in the performance of business activities, but even in this case it is not possible to deduce the direct liability of the Subsidiaries from the mere existence of the relationship of control or connection within a group of Companies (Italian Court of Cassation VI Criminal Chamber, Ruling no. 2658 of 2014).

Therefore, the case has established the conditions under which, in the case of an offence committed within a Company that is a member of the group, the other companies, and in particular the parent company, may be held liable, concluding that there is no obligation to act lying with the parent company's top management in order to prevent the commission of offences within the Subsidiaries.

Therefore, the parent company may be held liable for the offence committed in the subsidiary's business if:

- An Offence has been committed in the immediate and direct interest or advantage not only of the subsidiary but also of the parent company;
- Natural persons reporting on a dotted line to the parent company participated in the perpetration of the Offence by making a causally material contribution (Italian Court of Cassation, V Criminal Chamber, ruling no. 24583 of 2011), proven in a concrete and specific manner.

The Confindustria Guidelines specify that each Company of the Group, as individual recipient of the rules laid down by the Decree, is called upon to independently perform the activity of preparing and revising its own Model, but this activity may also be carried out on the basis of the instructions and implementation methods envisaged by the parent company in accordance with the organizational and operational structure of the group. This, however, shall not lead to a limitation of autonomy on the part of the subsidiaries in adopting the Model.

The Confindustria document goes on to state that the adoption by each group company of its own autonomous Model determines two fundamental consequences:

- It enables to develop a Model that is truly tailored to the organizational reality of the individual company. In fact, only the latter can achieve the timely and effective identification and management of the risks of offences, which is necessary for the Model to be recognized as having the exempting effect referred to in Article 6 of the Decree;
- It confirms the autonomy of the individual operating unit of the group and, therefore, mitigates the risk of liability lying with the parent company.

The parent company may indicate a structure of the Code of Ethics, common principles of the disciplinary system and implementation protocols. Nonetheless, these components of the Model shall be autonomously implemented by the individual Companies of the group and tailored to the actual corporate

setting of each one, laying down (where appropriate) principles of ethics and conduct specifically determined in relation to the Entity's operations and the offences that are material to it.

However, the organizational model of the parent company shall take into account integrated processes involving the activities of several group companies, as well as activities intended to be merged into a single outcome (e.g. Consolidated Financial Statements).

It should be emphasised once again that it is important that these procedures be inspired by the principles of transparency and correct accounting, and that there be coordination, including in the control system, to oversee the risk activities detected. It is necessary that the protocols and procedures adopted by individual Entities be consistent with the principles set by the parent company, all in order to demonstrate that the companies have verified and shared rules of conduct in line with the provisions of the Decree.

1.10. Intra-group contracts and services provided by third parties

In order to ensure the transparency of intra-group relationships and transactions, the service contract between the Company and other members of the group shall provide for:

- The clear identification of the object of the transaction with the counterparty concerned, i.e. the service being exchanged;
- The clear identification of the criteria for calculating the prices;
- The right of the Company to carry out audits on the counterparty providing the service.

As goods, works or services, which relate to Sensitive Activities, may also be provided by third parties (e.g. other companies, Consultants, contractors, etc.), their supply or provision shall be governed by a written contract.

The contract shall provide for the contractual counterparty of the Company:

- To have the obligation to certify the truthfulness and completeness of the documents produced and of the information communicated to the Company under legal obligations;
- To undertake to comply, during the contract term of validity, with the inspiring principles of the Model and the Code of Ethics, as well as with Italian Legislative Decree No. 231/2001 and to operate in line with them;
- To have the obligation to comply with any request for information, data or news from the Supervisory Body of the Company.

The contract shall also provide for the Company's right to implement forms of protection (e.g. termination of the contract, release of liability clauses, application of penalties, compensation for damages, etc.), where a breach of the preceding points is detected.

1.11. The procedures

As part of its organizational system and in compliance with the principles of the Model, the Company has adopted a set of Organizational Procedures and operating instructions aimed at governing conduct in the various operational activities and enabling ex-ante and ex-post controls of the fairness of operations to ensure actual uniformity of conduct within the Company.

The Procedures, which implement the principles and measures to prevent the Offences, are an integral part of the Model and are prepared by the Company in accordance with the following principles:

- Adopting measures to ensure that every transaction is verifiable, documented, consistent and congruous, transparent, verifiable and inherent in the Company's business;
- Governing the carrying out of activities by providing appropriate checkpoints and clearly expressed objectives and measures;
- Fostering the involvement of more than one person in order to ensure the appropriate separation of duties between those who carry out the different phases of a process and the juxtaposition of functions, in particular with regard to Sensitive Activities;
- Enabling the substantiation with documents of the controls performed;
- Ensuring that they are constantly updated in line with any changes in business processes and the organizational system.

The Procedures are constantly updated, also on the proposal or at the request of the Supervisory Body, in order to ensure the achievement of the purposes of the Model, without this giving rise to any amendment of the Model itself.

The Procedures are disseminated by the means deemed the most appropriate. All employees have the obligation to be aware of the procedures and to comply with them when performing their assigned tasks.

1.12. The system of delegations and powers of attorney

The system of delegations and powers of attorney shall feature elements of 'certainty' for the prevention of offences and allow for the efficient management of the Company's business.

"Delegation" shall mean the internal corporate deed assigning functions and duties, which is reflected in the organizational communication system. Power of attorney' shall mean the unilateral legal deed whereby the Company vests an individual person with the power to act on its behalf.

The essential requirements of the system of delegations and powers of attorney are as follows:

- All those who have relations with the Public Administration on behalf of the Company shall be formally delegated the relevant responsibilities and powers to that effect and, where necessary, a power of attorney;
- Each power of attorney entailing the power to represent the Company in its dealings with third parties shall be matched by an internal delegation setting out the relevant management power;
- Delegations shall combine each power with the related responsibility and an appropriate position in the organisational chart;
- Each delegation shall specifically and unequivocally define:
 - i. The powers of the delegate, specifying their limits;
 - ii. The body or individual to whom the delegate reports on a solid line;
- The delegate shall be granted spending powers that are appropriate to the functions vested in him or her.

The Supervisory Body periodically assesses the system of delegations and powers of attorney in force and their consistency with the entire system of organizational communications, recommending any changes in the event that the management power and/or capacity is not consistent with the powers of to represent the Company vested in the attorney or there are other anomalies.

2. Supervisory Body

In compliance with Article 6 of the Decree, the Company entrusts the supervision required by the Decree to a specific body (Supervisory Body), which is autonomous, independent and responsible for controlling the risks associated with the Company's specific business operations and the related legal profiles.

The Supervisory Body is responsible for constantly supervising:

- Compliance with the Model by its Recipients as identified in paragraph 2.7;
- The effectiveness of the Model in preventing the perpetration of the offences referred to in the Decree;
- The implementation of the rules set out by the Model in performing the Company's operations and activities;
- The Model updating, in case the need arises to align it to any changes occurred in the corporate structure and organization, in the Company's operations or in the applicable legislation framework.

The Supervisory Body adopts its own rules, which are defined in a Regulation (the Regulation of the Supervisory Body), approving its contents and submitting it to the Board of Directors.

2.1. Requirements and composition

Each member of the Supervisory Body shall be selected exclusively based on the requirements given below:

- **Autonomy and independence:** the autonomy and independence of the Supervisory Body, as well as of its members, are key factors for control effectiveness. The concepts of autonomy and independence defy any definition that is valid in absolute terms, but they shall rather be adapted and made consistent with the operational setting they are to be applied in. Given that the Supervisory Body is tasked with assessing compliance, in the business operations, with the implemented protocols, its position within the Entity shall ensure its autonomy and independence and freedom from any interference and conditioning by any component of the Entity and specifically by the executives, especially considering that the function it performs consists also in supervising the activities of the top officers. Therefore, the Supervisory Body is included in the organizational structure of the Company in as high a hierarchical position as possible and answers, in the performance of its function, only to the Board of Directors. Furthermore, in order to further guarantee the autonomy of the Supervisory Body, the Board of Directors provides it with company resources, in a number and with skills proportionate to the tasks assigned to it, and approves, in its budgeting activity, an adequate allocation of financial resources, proposed by the Supervisory Body, which the latter may use for any need necessary for the proper performance of its tasks (e.g. specialist advisory services, travels, etc.). The autonomy and independence of each individual member of the Supervisory Body shall be determined on the basis of the function performed and the tasks assigned to him/her, by identifying from whom and from what he/she shall be autonomous and independent in order to be able to perform such tasks. Consequently, each member shall not hold decision-making, operational and management roles that could compromise the autonomy and independence of the entire Supervisory Body. In any case, the requirements of autonomy and independence presuppose that the members are not in a position, even potential, entailing any personal conflict of interest with the Company;
- **Fit requirements:** the Supervisory Body shall have, within itself, technical and professional skills appropriate to the functions it shall perform. Therefore, it is necessary that the Supervisory Body includes persons with appropriate skills and expertise in economic and legal matters and in business risk assessment, control and management. Specifically, the Supervisory Body shall

possess the necessary specialist technical skills to perform control and advisory activities. In order to ensure the professional skills useful or necessary for the activity of the Supervisory Body, and to guarantee that it meets the set fit requirements (as well as, as already mentioned, its autonomy), a specific expenditure budget is allocated to the Supervisory Body, in order for it to be able, where necessary, to obtain skills supplementing its own from outside the Entity. Therefore, the Supervisory Body can ensure that it has skilled resources, also of external professionals, in for example legal matters, corporate organization, accounting, internal controls, finance and safety in the workplace, etc.;

- **Continuity of action:** the Supervisory Body continuously carries out the activities necessary for the supervision of the Model with appropriate commitment and with the necessary powers of investigation. Continuity of action shall not be understood as 'incessant operation', since such an interpretation would necessarily impose a Supervisory Body composed exclusively of members from within the Entity, when on the other hand such a circumstance would determine a reduction in the essential autonomy that shall characterise the OdV. Continuity of action implies that the activity of the Supervisory Body shall not be limited to periodic meetings of its members, but shall be organized on the basis of a plan of activities and constant actions for the monitoring and assessment of the Entity's system of preventive controls.

Applying these principles to the Company and considering the specific nature of the tasks assigned to the Supervisory Body, it shall be a collective body.

In compliance with the above, the Company's Board of Directors has appointed a Supervisory Body that meets the requirements of independence and autonomy and the fit requirements referred to above.

The activities carried out by the Supervisory Body cannot be reviewed by any other corporate body or structure, it being understood that the Board of Directors is in any case responsible for performing a control activity on the adequacy and timeliness of its action, since the ultimate responsibility for the functioning and effectiveness of the Model lies with the Board of Directors itself.

2.2. Eligibility requirements

Each member of the Supervisory Body shall meet the set fit and proper requirements, independence, functional autonomy and continuity of action requirements, as well as the necessary expertise to perform the tasks assigned to it by the Decree. All members of the Supervisory Body are required beforehand not to be in any of the following conditions of ineligibility and/or incompatibility:

- Having been subject to preventive measures ordered pursuant to Italian Legislative Decree no. 159 of 6 September 2011 ("Code of anti-mafia laws and preventive measures, as well as new provisions on anti-mafia documentation, pursuant to Articles 1 and 2 of Italian Law no. 136 of 13 August 2010");
- Being under investigation or having been convicted in Italy or abroad, even with a sentence that is not yet final or issued pursuant to Article 444 *et seq.* of the Italian Code of Criminal Procedure, even if the sentence has been conditionally suspended, including in cases of application of the penalty on request (known as "plea bargaining"), without prejudice to the effects of rehabilitation:
 - i. For one or more offences of those strictly provided for by Italian Legislative Decree 231/2001;
 - ii. For any intentional offence;

- Being disqualified, incapacitated, bankrupt or having been sentenced, even with a non-final or 'plea-bargaining' judgement, to a penalty entailing disqualification, even temporary, from public office or the inability to exercise executive offices;
- Having been subject to the ancillary administrative penalties referred to in Article 187-quater of Italian Legislative Decree No. 58 of 24 February 1998;
- Having held the position of member of the Supervisory Body in companies against which the penalties provided for in Article 9 of Italian Legislative Decree No. 231/01 have been applied, unless five years have elapsed since the penalties were definitively inflicted and the member is not undergoing a criminal conviction, even if not final;
- Being in situations of conflict of interest, even potential, with the Company or its subsidiaries, which compromise the member's independence;
- Having spousal, kinship or in-law relationships up to the fourth degree, common-law marriage, or relationships of persons falling within the sphere of affection, with (a) members of the Board of Directors, (b) Top Officers, (c) persons who exercise, even de facto, management and control of the Company, auditors of the Company and the independent audit firm.

The occurrence of even just one of the aforementioned conditions shall entail ineligibility for the office of member of the OdV.

Employees of the Company may be appointed as members of the Supervisory Body, provided that they do not hold positions that may give rise to conflict of interest.

The remuneration of the members of the Supervisory Body does not give rise to any conflict of interest.

2.3. Appointment, removal from office, loss of office, termination

The members of the Supervisory Body shall be appointed by the Board of Directors, which shall give the reasons for their choice, also after verifying that they meet the eligibility requirements. The members of the OdV shall be chosen from amongst individuals with an ethical and professional profile of unquestionable value

After the formal acceptance of office by the appointees, who shall provide the Board of Directors with a statement whereby they represent that they are not affected by any cause for ineligibility, the appointment shall be notified to all corporate levels, by means of internal communication.

The Supervisory Board remains in office for three years from the date of appointment, with the possibility for its members to be re-elected.

Upon expiry of its term of office, the Supervisory Body shall continue to perform its functions and exercise its powers, as more fully specified below, until the appointment of a new OdV by the Board of Directors.

Members who have an employment relationship with the Company shall automatically lose office, in case of termination of said relationship and regardless of the cause of its termination.

A member of the Supervisory Body may be removed from office only for just cause and with a specific resolution adopted by the Board of Directors. The following shall amount to just cause for the removal of OdV members:

- The loss of the eligibility requirements, including failure to inform the Board of Directors of any conflict of interest, even potential, preventing the member from continuing to sit on the OdV;
- Any failure to comply with the obligations inherent in the office and tasks assigned;
- Lack of good faith and diligence in the performance of their duties;
- Any established failure to cooperate with the other members of the OdV;

- Unjustified absence from more than two consecutive meetings of the OdV;
- Breach of confidentiality obligations concerning news and information acquired in the performance of their duties;
- For any member linked to the Company by an employment relationship, the commencement of disciplinary proceedings for facts that may lead to the penalty of dismissal.

Should a member of the Supervisory Body cease to meet his or her eligibility requirements, he or she shall immediately notify the Board of Directors and the other members of the OdV, who shall concomitantly become entitled to make a replacement proposal.

The Board of Directors shall revoke the appointment of the member of the Supervisory Body who is no longer eligible and, after appropriately substantiating its decision, shall immediately replace him/her. Incapacity or inability to perform the office before the expiry of its term shall by grounds for loss of office.

Each member of the Supervisory Body may resign from office at any time, giving written notification to the Chief Executive Officer and the other members of the OdV. The Chief Executive Officer shall inform the Board of Directors of it at its first following meeting and, in any case, within 60 days from the date of termination of office of the resigning member.

In any case of loss of office or resignation of one of the members of the Supervisory Body, the Board of Directors shall promptly replace him/her.

2.4. Activities and powers

The Supervisory Body shall meet at least every four months and whenever one of its members has asked the others to convene it, giving grounds for the appropriateness of convening a meeting. Minutes shall be taken of each meeting of the OdV. In order to perform its tasks, the OdV is vested with all powers of initiative and control over all corporate activities and personnel levels and reports exclusively to the Board of Directors, to which it reports through one or more of its members.

The tasks and powers of the Supervisory Body and its members may not be syndicated by any other corporate body or structure, it being understood that the Board of Directors may verify the consistency between the activity actually performed by the OdV and the mandate assigned to it. Furthermore, unless otherwise provided for by law, the Supervisory Body shall have free access - without the need for any prior consent - to all the structures and bodies of the Company, to obtain any information or data deemed necessary for the performance of its duties.

The Supervisory Body performs its functions in coordination with the other control bodies or functions existing within the Company. Furthermore, the OdV coordinates with the corporate structures responsible for Sensitive Activities in all aspects relating to the implementation of the operational procedures for the Model implementation. The Supervisory Body may also obtain the help and support of Employees and Consultants, especially in cases where specialist expertise is required.

at least once a year, at the proposal of the Supervisory Body, the Company organizes a meeting between all the parties involved in the internal control system (Board of Auditors, Supervisory Body, Independent Audi Firm, Internal Audit structure) in order to coordinate their respective activities, ensure the exchange of information and promote new initiatives aimed at improving the organizational structures and operational mechanisms used.

The Supervisory Body organizes its activities on the basis of an annual action plan, whereby the initiatives to be undertaken aimed at assessing the effectiveness and efficiency of the Model as well as its updating are scheduled. This plan is submitted to the Board of Directors for consideration.

The Supervisory Body determines its annual budget and submits it to the Board of Directors for approval.

In supervising the actual implementation of the Model, the Supervisory Body is vested with powers and duties that it exercises in compliance with the law and the individual rights of workers and stakeholders, as follows

- Carrying out or arranging for regular audit activities under its direct oversight and responsibility;
- Access to all information concerning the Sensitive Activities of the Company;
- Obtaining information or the production of documents concerning Sensitive Activities from all the Company's employees and, where necessary, from the Directors, the Board of Auditors, and the persons appointed in compliance with the provisions of the law on accident prevention and protection of health and safety in the workplace;
- Obtaining information or the production of documents concerning Sensitive Activities from Consultants, Partners of the Company and, in general, from all the Recipients of the Model;
- Verifying the main corporate deeds, agreement and contracts executed by the Company in relation to Sensitive Activities and their compliance with the provisions of the Model;
- Proposing that the body or structure vested with disciplinary power apply the necessary penalties, as set out in section 5 below "The Disciplinary System";
- Periodically verifying the effectiveness, actual operation and up-to-dateness of the Model and, where necessary, proposing amendments and updates to the Board of Directors;
- Defining, in agreement with the Human Resources Department, personnel training programmes on matters regarding Italian Legislative Decree 231/2001;
- Preparing, at least once every six months, a written report to the Board of Directors, with the minimum contents set out in section 3.5 below "Reporting to and from the Supervisory Body and whistleblowing management";
- Immediately informing the Board of Directors of any serious and urgent events that occur and are detected in the course of its activities;
- Coordinating with the Executives/Managers that are the owners of relationships with counterparties in order to identify the types of Recipients of the Model as to the legal relationships and the activity carried out by them with the Company.

It is appropriate to point out that, even with the setting up of the Supervisory Body pursuant to the Decree, the Board of Directors retains all the powers and responsibilities provided for by the Italian Civil Code (see Article 2392 of the Italian Civil Code), which now include the responsibility for the adoption and effectiveness of the Model, as well as the setting up of the OdV (Article 6(1)(a) and (b)).

2.5. Reporting to and from the Supervisory Body and whistleblowing management

The Supervisory Body has the obligation to report to the Board of Directors on two bases:

- On an **ongoing basis**, for specific needs, including urgent matters;
- On an **annual basis**, with a written report containing the following specific information:
 - i. Summary of the activities and controls performed by the OdV in the period and their results;
 - ii. Any discrepancies between the Model's implementation tools and the Model itself;
 - iii. Any new scopes of perpetration of the offences under the Decree;
 - iv. Whistleblowing by external or internal parties concerning possible infringements of the Model and the results of the assessments of the items reported by the whistleblowers;
 - v. Disciplinary procedures triggered on the proposal of the OdV and any penalties applied;

- vi. General assessment of the Model and its actual operation, with any proposals for additions and improvements in form and content;
- vii. Any changes in the applicable legislation framework;
- viii. Statement of expenses incurred.

The Board of Directors, the Chairman and the Chief Executive Officer are entitled to convene the Supervisory Body at any time. Likewise, in its turn the OdV has the power to obtain, through the relevant structures or roles, that meetings of the corporate bodies be convened for urgent reasons. Meetings with the corporate bodies to which the OdV reports shall be recorded in the minutes, and copies of the minutes shall be kept by the corporate bodies from time to time involved in the meetings.

The Supervisory Body also reports to the Board of Auditors, at least annually, on the application of the Model, its operation, its updating and any material facts or events detected. Specifically, the OdV:

- Reports any shortcomings found on the organizational structure and the effectiveness and operation of procedures to the Board of Auditors;
- Reports on any infringements of the Model by Directors or other Recipients of the Model.

The additional types of information that the operational and managerial structures and roles involved in the management of Sensitive Activities shall transmit are governed separately within the "Management of reporting flows to the Supervisory Body" procedure, which is to be considered an integral and substantive part of the Model, completing it.

3. Whistleblowing

Whistleblowing means reporting information about, suspicions or risks of offences that become known to the reporting person in a work or business context.

In this regard, in accordance with Italian Legislative Decree No. 24 of 10 March 2023, Article 6, paragraph 2-bis of the Decree requires that the Model establishes specific internal channels through which information about any misconducts or unlawful conducts that are relevant under the Decree or any violations of the Model.

To that effect, all the Recipients of the Model are required to report that information in accordance with the rules and through the channels established by the “Whistleblowing Process Management” procedure.

In compliance with the applicable legislation on this matter and with the procedures adopted by the Company, the methods to receive and manage the information reported by whistleblowers ensure personal data processing that is compliant with the law, confidentiality and the protection of the whistleblower from any retaliation – which are prohibited – subsequent to the whistleblowing.

Through that channel, the Whistleblower can also ask to have a meeting with the whistleblowing managers.

4. The disciplinary system

4.1. Introduction

Having an effective system of penalties in place is an essential requirement of the Model for the purposes of exempting the Company from liability.

The Company condemns any conduct that does not comply with the law, the Model, the Model implementing instruments and the Code of Ethics, even if the conduct is carried out in the interest of the Company or to its advantage.

The disciplinary system is addressed to all the Recipients whose conduct that does not comply with the principles and rules of conduct prescribed in this Model - including the internal procedures and rules, which are an integral part of the Model - amounts to non-compliance and a source of contractual liability for which penalties of a disciplinary nature and - for external parties - of a contractual nature are provided for.

By way of example, the following conducts amount to disciplinary infringements:

- Violation, including through omissive conduct and in possible concurrence with others, of the principles of the Model and the Code of Ethics and of the Model implementing instruments;
- The drafting, possibly in conspiracy with others, of untrue documentation;
- The facilitation, through omissive conduct, of the preparation by others of untrue documentation;
- The removal, destruction or alteration of documentation to circumvent the system of controls provided for in the Model;
- Hindering the supervisory activities of the Supervisory Body;
- Denying access to the information and documents requested by persons in charge of controls on the procedures and decisions;
- The performance of any other conduct aimed at circumventing the control system provided for in the Model;
- The implementation of actions or conducts that do not comply with the provisions of Italian Legislative Decree No. 24 of 10 March 2023 on Whistleblowing as amended and supplemented.

Any violation of the Model or of its implementing instruments, irrespective of the perpetrator, shall be immediately reported, in writing, to the Supervisory Body, without prejudice to the procedures and measures that are the responsibility of holder of the disciplinary power.

The right/duty to report is incumbent on all Recipients of the Model.

After receiving the report, the Supervisory Body shall immediately carry out the necessary investigations, subject to maintaining the confidentiality of the person against whom the investigation is being conducted. Once the appropriate analyses and assessments have been carried out, the Supervisory Body shall inform the Human Resources Department - the holder of disciplinary power over company employees - of the outcome, and the latter shall initiate the procedure in order to proceed with the charges and the possible application of penalties, it being understood that any disciplinary penalties shall be adopted by the competent corporate bodies, by virtue of the powers vested in them by the Articles of Association or internal regulations of the Company, and in compliance with the labour law.

In accordance with the provisions of the applied Italian national collective bargaining agreements, the Model is a set of rules which the personnel shall comply with, in terms of rules of conduct and penalties: therefore, any breach thereof shall trigger the application of the disciplinary procedure and the relevant penalties. All employees of all ranks (blue collars, white collars, junior managers, senior managers and executives) and linked to the Company by any employment contract (full-time or part-time) whether

entailing subordination or not (including quasi-employment relationships), are required to comply with the provisions contained in the Model.

4.2. Disciplinary measures against employees other than senior managers

Against **employees in jobs positions of blue-collar workers, white-collar workers and junior managers**, the disciplinary system is applied in compliance with Article 7 of Italian Law No. 300 of 20 May 1970 (the Workers' Statute) and with the relevant Italian national collective bargaining agreements. If the fact also amounts to a breach of duties established by law or the employment relationship, such that the continuation of the employment relationship is no longer possible, even on a provisional basis, dismissal without notice may be decided, pursuant to Article 2119 of the Italian Civil Code, subject to compliance with the disciplinary procedure. Without prejudice to the discretionary power also vested in the holder of the disciplinary power, the following shall apply, by way of example and in proportion to the seriousness of the infringement and any repetition of the conduct by the employee:

- The penalty of reprimand for the violation, including through omissive conduct and in possible conspiracy with others, of the principles of the Model or the Model' Implementing Instruments;
- A fine for the drawing up, possibly in conspiracy with others, of untrue documentation and the facilitation, through omissive conduct, of the drawing up by others of untrue documentation;
- The penalty of suspension from the job or assignment and from remuneration, for the removal, destruction or alteration of documentation in order to circumvent the system of controls provided for in the Model, obstruction of the supervisory activity of the OdV, denying access to the information and documents requested by persons in charge of controls on the procedures and decisions and any other conduct aimed at circumventing the control system provided for by the Model;
- The penalties set out in the preceding points and any other penalties laid down by the relevant legislation shall apply in case of actions or conducts that do not comply with Italian Legislative Decree no. 24 of 10 March 2023 on Whistleblowing as amended and supplemented.

The Supervisory Body shall send a report to the Human Resources Department containing:

- The personal particulars of the person responsible for the violation/infringement;
- The description of the alleged misconduct;
- Reference to the provisions of the Model that have been violated;
- Any documents and elements supporting the alleged violation/infringement.

The Human Resources Department shall consider the actions to be taken and shall inform the Supervisory Body of the internal audits and decisions made.

4.3. Disciplinary measures against senior managers

If the violation of the principles, rules and prescriptions laid down in this Model or the adoption, in the performance of activities included in the Risk Areas/Sensitive Activities, of a conduct that does not comply with the prescriptions of the Model concerns **senior managers**, the Supervisory Body shall give written notice thereof to the Board of Directors, in the person of the Chief Executive Officer, to the Chairman of the Board of Auditors and to the Human Resources Department, stating

- The personal particulars of the person responsible for the violation/infringement;
- The description of the alleged misconduct;
- Reference to the provisions of the Model that have been violated;

- Any documents and elements supporting the alleged violation/infringement.

After consulting with the other addressees of the notification, the Human Resources Department shall initiate the procedures for assessing the alleged misconduct, taking into account the seriousness of the breach, its possible repetition and the trust nature of the employment relationship with the manager. Where provided for, these are the procedures for charging the misconduct and the possible application of penalties provided for by law and by the relevant Italian national collective bargaining agreement, including the possible revocation of powers of attorney or delegated powers, all the way up to the termination of the employment relationship.

The Human Resources Department shall assess the actions to be taken and inform the Board of Directors, the Board of Auditors and the Supervisory Body of the internal audits and decisions made.

4.4. Disciplinary measures against directors

If the violation/infringement concerns a **director of the Company**, the Supervisory Body or individual members thereof shall immediately notify the entire Board of Directors and the Board of Auditors in writing. In this case, any measure provided for by law, determined on the basis of the seriousness, fault and damage caused to the Company, may be applied to the director.

In the most serious cases of perpetration of offences, or when the violation/infringement is such as to impair the relationship of trust with the Company, the Board of Directors may convene the general meeting of the shareholders, proposing the removal from office of a director of the Company.

In the event that one or more of the Directors, alleged to be perpetrators of the offence giving rise to the administrative liability of the Company, are indicted, the Board of Directors shall convene the General Meeting of Shareholders to resolve on their removal from office.

In the event of an ascertained violation/infringement of the provisions of the Model by the entire Board of Directors, the Supervisory Body shall immediately inform the Board of Auditors, so that it may promote the consequent initiatives.

4.5. Disciplinary measures against members of the Board of Auditors

In the event of a violation by a member of the Board of Auditors, the Supervisory Body shall inform the entire Board of Auditors and the Board of Directors, which, if the violations are such as to amount to just cause for revocation, shall invite the General Meeting of Shareholders to adopt the measures within its scope and take the further steps required by law.

4.6. Disciplinary measures against third parties

Relationships with **third parties** (Contract Workers, Consultants, Suppliers (Providers, Partners) are governed by written contracts that include clauses on compliance with the fundamental principles of the Model and the Code of Ethics by such parties. Specifically, failure to comply with them could lead to termination for just cause of the relationships, without prejudice to any claim for compensation if concrete damage to the Company results from such conduct.

Any failure to include said contractual clauses shall be reported by the corporate structure that is the owner of the relevant contract, along with due reasons, to the Supervisory Body.

4.7. Penalties applying to Whistleblowing recipients

In accordance with Italian Legislative Decree 24/2023 concerning the protection of persons who report violations of the European Union law and laying down provisions concerning the protection of persons who report violations of the domestic laws and regulations, the Company applies the penalties set out in the previous paragraphs:

- When it ascertains that retaliations occurred or that whistleblowing was hindered or that it was attempted to hinder it or that the confidentiality obligations was breached;
- When it ascertains that no procedures have been adopted for whistleblowing and the management of the reported items or that procedures have been adopted but are not compliant with Italian Legislative Decree 24/2023, as well as when it ascertains that the reported items have not been assessed and analysed.

Therefore, the penalties are defined in accordance with the role of the person they are imposed on, depending on whether they are employees other than senior managers, subordinates in senior manager positions, directors or members of corporate bodies.

The penalties are applied to the extent the related violations are also violations of the Model.

5. Communication and dissemination of the Model

5.1. Foreword

Being aware of the importance that training and information aspects have in a prevention perspective, the Company defines a communication and training programme aimed at ensuring the dissemination to all personnel of the main contents of the Decree and the obligations deriving therefrom, as well as the prescriptions of the Model and the principles of the Code of Ethics, with a different degree of detail in relation to the different level of involvement of the Recipients in Sensitive Activities.

All personnel, as well as Top Officers, Consultants, Partners and Contract Workers, are required to be fully aware of both the objectives of fairness and transparency that are to be pursued with the Model, and the methods through which the Company intends to pursue them.

The communication to and training of the Model Recipients are carried out in all circumstances deemed necessary, both subjective, such as the hiring and/or commencement of the relationship, and objective, such as in the face of significant changes to the Model or the occurrence of circumstances also in law, such as significant supplements to the Decree.

The communication, dissemination and training system are coordinated by the Company and is overseen and supplemented by the activity of the Supervisory Body.

Employees and Contract Workers are required to participate in communication and training initiatives, which are part of their contractual employment obligations.

5.2. Communication to Employees

The adoption of this Model (as updated over time) is communicated to all personnel in service at the time of its adoption. Specifically, communication is arranged through:

- A letter sent by the Chief Executive Officer or by another component of the Management Team to all personnel on the contents of the Decree, the importance of the actual implementation of the Model, and the information/training methods provided by the Company;
- Dissemination of the Model on the company portal, where, in a specific section, the Model and the operating procedures it provides for can be consulted, thus enabling constant verification of the methods and approaches of action and performance of the specific activity.

During the onboarding process, all new hires are given a specific information set, to be signed for acknowledgement and acceptance, whereby they are provided with the knowledge considered to be the most material in the scope of Decree. The information set also mentions how to access and consult the section of the corporate portal containing material and documentation on the Model adopted in the Company.

At the time of the communication of the Model, all Employees shall undertake to perform their duties in compliance with the principles, rules and procedures contained therein, with special emphasis on those tasks that fall within Sensitive Activities and any others that may be performed in the interest or to the advantage of the Company.

In addition to mandatory training initiatives, the Company adopts tools for disseminating the contents of the Model, including, by way of example, periodic seminars, occasional updates sent through mailing lists, internal information notes, publications on the company portal, etc.

5.3. Communication to Third-party Recipients

All Third-Party Recipients operating, in any capacity, within Sensitive Activities on behalf of or in the interest of the Company shall be informed of the contents of the Model (by way of example: Consultants, Suppliers/Providers, Partners).

The Company shall assess what methods are appropriate to inform Third Party Recipients of the policies and procedures followed by the Company by virtue of the adoption of the Model, including the publication of an extract of the Model on its website. A full copy of the Model is also made available at the Company.

Specifically, in relationships between the Company and Third-Party Recipients (e.g. Contract workers, consultants, agents, suppliers/providers, etc.), the relevant contracts shall:

- Be in writing, in their full version with all their terms and conditions (including quality standards of supply and service provision);
- Include, where possible, specific and standard clauses requiring compliance with the Model and the Company's Code of Ethics;
- Contain, where possible, representations by the Third-Party Recipients stating that they are aware of the provisions laid down by the Decree and undertaking to behave in compliance therewith, refraining from any conduct or behaviour that might amount to an Offence;
- Provide, where possible, for penalty clauses (e.g. express termination clauses, penalties) in the event of violation of the provisions of the Decree, the provisions of the Model or the principles of the Code of Ethics.

Without prejudice to the fact that all contracts entered into after the date of adoption of the Model by the Company shall contain, where possible, the so-called "Clause 231", for Third Party Recipients involved in Sensitive Activities already contractually bound to the Company, an information notice shall be sent out concerning the contents of the Decree, the adoption of the Model and the obligation of compliance with them by the Third Party Recipients.

5.4. Training

In order to ensure widespread dissemination and effective knowledge of the Decree and this Model, the Company, with the Supervisory Body overseeing and supplementing the activity, takes upon itself to carry out specific training activities for its Employees.

The training activity is differentiated, in terms of content and delivery methods, according to the Recipients' capacity, the risk level of the area in which they work and whether or not they have the function to represent the Company within their job description.

All training programmes shall have a common minimum content consisting of an illustration of the principles of the Decree, the constituent elements of the Model, the individual offences and the conduct considered sensitive in relation to their perpetration.

In addition to the basic structure, each training programme will also be set up to provide the personnel concerned with the organizational and control tools - such as, by way of example, procedures, operating instructions and user manuals - necessary to operate in full compliance with the Decree when carrying out their specific operational activities.

Training activities will be carried out periodically at set intervals and repeated on the occasion of changes in duties affecting conducts that are material to the Model (also training of an individual nature through

specific and personal instructions), as well as in relation to any substantial changes made to the Model itself.

Participation in the training programmes described above is mandatory and actual attendance is verified by the Human Resources Department, which reports to the Supervisory Body.

Training is provided both through in-person classes and through e-learning. The training contents are updated in accordance with any developments in the applicable legislation (e.g., introduction of new predicate offence legal paradigms) and in the contents of the Model (e.g., adoption of new special parts).

SPECIAL PART

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Organization, Management and Control Model
Pursuant to Legislative Decree 231/2001
Champion Europe S.r.l.

Annex A
Crimes applicable to sensitive processes / activities

Updated version approved by the Board of Directors on 11 June 2024.

*This is an English courtesy translation of the original document in Italian.
In case of discrepancy between the Italian version and the English version, the Italian one shall prevail.*

TABLE OF CONTENTS

Section A.	Crimes against the Public Administration (Articles 24 and 25 Decree)	4
A.1.	Purpose	4
A.2.	Applicable offenses	5
Section B.	Computer crimes and unlawful data processing (Article 24-bis of the Decree)	8
B.1.	Applicable offenses	8
Section C.	Organized Crime and Transnational Crimes (Art. 24-ter of the Decree and Art. 10 L. 146/2006)	10
C.1.	Foreword	10
C.2.	Applicable Offenses	10
Section D.	Forgery of money, public credit cards, revenue stamps, and identification instruments or signs (Article 25-bis of the Decree)	12
D.1.	Applicable offenses	12
Section E.	Crimes against industry and trade (Article 25-bis 1 of the Decree)	13
E.1.	Applicable offenses	13
Section F.	Corporate crimes, including bribery among private individuals and incitement to bribery among private individuals (Article 25-ter of the Decree)	14
F.1.	Applicable offenses	14
Section G.	Crimes for the purpose of terrorism or subversion of the democratic order provided for in the Criminal Code and special laws (Article 25-quater of the Decree)	16
G.1.	Applicable offenses	16
Section H.	Market abuse (Article 25-sexies of the Decree and Article 187-quinquies of the TUF) ..	17
H.1.	Applicable offenses	17
Section I.	Crimes against the individual (Art. 25-quinquies of the Decree)	18
I.1.	Applicable offenses	18
Section J.	Crimes of manslaughter and grievous or very grievous bodily harm due to violation of workplace health and safety regulations (Article 25-septies of the Decree)	19
J.1.	Applicable offenses	19
Section K.	Offenses of receiving, laundering, and using money, goods or utilities of unlawful origin , as well as self-laundering (Article 25-octies of the Decree)	20
K.1.	Applicable offenses	20
Section L.	Crimes related to non-cash payment instruments (Article 25-octies.1 of the Decree) ...	21
L.1.	Applicable offenses	21

Section M.	Copyright infringement crimes (Article 25-novies of the Decree)	22
M.1.	Applicable offenses	22
Section N.	Inducement not to make statements or to make false statements to judicial authorities (Article 25-decies of the Decree)	24
N.1.	Applicable offenses i	24
N.2.	Sensitive activities and prevention	24
Section O.	Environmental crimes (Article 25-undecies of the Decree)	25
O.1.	Applicable offenses	25
Section P.	Employment of third-country nationals whose stay is irregular (Article 25-duodecies of the Decree)	26
P.1.	Applicable offenses i	26
Section Q.	Tax Crimes (Article 25-quinquiesdecies of the Decree)	27
Q.1.	Applicable offenses i	27
Section R.	Smuggling (Article 25-sexiesdecies of the Decree)	29
R.1.	Applicable offenses	29

Section A. Crimes against the Public Administration (Articles 24 and 25 Decree)

A.1. Purpose

The concept of Public Administration in criminal law is understood in a broad sense, encompassing the entire activity of the state and other public entities; therefore, crimes against Public Administration prosecute acts that impede or disrupt the regular performance not only of the activity - in the technical sense - of administration, but also of legislative and judicial activity. Thus, Public Administration understood as the totality of all public functions of the state or other public entities is protected.

Individuals representing the public administration for the purposes of criminal law are those who perform a public function or public service.

Civil service is defined as activities governed by rules of public law pertaining to the legislative function (state, regions, provinces with special status, municipalities, etc.), administrative function (members of state and territorial administrations, Police Forces, members of supranational administrations, members of Authorities, Chambers of Commerce, members of Building Commissions, testers of public works, appraisers of the Italian Naval Registry, etc.), judicial function (judges, bailiffs, auxiliary bodies of the Administration of Justice such as receivers or liquidators in bankruptcy, etc.).

The civil service is characterized by the exercise of:

- **authoritative** power, i.e., that power which enables the Public Administration to achieve its ends by means of actual commands, with respect to which the private individual is in a position of subjection. This is the activity in which the so-called "power of imperium" is expressed, which includes both the power of coercion (arrest, search, etc.) and the power to challenge violations of the law (assessment of contraventions, etc.), and the powers of hierarchical supremacy within public offices;
- **Certifying** power, that is, the power of the certifier to attest to a fact with evidentiary effect.

Public service means activities governed by rules of public law, characterized by the lack of authoritative or certifying powers typical of the civil service, excluding the performance of simple orderly tasks and the performance of merely material work.

Individuals who perform a public function or public service are referred to as public officials or public service officers.

A public official is one who can form or manifest the will of the public administration or exercise authoritative or certifying powers.

By way of example, but not limited to, members of state and territorial administrations, members of supranational administrations (e.g., the European Union), NAS, members of Supervisory Authorities, Asl supervisory personnel, members of the Police and the Guardia di Finanza, members of Chambers of Commerce, administrators of public economic entities, members of Building Commissions, judges, bailiffs, and auxiliary bodies of the Administration of Justice (e.g., bankruptcy trustees) are considered public officials.

On the other hand, the person in charge of a public service performs activities pertaining to the care of public interests or the satisfaction of needs of general interest subject to the supervision of a public authority. Criminal jurisprudence has clarified that the bureaucratic framing of the person in the structure of a public body is not a criterion for recognizing the status of public service appointee, since what matters is the activity actually carried out by the person. Therefore, even a private individual or the employee of a private company can be qualified as a public service appointee when he or she carries out activities aimed at the pursuit of a public purpose and the protection of a public interest.

By way of example but not limited to, employees of the National Health Service, employees of the cash office of a public entity, employees of hospital entities, ASL, INAIL, INPS, employees of municipal energy companies, banks, post offices, customs offices, members of city councils, employees of the State Railways, ENI, and highway concessionaires may be considered public servants.

A.2. Applicable offenses

Based on the analysis conducted, the provisions concerning the following crimes against the Public Administration and the administration of Justice are considered applicable to the Company:

- a) **Misappropriation of public disbursements**, set forth in Article 316-bis of the Criminal Code and constituted by the conduct of anyone who, unrelated to the public administration, having obtained from the State or other public entity or the European Communities grants, subsidies, loans, subsidized loans or other disbursements of the same type, however denominated, intended for the realization of one or more purposes, does not allocate them to the intended purposes;
- b) **Undue receipt of public disbursements**, referred to in Article 316-ter of the Criminal Code and constituted by the conduct of those who, unless the fact constitutes the crime provided for in Article 640-bis of the Criminal Code, through the use or presentation of false statements or documents or certifying untrue things, or through the omission of due information, unduly obtains, for themselves or others, contributions, grants, financing, subsidized loans or other disbursements of the same type, however denominated, granted or disbursed by the State, other public bodies or the European Communities;
- c) **Fraud to the detriment of the State or other public entity or the European Communities, referred to in** Article 640, paragraph 2, no. 1 of the Criminal Code and consisting of the conduct of those who, by artifice or deception, by misleading someone, procure for themselves or others an unjust profit to the detriment of others, if the act is committed to the detriment of the State or another public entity or on the pretext of having someone exempted from military service;
- d) **Aggravated fraud for obtaining public disbursements**, referred to in Article 640-bis of the Criminal Code and consisting of the same conduct as in the previous point, if carried out to obtain contributions, financing, subsidized loans or other disbursements of the same type, however denominated, granted or disbursed by the State, other public bodies or the European Communities;
- e) **Computer fraud to the detriment of the State or other public entity, referred to in** Article 640-ter of the Criminal Code and consisting of the conduct of anyone who, by altering in any way the operation of a computer, or telematic system, or intervening without right in any manner on data, information, or programs contained in a computer, or telematic system, or pertaining to it, procures for himself, or others, an unjust profit, to the detriment of the State or other public entity;
- f) **Fraud in public supply, referred to in** Art. Art. 356 of the Criminal Code and consisting of the conduct of a person who commits fraud in the performance of supply contracts or in the fulfilment of other contractual obligations specified in the preceding article;
- g) **Concussion, set forth** in Article 317 of the Criminal Code and consisting of the conduct of a public official or a person in charge of a public service who, abusing his or her position or powers, compels someone to give or promise unduly, to him or a third party, money or other benefits;
- h) **Corruption for the exercise of function, referred to in** Article 318 of the Criminal Code and consisting of the conduct of a public official who, for the exercise of his functions or powers, unduly receives, for himself or a third party, money or other benefits or accepts the promise thereof;
- i) **Bribery for an act contrary to official duties, referred to in** Article 319 of the Criminal Code and consisting of the conduct of a public official who, in order to omit or delay or to have omitted or delayed an act of his office, or to perform or to have performed an act contrary to official duties, receives, for himself or for a third party, money or other benefit, or accepts the promise thereof;
- j) **Bribery in judicial acts**, referred to in Article 319-ter of the Criminal Code and consisting of the acts of bribery when committed to favour or harm a party in civil, criminal or administrative proceedings;
- k) **Undue inducement to give or promise benefits, referred to in** Article 319-quater of the Criminal Code and consisting of the conduct of the public official or public service appointee who, unless the act constitutes a more serious crime, by abusing his or her position or powers, induces someone to

give or promise unduly, to him or a third party, money or other benefits, as well as the conduct of the person who gives or promises the money or other benefit;

- l) Bribery of a person in charge of a public service, referred to in Article 320 of the Criminal Code,** and consisting of the conducts referred to in Articles 318 and 319 of the Criminal Code when committed by the person in charge of a public service; pursuant to Article 321 of the Criminal Code (punishments for the briber), the punishments established in Articles 318, paragraph 1, 319, 319-bis, 319-ter and 320 of the Criminal Code in relation to the cases of Articles 318 and 319 of the Criminal Code also apply to a person who gives or promises to the public official or the person in charge of a public service the money or other utility;
- m) Incitement to bribery,** promises undue money or other benefits to a public official or a person in charge of a public service for the exercise of his or her functions or powers, or to induce him or her to omit or delay an act of his or her office, or to do an act contrary to his or her duties, if the offer or promise is not accepted, as well as by the conduct of the public official or the person in charge of a public service who solicits a promise or giving of money or other benefit for the exercise of his or her functions or powers or who solicits a promise or giving of money or other benefit from a private party for the purposes indicated in Article 319 Criminal Code;
- n) Embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of international courts or organs of the European Communities or international parliamentary assemblies or international organizations and officials of the European Communities and foreign states, referred to in Article 322-bis of the Criminal Code,** according to which the provisions of Articles 314, 316, 317 to 320 and 322, paragraphs 3 and 4, and 323 of the Criminal Code also apply:
- to members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;
 - to officials and servants employed under contract under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;
 - to persons seconded by the member states or any public or private entity to the European Communities, who perform functions corresponding to those of officials or agents of the European Communities;
 - to members and employees of bodies established on the basis of the Treaties establishing the European Communities;
 - to those who, within other member states of the European Union, perform functions or activities corresponding to those of public officials and persons in charge of a public service.

The provisions of Articles 319-quater, paragraph 2, 321 and 322, paragraphs 1 and 2 of the Criminal Code also apply if the money or other benefit is given, offered or promised:

- To the persons specified in the first paragraph of Article 322-bis of the Criminal Code;
- to persons performing functions or activities corresponding to those of public officials and persons in charge of a public service within other foreign states or international public organizations, if the act is committed in order to procure for oneself or others an undue advantage in international economic transactions or for the purpose of obtaining or maintaining an economic or financial activity.

The persons specified in the first paragraph of Article 322-bis of the Criminal Code are assimilated to public officials, if they perform corresponding functions, and to persons in charge of a public service in other cases;

- o) Trafficking in unlawful influence referred to in Art. 346-bis,** whoever, outside the cases of complicity in the crimes referred to in Articles 318, 319, 319-ter and in the corruption crimes referred to in Article 322-bis, and constituted by the conduct of whoever by exploiting or boasting of existing or alleged relationships with a public official or a person in charge of a public service or one of the other

persons referred to in Article 322-bis unduly causes to give or promise, to himself or others, money or other benefits, as the price of his own unlawful mediation towards a public official or a person in charge of a public service or one of the other persons referred to in Article 322-bis, or to remunerate him in connection with the exercise of his functions or powers.

Section B. Computer crimes and unlawful data processing (Article 24-bis of the Decree)

B.1. Applicable offenses

Based on the analysis conducted, the following computer crimes and unlawful data processing are considered applicable to the Company:

- a) **Computer documents**, provided for in Article 491-bis of the Criminal Code and consisting of the hypotheses of falsity, material or ideological, committed on public deeds, certificates, authorizations, private deeds or private acts, by a representative of the Public Administration or by a private individual, if the same have as their object a "computer document with evidentiary effectiveness," i.e., a computer document with at least a simple electronic signature. "Computer document" means the computer representation of legally relevant acts, facts or data (this crime extends the criminal prosecution of offenses provided for within Book II, Title VII, Chapter III of the Criminal Code to computer documents having evidentiary effect);
- b) **Unauthorized access to a computer or telematic system**, provided for in Article 615-ter of the Criminal Code and consisting of the conduct of a person who abusively enters, i.e., circumventing any form, even minimal, of barriers to entry into a computer or telematic system protected by security measures, or remains there against the will of those who have the right to exclude him;
- c) **Unlawful possession, dissemination and installation of equipment, codes and other means of access to computer or telematic systems**, provided for in Article 615-quater of the Criminal Code and consisting of the conduct of those who unlawfully obtain, reproduce, disseminate, communicate or deliver codes, passwords or other means of access to a computer or telematic system protected by security measures, or otherwise provide indications or instructions in this regard, in order to procure for themselves or others a profit, or to cause damage to others;
- d) **Unauthorized possession, dissemination and installation of computer equipment, devices or programs aimed at damaging or interrupting a computer or telematic system**, provided for in Article 615-quinquies of the Criminal Code, and which punishes the conduct of anyone who, in order to unlawfully damage a computer or telematic system, or the information, data or programs contained therein or pertaining to it, or to facilitate the interruption or alteration of its operation, procures, produces, reproduces, imports, disseminates, communicates, delivers, or otherwise makes available to others computer equipment, devices or programs;
- e) **Illegal interception, obstruction or interruption of computer or telematic communications**, provided for in Article 617-quater of the Criminal Code, and which punishes the conduct of a person who fraudulently intercepts communications related to a computer or telematic system or between several systems, prevents or interrupts them, or reveals, by any means of information to the public, in whole or in part, the content of such communications;
- f) **Unauthorized possession, dissemination and installation of equipment and other means of intercepting, preventing or interrupting computer or telematic communications**, provided for in Article 617-quinquies of the Criminal Code, and which punishes the conduct of anyone who, outside the cases permitted by law, installs equipment designed to intercept, prevent or interrupt communications related to a computer or telematic system, or interconnected between several systems;
- g) **Damage to computer information, data, and programs**, provided for in Article 635-bis of the Criminal Code and consisting of the conduct of a person who destroys, deteriorates, deletes, alters, or suppresses information, data, or computer programs of others, unless the act constitutes a more serious crime;
- h) **Damage to computer information, data and programs used by the State or other public entity or otherwise of public utility**, provided for in Article 635-ter of the Criminal Code and consisting of the conduct of a person who commits an act directed at destroying, deteriorating, deleting, altering or suppressing computer information, data or programs used by the State or other public entity or pertaining to them, or otherwise of public utility, unless the act constitutes a more serious crime;

- i) **Damage to computer or telematic systems**, provided for in Article 635-quater of the Criminal Code and consisting of the conduct of anyone who, through the conduct referred to in Article 635-bis of the Criminal Code, or through the introduction or transmission of data, information or programs, destroys, damages, renders, in whole or in part, unserviceable computer or telematic systems of others or seriously hinders their operation unless the act constitutes a more serious crime;
- j) **Damage to computer or telematic systems of public utility**, provided for in Article 635-quinquies of the Criminal Code and consisting of the conduct described in the preceding Article 635-quater of the Criminal Code, if it is aimed at destroying, damaging, rendering wholly or partially unserviceable computer or telematic systems of public utility or seriously hindering their operation;
- k) **Computer fraud of the electronic signature certifier**, provided for in Article 640-quinquies of the Criminal Code and consisting of the conduct of the person who provides electronic signature certification services who, in order to procure an unjust profit for himself or others, or to cause damage to others, violates the obligations prescribed by law for the issuance of a qualified certificate.

Section C. Organized Crime and Transnational Crimes (Art. 24-ter of the Decree and Art. 10 L. 146/2006)

C.1. Foreword

The crimes referred to in Article 24-ter of the Decree and Article 10, Law 146/2006 do not seem to be able to be linked to specific activities carried out concretely by the Company. Furthermore, it should be noted that:

- these crimes are, for a large part, associative crimes in nature (criminal association, mafia-type association including foreign ones) or strongly related to associative crimes (political-mafia electoral exchange, crimes committed by availing themselves of the modalities set forth in Article 416-bis of the Criminal Code or in order to facilitate the activity of the associations provided for therein), which therefore also punish only the agreement of several persons aimed at the commission of an indeterminate number and type of crimes;
- associative crimes, being by definition constituted by the agreement aimed at the commission of any crime, extend the range of predicate offenses to an indeterminate number of criminal figures, so that any activity carried out by the Company could result in the commission of a crime-and the consequent liability under Legislative Decree 231/2001-through a criminal association.

Although, however, these crimes turn out to be, as mentioned so far, not traceable to specific activities concretely carried out by the Company, they can be abstractly committed by both apical individuals and subordinates. With reference to this aspect, the prevention system already in place in the Company assumes relevance.

In fact, it has been considered that, for the prevention of said crimes, the Corporate Governance safeguards already in place, as well as the principles present in the Code of Ethics, can play an adequate preventive function, which are the most appropriate tool for crimes such as criminal association under Article 416 of the Criminal Code, due to the impossibility of framing within a specific system of controls the almost infinite number of behaviours that could be committed through the associative bond.

C.2. Applicable Offenses

Based on the analysis conducted, the following organized crime and transnational crimes are considered applicable to the Company:

- a) **Criminal association**, provided for in Article 416 of the Criminal Code and punishing those who promote or establish or organize an association of three or more persons for the purpose of committing several crimes, as well as those who participate in it;
- b) **Mafia-type association including foreigners**, provided for in Article 416-bis of the Criminal Code and punishing anyone who is part of a mafia-type association formed by three or more persons. The association is of the mafia type when those who are part of it make use of the intimidating force of the association bond and the condition of subjugation and code of silence deriving from it in order to commit crimes, to directly or indirectly acquire the management or otherwise control of economic activities, concessions, authorizations, contracts and public services or to realize unjust profits or advantages for themselves or others, or in order to prevent or hinder the free exercise of voting or to procure votes for themselves or others during electoral consultations. The association is considered armed when the participants have the availability, for the achievement of the purpose of the association, of weapons or explosive materials, even if concealed or kept in a storage place. The provisions of this article also apply to the Camorra and other associations, however locally named, including foreign ones, which by availing themselves of the intimidating force of the association bond pursue purposes corresponding to those of mafia-type associations;
- c) **Crimes committed by taking advantage of the conditions provided for in Article 416-bis of the Criminal Code**, or in order to facilitate the activities of the associations provided for in the same article;

- d) **Aiding and abetting**, provided for in Article 378 of the Criminal Code, and consisting of the conduct of anyone who, after a crime was committed for which the law establishes the penalty of death or life imprisonment or imprisonment, and outside the cases of complicity in the same, aids someone to evade the investigations of the authority, or to evade the search of the authority.

Section D. Forgery of money, public credit cards, revenue stamps, and identification instruments or signs (Article 25-bis of the Decree)

D.1. Applicable offenses

Based on the analysis conducted, the following crimes with the purpose of terrorism or subversion of democratic order are considered applicable to the Company:

- a) Use of counterfeit or altered revenue stamps**, provided for in Article 464 of the Criminal Code and consisting of the conduct of anyone who, not being an accomplice in the counterfeiting or alteration, makes use of counterfeit or altered revenue stamps;
- b) Counterfeiting of money, spending and introduction into the State, in concert, of counterfeit money**, provided for in Article 453 of the Criminal Code and consisting of the conduct of:
 - 1) Anyone who counterfeits domestic or foreign coins that are legal tender in the state or outside;
 - 2) anyone who alters genuine coins in any way, by giving them the appearance of superior value;
 - 3) anyone who, not being an accomplice in the counterfeiting or alteration, but in concert with the person who executed it or with an intermediary, introduces into the territory of the State or holds or spends or otherwise puts into circulation counterfeit or altered currency;
 - 4) anyone who, for the purpose of putting them into circulation, purchases or otherwise receives, from the person who forged them, or from an intermediary, counterfeit or altered currency;
 - 5) the same punishment applies to a person who, legally authorized to manufacture, wrongfully manufactures, by misusing the tools or materials in his or her possession, quantities of coins in excess of the requirements;
- c) Introduction into the State and trade of products with false signs** provided for in Article 474 of the Criminal Code and consisting of the conduct of anyone who introduces into the territory of the State, in order to profit from it, industrial products with counterfeit or altered trademarks or other distinctive signs, domestic or foreign;
- d) Spending and introduction into the State, without concert, of counterfeit money** provided for in Article 455 of the Criminal Code and consists of the conduct of anyone who, outside the cases provided for in the two preceding articles, introduces into the territory of the State, acquires or holds counterfeit or altered money in order to put it into circulation or spends or otherwise puts it into circulation;
- e) Spending of counterfeit coins received in good faith** provided for in Article 457 of the Criminal Code and consisting of the conduct of anyone who spends, or otherwise puts into circulation, counterfeit or altered coins received by him in good faith;
- f) Counterfeiting of revenue stamps, introduction into the State, purchase, possession or putting into circulation of counterfeit revenue stamps** provided for in Article 459 of the Criminal Code. The provisions of Articles 453, 455 and 457 also apply to the counterfeiting or alteration of stamps and the introduction into the territory of the State, or the purchase, possession and putting into circulation of counterfeit stamps; but the penalties are reduced by one third;
- g) Counterfeiting, alteration or use of trademarks or distinctive signs or of patents, models and designs** provided for in Article 473 of the Criminal Code and consisting of the conduct of anyone who, being able to know of the existence of the title of industrial property, counterfeits or alters trademarks or distinctive signs, domestic or foreign of industrial products, or anyone who, without being an accomplice in the counterfeiting or alteration, makes use of such counterfeited or altered trademarks or signs.

Section E. Crimes against industry and trade (Article 25-bis 1 of the Decree)

E.1. Applicable offenses

Based on the analysis conducted, the following crimes with the purpose of terrorism or subversion of democratic order are considered applicable to the Company:

- a) **Disturbing freedom of industry or trade**, provided for in Article 513 of the Criminal Code and consisting of the conduct of anyone who uses violence against property or fraudulent means to prevent or disturb the operation of an industry or trade;
- b) **Unlawful competition with threats or violence**, provided for in Article 513 bis of the Criminal Code and consisting of the conduct of anyone who, in the exercise of a commercial, industrial or otherwise productive activity, engages in acts of competition with violence or threats;
- c) **Fraud against domestic industries** provided for in Article 514 of the Criminal Code and consisting of the conduct of anyone who, by offering for sale or otherwise putting into circulation, in domestic or foreign markets, industrial products, with counterfeit or altered names, trademarks or distinctive signs, causes harm to domestic industry;
- d) **Fraud in the exercise of trade** provided for in Article 515 of the Criminal Code and constituted by the conduct of anyone who in the exercise of a commercial activity, or in an outlet open to the public, delivers to the purchaser a movable thing for another, or a movable thing, in origin, provenance, quality or quantity, different from that stated or agreed upon;
- e) **Sale of industrial products with mendacious signs** provided for in Article 517 of the Criminal Code and consisting of the conduct of anyone who offers for sale or otherwise puts into circulation intellectual works or industrial products, with domestic or foreign names, trademarks or distinctive signs, likely to mislead the buyer about the origin, source or quality of the work or product;
- f) **Manufacture and trade of goods made by usurping industrial property titles** provided for in Article 517 ter of the Criminal Code and consisting of the conduct of anyone who, having knowledge of the existence of the industrial property title, industrially manufactures or uses objects or other goods made by usurping an industrial property title or in violation thereof.

Section F. Corporate crimes, including bribery among private individuals and incitement to bribery among private individuals (Article 25-ter of the Decree)

F.1. Applicable offenses

Based on the analysis conducted, the following corporate crimes are considered configurable with respect to the Company:

- a) **False corporate communications**, provided for in Article 2621 of the Civil Code. and consisting of the conduct of directors, general managers, managers in charge of drafting corporate accounting documents, auditors and liquidators who, in order to obtain an unjust profit for themselves or others, in financial statements, reports or other corporate communications addressed to shareholders or the public, provided for by law, knowingly state material facts that are not true, or omit material facts whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which it belongs, in a way that is concretely likely to mislead others;
- b) **Minor acts**, provided for in Article 2621-bis of the Civil Code and consisting of the conduct of those who commit the acts provided for in Article 2621 of the Civil Code to a minor extent, taking into account the nature and size of the company and the manner or effects of the conduct;
- c) **Obstruction of control**, provided for in Article 2625 of the Civil Code and consisting of the conduct of directors who, by concealing documents or with other suitable artifices, prevent or otherwise obstruct the performance of control activities legally assigned to shareholders or other corporate bodies;
- d) **Undue return of contributions**, provided for in Article 2626 of the Civil Code and constituted by the conduct of directors who, outside the cases of legitimate reduction of share capital, return, even simulated, contributions to shareholders or release them from the obligation to make them;
- e) **Illegal distribution of profits and reserves**, provided for in Article 2627 of the Civil Code and consisting of the conduct of directors who distribute profits or advances on profits not actually earned or allocated by law to reserves, or who distribute reserves, including those not established with profits, which may not be distributed by law;
- f) **Transactions to the detriment of creditors**, provided for in Article 2629 of the Civil Code and consisting of the conduct of directors who, in violation of legal provisions protecting creditors, carry out reductions in share capital or mergers with other companies or demergers, causing damage to creditors;
- g) **Failure to disclose conflict of interest**, provided for in Article 2629-bis of the Civil Code, punishes the director or member of the management board of a company with securities listed on regulated markets in Italy or another European Union state or widely distributed among the public pursuant to Article 116 of the Consolidated Text referred to in Legislative Decree no. 24 February 1998, no. 58, as amended, or an entity subject to supervision in accordance with the Consolidated Text referred to in Legislative Decree No. 385 of September 1, 1993, the aforementioned Consolidated Text referred to in Legislative Decree No. 58/1998, Law No. 576 of August 12, 1982, or Legislative Decree No. 124 of April 21, 1993, which violates the obligations set forth in Article 2391, first paragraph;
- h) **Fictitious formation of capital**, provided for in Article 2632 of the Civil Code and consisting of the conduct of directors and contributing shareholders who, even in part, fictitiously form or increase the share capital by allocating shares or quotas in an amount that in total exceeds the amount of the share capital, reciprocal subscription of shares or quotas, significant overvaluation of contributions of goods in kind or receivables or of the assets of the company in the case of transformation;
- i) **Bribery among private individuals**, provided for in Article 2635, paragraph 3, of the Civil Code and consisting of the conduct of directors, general managers, managers in charge of drafting corporate accounting documents, auditors and liquidators (as well as those who are subject to the management or supervision of these individuals), of private companies or entities who, even through intermediaries, solicit or receive, for themselves or others, undue money or other benefits, or accept the promise

thereof, to perform or omit an act in violation of the obligations inherent in their office or obligations of loyalty;

- j) **Incitement to bribery among private individuals**, provided for in Article 2635-bis of the Civil Code and consisting of the conduct of anyone who offers or promises undue money or other benefits to directors, general managers, managers in charge of drafting corporate accounting documents, auditors and liquidators, of private companies or entities, as well as to those who work in them with the exercise of management functions, so that they perform or omit an act in violation of the obligations inherent in their office or obligations of loyalty;
- k) **Unlawful influence on the assembly**, provided for in Article 2636 of the Civil Code and consisting of the conduct of anyone who, by simulated or fraudulent acts, determines the majority in the assembly, in order to procure an unjust profit for himself or others;
- l) **Obstruction of the exercise of the functions of public supervisory authorities**, provided for in Article 2638 of the Civil Code. and consisting of the conduct of directors, general managers, managers in charge of drafting corporate accounting documents, auditors and liquidators of companies or entities and other persons subject by law to public supervisory authorities, or bound by obligations to them who in communications to the aforementioned authorities required by law, in order to hinder the exercise of supervisory functions expose material facts not corresponding to the truth, even if subject to assessment, on the economic, asset or financial situation of those subject to supervision or, for the same purpose, conceal by other fraudulent means, in whole or in part, facts that they should have disclosed, concerning the same situation, even if the information concerns assets owned or administered by the company on behalf of third parties; or by the act committed by directors, general managers, auditors and liquidators of companies, or entities and the other persons subject by law to public supervisory authorities or bound by obligations to them, who, in any form, including by omitting the communications due to the aforementioned authorities, knowingly obstruct their functions.

Section G. Crimes for the purpose of terrorism or subversion of the democratic order provided for in the Criminal Code and special laws (Article 25-quater of the Decree)

G.1.Applicable offenses

Based on the analysis conducted, the following crimes with the purpose of terrorism or subversion of democratic order are considered applicable to the Company:

- a) **Subversive associations**, provided for in Article 270 of the Criminal Code, consisting of the conduct of anyone who, in the territory of the State promotes, sets up, organizes or directs associations aimed at and suitable for violently subverting the economic or social order constituted in the State or violently suppressing the political and legal order of the State, shall be punished by imprisonment of five to ten years;
- b) **Associations for the purpose of terrorism, including international terrorism or subversion of the democratic order**, provided for in Article 270-bis of the Criminal Code, consisting of the conduct of anyone who promotes, sets up, organizes, directs or finances associations that propose the perpetration of acts of violence for the purpose of terrorism or subversion of the democratic order shall be punished by imprisonment from seven to fifteen years;
- c) **Financing of conduct with the purpose of terrorism**, consisting of the conduct of anyone who, outside the cases referred to in Articles 270-bis and 270-quater.1, collects, disburses, or makes available goods or money, in any way realized, intended to be used in whole or in part for the performance of conduct with the purpose of terrorism referred to in Article 270-sexies;
- d) **Conduct with the purpose of terrorism, provided** for in Article 270-sexies of the Criminal Code, provides that Conducts with the purpose of terrorism are considered to be those which, by their nature or context, are likely to cause serious damage to a country or an international organization and are carried out for the purpose of intimidating the population or compelling the public authorities or an international organization to perform or refrain from performing any act or destabilizing or destroying fundamental political structures, constitutional, economic and social structures of a country or an international organization, as well as other conduct defined as terrorist or committed for the purpose of terrorism by conventions or other rules of international law binding on Italy.

Section H. Market abuse (Article 25-sexies of the Decree and Article 187-quinquies of the TUF)

H.1. Applicable offenses

Based on the analyses conducted, the following market abuse offenses are considered potentially applicable to the Company:

- a) **Market manipulation** envisaged by Article 185 of Legislative Decree No. 58/1998 (amended by Legislative Decree 107/2018) and consisting of the conduct of anyone who spreads false news or carries out simulated transactions or other artifices concretely capable of causing a significant alteration in the price of financial instruments;
- b) **Abuse of inside information** provided for in Article 184 of Legislative Decree No. 58/1998 (as amended by Legislative Decree 107/2018) and consisting of the conduct of any person who, being in possession of inside information by reason of his or her capacity as a member of administrative, management or control bodies of the issuer, participation in the issuer's capital, or the exercise of a job, profession or function, including public, or office:
 - Buys, sells or engages in other transactions, directly or indirectly, for its own account or for the account of a third party, in financial instruments using the same information;
 - discloses such information to others outside the normal course of employment, profession, function or office, or a market survey conducted pursuant to Article 11 of Regulation (EU) No. 596/2014;
 - recommends or induces others, on the basis of them, to carry out any of the transactions indicated in the first point.

Section I. Crimes against the individual (Art. 25-quinquies of the Decree)

I.1. Applicable offenses

Based on the analyses conducted, the following offenses of manslaughter and serious or very serious negligent injury for violation of workplace health and safety regulations are considered potentially applicable to the Company:

- a) Reduction or maintenance in slavery or servitude**, provided for in Article 600 of the Criminal Code and consisting of the conduct of anyone who exercises powers over a person corresponding to those of the right of ownership or anyone who reduces or maintains a person in a state of continuous subjection, forcing him or her to labour or sexual services or to begging or otherwise to the performance of illegal activities involving their exploitation or to submit to the removal of organs. The reduction or maintenance in the state of subjection takes place when the conduct is carried out by means of violence, threat, deception, abuse of authority or by taking advantage of a situation of vulnerability, physical or mental inferiority or a situation of need, or by promising or giving sums of money or other benefits to those in authority over the person.
- b) Illegal intermediation and exploitation of labour**, provided for in Article 603-bis of the Criminal Code and consisting of the conduct of those who:
 - recruits labour for the purpose of assigning them to work for third parties under exploitative conditions, taking advantage of the workers' state of need;
 - uses, hires or employs labour, including through the brokering activity referred to in No. 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

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

- the repeated payment of wages and salaries in a manner manifestly inconsistent with the national or territorial collective bargaining agreements entered into by the most representative labour organizations at the national level, or otherwise disproportionate to the quantity and quality of work performed;
- Repeated violation of regulations on working hours, rest periods, weekly rest, compulsory leave, vacations;
- The existence of violations of workplace safety and hygiene regulations;
- The subjecting of the worker to degrading working conditions, surveillance methods or housing situations.

Section J. Crimes of manslaughter and grievous or very grievous bodily harm due to violation of workplace health and safety regulations (Article 25-septies of the Decree)

J.1. Applicable offenses

Based on the analyses conducted, the following offenses of manslaughter and serious or very serious negligent injury for violation of workplace health and safety regulations are considered potentially applicable to the Company:

- a) Manslaughter, grievous bodily harm or grievous bodily harm**, provided for in Article 589 of the Criminal Code, sentences anyone who culpably causes the death of a person to imprisonment for six months to five years. If the act is committed in violation of the rules for the prevention of accidents at work, the penalty is imprisonment from two to seven years. If the act is committed in the unauthorized practice of a profession for which a special state license or a health care art is required, the punishment shall be imprisonment for three to ten years. In the case of death of more than one person, or death of one or more persons and injury to one or more persons, the punishment that should be imposed for the most serious of the violations committed increased up to three times, but the punishment may not exceed fifteen years;
- b) Culpable personal injury**, provided for in Article 590 of the Criminal Code, convicts anyone who culpably causes personal injury to others by punishing him with imprisonment. If the acts referred to in the second paragraph are committed (...) in violation of the rules for the prevention of accidents at work, the punishment for serious injury is imprisonment from three months to one year. In the case of injuries to more than one person, the penalty that should be imposed for the most serious of the violations committed shall be applied, increased up to three times; but the penalty of imprisonment may not exceed five years. The crime is punishable on complaint by the offended person, except in the cases provided for in the first and second paragraphs, limited to acts committed in violation of the rules for the prevention of accidents at work or relating to occupational hygiene or which have resulted in an occupational disease.

Section K. Offenses of receiving, laundering, and using money, goods or utilities of unlawful origin , as well as self-laundering (Article 25-octies of the Decree)

K.1. Applicable offenses

Based on the analyses conducted, the crimes of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, as well as self-money laundering are considered at risk of commission in relation to the Company:

- a) **Receiving stolen goods**, provided for in Article 648 of the Criminal Code and consisting of the conduct of a person who, outside the cases of complicity in the crime, in order to procure for himself or others a profit, purchases, receives or conceals money or things from any crime, or otherwise meddles in having them purchased, received or concealed;
- b) **Money laundering**, provided for in Art. 648-bis of the Criminal Code and consisting of the conduct of anyone who, outside the cases of complicity in the crime, replaces or transfers money, goods or other utilities resulting from a non-negligent crime, or carries out other transactions in relation to them, so as to hinder the identification of their criminal origin;
- c) **Use of money, goods or utilities of unlawful origin**, provided for in Article 648-ter of the Criminal Code and consisting of the conduct of anyone who, outside the cases of complicity in the crime and the cases provided for in Articles 648 and 648-bis of the Criminal Code, uses money, goods or other utilities from crime in economic or financial activities;
- d) **Self-laundering**, provided for in Article 648-ter.1 of the Criminal Code and constituted by the conduct of anyone who, having committed or conspired to commit a non-negligent crime, employs, substitutes, transfers into economic, financial, entrepreneurial or speculative activities money, goods or other utilities from the commission of such crime, in such a way as to concretely hinder the identification of their criminal origin.

Section L. Crimes related to non-cash payment instruments (Article 25-octies.1 of the Decree)

L.1. Applicable offenses

On the basis of the analyses conducted, the following offenses regarding non-cash payment instruments are considered configurable with respect to the Company:

- a) **Improper use and forgery of non-cash payment instruments**, provided for in Article 493-ter of the Criminal Code, relating to the conduct of those who, in order to profit for themselves or others, improperly use, not being the holder, credit or payment cards, or any other similar document that enables the withdrawal of cash or the purchase of goods or the provision of services or otherwise any other non-cash payment instrument;
- b) **Computer fraud aggravated by the carrying out of a transfer of money, monetary value or virtual currency**, provided for in Article 640-ter of the Criminal Code, relating to the conduct of a person who, by altering in any way the operation of a computer or telematic system or intervening without right in any manner on data, information or programs contained in a computer or telematic system or pertaining to it, procures for himself or others an unjust profit to the detriment of others.

Section M. Copyright infringement crimes (Article 25-novies of the Decree)

M.1.Applicable offenses

Based on the analysis conducted, the following copyright infringement crimes are considered applicable to the Company:

- a) **Making available to the public, in a system of telematic networks, through connections of any kind, a protected intellectual work, or part of it**, provided for by 'Article 171, L. No.633/1941 paragraph 1 lett. (a) bis, provides that, without having the right to do so, for any purpose and in any form: (a) reproduces, transcribes, recites in public, disseminates, sells or offers for sale or otherwise places on the market a work of others or discloses its content before it is made public, or introduces and puts into circulation in the State specimens produced abroad contrary to Italian law; (a-bis) makes available to the public, by placing it in a system of telematic networks, by means of connections of any kind, a work of the protected design, or part of it; (b) represents, performs or recites in public or disseminates, with or without variations or additions, a work of others suitable for public performance or a musical composition. Representation or performance includes public projection of the cinematographic work, public performance of musical compositions included in cinematographic works, and broadcasting by means of loudspeaker operated in public; c) performs the acts indicated in the preceding subparagraphs by means of any of the forms of elaboration provided for by this law; d) reproduces a greater number of copies or performs or performs or performs a greater number of performances or performances than he had the right respectively to reproduce or perform; f) in violation of Art. 79 rebroadcasts by wire or radio or records in phonograph discs or other similar apparatuses the radio broadcasts or rebroadcasts or disposes of the phonograph discs or other apparatuses unduly recorded.
- b) **Abusive duplication, for profit, of computer programs; import, distribution, sale or possession for commercial or entrepreneurial purposes or leasing of programs contained in media not marked by the SIAE; preparation of means to remove or circumvent the protection devices of computer programs** (Article 171-bis L. No. 633/1941 paragraph 1), consisting of the conduct of those who:
 - illegally duplicates, for profit, computer programs or for the same purposes imports, distributes, sells, holds for commercial or business purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE);
 - uses any means intended to enable or facilitate the arbitrary removal or circumvention of software protections;
 - in order to make profit, on media not marked SIAE reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the contents of a database, performs extraction or reuse of the database, distributes, sells or leases a database;
- c) **Unauthorized duplication, reproduction, transmission or dissemination in public 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; unauthorized reproduction, duplication, transmission or dissemination, sale or trade, transfer for any reason or unauthorized importation of more than fifty copies or specimens of works protected by copyright and related rights; placing in a system of telematic networks, through connections of any kind, of an intellectual work protected by copyright, or part of it**, as per art. 171-ter, L. 633/1941, consisting of the conduct of those who - among other things - unlawfully duplicate, reproduce, or disseminate in public literary, dramatic, scientific or educational, musical or dramatic-musical and multimedia works.

- d) **Fraudulent production, sale, import, promotion, installation, modification, and use for public and private use of apparatuses or parts of apparatuses suitable for decoding audiovisual transmissions with conditional access carried out over the air, via satellite, via cable, in both analogical and digital form**, as provided for in Article 171-octies L. no.633/1941, relating to the conduct of anyone who uses for public and private use apparatus or parts of apparatus suitable for decoding audiovisual transmissions with conditional access made over the air, via satellite, via cable, in both analogical and digital form. Conditional access is understood to mean all audiovisual signals transmitted by Italian or foreign broadcasters in such a form as to make the same. visible exclusively to closed groups of users selected by the subject making the signal transmission, regardless of the imposition of a fee for the use of such service.

Section N. Inducement not to make statements or to make false statements to judicial authorities (Article 25-decies of the Decree)

N.1. Applicable offenses i

On the basis of the analyses conducted, it is considered potentially applicable to the Company the incriminating case of inducement not to make statements or to make mendacious statements to the Judicial Authority, provided for in Article 377-bis of the Criminal Code and which punishes those who, unless the fact constitutes a more serious crime, by means of violence or threats, or by offering or promising money or other benefits, induce a person called upon to make before the judicial authority statements that can be used in criminal proceedings, when the person has the right to remain silent, to not make statements or to make mendacious statements.

N.2. Sensitive activities and prevention

The case referred to in Article 377-bis of the Criminal Code appears to be unrelated to specific business activities carried out by the Company itself, as well as not framed within a specific system of controls, given that it could be committed at any company level and in an almost infinite number of ways.

Therefore, it is believed that the principles contained in the Code of Ethics are the most appropriate tool to prevent the commission of this case.

All recipients of the Model, therefore, in order to avoid conduct that may constitute this crime, adopt practices and behaviours that are respectful of the Code of Ethics and what is provided with reference to the Management of Relations with the Judicial Authority.

Section O. Environmental crimes (Article 25-undecies of the Decree)

O.1.Applicable offenses

Based on the analysis conducted, the following environmental crimes are considered applicable to the Company:

- a) **Environmental pollution**, provided for in Article 452-bis of the Criminal Code and consisting of the conduct of anyone who illegally causes significant and measurable impairment or deterioration of water or air, or large or significant portions of soil or subsoil, an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna;
- b) **Crimes related to waste management**, provided for in Article 256, paragraphs 1, 3, 5 and 6, Legislative Decree 152/2006 and occurring in the following cases:
 - collection activities¹, transportation², recovery³, disposal⁴, trade and brokerage of waste- both hazardous and non-hazardous-in the absence of the prescribed permit, registration or communication (Paragraph 1);
 - construction or operation of an unauthorized landfill, including possibly intended for the disposal of hazardous waste (Paragraph 3);
 - Carrying out unpermitted waste mixing activities (Paragraph 5);
- c) **Violation of the obligations of reporting, keeping mandatory records and forms**, provided for in Article 258, paragraph 4, second sentence, Legislative Decree 152/2006 and punishing anyone who, in preparing a waste analysis certificate, provides false information on the nature, composition and chemical and physical characteristics of waste, or makes use of a false certificate during transport;
- d) **Illegal waste trafficking**, provided for in Article 259, Paragraph 1 of Legislative Decree 152/2006 and punishing anyone who makes a shipment of waste constituting illegal trafficking under Article 26 of Regulation (EEC) No. 259 of February 1, 1993, or such shipment deals with waste listed in Annex II of the said regulation in violation of Article 1, Paragraph 3, letters a), b), e) and d) of the regulation;
- e) **Organized activities for the illegal trafficking of waste**, provided for in Article 452-aterdecies of the Criminal Code and which punishes those who carry out, with several operations and through the setting up of means and continuous organized activities, the transfer, receipt, transportation, export or import or, in any case, the illegal management of large quantities of waste.

¹ "Collection" is defined as "the collection of waste, including preliminary sorting and storage, including the management of collection centres [...] for the purpose of its transport to a treatment plant" (Art. 183(1)(o), Legislative Decree 152/2006).

² "Transport," in the absence of a legislative definition, can be understood as the movement, by any means, of waste from one place to another, with the exception of movements carried out within private areas (see Art. 193, para. 9, Legislative Decree 152/2006).

³ "Recovery" is defined as "any operation the main result of which is to enable waste to play a useful role by replacing other materials that would otherwise have been used to perform a particular function, or to prepare it to perform that function, within the facility or in the economy at large" (Art. 183(1)(t), Legislative Decree 152/2006).

⁴ "Disposal" is defined as "any operation other than recovery even when the operation has as a secondary consequence the recovery of substances or energy" (Art. 183(1)(z), Legislative Decree 152/2006).

Section P. Employment of third-country nationals whose stay is irregular (Article 25-duodecies of the Decree)

P.1. Applicable offenses i

On the basis of the analyses conducted, the following offenses of employing third-country nationals whose stay is irregular are considered configurable with respect to the Company:

- a) Employment of third-country nationals whose stay is irregular**, provided for in Article 22, Paragraph 12-bis, of Legislative Decree No. 286 of July 25, 1998, consisting of the conduct of a person who, as an employer, employs foreign workers without a residence permit or whose permit has expired and whose renewal has not been applied for within the legal terms, or is revoked or annulled if the workers employed are (alternatively):
 - In numbers greater than three;
 - Minors of non-working age;
 - subjected to the other labour conditions of particular exploitation referred to in the third paragraph of Article 603-bis of the Criminal Code, that is, exposed to situations of serious danger, with reference to the services to be performed and the working conditions.
- b) Provisions against clandestine immigration**, provided for in Article 12 paragraph 3, 3-bis, 3-ter and paragraph 5, Legislative Decree No. 286/1998, consisting of the conduct of those who promote, direct, organize, finance or carry out the transportation of foreigners into the territory of the State or perform other acts aimed at illegally procuring their entry, into the territory of the State, or of another State of which the person is not a citizen or does not have permanent residency status.

Section Q. Tax Crimes (Article 25-quinquiesdecies of the Decree)

Q.1.Applicable offenses i

On the basis of the analyses conducted, the following tax crimes are considered configurable with respect to the Company:

- a) **Fraudulent declaration by means of invoices for non-existent transactions**, provided for in Article 2 of Legislative Decree 74 July 2000, relating to the conduct of those who, in order to evade income or value-added taxes, making use of invoices or other documents for non-existent transactions, indicate fictitious passive elements in one of the declarations relating to said taxes. The offense is deemed to have been committed by availing oneself of invoices or other documents for non-existent transactions when such invoices or documents are recorded in compulsory accounting records, or are held for evidence against the tax authorities. No threshold is required to be exceeded for this offense to occur, and therefore, the use of even a single invoice (or other document) relating to a non-existent transaction in the declaration is sufficient for the conduct to be considered a crime;
- b) **Fraudulent declaration by means of other artifices**, provided for in Article 3 of Legislative Decree 74 July 2000, relating to the conduct of a person who, by carrying out objectively or subjectively simulated transactions or by making use of false documents or other fraudulent means suitable for hindering the assessment and misleading the Tax Administration, indicates in one of the declarations relating to income tax or value added tax assets in an amount lower than the actual amount or fictitious liability elements or fictitious credits and withholdings, when, jointly:
 - the evaded VAT tax is more than, with reference to some of the individual taxes, 30 thousand euros;
 - the total amount of assets deducted from taxation is more than 5% of the total amount of assets reported in the tax return, or in any case, more than 1.5 million euros, or if the total amount of fictitious credits and deductions from tax, is more than 5% of the amount of tax, or in any case, more than 30 thousand euros.
- c) **Misrepresentation**, provided for in Article 4 of Legislative Decree 74 July 2000 and introduced by Legislative Decree No. 75/2020, relating to the conduct of anyone who, in order to evade income or value-added taxes, indicates in one of the annual declarations relating to said taxes assets for an amount lower than the actual amount or non-existent passive elements. For the purposes of Legislative Decree 231/2001, this crime can only take shape in the field of VAT (and not also with reference to income taxes) if, jointly, all the requirements of relevance are manifested both with reference to the thresholds (evaded VAT exceeding 10 million euros) and to the involvement of another member state of the European Union;
- d) **Omitted declaration**, provided for in Article 5 of Legislative Decree No. 74 of July 2000 and introduced by Legislative Decree No. 75/2020, relating to the conduct of those who, in order to evade income or value-added taxes, do not submit, being obliged to do so, one of the declarations relating to said taxes. For the purposes of Legislative Decree No. 231/2001, this crime can only take shape with regard to VAT (and not also with reference to income taxes) if, jointly, the requirements of relevance are manifested both with reference to the thresholds (evaded VAT exceeding 10 million euros) and to the involvement of another member state of the European Union;
- e) **Issuance of invoices or other documents for non-existent transactions**, provided for in Article 8 of Legislative Decree 74 July 2000, concerning the conduct of those who, in order to enable third parties to evade income or value-added taxes, issue or issue invoices or other documents for non-existent transactions. In this case, the purpose is to allow third parties to evade taxes, although it has been reiterated that it is not necessary, from a subjective standpoint, that the purpose of facilitating the tax evasion of third parties be exclusive, as the crime can also be considered integrated when the conduct is committed to also achieve a concurrent personal profit. The crime under consideration is a so-called instantaneous crime that is consummated at the moment the invoice is issued;

- f) **Concealment or destruction of accounting documents**, provided for in Article 10 of Legislative Decree 74 July 2000, relating to the conduct of anyone who, in order to evade income or value-added taxes, or to allow third parties to evade them, conceals or destroys all or part of the accounting records or documents whose preservation is mandatory, so as not to allow the reconstruction of income or the correct accounting representation of the Company's transactions. It should be noted that the conduct of concealment or destruction of accounting documents may also concern documents found at third parties, in fact, case law has clarified that "on the subject of tax crimes, the impossibility of reconstructing income or business volume resulting from the destruction or concealment of accounting documents should not be understood in an absolute sense, subsisting even when it is necessary to proceed with the acquisition from third parties of the missing documentation." This offense applies residually, that is, where there is no more serious crime;
- g) **Undue offsetting**, provided for in Article 10-quater of Legislative Decree 74 July 2000 and introduced by Legislative Decree No. 75/2020, relating to the conduct of those who, by using non-existent or not due credits in offsetting, fail to pay the amounts due for VAT purposes. This offense occurs if, jointly, the requirements of relevance are manifested both with reference to the thresholds (evaded VAT exceeding 10 million euros) and the involvement of another EU member state;
- h) **Fraudulent evasion of payment of taxes**, provided for in Article 11 of Legislative Decree 74 July 2000, relating to the conduct of those who, in order to evade the payment of income or value-added taxes or interest or administrative penalties relating to said taxes of a total amount exceeding 50 thousand euros, simulously alienates or performs other fraudulent acts on their own or others' property suitable for making the procedure for compulsory collection in whole or in part ineffective.

Section R. Smuggling (Article 25-sexiesdecies of the Decree)

R.1. Applicable offenses

On the basis of the analyses conducted, the following contraband offenses are considered configurable with respect to the Company:

- a) **Contraband in the movement of goods across land borders and customs spaces**, introduced by Article 282 Presidential Decree No. 43/1973 and consisting of the conduct of those who:
 - Introduces foreign goods across the land border in violation of the requirements, prohibitions and limitations established under Article 16;
 - unloads or stores foreign goods in the intermediate space between the border and the nearest customs;
 - Is caught with foreign goods concealed on his person or in luggage or in packages or furnishings or among other goods or in any means of transport, in order to evade customs inspection;
 - removes goods from the customs spaces without having paid the duties due or without having guaranteed payment thereof, except as provided in Article 90;
 - brings out of the customs territory, under the conditions stipulated in the preceding paragraphs, domestic or nationalized goods subject to border duties;
 - holds foreign goods when the circumstances provided in the second paragraph of Article 25 for the crime of smuggling are met.
- b) **Smuggling in customs warehouses (Art. 288 Presidential Decree No. 43/1973)**, punishes the licensee of a privately owned customs warehouse, who holds foreign goods there for which there has been no prescribed declaration of introduction or which are not entered in the warehouse records.
- c) **Contraband in the movement of goods in border lakes**, introduced by Article 283 Presidential Decree No. 43/1973 and consisting of the conduct of those who:
 - introduces foreign goods through Lake Maggiore or Lake Lugano into the basins of Porlezza, foreign goods without presenting them to one of the national customs nearest the border, subject to the exception provided in the third paragraph of Article 102;
 - without the permission of the Customs, transporting external goods by vessels in the stretches of Lake Lugano where there are no customs, skirting the national shores opposite to foreign shores or dropping anchor or standing at the stern or otherwise communicating with the customs territory of the State, so that it is easy to disembark or embark the goods themselves, except in cases of force majeure.
- d) **Other cases of smuggling**, introduced by Art. 292 Presidential Decree No. 73/1943 and consisting of the conduct of those who, outside the cases provided for in the preceding articles of Presidential Decree No. 73/1943, evade the payment of border fees due.
- e) **Aggravating circumstances of smuggling**, introduced by Article 295 Presidential Decree 43/1973 and consisting of the conduct of a person who, in order to commit smuggling, uses means of transportation belonging to a person unrelated to the crime. Additional aggravating circumstances occur when:
 - in committing the crime, or immediately thereafter in the surveillance zone, the offender is caught armed;
 - in committing the offense, or immediately thereafter in the surveillance zone, three or more persons guilty of smuggling are caught together assembled and in such a condition as to obstruct law enforcement agencies;
 - the act is connected with another crime against public faith or public administration;
 - the offender is an associate to commit contraband crimes and the crime committed is among those for which the association was formed;
 - the amount of border fees due is more than 100 thousand euros.

