

MO231

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## **Code of Ethics and Organization, Management and Control Model, pursuant to Legislative Decree no. 231/01**

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Stakeholder's summary

## INTRODUCTION

This document provides a summary of the Organization, Management and Control Model, pursuant to Legislative Decree no. 231/01 (hereinafter also "MO231") implemented by LA.RE.TER. LAVORAZIONE RESINE TERMOPLASTICHE S.P.A. (hereinafter also "LARETER" or "The Company"), as well as on the path taken for the development and implementation of the prevention system.

The Code of Ethics and MO231 have been adopted primarily with the aim of **preventing the commission, in the interest or for the benefit of the Company, of crimes related to the applicability of the Legislative Decree no. 231/01** by the following subjects:

- Physical persons with representative, administrative or managerial functions of the entity (or of an organizational unit with financial and functional autonomy), as well as persons who carry out, even *de facto*, the management and control of the entity ("Senior Managers");
- Persons subject to the direction or supervision of the aforementioned Senior Managers.

**The MO231 is a compliance system, composed by a set of rules, procedures and protocols which aim to effectively counter, i.e. reducing to an acceptable level, the risks of committing crimes,** intervening on two determining factors: i) the probability of occurrence of the event and ii) the impact of the event itself.

Therefore, the system has been built taking into account the legal, organizational and operational reality of the Company.

**The adoption of the Code of Ethics and MO231 highlights to all stakeholders that the Company has decided to strengthen the sustainability and transparency of its organization, based on continuous improvement.**

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## 1. STANDARD REGULATION

### 1.1. The Legislative Decree no. 231/01: Administrative Liability of the Entities

The Legislative Decree no. 231/01, effective since July 4<sup>th</sup> 2001, has introduced in the Italian Regulation, the "*administrative liability of the Physical Persons, of the Company and associations, even without physical persons*". According to this liability form, **Entities** (including Companies, Associations and Foundations) **can be summoned to respond to specific crimes, committed by certain people who work for them (senior managers and/or individuals subject to the management and supervision of senior managers), if the offenses have been committed in their interest or to their advantage.**

This is a form of responsibility distinct from the criminal liability of the physical person who committed the offense, which gives rise to an independent judgment against the entity, which may be subject to penalties, both pecuniary and disqualifying.

The Legislative Decree no. 231/01, according to the reconstruction of jurisprudence and doctrine, aims to sanction the so-called "**fault in organization**", intended as lack of policy, aimed at guiding the organization's activities towards the prevention of those possible offenses.

### 1.2. Possible offenses

The Entity can be summoned to respond, pursuant to Legislative Decree no. 231/01 only for crimes that are already included in the field of application of the aforementioned decree at the time of their commission (in application of the Rule of Law).

### 1.3. Sanctions

Recognition of liability, pursuant to Legislative Decree no. 231/01 of the Entity, may result in the application of the following penalties:

- A. *Financial penalties;*
- B. *Disqualifying penalties;*
- C. *Confiscation of the profit from which the Entity benefited from the commission of the crime;*
- D. *Publication of the Sentence of Condemnation for the Entity.*

The **Financial Penalty** is foreseen for any predictable crime and it is commensurate in "quotas": for every crime the financial penalty cannot be lower to 1 (one) hundred quotas and cannot be higher than 1 (one) thousand. The judge determines the number of shares, within the minimum and maximum edict foreseen for the specific crime, taking into account the seriousness of the event, of the degree of responsibility of the Entity and the activity carried out to eliminate or mitigate the consequences of the event and to prevent the commission of further offenses.

As required by art. 11 of Legislative Decree no. 231/01, the amount of the individual fee varies from a minimum of € 258,22, to a maximum of € 1.549,37 and is instead established by the judge on the basis of the entity's economic and equity conditions, in order to ensure the effectiveness of the sanction.

The **disqualifying penalties** can have a duration of not less than three months and not more than two years and apply, upon the occurrence of terminated conditions, in relation only to the offenses for which they are expressly provided.

The application of disqualifying penalties can involve: the interdiction from the exercise of the activity, the suspension or revocation of licenses, concessions, authorizations, the prohibition to contract with the P.A., the prohibition to advertise goods and services, the exclusion from loans, grants and subsidies and possible revocation of those granted.

Disqualifying penalties can also be applied on a precautionary basis.

The **confiscation of the price or profit of the crime**, except for the part that can be returned to the injured party, is always ordered with the conviction of the Entity.

The **Sentence of Condemnation** at the expense of the Entity, can be ordered by the judge when a disqualifying sanction is applied to the entity.

#### **1.4. Corporate liability for offenses: the exemption**

The Legislative Decree no. 231/01 has identified the criteria for fulfilling the duties of organizational diligence, such as to make the entity feel free from "guilt in the organization" and, consequently, constitute exemption from liability for offenses by the entities.

In the case of crimes committed by Senior Managers, the exemption exists if the entity is able to demonstrate that:

- the Administrative Body has adopted and effectively implemented, the Organization, Management and Control Model, suitable for preventing the type of crime that has occurred, before the commission of the crime;
- the Administrative Body has entrusted an internal body, with initiative and control powers, to supervise the functioning, effectiveness and observance of the model in question, as well as to update it;
- people committed the crime by fraudulently circumventing the model;
- there was no omission or insufficient control by the Supervisory Board.

In case of an offense committed by subjects subordinated to the direction and supervision of the senior managers, the Entity is not liable if it proves that the commission of the offense was not determined by the failure to comply with the management or supervision obligations.

***The adoption and effective implementation of MO231 therefore constitutes a declination of the organizational duties set by Legislative Decree no. 231/01 and it is aimed at concretely implementing the tools to prevent the foreseen offenses.***

## 2. LARETER'S MO2321

The MO231 of the Company is an integrated organizational system, formed by rules of conduct, procedures, protocols, and other organizational measures.

The MO231 is made up of the following **components**:

### Code of Ethics

It expresses the ethical principles and rules of conduct that the Company recognizes as its own and on which it draws attention from all recipients.

It contains the rules and ethical values that guide the Company's activities and its relationship with the stakeholders.

It forms the basis for the development of management management policies.

It contains the basic rules of conduct, dedicated to all recipients of MO231, aimed at preventing foreseen offenses. The rules and provisions of the Code, cover the following fields:

- Relations with Employees and Collaborators
- Relations between Company Bodies
- Relations with the Public Administration
- Relations with Other Stakeholders
- Conflicts of Interest
- Confidentiality
- Intellectual and Industrial Property
- Protection of health, safety and hygiene in the workplace
- Environmental Management
- Economic and Financial Management

**The Code of Ethics can be entirely downloaded on the Company's website**

### MO231 General Part

It contains the operating rules of MO231 (construction, adoption, implementation and updating) and its individual components.

### MO231 Special Parts

Organized by categories of foreseen offenses, they contain an indication of the general and specific organizational measures adopted by the Company, for the prevention of the offenses which, as recalled, form an integral part of the MO231.

### Delegation system / attribution of powers and functions

All the acts and documents adopted by the Entity, aimed at defining the tasks, the functions and the responsibilities of physical persons operating within the organization, are included in the internal organization system, in the context of the so-called *segregation of duties*. Therefore, components of the organizational system are:

- the acts of attribution of administrative and representation powers (resolutions of the administrative body, powers of attorney and delegations of functions);
- job descriptions;
- internal decisions of assignment of tasks or responsibilities (eg letters or appointment notices).

### Organizational measures and prevention protocols

The preventive organizational measures system set by MO231, disciplined and referred to by the Special Parts, is composed by **preventive measures**: rules of conduct, protocols and organizational procedures, that subjects operating in risk-crime activities (so-called "sensitive activities") are required to comply with.

For the prevention of crimes and the implementation of the control principles in the context of the Company's activities, **General Preventive Measures** are in particular adopted, such as:

- **the formalization of the organizational structure**, on a hierarchical and functional basis (e.g. the adoption of an organization chart);
- **the definition of the roles and skills of the function managers and provision of the minimum training requirements** to occupy each organizational function (for example, in a **job description**);
- **the adoption of a delegation system** consistent with the effective organizational structure;
- **the formalization of the rules of conduct** for the functions operating in sensitive areas (through the adoption of a Code of Ethics, work instructions and internal communications).

**Specific organizational measures** are also adopted for the same purpose, such as:

- **contractual instruments**, towards third parties (such as collaborators, external consultants, volunteers) who operate under the direction or supervision of the Company's senior management, or who carry out activities that may reverberate in the commission of offenses, in the interest or for the benefit of the Companies by subjects operating for it (such as environmental managers, suppliers of plants, machines, equipment and PPE);
- **information and training interventions** for carrying out sensitive activities.
- **integrated organizational control procedures** which provide: i) the definition of the purpose and aim of the procedure; ii) operating and conduct rules and instructions; iii) recording of activities; iv) the management of financial resources related to the process (if any); v) the information flows to ODV231. The Company has decided to develop **operating procedures** in specific areas of application such as:
  - the management of the governance and activities of the Company's bodies;
  - the management of relations with the P.A.;
  - the management of administrative and financial processes and the HR process;
  - the management of hygiene and safety in the workplace and the environment, having adopted an integrated safety / environment management system (SGSA) certified and compliant with UNI EN ISO 45001:2018 and UNI EN ISO 14001:2015 standards;
  - the quality of the production process and the product, as well as relations with customers and suppliers, within the framework of a certified quality management system (QMS) and compliant with UNI EN 9001:2015 standards;
  - IT management and personal data processing.

### Supervisory Board (ODV231)

The body endowed with autonomous powers of initiative and control with the task of supervising the functioning and observance of the MO231 and of taking care of its updating.

### The documentation of ODV231 activities and the information flow system

The set of documents through which the ODV231: regulates its activities; records its activities; communicates with the Company's top management and with the organizational units.

Information flows between the ODV231, the internal functions and the bodies of the Company, are also implemented, to ensure that:

- the supervisory board carries out its functions continuously, being informed about the possible performance of sensitive activities or presence of violations of MO231;
- the Board of Directors and the control body (the Board of Statutory Auditors) are informed about the activities carried out by the ODV231 and the results of the initiatives undertaken by it.

#### **The Sanctioning System**

The set of measures aimed at sanctioning the failure of the recipients to comply with the MO231 and the related application procedures.

#### **Training and Information Activities**

The set of activities aimed at building the recipients' ability to apply the MO231 measures applicable to them.



### 3. DESIGN AND IMPLEMENTATION OF THE MO231

The content of the Company's MO231 has been outlined in accordance with the dictates set by the Legislative Decree no. 231/01<sup>1</sup>.

Aimed to organizational diligence and responsibility, which has always guided the Company's activities, the processes of construction, adoption, updating and implementation of MO231 have been conducted in line with the Guidelines for the construction of organization, management and control models pursuant to Legislative Decree dated 8 June 2001, no. 231, adopted by *Confindustria*, approved by the Ministry of Justice with provision 7.3.2002 and subsequently updated (most recently in the version approved with provision of 21.7.2014). Also the indications contained in guidelines adopted by exponential bodies, trade associations, professional associations, as well as by widely applied industry standards, have been taken into account<sup>2</sup>.

Based on the indications contained in the legislation, in the guidelines adopted by the trade associations and the standards in the matter, **the Company's MO231 has been designed according to a three-phase analysis process:**

- **risk assessment:** analysis for the identification of potential risks associated with the commission of predicate offenses in the interest or for the benefit of the entity; definition of the intensity of the risks;

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<sup>1</sup>In Art. 6, where expected, with respect to the conduct of the senior management, that the organization, management and control models must comply with the following needs:

- identify the activities in which the possibility of committing crimes exists;
- identify specific protocols aimed at planning the formation and implementation of the Entity's decisions in relation to the crimes to be prevented;
- determine the procedures for managing financial resources suitable to prevent the commission of crimes;
- foreseeing disclosure obligations, towards the subjects appointed to supervise the functioning and observance of the model;
- introduce a disciplinary system suitable for sanctioning failure to comply with the measures indicated in the model;
- forecast:
  - one or more channels that allow recipients of the provisions of MO231 to present, for the protection of the Entity's integrity, detailed reports of illegal conduct, relevant pursuant to Legislative Decree no. 231/01 and based on precise factual elements and concordant, or violations of MO231, of which they have become aware due to the functions performed; these channels guarantee the confidentiality of the identity of the reporting person in the reporting management activities;
  - at least one alternative reporting channel, suitable for ensuring, with IT methods, the confidentiality of the identity of the reporting person;
  - the prohibition of retaliatory or discriminatory acts, direct or indirect, against the informant for reasons directly or indirectly connected to the report;
  - in the disciplinary system, sanctions against those who violate the protection measures of the informant, as well as those who make fraudulent or grossly negligent reports that prove to be unfounded;

In Art. 7, where foreseen, with respect to the conduct of the ones subject to management and supervision of the top management, that the model must provide "suitable measures to guarantee the performance of the activity in compliance with the law and to promptly discover and eliminate risk situations".

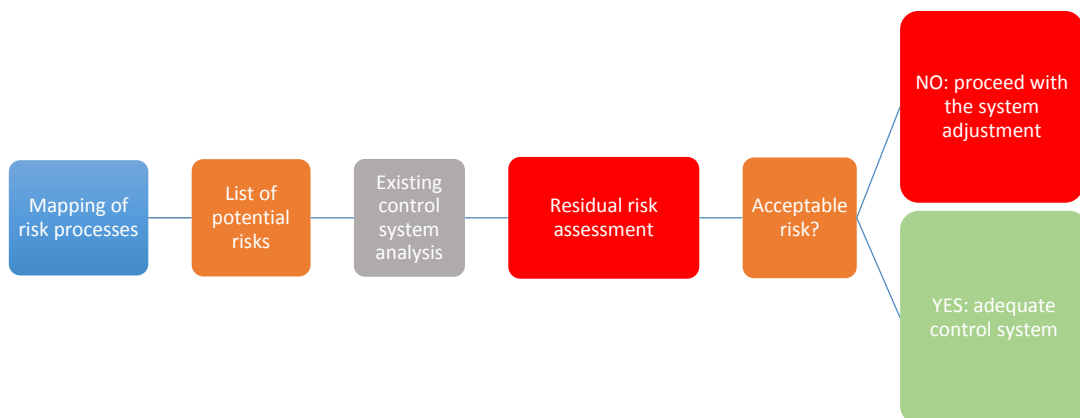
<sup>2</sup> For example, the circulars adopted on the matter by the CNDCEC (National Council of Chartered Accountants and Accounting Experts), the UNI ISO 31000:2010 "Risk Management" standards, the organizational standards for the implementation of sectoral procedures (for example, the UNI EN ISO 45001 guidelines for the implementation of a workplace safety management system).

- **as is analysis:** identification of the organizational measures already implemented by the Entity, which contributed to reduce the risks referred to in the previous point, to an acceptable level;
- **gap analysis:** identification of the supplementary measures to complete the preventive controls framework and face all the crime risks identified by the risk assessment.

The analysis has been carried out by external consultants, on the basis of the information provided by management and, in particular, through the examination of:

- a copy of the relevant documentation provided by the Company on the basis of the checklist, prepared in advance;
- information collected during interviews with management, also carried out on the basis of predefined questionnaires, and visits to the workplace.

Summary diagram of the MO231 construction process:



## 4. SUPERVISORY BOARD EX LEGIS. DECREE no. 231/01 (ODV231)

### 4.1. Structure and Composition

Based on the state of the jurisprudential evolution and the indications provided by the reference Guidelines, the Company proceeds to appoint an ODV231 equipped with the following requirements: **autonomy and independence**<sup>3</sup>, **integrity**<sup>4</sup>, **professionalism**<sup>5</sup> and **continuity of action**<sup>6</sup>.

The absence or failure of the aforementioned requirements, constitutes a condition for ineligibility and / or forfeiture of the ODV231.

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<sup>3</sup> In order to have autonomy and independence, the components of the ODV231 must comply with the following requirements:

- absence of conflicts of interest, even potential, with the Company with entities controlled by it, which compromise its independence;
- not to have kinship relationships with other members of the Company's subjects, pursuant to art. 2399 of the Civil Code;
- not to have been part of a public employment relationship with central or local administrations, in the three years preceding the appointment as a member of the ODV231.

To guarantee the requirements of autonomy and independence, the dismissal of any employees called to fill the role of ODV231 members, during the execution of the aforementioned office and for the six months following his termination, must be submitted to a binding opinion of the Board of Administration and duly motivated (notwithstanding to the need for just cause or justified reason as governed by current legislation).

<sup>4</sup> In order for the integrity requirements to be met, the components of the ODV231 must:

- not having held functions of executive director, up to three years prior to the appointment as member of the ODV231, in Companies that have gone bankrupt or under compulsory administrative liquidation or other bankruptcy procedures;
- not to fall within the cases of ineligibility or forfeiture provided for by art. 2382 of the Civil Code;
- not be investigated or convicted of predicate offenses;
- not be subject to sentencing, even if not final, or plea bargain, with a penalty that implies the interdiction, even temporary, from public offices, or the temporary interdiction from the executive offices of legal persons and companies;
- be in possession of the integrity requirements pursuant to art. 2, paragraph 1, letters a) and b) and paragraph 2 of Ministerial Decree 162/00.

Failure to meet or lose the aforementioned requirements automatically leads to the ineligibility / forfeiture of the member of the ODV231.

<sup>5</sup> The Company chooses the components of its ODV231 by punctually verifying the possession of technical and professional skills such as to ensure the effectiveness of the powers and functions attributed to them.

The external members of ODV231 are professionals with proven competence and experience in the areas of corporate liability, and can come from the fields of economics, law, business organization or technical-scientific advice.

In any case, at least one of the components of the ODV231 has skills in the analysis of control systems and of a legal nature.

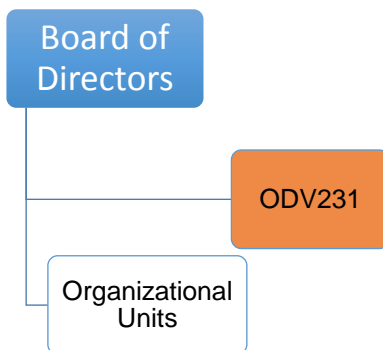
For the best performance of its activities, the ODV231 may use of all internal structures (including the RSPP and the Competent Doctor), as well as any external consultants.

<sup>6</sup> The Company strengthens the continuity of action of its ODV231 alternatively through the presence of:

- one or more internal members in the composition of ODV231;
- a cross-functional technical secretariat, able to coordinate the activities of the ODV231 and to ensure the constant identification of a reference structure within the Company.

Permanent information flows between the ODV231, the Company's subjects and the recipients of the MO231, are active.

The Board of Directors approves an adequate allocation of financial resources which the ODV231 will be able to arrange for any need necessary for the proper performance of the tasks (for example for obtaining specialist advice or reimbursement of travel expenses).



The ODV231 as Entity of the Company is characterized as a staff unit (without operational, administrative or disciplinary tasks within the entity), placed in the highest possible hierarchical position, reporting directly to the Administrative Board.

The ODV231 is designated by the Board of Directors with a formal resolution with mandate, unless otherwise provided for three years and renewable. It is called to perform the following functions:

- A.** verification of the correct execution of the formalities related to the approval of the MO231 and the appointment of the ODV231;
- B.** supervision of the effectiveness of MO231 (i.e. consistency between the behaviors of the recipients and MO231);
- C.** to examine the adequacy of MO231, complying with the current legislation and reference standards;
- D.** analysis relating to the maintenance over time of the solidity and functionality requirements of MO231;
- E.** promotion of the necessary update, in a dynamic sense, of MO231 through: i) suggestions and proposals for adaptation to the Administrative Board; ii) monitoring of implementation and updating activities;
- F.** taking care of the information flows pertaining to the Company's entities, organizational functions and other recipients of MO231;
- G.** promotion and monitoring of information and training initiatives aimed at promoting recipients' knowledge of the MO231, raising their awareness of compliance with the principles contained therein, as well as the correct fulfillment of specific rules of conduct, procedures and organizational protocols contained in MO231;
- H.** solicitation of the competent functions in the adoption of disciplinary actions and in the application of sanctions, in cases of alleged violations of MO231;
- I.** adoption of the regulation of the ODV231 and of the Activity Plan, in which the verification and control activities that the ODV231 intends to carry out, in the reference calendar year with the indication of human, instrumental and financial resources, are identified and planned;
- J.** any other task assigned by law or by MO231.

To carry out the aforementioned tasks, the ODV231:

- has access to all the board's information. All MO231 recipients are required to provide the ODV231 with the information requested by it;
- can convene the heads of the organizational functions, to be informed of issues, events or circumstances relevant to the performance of the relevant activities and exchange data and assessments relating to them;
- has secretarial staff and technical means that it deems necessary, as well as the use of suitable premises to guarantee the efficiency and confidentiality of meetings, meetings, hearings or training activities;
- has an adequate annual budget defined by the Administrative Board, which can be used through the competent internal functions.

#### 4.2. Reports to ODV231

All recipients of the MO231 are required to inform the ODV231, by means of timely and punctual reports, in the event of violations of the provisions of the MO231 itself.

**Two channels are provided for receiving reports:**

- one, or more, **dedicated e-mail addresses;**
- a **mailbox.**

Reports to ODV231 have to be nominative (therefore, it must be possible to identify the identity of the informant). However, complaints forwarded anonymously will be taken into consideration, prior to the scrutiny of reliability carried out by ODV231.

The General Part of the Company's MO231 governs a **whistleblower policy to protect individuals who forward reports to ODV231 from any form of retaliation**, protecting their confidentiality.

**Whistleblower protection policy**

- ✓ The confidentiality of the identity of the reporting party is ensured in the minutes and deeds of the ODV231 that can be viewed by persons not belonging to the aforementioned Board (such as reports to the Board of Directors and minutes of the ODV231 meetings);
- ✓ The report is processed by the ODV231 in compliance with the rules of the EU Regulation 2016/679 and the Legislative Decree 196/2003 and subsequent amendments;
- ✓ **Anyone who reports MO231 violations is guaranteed against any form of retaliation.** In particular:
  - ✓ the retaliation or discriminatory dismissal of the reporting party is void. The change of duties pursuant to article 2103 of the civil code, as well as any other retaliatory or discriminatory measure adopted against the reporting party, are also void;
  - ✓ it is the responsibility of the employer, in case of disputes related to the imposition of disciplinary sanctions, or to demotions, layoffs, transfers, or submission of the reporting person to another organizational measure having negative effects, direct or indirect, on the working conditions, subsequent to the submitting the report, to demonstrate that these measures are based on reasons unrelated to the report itself;
  - ✓ the adoption of discriminatory measures against the subjects making the reports can be reported to the National Labor Inspectorate, for the measures within its competence, as well as by the reporting person, also by the trade union organization indicated by the same;
- ✓ The sanctioning measures provided for by the disciplinary system referred to in paragraph 5 are also applicable to punish the violation of confidentiality obligations or the performance of retaliation or discriminatory acts against the reporting party;

**This is without prejudice to any contrary obligations provided for by current legislation, as well as the protection of the rights of persons wrongfully damaged by erroneous reports and forwarded in bad faith.**

## 5. THE SANCTIONING SYSTEM

The MO231, as required by art. 6, paragraph 2, lett. e) Legislative Decree 231/01, has provided for a disciplinary system suitable for sanctioning failure to comply with the measures indicated in the model, outlined according to the following principles:

- prevention: the sanctioning measures are adopted regardless of the existence of sanctions for the same facts on the civil, criminal and administrative level and aim at stopping dangerous behavior, before they result in the commission of offenses; the system does not aim to punish, but to guide behaviors towards compliance with the rules set by MO231, as well as to highlight application problems, promoting the efficiency and updating of the MO231;
- proportionality: the penalties are commensurate with the extent of the alleged violation, the relevance of the violated obligations, the intentionality of the behavior, the degree of negligence, imprudence or inexperience, the predictability of the event, the presence of recidivists and previous ones, at the level of hierarchical and / or technical responsibility, to the autonomy of the subject, who carried out the alleged violation, to the actual or potential consequences for the entity;
- contradictory principle: the subject receiving the dispute will always be able to add justifications in defense of his own behavior.

The ODV231 reports the violation of MO231 to the competent functions and monitors the application of disciplinary sanctions.

For the dispute, the detection of infringements and the application of disciplinary sanctions, the powers already conferred, within the limits of their respective proxies and skills, on the Company's management remain valid.

The following behaviors implemented by the recipients, constitute violations of MO231, in order of increasing severity:

- A.** non-serious and formal violations of the provisions of the Code of Ethics, of MO231 and of the organizational preventive measures referred to therein (rules, provisions, organizational procedures, protocols of conduct) such as:
- the untimely, incomplete or incorrect completion of the forms and registration documents required by the procedures referred to MO231;
  - the non-timely or exhaustive notification to the supervisory board, pursuant to Legislative Decree 231/01 (hereinafter also "ODV231") of the documents and information to which it is addressed pursuant to the procedures of MO231, if the ODV231 has been however put in a position to become aware of the aforementioned relevant information;
- B.** recurrence of the behavior referred to in the previous point

**C.** to reiterate for a third time non-serious violations of the Code of Ethics, of MO231 and of the organizational preventive measures referred to therein (rules, provisions, organizational procedures, protocols of conduct), as well as

- make grossly negligent reports to ODV231 relating to unlawful conduct, as well as violations of the Code of Ethics or MO231, which are unfounded;
- commit a violation that is considered relevant given the effects that it could have had on the Company, its staff and other stakeholders;

**D.** the recurrence of deficiencies that provide for the application of the sanctions referred to in point c) or violations of the Code of Ethics, of the MO231 and of the organizational preventive measures referred to therein (rules, provisions, organizational procedures, protocols of conduct) consisting in fraudulent circumvention of the organizational measures and control points provided for by the MO231 adopted by the Company or serious violations of supervisory obligations, such as by way of example:

- the violation of the whistleblower policy and of the measures provided by MO231 to protect those who report to ODV231, through timely and timely reports, illegal conduct based on precise and concordant factual elements, or violations of the Code of Ethics or MO231, of which they are come to know;
- forcing, removing or circumventing: i) devices or measures aimed at ensuring safety and hygiene in the workplace; ii) security measures on the IT systems and data processing systems prepared by the Company; iii) accounting controls; iv) procedures for the authorization of purchases;
- any other violation that could lead to an objective risk of committing one of the predicate offenses of liability pursuant to Legislative Decree 231/01 in the interest or to the advantage of the Company.

**E.** more serious deficiencies that constitute infringements of the discipline or diligence in work or which cause serious damage to the company, moral or material. This type of pipeline includes:

- recurrence of any of the shortcomings referred to in point d);
- the fraudulent circumvention of the organizational measures and of the control points provided for by the MO231 adopted by the body or violations of the supervisory obligations, such as: i) the preordained and malicious transmission to the supervisory body pursuant to Legislative Decree 231/01 ( hereinafter also "ODV231") of news, declarations or false reports aimed at misleading or impeding the control activity of the aforementioned Body; ii) the preordained and malicious registration or recording of incorrect information in the registration documents required by the procedures adopted under the MO231 or referred to by it;
- the violation of the whistleblower policy and of the other measures provided by the Model to protect anyone who reports to the ODV231, through timely and punctual reports, illegal conduct based on precise and concordant factual elements, or

violations of the Code of Ethics or of the Model ex d. 231/01 of which he has become aware, if the violation is considered particularly significant considering the effects that it could have determined or determined for the Company, its staff and other stakeholders;

- the fraudulent execution of reports to the ODV231 relating to illegal conduct, as well as violations of the Code of Ethics or of the Model pursuant to Legislative Decree 231/01, which are unfounded.

The sanctions can be applied to all subjects required to comply with the Code of Ethics and MO231, or:

- Employees and Managers;
- Directors
- Members of the Board of Statutory Auditors;
- Members of the Supervisory Body;
- Contractual partners, consultants or other subjects having contractual relations with the Company.

## **6. COMMUNICATION, INFORMATION AND TRAINING**

The provisions of MO231 and of the Code of Ethics, are subject to information and training interventions, duly planned on a temporal basis, aimed at making all recipients aware of the content of the provisions and the correct application of the procedures, protocols and controls that they are called to apply. In consideration of the role played and its *mission*, the Company aims to make all stakeholders informed about the presence, effective implementation and mandatory nature of the provisions contained in MO231 and in the Code of Ethics.

## **7. UPDATE OF MO231**

The Company undertakes to keep the MO231 efficient and effective over time, taking care of its adaptation and / or updating, in particular on the occasion of: a) regulatory changes or innovations; b) significant violations of the MO231 or verifications that demonstrate the lack of effectiveness of the same with respect to the achievement of the objectives; c) significant changes to the organizational structure; d) significant changes in the operational reality (such as transfers of headquarters, expansion of the corporate purpose and type of activities carried out, acquisition of company branches).

The continuous review and update process, follows the following diagram





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**The updating and adaptation of the Model is always the responsibility of the Board of Directors.**