



**IMOLA TECNICA S.R.L.**

**ORGANISATION,**  
**MANAGEMENT AND CONTROL MODEL**  
**pursuant to Legislative Decree 231/2001**

in accordance with Legislative Decree No. 231 of 08 June 2001  
concerning “Administrative liability of legal persons”

**General Part**



## **Organisation, Management and Control Model**

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## **Section I – Regulatory overview of administrative liability of Entities**

### ***1.1 Legislative Decree No. 231 of 8 June 2001***

Legislative Decree No. 231 of 8 June 2001, “Governing the administrative liability of legal persons, companies and associations with or without legal personality, pursuant to article 11 of Law No. 300 of 29 September 2000”, which entered into force on 4 July of the same year (for brevity, the “Decree”), introduced into Italian law a particular form of liability of legal persons (Companies, Associations and Entities in general) which, although administrative by name, is substantially punitive-criminal in nature. This form of liability is in addition to the liability of the natural persons committing certain criminal offences. In punishing said offences, the Decree aims to implicate the companies in whose interests or for whose benefit the crimes in question were committed.

In short, an Entity falls foul of the new regulations when the following requirements are met:

- a) the Entity is included in the list of entities to which the Decree applies;
- b) one of the crimes listed in the Decree (“predicate offences”) has been committed in the interests or for the benefit of the Entity;
- c) the crime was committed by a senior figure or subordinate subject within the Entity;
- d) the Entity failed to adopt or implement an organisation model suitable for preventing crimes of the type committed;
- e) the Entity failed to assign autonomous powers to act and monitor to a suitable body (or the latter performed its oversight insufficiently);
- f) the senior figure or subordinate subject fraudulently circumvented the prevention model adopted by the Entity.

Where all of these conditions are met, the Entity will be subject to various kinds of sanctions, all of them very serious, with the most important being fines and disqualification in varying degrees (culminating in compulsory closing down of the business).

### ***1.2 Definitions and general guidelines***

The key points of the Decree are as follows:

- a) Entities subject to the Decree:
  - so-called “private” Entities, including – by way of example only – Foundations, Associations, Committees, Public Limited Companies, Partnerships Limited by Shares, Limited Liability Companies, Cooperatives, Insurance Mutual Societies, Simple Partnerships, Unlimited Partnerships, Limited Partnerships, Brokerage Firms, Asset Management Companies, Open-End Investment Companies and Auditing Companies;

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- so-called “Public” Entities, that is to say, all public economic entities operating under private law;
- in contrast, these do not include individual entrepreneurs, the State, Regional Authorities, Provincial Authorities, Municipal Authorities, other non-economic public Bodies, Political parties and trade unions.

b) Persons involved in committing the crime:

- natural persons who hold a “senior” position (that is to say, they represent, administer or manage the Entity or one of its organisational units with financial and functional autonomy, or who, by virtue of their office or de facto, manage and control the Entity);
- natural persons under the management or supervision of a Senior Figure (for brevity, a Subordinate Subject);
- external subjects operating in the name and/or on behalf of the Entity.

c) The type of crimes envisaged – “predicate offences”:

- Crimes against the Public Administration (*articles 24 and 25*);
- Computer crimes and illegal data processing (*art. 24-bis*);
- Organised crime (*art. 24-ter*);
- Crimes against public trust (*art. 25-bis*);
- Crimes against trade and industry (*art. 25-bis1*);
- Corporate crimes (*art. 25-ter*);
- Crimes for the purposes of terrorism or subversion of democratic order (*art. 25 quater*);
- Practices of female genital mutilation (*art. 25-quater 1*);
- Crimes against individual persons (*art. 25-quinquies*);
- Market Abuse (*art. 25-sexies*);
- Crimes committed with violation of accident-prevention and occupational health and safety regulations (*art. 25-septies*);
- Crimes relating to laundering and self-laundering (*art. 25-octies*);
- Crimes relating to non-cash means of payment (*art.25-octies.1*);
- Crimes relating to breach of copyright (*art- 25-novies*);
- Crimes of inducing to make or of making false statements to judicial authorities (*art. 25-decies*);
- Environmental crimes (*art. 25-undecies*);
- Crimes using foreigners who do not have a right to be in the country (*art. 25-duodecies*);
- Racism and xenophobia (*art. 25-terdecies*);
- Sports fraud (*art. 25-quaterdecies*);
- Tax crimes (*art. 25-quinquiesdecies*);
- Smuggling (*art.25-sexiesdecies*);
- Crimes against cultural heritage (*art. 25-septiesdecies*);

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- Laundering of cultural property and devastation and looting of cultural property and landscapes (*art. 25-duodevicies*);
- Transnational offences (Law No.146/2006).

d) Sanctions applicable:

- financial sanctions;
- disqualification sanctions;
- confiscation of profit deriving from the crime;
- publication of the conviction.

Administrative offences are always punishable by financial sanctions, except where the exoneration under section 1.3 below applies, and consist of payment of an amount set out by law, which in any case is not less than € 10,329 and not more than € 1,549,000.

The Judge determines the financial sanction according to the seriousness of the offence, the Entity's level of responsibility and the action taken by the Entity to eliminate or attenuate the consequences of the offence or to prevent further offences being committed.

There are cases in which the financial sanction may be reduced, including, for example:

- a) if the perpetrator committed the crime primarily in his/her own interest or in the interests of third parties and the Entity did not gain from it in any way or only benefited minimally;
- b) if the Entity adopted and implemented an organisation model suitable for preventing crimes of the type committed.

Disqualification sanctions are as follows:

- a) permanent or temporary disqualification from the exercise of business;
- b) suspension or revocation of the authorisations, licences or concessions instrumental to the commission of the offence;
- c) permanent or temporary disqualification from entering into agreements with the Public Administration, except for the purpose of obtaining a public service;
- d) exclusion from facilitated conditions, funding, contributions and subsidies, and the possible revocation of those already granted;
- e) permanent or temporary prohibition from advertising goods or services.

Disqualification sanctions are applied when at least one of the following conditions are met:

- a) the Entity gained a substantial profit from the crime, and the crime was committed by a Senior Figure or by a Subordinate Subject, and in the latter case, the commission of the crime was occasioned or facilitated by serious organisational shortcomings;
- b) in the case of repeat offences.

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However, even when one or both of the preceding conditions are met, disqualification sanctions are not applied if any one of the following conditions are met:

- a) the perpetrator committed the crime primarily in his/her own interest or in the interests of third parties and the Entity did not gain from it in any way or only benefited minimally;
- b) the financial damage caused is negligible;
- c) prior to its opening statement at the first instance hearing, the Entity has done all of the following:
  - ♦ paid full compensation for the damage and eliminated the harmful or dangerous consequences of the crime or in any case has effectively worked towards that end;
  - ♦ eliminated the organisational shortcomings which resulted in the crime being committed, by adopting and implementing a Model; and
  - ♦ made the profit available for confiscation.

Confiscation is the compulsory acquisition by the State of the price or profit deriving from the crime, except for the part that can be returned to the injured party and, in any case, with the exception of rights acquired by third parties in good faith, or, should this not be possible, sums of money, assets or other goods of equivalent value to the price or profit deriving from the crime.

Publication of the conviction consists of publication only once, in part or in full, in one or more newspapers chosen by the Judge in the ruling, undertaken by the judge's secretariat at the Entity's expense, and by posting in the register of the municipality in which the Entity is based.

Publication of the conviction may be ordered when a disqualification sanction is applied to the Entity.

### ***1.3 Exoneration from administrative liability***

Article 6 of the Decree envisages a special form of exoneration from administrative liability if the crime has been committed by a “senior figure” and the Entity demonstrates that:

- a) before the offence was committed, the Executive Body adopted and effectively implemented an Organisation, Management and Control Model (the "Model") suitable for preventing offences of the type in question;
- b) the task of overseeing the functioning of and compliance with the Model and attending to its updating was assigned to a Supervisory Body within the Entity invested with autonomous powers to act and monitor;
- c) the persons committed the crime by fraudulently circumventing the above-mentioned Model;
- d) supervision by the Supervisory Body was neither omitted nor insufficient.

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The Decree also indicates that, relative to the extent of the powers delegated and the risk of the crimes being committed, the Organisation, Management and Control Model must meet the following requirements:

- ♦ identify the risks areas, which is to say the sectors of activity within which the possibility of committing the crimes exist;
- ♦ establish specific protocols aimed at planning the formulation and implementation of the Entity's decisions in relation to the crimes to be prevented;
- ♦ prevent any subject operating within the Entity from being able to justify their conduct by pleading ignorance of company regulations and prevent, under normal circumstances, the crime from being caused by errors – even due to negligence or inexperience – in the assessment of company directives;
- ♦ introduce an internal disciplinary system of sanctions for non-compliance with the measures indicated in the Model;
- ♦ identify suitable financial asset management procedures for preventing such crimes from being committed;
- ♦ establish a preventive control system, which can only be circumvented intentionally;
- ♦ establish duties to inform the Supervisory Body assigned to oversee the functioning of and compliance with the Model.

For small Entities, supervision may be performed directly by the Executive Body.

### ***1.4 Whistleblowing***

Legislative Decree No. 24 of 10 March 2023 – transposing Directive (EU) 2019/1937 in Italian law – replaced the pre-existing whistleblowing provisions set out in Legislative Decree No. 231/2001 for the private sector. The decree incorporates, within a single legislative text, all regulations governing reporting channels and the system for the protection of persons who report information on breaches of domestic or EU law that are harmful to the public interest or the integrity of a private entity (and of the Public Administration), obtained in the context of their work-related activities.

In order to effectively apply Legislative Decree 24/2023 which, amongst other things, repealed the provisions of art. 6, paragraph 2-ter and paragraph 2-quater, and amended art. 6, paragraph 2-bis, of Legislative Decree No. 231/2001, Imola Tecnica S.r.l. adopted a reporting procedure (“Whistleblowing Procedure”) which is an integral part of the Model and governs the process for receiving, analysing and managing reports.

In particular, the Whistleblowing Procedure:



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- has reporting channels which allow the persons meeting the regulatory requirements to file complaints concerning information about illegal conduct relevant under Legislative Decree No. 231/2001 and breaches of the 231 Model and the Code of Ethics, or breaches of the EU and domestic regulations contained in Legislative Decree No. 24/2023;
- safeguards the confidentiality of the identity of the reporting person, those involved in the report, and the contents of the report itself and related documentation, including through the use of encryption tools;
- provides measures to protect the authors of reports or of complaints to the judicial or auditing authorities, as well as other persons specifically identified in Legislative Decree No. 24/2023 (for example, facilitators, colleagues, etc.);
- prohibits any form of retaliation against a person who makes a report or complaint to the judicial or auditing authorities, as well as against other persons specifically identified by Legislative Decree No. 24/2023 (for example, facilitators, colleagues, etc.).

In compliance with art. 6 paragraph 2-bis of Legislative Decree No. 231/2001 and Legislative Decree No. 24/2023, this 231 Model extends the application of the Disciplinary System to anyone in breach of the rules on managing whistleblowing and/or the measures for protecting reporting persons, and to the reporting person in the cases indicated in art. 16, paragraph 3 of Legislative Decree No. 24/2023, subject to the provisions of art. 21, paragraph 1, letter c) of Legislative Decree No. 24/2023 (see Sec. V – Disciplinary System).

Reports can be made, including anonymously, via the IT portal accessible on the Whistleblowing page of the Imola Tecnica S.r.l. website and by filling in the form on the report management portal, which is also accessible at the link <https://imolatecnica.it>

Reports may also be made:

- verbally, using free-phone line 800.033.720, open from Monday to Friday from 9.30 a.m. until 12.30. The verbal channel is managed by Winger s.a.s. with the confidentiality safeguards provided for in the Whistleblowing Procedure;
- by post, addressed to the external consulting company responsible for managing reports: Winger s.a.s. – Ufficio Segnalazioni D.Lgs. 24/2023 – Via Piccard 16/G, Reggio Emilia (RE);
- by making an appointment with a professional tasked with this job at the offices of external company Winger s.a.s.

Reports of illegal conduct relevant under Legislative Decree No. 231/2001 and breaches of the 231 Model and the Code of Ethics will be forwarded to the 231 Supervisory Body of Imola Tecnica S.r.l.

For more details about what is indicated in this section, see the Whistleblowing Procedure

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#### ***1.5 Adoption of a Model***

Adoption of the Model involves two basic steps:

- identification of the risks: that is to say, analysis of the Entity's context in order to highlight where (in which areas/sector of activity) and in what ways events which might compromise the objectives set out in Legislative Decree No. 231/2001 could occur;
- design of the control system (protocols for planning the formulation and implementation of the Entity's decisions): that is to say, assessing the system existing within the Entity and the possibility of improving it in such a way as to implement a system capable of effectively preventing the risks identified.

Specifically, to be exonerated from criminal liability, Entities must:

- a) adopt a Code of Ethics that sets out the principles of conduct relative to the crimes in question;
- b) define an organisational structure capable of guaranteeing clear and coherent allocation of tasks, of separating functions and inspiring and monitoring honest behaviour;
- c) formalise manual and computer-based company procedures for regulating how activities are carried out. One control tool that provides particularly effective prevention is the “segregation of duties” amongst the persons performing crucial steps of processes involving risk;
- d) assign mandates and powers of signature in line with the organisational and management responsibilities defined;
- e) communicate to personnel in a thorough, effective, clear and detailed way the Code of Ethics, company procedures, sanctions system, mandates and powers of signature, and all other tools for preventing crimes from being committed;
- f) have in place a suitable system of sanctions for breaches of the Code of Ethics and of the procedures envisaged in the Model;
- g) establish a Supervisory Body:
  - which has substantial autonomy and independence;
  - whose members have the professionalism necessary to be able to carry out the required activities;
  - which assesses the suitability of the Model, supervises its functioning and handles its updating;
  - which operates with continuity of action, closely with and making use of the company departments.

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#### **Section II – Model of Imola Tecnica S.r.l.**

To ensure ever more honest and transparent conditions in the running of its business affairs, Imola Tecnica S.r.l. (the “Company”) considered it appropriate to adopt an Organisation, Management and Control Model in line with the Decree's requirements.

The Company believes that adopting the Model and simultaneously issuing the Code of Ethics constitutes, beyond statutory requirements, a valid tool for raising awareness and informing all employees and everyone who collaborates with the Company in any capacity (Suppliers, Consultants, partners, etc.). All of this is so that, while performing their activities, the above-mentioned subjects adopt honest and transparent conduct in line with the ethical and social values that inspire the Company in its pursuit of its objects, which serve to prevent the risk of the crimes described by the Decree being committed.

In drafting this Model, the Company analysed its risk areas, taking into account the Decree's requirements.

In particular, in implementing the Decree's provisions, the Company established its own Supervisory Body with the task of supervising the Model's operation, effectiveness and compliance, as well as updating the Model itself.

#### ***2.1 Objectives of the Model***

The main objective of the Model is to create a structured, coherent system of control procedures and activities, intended to prevent, as far as possible, unsuitable conduct liable to lead to the offences described in the Decree.

Therefore, by identifying activities exposed to the risk of an offence (“sensitive activities”) and introducing suitable procedures for regulating them, the intention is:

- a) to prevent and reasonably limit, within the scope of the offences envisaged in Legislative Decree No. 231/01, the risks linked to business activity, with the aim of eliminating the possibility of any illegal conduct occurring;
- b) to ensure that everyone who works in the name and on behalf of the Company is fully aware that, should they breach the provisions of Legislative Decree No. 231/01 as referred to in the Model, they will likely be committing an offence liable to criminal and administrative sanctions, which the Company condemns in the strongest possible terms given that such offences are against its interests even where it could apparently benefit from immediate economic gains;
- c) to confirm that the Company will not tolerate illegal conduct of any kind, irrespective of motive, because in addition to breaking applicable law it contravenes the Company's ethical and social principles;

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- d) to allow prompt action to be taken in order to prevent or thwart crimes from being committed, by constantly monitoring activities.

## ***2.2 Structure of the Model***

The Organisation, Management and Control Model prepared by the Company is based on the following key points:

- a) preparing a Code of Ethics, setting out general conduct guidelines;
- b) defining an organisational structure for guaranteeing the clear and coherent allocation of tasks (where possible ensuring clear segregation of duties or, alternatively, compensating checks) and monitoring the honesty of behaviour;
- c) identifying and documenting potential risks by mapping activities involving risk and adopting tools for mitigating them;
- d) using formalised guidelines to govern operating methods for taking and implementing decisions in “sensitive” areas;
- e) checking and documenting every significant operation;
- f) structuring a system of company proxies and powers in line with the organisational responsibilities assigned, which guarantees a clear and transparent picture of the process for making and implementing business decisions;
- g) implementing a personnel training plan, particularly for executives and middle management operating in sensitive areas, and informing all other subjects involved (Suppliers, Consultants, partners, etc.);
- h) circulating and involving all company levels in the implementation of the Company’s rules of conduct, procedures and policies;
- i) enforcing disciplinary sanctions for breaches of the Company’s rules of conduct;
- j) assigning a Supervisory Body specific duties for supervising the effectiveness of the Model and its consistency with the objectives;
- k) monitoring business conduct and the functioning of the Model after the fact, with consequent regular updates.

## ***2.3 General Part and Special Parts***

The documentation relating to the Organisation, Management and Control Model according to Legislative Decree No. 231/01 is made up of the following parts:

- a) General Part, covering:
  - i. the process for identifying sensitive areas and drafting the Model”;

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- ii. the Supervisory Body;
- iii. the terminology used in the Model (Glossary).
- b) Appendix A General Part – List of predicate offences pursuant to Legislative Decree No. 231/01;
- c) Appendix B General Part – Code of Ethics;
- d) Appendix C General Part – Whistleblowing Procedure;
- e) Special Part – Guidelines for managing sensitive areas relating to:
  - i. Crimes against the Public Administration;
  - ii. Crimes of counterfeiting money, public credit cards, revenue stamps and distinguishing marks or signs;
  - iii. Crimes against trade and infringement of industrial property rights;
  - iv. Corporate crimes;
  - v. Safety at work;
  - vi. Crimes of possession of stolen goods, money laundering and self-laundering;
  - vii. Environmental crimes;
  - viii. Crimes using foreigners who do not have a right to be in the country;
  - ix. Tax crimes.

### ***2.4 Approval of the Model and subsequent amendments/additions***

Given the requirement under art. 6, paragraph 1, letter a) of the Decree for the Model to be issued as a deed by the Executive Body, the Model has been duly approved by the Board of Directors.

The Supervisory Body is responsible for supervising the functioning of and compliance with the Model, and for updating the Model to adapt it to any changes.

Therefore, if, substantial amendments and additions are necessary due to business needs or regulatory requirements, such amendments must be put to the Board of Directors for approval.

### ***2.5 Method for creating the Model***

The method used to draft and implement the Model involves the following steps:

- identification of senior figures and subordinate subjects to be interviewed so as to understand how the company operates and, therefore, for general mapping of the sensitive areas;
- identification of areas potentially exposed to the risk of crimes being committed;
- risk assessment of processes relating to the risk areas pinpointed, with a description of any relative critical points encountered;
- identification of solutions and action intended to overcome or mitigate the critical points discovered;

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- adjustment and drafting of guidelines relating to the areas identified and potentially involving risk, which should contain binding provisions for reasonable prevention of the offences described in the Decree;
- development of the Code of Ethics;
- drawing up a disciplinary system of sanctions for non-compliance with the measures indicated in the Model;
- regulation by the Supervisory Body;
- plan for training and communication relative to the Model.

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#### **Section III – The Company's governance model and organisational structure**

Imola Tecnica S.r.l. is currently a Company subject to the rules envisaged under heading VI of the Civil Code.

The Company's objects are:

- the production and marketing of curtain walls, ventilated façades and raised floors, with metal structures, ceramic and non-ceramic faces, including the design, contracting, supply, transporting and, in general, all activities relating to the completion of buildings;
- the production, processing and marketing, both wholesale and retail, of materials and systems both for the external cladding of buildings and for interior design, finishing or any type of product for construction, including floors and coverings of any type, and in any case of anything necessary for the construction, restructuring, maintenance and completion of any kind of building, for example, purchasing and marketing insulating material, door and window frames, flashing and any other similar and/or complementary product. Should it consider it appropriate, the company may have those products made by contractors, having third parties assemble or finish them or doing so itself, complete production processes on semi-finished products itself or have them completed by third parties;
- the production, processing and assembly of metal structures, faces and panels necessary for the above-mentioned activities may be performed directly and/or on behalf of third parties

As envisaged in the Articles of Association, “the above-mentioned activities, which may be carried out in Italy or abroad, including on concession or agency mandates and including with participation in tender processes or private bidding at the invitation of the Public Administration and other Public Bodies, private individuals or companies, may be carried out by the company itself, or contracted out, using third parties, or by participation in Temporary Joint Ventures, Consortia, Companies or Bodies which have the same object as the Company”.

“All of the above-mentioned activities and services, including the drafting of expert reports, will be carried out by the company in full compliance with the competence reserved by law for qualified professionals registered on the appropriate Rolls and Lists”.

#### ***3.1 Meeting of the Shareholders***

The shareholders make decisions on matters reserved for them by law and by the Articles of Association.

Persons with the right to vote at the meeting are the shareholders registered in the business register. In any case, each shareholder has voting rights in proportion to their shareholding.



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#### ***3.2 Board of Directors***

The Company is governed by a Board of Directors made up of three directors who are appointed by the shareholders.

The Board of Directors remains in office for three financial years or, if less, according to the decisions taken by the Meeting.

The Board of Directors has the most wide-ranging powers for ordinary and extraordinary management of the Company, excluding only those reserved by the law and Articles of Association for the Meeting of the shareholders.

#### ***3.3 Board of Auditors and statutory audit***

If required by the provisions of the laws in force - that is to say, in those cases envisaged by article 2477 of the Civil Code, or when the shareholders consider it appropriate – the Articles of Association envisage the possibility of the shareholders appointing a board of auditors.

The auditors remain in office for 3 (three) financial years and are usually re-electable.

The Statutory Audit is performed by an auditor or auditing company registered in the relevant registers.

The Company has no control bodies, having no legal obligation to do so.

#### ***3.4 Internal control system***

The process-based approach identifies which are the company's "main processes". Each is subject to a set of targeted activities for keeping them under control, governing and regulating them so that they achieve what they were designed to, but in compliance with the laws and rules establishing the scope of their operations.

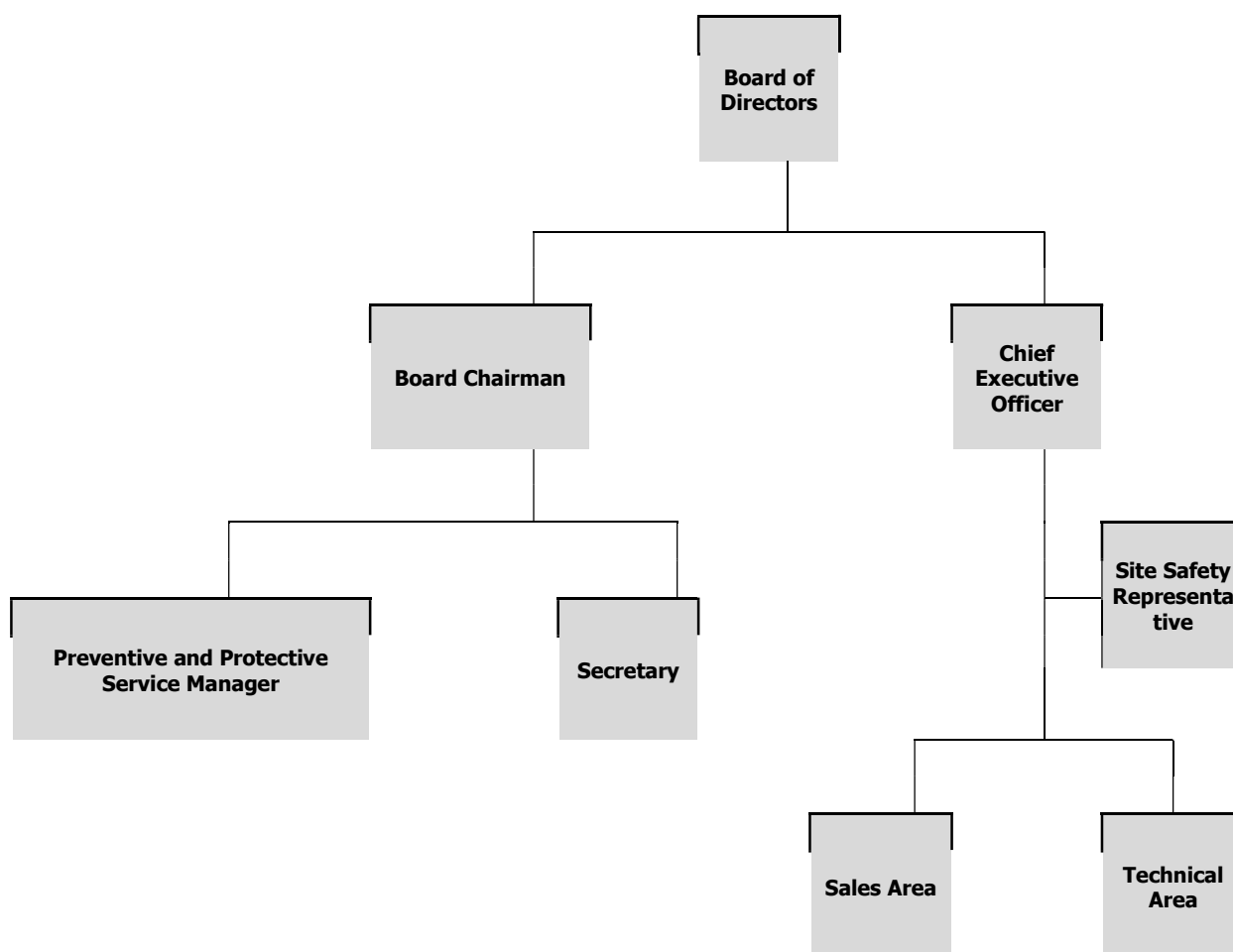
The Company has assigned responsibility for control of every "main process" to the subjects listed below:

- Board of Directors
- Chief Executive Officer
- Preventive and Protective Service Manager
- Site Safety Representative
- Area Sales Manager
- Technical Area Manager

The Company's organisational structure is set out in more detail in the following organisation chart:



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The Company has administrative support from the parent company Cooperativa Ceramica di Imola via an administrative “service” contract, based on which the parent company supplies its own administrative services to the subsidiary for improved management and optimisation of the costs of Imola Tecnica S.r.l.. The contract includes the following services:

- Accounting, legal, tax compliance, treasury and finance;
- Management control services;
- Computer (IT) services;
- Logistics services;
- Marketing services;
- Personnel administrative, tax and welfare management services;
- Secretarial services.

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## **Section IV – The Supervisory Body (S.B.)**

### ***4.1 Supervisory Body fundamental requirements***

To be suitable for a role as a member of the Supervisory Body, a person must meet these requirements:

- autonomy and independence: the S.B. must not be influenced in the execution of its duties, from the moment of its appointment, which must be transparent, to actual day-to-day operations, nor should it be assigned duties which would compromise its objective judgement in verifying the conduct of subjects from inside/outside of the Company. The highest possible hierarchical position is also of fundamental importance, to avoid feeling any kind of pressure from the Company which would inevitably undermine independent action;
- professionalism: primarily a wealth of legal, accounting, corporate and organisational tools and techniques which the S.B. as a whole, and not necessarily also each member of it, must possess in order to do the best possible job in terms of inspection and monitoring. The Body must be not just capable, but also dependable and, as a result, made up of members who are honourable and free of any hint of conflicts;
- continuity of action: above all in larger companies, it is good practice to have a Body which continuously supervises the Organisation Model, so as to guarantee its constant maximum efficiency, but without measures such as activity scheduling, recording of meeting minutes and regular reports becoming mere bureaucratisation of S.B. activities.

### ***4.2 Supervisory Body establishment, appointment and replacement***

The Supervisory Body of Imola Tecnica S.r.l. is established by resolution of the Board of Directors, and its members remain in office for the period set when they are appointed.

Appointment as a member of the Supervisory Body is dependent on the subjective eligibility requirements being met.

For the selection of members of the S.B., the only relevant criteria are those concerning the specific professionalism and competence needed in order to carry out the work of the S.B., respectability and absolute autonomy and independence.

When appointing the Supervisory Body and, subsequently, on an annual basis, the Board of Directors must acknowledge the existence of the requirements of independence, autonomy, respectability and professionalism of the members of the Supervisory Body.

For assessment of the requirement of independence, at the time of the appointment and for the duration of their time in office, members of the S.B.:

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- must not hold executive or proxy positions on the Company's Board of Directors;
- must not have an operational role within the Company;
- must not have professional relationships with the Company, with its holding companies, subsidiary or associate companies, or with companies under joint control, which could give rise to real conflicts of interest, nor with the directors who hold delegated powers (executive directors);
- must not be a member of the family unit of executive directors, where family unit means partner not legally separated, relatives and the like up to and including the fourth degree;
- must not be the owners, whether directly or indirectly, of shares in the Company;
- must not have convictions (even with plea-bargains pursuant to art. 444 of the Code of Criminal Procedure), for any of the predicate offences envisaged by Legislative Decree No. 231/2001;
- must not be under investigation, for the crimes which the Model is intended to prevent, or for other crimes which the Board of Directors deems serious and incompatible with the role and functions of the S.B.; however, in all of these cases, the Board of Directors may evaluate the arguments of the person in question - and with the agreement of the other members of the S.B. - may decide, with adequate reasons, not to replace that person, keeping them in office until the outcome of the trial.

Should any of the above-mentioned reasons for ineligibility apply to an appointed person, confirmed by resolution of the Board of Directors, they will automatically be removed from office.

The Supervisory Body's powers may be revoked and assigned to another subject only for just cause (even linked to organisational restructuring of the Company) by special resolution of the Board of Directors.

With regard to that, "just cause" for revoking the powers linked to a member of the Supervisory Body means, by way of example only:

- gross negligence in the performance of the duties linked to the job, e.g.: failure to draft the six-monthly report or the annual summary report on the activities performed, which are required of the Body; failure to draft the supervisory plan;
- "no or insufficient supervision" by the Supervisory Body - as envisaged in art. 6, paragraph 1, letter d) of Legislative Decree No. 231/2001 - resulting from a guilty verdict, even if not the final judgement, issued against the Company pursuant to Legislative Decree No. 231/2001 or from a conviction with punishment applied upon request (plea-bargain);
- in the case of an internal member, allocation of operational functions and responsibilities within the company organisation which are incompatible with the requirements of "autonomy and independence" and "continuity of action" of the Supervisory Body. Whatever the case, any organisational measure relating to them (e.g. ending the working

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relationship, moving to a different job, firing, disciplinary measures, appointment of a new manager) must be the subject of a resolution of the Board of Directors;

- in the case of an external member, serious and ascertained reasons for incompatibility which nullify their independence and autonomy;
- failure to meet even just one of the eligibility requirements.

In performing their functions, the members of the S.B. must not find themselves in actual or potential conflict of interest situations deriving from any personal, family or professional reason. Should such situations arise, they must immediately inform the other members of the Body and must refrain from taking part in the relative decisions.

Any decision relating to individual members or the whole Supervisory Body concerning revocation, replacement or suspension are the exclusive responsibility of the Board of Directors.

### ***4.3 Functions and powers***

The Supervisory Body is assigned the task of supervising:

- application of the Model: supervising that the conduct existing within the Company are true to the Model prepared;
- efficacy of the Model: verifying that the Model prepared is actually suitable for preventing the commission of those crimes envisaged by law and subsequent legislation amending its scope;
- advisability of updating the Model, to adapt it to environmental changes and to changes in the company structure.

On a more operational level the Supervisory Body is assigned the task of:

- regularly checking the map of areas involving risk of offences (or “sensitive activities”), so as to adjust it to changes in the Company’s business and/or structure. To that end, the management and persons responsible for control activities in the individual departments may report to the Supervisory Body any situations that could expose the Company to the risk of offences. All communication must be exclusively in writing or sent by e-mail;
- regularly checking, including by engaging outside professionals, what is set out in the Model, in particular ensuring that the Guidelines and controls envisaged are put in place and documented in the required way and that the ethical principles are respected. However, it should be noticed that control activities are primarily the responsibility of operating management and are considered an integral part of each business process (known as “line control”);
- checking the suitability and efficacy of the Model in the prevention of the offences indicated in the Decree;

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- regularly carrying out targeted checks on certain specific operations or acts set up, above all, within the sensitive activities whose results are summarised in a special report whose content will be exposed during communication with Company Bodies;
- coordinating with other Company departments (including through suitable meetings) for an exchange of information intended to keep up to date sensitive areas / those involving risk of offences for:
  - keeping their development under constant control, thereby constantly monitoring them;
  - checking the various aspects relating to implementation of the Model (definition of standard clauses, personnel training, regulatory and organisational changes, etc.);
  - guaranteeing that the corrective action necessary to make the Model suitable and effective is promptly taken;
- collecting, processing and storing all relevant information received about the Model, as well as updating the list of information which must be sent to it. For that purpose, the Supervisory Body has free access to all relevant company documentation and must constantly be kept informed by the management:
  - about aspects of business activity which may expose the Company to risk consequent to the commission of one of the offences envisaged by the Decree;
  - about relationships with Consultants and partners;
- promoting initiatives for training and communication relating to the Model and preparing the necessary documentation;
- interpreting the relevant regulations and checking the suitability of the internal control system relative to those regulatory requirements;
- regularly reporting to the Board of Directors and its Chairman.

The structure identified in this way must be able to act in compliance with the need for acceptance, verification and implementation of the Models required by art. 6 of the Decree, but also, necessarily, the need for constant monitoring of the state of implementation and the actual alignment of the Models with the prevention requirements of the Decree.

That constant monitoring activity must tend to take two directions:

- if it emerges that the state of implementation of the required operating standards is inadequate, the Supervisory Body is responsible for applying all initiatives necessary to correct this “unhealthy” condition. Depending on the cases and circumstances, this will involve:
  - demanding that the managers of the individual organisational units comply with the conduct Model;
  - directly indicating what corrections and changes must be made to routine business practices;

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- reporting the most serious cases of failure to implement the Model to the managers and workers responsible for controls within the individual departments.
- if, instead, monitoring of the state of implementation of the Model reveals the need to adjust it, because it is not suitable for the purpose of avoiding the risk of commission of any of the offences indicated in the Decree, the Body itself will have to take steps to arrange for its update, as well as the schedules and forms for that adjustment.

As already indicated, for that purpose, the Supervisory Body must have free access to people and all business documentation, as well as the possibility of acquiring relevant data and information from responsible subjects. Finally, all information must be reported to the Supervisory Body.

The Chairman of the Supervisory Body defines the role and duties of any staff partly or wholly dedicated to the Supervisory Body (e.g.: support staff for admin work, etc.).

### ***4.4 Flows of information in relation to the Supervisory Body - Whistleblowing***

All persons to whom the Model applies shall provide the Supervisory Body with any information useful for facilitating the verification of the correct implementation of the Model. In particular:

- i. Process managers (Process Owner and Co-owner) who discover ways to improve the definition and/or application of the prevention protocols defined in this Model shall promptly draft and send to the Supervisory Body a written report containing at least:
  - a) a description of the state of implementation of the prevention protocols for the activities involving risk for which they are responsible;
  - b) a description of activities carried out to verify the state of implementation of the prevention protocols and/or the action taken to improve them;
  - c) justifiable reasons for any need for changes to the prevention protocols and to the related implementation procedures;
  - d) any further content which may be expressly requested by the S.B. on each occasion.
- ii. Process managers (Process Owner and Co-owner) must promptly send the S.B. a written note with any information about:
  - a) the issuing and/or updating of organisational documents;
  - b) changes in responsibility for the departments affected by activities involving risk;
  - c) the system of the Company's proxies and powers of attorney and any updating of it;
  - d) the main elements of extraordinary operations started and concluded;
  - e) relationships established by the departments/control bodies within their verification activities, which may give rise to facts, deeds, events or omissions that are critical to compliance with the rules of the Decree or the provisions of the Model and Code of Ethics;

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- f) disciplinary processes started for breaches of the Model, measures for archiving such processes and the relative reasons, application of sanctions for breaches of the Code of Ethics, of the Model or of the procedures established for its implementation;
- g) the information about the trend of company activities precisely defined in the procedures for implementing the protocols envisaged in the Special Part of the Model.
- iii. All employees and members of the Company's bodies must report the commission or alleged commission of the offences indicated in the Decree which they become aware of, as well as any breach or alleged breach of the Code of Ethics, of the Model or of the procedures set out for its implementation which they become aware of. In any case, the following must always be reported:
  - a) measures and/or news from judicial police bodies, or any other authority, from which it may be inferred that investigations are under way, even into unknown parties, and which could involve the Company;
  - b) requests for legal assistance forwarded by employees in the event of the start of criminal proceedings against them, unless expressly forbidden by judicial authorities.
- iv. Within the scope of the work they do for the Company, collaborators and all subjects external to the Company must directly report to the S.B. any breaches indicated in the preceding point, provided that the obligation is specified in the contracts connecting those subjects to the Company.
- v. All employees and members of the Company's bodies can request clarification from the S.B. concerning the correct interpretation/application of this Model, of the prevention protocols, relative implementation procedures and the Code of Ethics.

### ***4.5 Reporting by the Supervisory Body to the Company bodies***

The Supervisory Body reports directly to the Board of Directors in order to protect its autonomy. The Supervisory Body is responsible for communicating the following to the Board of Directors:

- ◆ at the start of each financial year: the plan of activities it intends to carry out in order to fulfil the duties assigned to it;
- ◆ regularly: the state of progress of the plan defined and any changes made to the plan, giving reasons for them;
- ◆ immediately: any significant problems resulting from the activities;
- ◆ providing a written report, at least annually, about implementation of the Model by the Company.

The Supervisory Body may also report, assessing the individual circumstances:

- 1) the results of its inquiries to the managers of the departments and/or the processes, if the activities reveal aspects which can be improved on. In such cases, the Supervisory Body must



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obtain an action plan from the process managers, with relative schedule, for the activities that can be improved on, as well as the specifics of the operating changes necessary for implementation;

2) any conduct/actions not in line with the Code of Ethics and with the Company's procedures, so as to:

- acquire all elements for any communication to be made to the relevant structures for assessment and application of disciplinary sanctions;
- prevent the event from being repeated, by providing instructions on how to eliminate shortcomings.

The Supervisory Body must report the activities indicated in point 2) to the Board of Directors as quickly as possible, also requesting support from other of the Company's structures, which can help with inquiries and identification of the action which can prevent such circumstances from being repeated.

The Supervisory Body must also immediately inform the Board of Directors if a breach is committed by a member of the Company's top management.

Copies of the relative reports will be saved by the Supervisory Body and by the bodies involved on each occasion.

### ***4.6 Composition***

Legislative Decree No. 231/2001 provides no indications concerning the composition of the supervisory body. On the other hand, relevant guidelines indicate a series of alternative solutions in terms of its composition.

Imola Tecnica S.r.l. opted for a solution which, taking into account the purposes of the law, is able to guarantee, for its size and organisational complexity, the effectiveness of the controls for which the supervisory body is intended.

In compliance with art. 6, paragraph 1, letter b) of Legislative Decree No. 231/2001, Imola Tecnica S.r.l. identified its own Supervisory Body as being of the monocratic or single judge type, consisting of an external professional who must possess and document both the professional and expertise qualifications for carrying out the functions, and the personal qualifications of respectability and independence which are crucial to their independent action.

Considering the composition defined, in order to fulfil the role and function of the Supervisory Body, the aforesaid body will be supported by all of the Company's internal departments and may also call on the support of external subjects whose professional contribution may be necessary on each occasion, having specific qualifications in the subjects relating to the offences envisaged by



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Legislative Decree No. 231/2001. For that purpose, an initial amount of € 10,000.00 is made available for the activity, subject to any necessity of increasing that amount in relation to the needs revealed.

#### ***4.7 Information collection and archiving***

Any information, communication or report envisaged in the Model is saved by the Supervisory Body in a special computer database and/or on paper.

Data and information kept in the database is made available to subjects external to the Supervisory Body subject to authorisation by the Body itself.

The latter defines criteria and conditions for accessing the database using special internal provisions.

### **Section V – The disciplinary system**

In order to assess the efficacy and suitability of the Model in preventing the offences indicated in Legislative Decree No. 231/2001, a disciplinary system must be established which is suitable for identifying and sanctioning conduct which breaches the provisions of the Model and, therefore, may favour the commission of offences in the interest or for the benefit of the Company.

In fact, such breaches damage the relationship based on transparency, honesty, trust, integrity and credibility between the Company and the Directors, Employees and Collaborators and Consultants, and may result in the application of disciplinary action against the persons involved, irrespective of whether a criminal prosecution is brought against conduct that may or may not constitute an offence.

#### ***5.1 Scope of application***

The disciplinary system in question applies to all of the Company's Workers, including Executives and Directors, as well as Consultants and Collaborators and anyone having contractual relationships with the Company for performing any work, including employment agencies and service contractors.

These people must bring their conduct into line with the principles and rules ratified in the 231 Model.

For the purposes of the Disciplinary System, relevant conduct for the application of sanctions means any action or omission – including jointly with others – in breach of the above-mentioned principles and rules.

The sanctions envisaged in the following paragraphs may be applied, depending on the level of seriousness, where disciplinary offences derive from:

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- a) non-compliance with the provisions of the Model;
- b) lack of evidence or untrue evidence concerning an activity performed, in terms of the methods of documenting, storing and controlling the deeds envisaged by the Guidelines in such a way as to prevent the activity from being transparent and verifiable;
- c) failure by hierarchical superiors to supervise their subordinates in order to verify the correct and effective application of the provisions of the Model;
- d) failure to provide training and/or to update and/or to communicate the processes covered by the Model with personnel operating in areas involving risk, where this falls within their area of responsibility;
- e) breach and/or circumventing of the control system by removal, destruction or alteration of the documentation envisaged by the Guidelines or preventing eligible subjects, including the Supervisory Body, from controlling or accessing to the information and documentation;
- f) acts of retaliation, which is understood to mean any conduct, deed or omission, including where only attempted or threatened, that is committed as a result of a whistleblowing report, a complaint to judicial or auditing authorities or public disclosure, which causes or may cause, whether directly or indirectly, unjust harm to the reporting party or to the person who made the complaint or public disclosure and/or to those subjects specifically identified by Legislative Decree No. 24/2023;
- g) breach of the obligation of confidentiality concerning the identity of the reporting party or of the people involved or, in any case, mentioned in the report, and concerning the content of the report and the relative documentation.
- h) actions or conduct used to obstruct, or attempts to obstruct, reporting;
- i) failure to set up internal reporting channels;
- j) failure to adopt procedures for making and managing reports;
- k) adoption of procedures for making and managing reports which do not meet the requirements of articles 4 and 5 of Legislative Decree No. 24/2023;
- l) failure to verify and analyse reports received;
- m) malicious or grossly negligent reporting which proves to be unfounded.
- n) in the cases set out in art. 16, paragraph 3 of Legislative Decree No. 24/2023 (i.e. if a reporting person is found liable under criminal law, even in the first degree and not definitive, for offences of slander or libel, or for the same offences under civil law, for intentionally reporting false information to judicial or auditing authorities in a malicious or grossly negligent way), subject to the provisions of art. 21, paragraph 1, letter c) of Legislative Decree No. 24/2023, the Company will launch disciplinary proceedings according to this Disciplinary System, the National Collective Bargaining Agreement and the law.

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#### ***5.2 Enforceability***

Disciplinary sanctions shall be enforced irrespective of any criminal proceedings, since the rules of conduct imposed by the Model and internal procedures are binding for those to whom it applies and are autonomous relative to the offence which such conduct could lead to.

Any imposition of disciplinary sanctions, irrespective of whether or not criminal proceedings and/or a criminal prosecution have been brought, must, as far as possible, be based on the principles of timeliness, immediateness and justice.

#### ***5.3 Sanctions for Company Representatives***

##### ***5.3.1 Disciplinary sanctions against Employees***

The provisions of the Model are an integral part of the contractual obligations accepted by Employees.

Therefore, breaches of legal regulations, the Code of Ethics and the Guidelines appended to the Model, committed by Employees, and, in general, any conduct which exposes the Company to the application of the measures envisaged by Legislative Decree No. 231/01, including in relation to reports to the S.B., protection of confidentiality and protection of reporting parties, may result in sanctions which see the person in question kept on or dismissed.

The type and extent of each of the above-mentioned sanctions specified in the following section of this Disciplinary System, will also be applied taking into account:

- whether or not the conduct showed intent or a degree of negligence, imprudence or inexperience also considering the predictability of the event;
- the overall conduct of the Worker, and in particular whether or not they have a history of disciplinary proceedings, within the legal limits;
- the duties of the Worker;
- the functional position of the persons involved in the events constituting the non-compliance;
- other special circumstances surrounding the disciplinary offence.

The breach of the provisions may constitute non-compliance with contractual obligations, pursuant to articles 2104, 2105, 2106 and 2118 of the Civil Code, 7 of Law 300/70, and Law 604/66, of the National Collective Bargaining Agreement applied and in force, where the most serious cases have recourse to art. 2119 of the Civil Code

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Below is the scale of sanctions applicable to Employees, always subject to contractual and *pro tempore* legal provisions whose content must always take precedence over what is set out in this document.

#### *Verbal warning*

Sanction for perpetrators of a minor failure to comply with the provisions of the Model, or who have adopted slightly negligent conduct which does not comply with the requirements of the Model.

#### *Written warning*

Sanction for perpetrators of acts punishable with a verbal warning but which, because of specific consequences or recidivism, become more important (repeated breach of the Guidelines of the Model or repeated conduct which does not comply with the requirements of the Model).

#### *Fine of up to an amount equivalent to 3 hours of pay*

Sanction for multiple breaches of the provisions of the Model or, while performing activities in areas involving risk, adopting on multiple occasions conduct which does not comply with the requirements of the Model, such conduct being construed as deliberate non-compliance with the Company's provisions.

#### *Suspension from work and of up to 3 days' pay*

Sanction for persons who breach the provisions and procedures of the Model or, while performing activities in areas involving risk, adopt conduct which does not comply with the requirements of the Model, or in any case perform acts which go against the interest of the Company, damaging the Company or exposing it to an objectively dangerous situation for the integrity of its assets.

#### *Dismissal with notice*

Sanction for persons whose conduct does not comply with the requirements of the Model and aims solely to commit an offence sanctioned under Legislative Decree No. 231/01, with that conduct causing significant damage to or considerably compromising the Company.

#### *Dismissal for misconduct (immediate)*

Sanction for persons whose conduct is clearly and deliberately in breach of this Model such that it causes the Company to take the action envisaged in Legislative Decree No. 231/01, this being construed as conduct which breaches the relationship of trust with the Company.

#### *Precautionary suspension*

Investigation of breaches of the provisions of the Model, and of inadequate supervision and late information to the relevant body concerning breaches by subordinates, may lead to Executives being temporarily suspended from work as a precaution, with pay, and, also for a temporarily period not longer than three months, to assignment to different duties, pursuant to art. 2103 of the Civil Code.

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#### ***5.3.2 Disciplinary sanctions against Executives***

In the course of their work, the Company's senior figures must comply with and ensure that their collaborators comply with the requirements of the Model.

By way of example, the following conduct by an executive in breach of the requirements of the Model is subject to sanctions:

- failure to supervise personnel hierarchically dependent on them, to ensure compliance with the requirements of the Model for work done in areas involving risk of offences and for activities involved in operating processes where there is a risk of offences;
- failure to report non-compliance and/or failures to fulfil the obligations of the Model which they become aware of, therefore rendering the Model ineffective with consequent potential danger to the Company of sanctions pursuant to Legislative Decree 231/2001;
- failure to report critical situations to the Supervisory Body relating to the performance of activities in areas involving risk of offences, which are encountered during monitoring by the relevant authorities;
- personally committing one or more serious breaches of the requirements of the Model, resulting in the commission of the offences indicated in the Model, exposing the Company to the application of sanctions pursuant to Legislative Decree No. 231/2001;
- taking direct or indirect retaliatory, penalising or discriminating actions against subjects who send reports to the Supervisory Body envisaged in Section Four above;
- breach of the measures for protection of persons who make reports and of the confidentiality of their identity;
- fraudulently or through gross negligence making reports to the Supervisory Body which prove to be unfounded.

Should senior figures breach the provisions and rules of conduct in the Model, Imola Tecnica S.r.l. will apply to them the measure considered most suitable in compliance with the applicable regulations. If the breach of the Model breaks the trust between the Company and the subject, the sanction will be dismissal.

In particular, the Board of Directors is responsible for managing the disciplinary procedure. The HR department will guarantee suitable notification of the Supervisory Body.

#### ***5.3.3 Disciplinary sanctions against Directors***

If the Company's Directors breach the requirements of the Model or the rules of conduct set out in the Code of Ethics, the Supervisory Body informs the Board of Directors, which takes the appropriate action envisaged by the regulations in force.

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#### ***5.4 Measures for Collaborators, Consultants and business partners***

Contracts entered into by the Company with Collaborators, Consultants and business partners must contain special declarations of awareness of the existence of the Code of Ethics and, if the activities performed require it, of any Company Guidelines and the obligation to comply with them.

Contracts with the aforementioned subjects will include specific clauses committing those subjects to inform their own Employees, consultants and third parties in general who carry out their services at or for the Company, of the risks to the Company of incurring administrative liability, of the existence of the Code of Ethics and if the activities performed require it, of any Company Guidelines and the obligation to comply with them.

It is the responsibility of the company department which uses the subjects in question, and which in any case is designated responsibility for the process involving the activities, to collect all information and news which allows a knowledge and assessment of the conduct of those subjects.

Should the S.B. request it, that data must be made available to it so as to allow it to perform its duties.

Contracts with such subjects will contain a specific clause for withdrawal and/or termination of the contract linked to non-compliance with those obligations, without prejudice to claims for compensation by the Company if such conduct proves damaging to the Company.

#### ***5.5 Imposing sanctions***

##### ***5.5.1 Sanctions against Employees***

Following a written report by the Manager of the relevant department, or by the S.B. or even by a third party, which may be anonymous, indicating breaches of the Model, the Company's Board of Directors, supported by the parent company's Human Resources department, begins disciplinary proceedings and prepares pursuant to the usual *pro tempore* methods adopted.

The departmental Manager, together with the Company's Board of Directors, is responsible for imposing the sanction.

##### ***5.5.2 Sanctions against Executives***

As indicated in the preceding section 5.3 of this Disciplinary System, the responsibility for assessing reports by the Supervisory Body, or the other control bodies, about potential censurable conduct by Executives lies exclusively with the Board of Directors.

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#### ***5.5.3 Sanctions against Directors***

As indicated in the preceding section 5.3 of this Disciplinary System, the responsibility for assessing reports by the Supervisory Body, or the other control bodies, about potential censurable conduct by Directors lies exclusively with the Board of Directors.

Following receipt of a report, which must always be made in writing, the Board of Directors, exercising the powers assigned, assesses that report and, if considered necessary, requests further information and the application of measures in the time frames and according to the methods established by the law and *pro tempore* provisions of the Articles of Association.

#### ***5.5.4 Sanctions against Collaborators, Consultants and business partners***

Decisions concerning sanctions which may be imposed against Collaborators, Consultants and business partners are the responsibility of the *pro tempore* departmental Manager holding a suitable power of attorney for exercising the right to withdraw from or terminate the contract.

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## **Section VI – Circulating the Model and training addressees**

### ***6.1 Employees***

In order to make this Model effective, the Company aims to guarantee that Company Representatives are familiar with the rules of conduct contained in it and that those rules of conduct are circulated. All personnel require training, raising of awareness and information, including senior figures and all company human resources, whether already working at the Company or still to be integrated.

The level of training and information differs according to resources' different degree of involvement in the "sensitive activities".

### ***6.2 Collaborators, Consultants and Partners***

Other Addressees, in particular suppliers and consultants, will be provided by the Company's departments in official contact with them, with suitable information about the policies and procedures adopted by the Company based on the Model, and about the consequences for contractual relationships of conduct that goes against the requirements of the Model or the regulations in force.

Where possible, contracts will include specific clauses intended to govern such consequences.

#### **Appendices:**

- A) List of Predicate offences
- B) Code of Ethics
- C) Whistleblowing Procedure