ORGANISATIONAL,

MANAGEMENT AND CONTROL MODEL

(pursuant to Legislative Decree of 8 June 2001, No. 231)

General Part

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1	26 October 2021	BoD
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Definitions and abbreviations

Sensitive activities: corporate activities within the scope of which the opportunities, conditions and instruments for committing offences could potentially be created.

CCNL: the Italian National Collective Trade Agreement applicable to employees and managers

Code of Ethics: the Code of Ethics adopted by the Company.

Board of Directors (also BoD or Management Body): the Board of Directors of Aglatech 14 S.r.l.

Contractors: persons who have non-subordinate collaborative relationships with the Company, commercial representation and other relationships resulting in a professional service of a non-subordinate nature, whether continuous or occasional.

Decree or Decree-Law 231/2001: the Legislative Decree of 8 June 2001 No. 231, setting out the "Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Art. 11 of Law of 29 September 2000 No. 300", in its current content.

Recipients: Directors, senior and subordinate staff, consultants, contractors, suppliers, agents and any partners to the extent that they may be involved in the performance of activities in which it is conceivable that one of the predicate offences set out in the Decree may be committed, and those who act under the direction or supervision of senior management within the scope of their assigned tasks and functions.

Employees: the natural persons subject to the direction or supervision of persons with functions of representation, administration or management of the Company, i.e. all persons who have an employment relationship of any kind whatsoever with the Company.

Suppliers: economic entity operating in the procurement market for financial and primary resources (goods and services).

Person in charge of a public service: a person who "in any capacity whatsoever performs a public service", meaning an activity governed in the same manner as a public function, but characterised by the lack of powers typical of the latter (Art. 358 of the Italian criminal code).

Organisational, Management and Control Model (also Model): this Organisational, Management and Control Model adopted pursuant to Arts. 6 and 7 of Legislative Decree 231/2001.

Supervisory Body (also Body or SB): the Body of the Entity endowed with autonomous powers of initiative and control, entrusted with the supervision of the functioning of and compliance with the Model, as well as with the reporting of any need for updating to the Directors.

Public Administration, PA or Public Bodies:
- the State (or State Administration)
- Public Entities: the Public Entity is either identified as such by law or it is an Entity subject to a system of public control, interference by the State or other Administration in the appointment and dismissal of its directors, and the administration of the Entity itself. It is characterised by the participation of the State, or other Public Administration, in the running costs; or by the power of direction that the State has over its bodies; or by institutional public financing; or by the establishment of a public initiative.

Public official: one who exercises "a legislative, judicial or administrative public function". For the purposes of criminal law, "an administrative function governed by rules of public law and authoritative acts and characterised by the formation and manifestation of the will of the public administration or by its being carried out by means of authoritative or certifying powers is regard as public" (Article 357 of the Italian criminal code).

Offences: these are the types of offences to which the provisions of Legislative Decree No. 231/2001 apply, also following subsequent amendments or additions thereto.

Company: Aglatech 14 S.r.l.

Whistleblower: *a* person who makes a report.

Senior management: persons who hold positions of representation, administration or management of the Company or of one of its units with financial and functional autonomy, as well as persons who exercise, even de facto, management or control of the Company.

Subordinates: persons subject to the direction or supervision of one of the persons referred to in the preceding paragraph.

Third party recipients: consultants, contractors, suppliers, agents and any partners to the extent that they may be involved in the performance of activities in which it is conceivable that one of the predicate offences set out in the Decree may be committed, and those who act under the direction or supervision of senior management within the scope of their assigned tasks and functions.

The structure of the Organisational, Management and Control Model

The Organisational, Management and Control Model (hereinafter also "the Model") consists of a General Part and a Special Part. The **General Part** deals mainly with the following topics:

- Regulatory framework;
- Corporate governance and internal control system;
- Organisational, Management and Control Model, with special reference to the characteristics;
- Supervisory Body;
- Mechanisms for disseminating the Model, including training and information;
- Sanctioning system and sanctioning procedure.

The **Special Section** identifies:

- The categories of offence relevant to the Company;
- Sensitive activities and processes;
- The principles of conduct and the related control measures;
- The tasks of the Supervisory Body.

In addition to what is described, the following form an integral part of the Organisational, Management and Control Model:

- the risk assessment document prepared by the Company that identifies:
    - The categories of offence relevant to the Company;
    - The corporate areas (corporate bodies and functions) potentially exposed to risk;
    - Sensitive processes and/or activities, i.e. those activities or processes falling within the remit of corporate bodies and areas or functions in which the conduct constituting predicate offences may in abstract terms be committed;
    - The control and risk management system, which identifies the measures adopted by the Company to reduce the risk of offence to an acceptable level (to be understood as the residual "possibility of committing an offence only by fraudulently violating the control and risk management system adopted");

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    - The Company's exposure to risk (inherent and residual risk);
- The Code of Ethics, which defines the principles and standards of corporate behaviour;
- All the provisions, internal measures and company operating procedures referred to in the Model (e.g. powers, delegations, organisation charts, by-laws, procedures). These acts and documents can be found in the manner prescribed for their distribution within the company.

GENERAL PART

1 Legislative Decree of 8 June 2001, No. 231

1.1 General Principles

Legislative Decree of 8 June 2001, No. 231 (hereinafter referred to as the “Decree” or 'Legislative Decree 231/2001”) introduced into our legal system the administrative liability of legal persons, companies and associations, including those without legal personality (hereinafter referred to as “Entities”) in the event of the commission or attempted commission of certain types of crimes or administrative offences in the interest or to the advantage of the Entity by:

- persons holding functions of representation, administration or management of the Entity or of one of its Organisational Units endowed with financial and functional autonomy, as well as natural persons exercising, also de facto, the management and control of the same (so-called “senior management”);
- persons “subject” to the direction or supervision of the persons referred to in the preceding paragraph.

The administrative liability of the entity is distinct and autonomous from that of the natural person committing the offence and it exists even when the offender has not been identified, or when the offence has been extinguished for a reason other than amnesty. In any case, the liability of the entity is always in addition to, and never in place of, that of the natural person who committed the offence.

1.2 The “catalogue” of offences and administrative offences relevant to the Decree

The Entity's liability exists only for those offences (committed or attempted) expressly provided for by the legislator, the so-called predicate offences.

In particular, the following offences and administrative offences are concerned:

<u>*Undue receipt of funds, fraud to the detriment of the State, a public body or the European Union or for the purpose of obtaining public funds, computer fraud to the detriment of the State or a public body and fraud in public supply (Art. 24)*</u>

- Misappropriation to the detriment of the State or other public body (Art. *316-bis* of the Italian Criminal Code);
- undue receipt of funds to the detriment of the State or another public body or of the European Communities (Art. 316-ter of the Italian Criminal Code);
- fraud to the detriment of the State or another public body or of the European Communities (Art. 640, para. 2, No. 1, of the Italian Criminal Code);
- aggravated fraud to obtain public funds (Art. 640-bis of the Italian Criminal Code);
- computer fraud to the detriment of the State or other public body (Art. 640-ter of the Italian Criminal Code);
- fraud in public supply (Art. 356 of the Italian Criminal Code);
- fraud against the European Agricultural Fund (Art. 2. Law No. 898 of 23/12/1986).

<u>*Embezzlement, extortion, undue inducement to give or promise benefits, bribery and abuse of office (Art. 25)*</u>

- extortion (Art. 317 of the Italian Criminal Code);
- corruption for the exercise of the function (Art. 318 of the Italian Criminal Code);
- corruption for an act contrary to official duties (Art. 319 of the Italian Criminal Code);
- aggravating circumstances (Art. 319-bis of the Italian Criminal Code);
- bribery in judicial proceedings (Art. 319-ter of the Italian Criminal Code);
- undue inducement to give or promise benefits (Art. 319-quater);
- corruption of a person in charge of a public service (Art. 320 of the Italian Criminal Code);
- penalties for the briber (Art. 321 of the Italian Criminal Code);
- incitement to bribery (Art. 322 of the Italian Criminal Code);

- embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of international courts or bodies of the European Communities or of international parliamentary assemblies or international organisations and of officials of the European Communities and of foreign States (Art. 322-bis of the Italian Criminal Code);
- trafficking in unlawful influence (Art. 346-bis of the Italian Criminal Code);
- embezzlement (Art. 314, para. 1 of the Italian Criminal Code);
- embezzlement by profiting from the error of others (Art. 316 of the Italian Criminal Code);
- abuse of office (Art. 323 of the Italian Criminal Code).
- Disturbing the freedom to invite tenders (Art. 353 of the Italian Criminal Code)
- Disturbing the freedom of choice of contractor procedure (Art. 353-bis)

Computer crimes and unlawful processing of data (Art. 24-bis of the Decree)

- forgery of a public or evidentiary computer document (Art. 491-bis of the Italian Criminal Code);
- Unauthorised access to a computer or telecommunications system (615-ter of the Italian Criminal Code);
- Unauthorised possession and dissemination of access codes to computer or telecommunications systems (615-quater of the Italian Criminal Code);
- dissemination of computer equipment, devices or programmes aimed at damaging or disrupting a computer or telecommunications system (615-quinquies of the criminal code);
- unlawful interception, obstruction or interruption of computer or telematic communications (Art. 617-quater of the Italian Criminal Code);
- installation of equipment designed to intercept, obstruct or interrupt computer or telematic communications (Art. 617-quinquies of the Italian Criminal Code);
- damage to computer information, data and programmes (Art. 635-bis of the Italian Criminal Code);
- damage to information, data and computer programmes used by the State or other public body or in any case of public utility (Art. 635-ter of the Italian Criminal Code);
- damage to computer or telecommunications systems (Art. 635-quater of the Italian Criminal Code);
- damage to computer or telecommunications systems of public utility (Art. 635-quinquies of the Italian Criminal Code);
- computer fraud of the electronic signature certifier; (Art. 640-quinquies of the Italian Criminal Code);
- violation of the rules on the National Cyber Security Perimeter (Art. 1, para 11, of Decree-Law of 21 September 2019, No. 105).

Offences of counterfeiting money, public credit cards, revenue stamps and instruments or identifying marks (Art. 25-bis of the Decree)

- counterfeiting of currency, spending and introduction into the State, in concert, of counterfeit currency (Art. 453 of the Italian Criminal Code);
- alteration of currency (Art. 454 of the Italian Criminal Code);
- spending and introduction into the State, without concert, of counterfeit currency (Art. 455 of the Italian Criminal Code);
- spending of counterfeit currency received in good faith (Art. 457 of the Italian Criminal Code);
- forgery of revenue stamps, introduction into the State, purchase, possession or putting into circulation of forged revenue stamps (Art. 459 of the Italian Criminal Code);
- counterfeiting watermarked paper in use for the manufacture of public credit cards or stamps (Art. 460 of the Italian Criminal Code);
- manufacture or possession of watermarks or instruments intended for the counterfeiting of currency, revenue stamps or watermarked paper (Art. 461 of the Italian Criminal Code);
- use of counterfeit or altered stamps (Art. 464 of the Italian Criminal Code);

- counterfeiting, alteration or use of trade marks or distinctive signs or of patents, models and designs (Art. 473 of the Italian Criminal Code);
- introduction into the State and trade in products with false signs (Art. 474 of the Italian Criminal Code).

Organised crime offences (Art. 24-ter of the Decree)

- criminal association (Art. 416 of the Italian Criminal Code);
- Mafia-type associations, including foreign ones (Art. 416-bis of the Italian Criminal Code);
- all offences if committed by availing oneself of the conditions provided for in Art. 416-bis of the Italian Criminal Code in order to facilitate the activity of the associations provided for in the same article (Law 203/91);
- political-mafia electoral exchange (Art. 416-ter of the Italian Criminal Code);
- kidnapping for the purpose of robbery or extortion (Art. 630 of the Italian Criminal Code);
- criminal association for the purpose of dealing in narcotic or psychotropic substances (Art. 74 of PRESIDENTIAL DECREE 309/1990);
- offences of unlawful manufacture, introduction into the State, offering for sale, transfer, possession and carrying in a public place or a place open to the public of weapons of war or warlike or parts thereof, explosives, clandestine weapons as well as several common firing weapons (Art. 407, para 2, letter a] number 5] of the Italian Code of Criminal Procedure).

Crimes against industry and trade (Art. 25-bis.1 of the Decree)

- disturbing the freedom of industry or trade (Art. 513 of the Italian Criminal Code);
- unlawful competition with threats or violence (Art. 513-bis of the Italian Criminal Code);
- fraud against national industries (Art. 514 of the Italian Criminal Code);
- fraud in the exercise of trade (Art. 515 of the Italian Criminal Code);
- sale of non-genuine foodstuffs as genuine (Art. 516 of the Italian Criminal Code);
- sale of industrial products with misleading signs (Art. 517 of the Italian Criminal Code);
- manufacture of and trade in goods made by usurping industrial property rights (Art. 517-ter of the Italian Criminal Code);
- counterfeiting of geographical indications or designations of origin for agri-food products (Art. 517-quater of the Italian Criminal Code).

Corporate offences (Art. 25-ter of the Decree)

- false corporate communications (Art. 2621 of the Italian Civil Code);
- acts of minor importance (Art. 2621-bis of the Italian Civil Code);
- false corporate communications by listed companies (Art. 2622 of the Italian Civil Code);
- impeded control (Art. 2625 of the Italian Civil Code);
- undue return of contributions (Art. 2626 of the Italian Civil Code);
- illegal distribution of profits and reserves (Art. 2627 of the Italian Civil Code);
- unlawful transactions involving shares or quotas in the company or its parent company (Art. 2628 of the Italian Civil Code);
- transactions to the detriment of creditors (Art. 2629 of the Italian Civil Code);
- failure to disclose a conflict of interest (Art. 2629-bis of the Italian Civil Code);
- fictitious capital formation (Art. 2632 of the Italian Civil Code);
- undue distribution of company assets by the liquidators (Art. 2633 of the Italian Civil Code);
- corruption between private individuals (Art. 2635 of the Italian Civil Code);
- incitement to bribery among private individuals (Art. 2635-bis of the Italian Civil Code);
- unlawful influence over the meeting (Art. 2636 of the Italian Civil Code);
- agiotage (Art. 2637 of the Italian Civil Code);
- obstructing the exercise of the functions of public supervisory authorities (Art. 2638 of the Italian Civil Code);
- False or omitted declarations for the issue of the preliminary certificate (Art. 54 Legislative Decree 19/2023).

Offences with the purpose of terrorism or subversion of the democratic order provided for by the Italian Criminal Code and special laws (Art. 25-quater of the Decree)

- subversive associations (Art. 270 of the Italian Criminal Code)
- associations for the purposes of terrorism, including international terrorism or subversion of the democratic order (Art. 270-bis of the Italian Criminal Code);
- aggravating and mitigating circumstances (Article 270-bis 1 of the Italian Criminal Code)
- assistance to members (Art. 270-ter of the Italian Criminal Code);
- recruitment for the purposes of terrorism, including international terrorism (Art. 270-quater of the Italian Criminal Code);
- training for activities with the purpose of terrorism, including international terrorism (Art. 270-quinquies of the Italian Criminal Code);
- organisation of transfer for terrorist purposes (Art. 270-quater 1);
- embezzlement of seized goods or money (Art. 270-quinquies 2 of the Italian Criminal Code);
- conduct for the purposes of terrorism (Art. 270-sexies of the Italian Criminal Code);
- attack for the purposes of terrorism or subversion (Art. 280 of the Italian Criminal Code);
- acts of terrorism with deadly or explosive devices (Art. 280-bis of the Italian Criminal Code);
- acts of nuclear terrorism (Art. 280-ter of the Italian Criminal Code);
- kidnapping for the purpose of terrorism or subversion (Art. 289-bis of the Italian Criminal Code);
- kidnapping for the purpose of coercion (Article 289-ter of the Italian Criminal Code);
- incitement to commit any of the offences provided for in Chapters 1 and 2 (Art. 302 of the Italian Criminal Code);
- political conspiracy by agreement (Art. 304 of the Italian Criminal Code);
- political conspiracy by association (Art. 305 of the Italian Criminal Code);
- armed gang: training and participation (Art. 306 of the Italian Criminal Code);
- assistance to participants in conspiracies or armed gangs (Art. 307 of the Italian Criminal Code);
- financing of conduct for the purposes of terrorism (Law No. 153/2016, Art. 270 quinquies 1 of the Italian Criminal Code);
- seizure, hijacking and destruction of an aircraft (Law No. 342/1976, Art. 1);
- damage to ground installations (Law No. 342/1976, Art. 2);
- sanctions (Law No. 422/1989, Art. 3);
- voluntary correction (Legislative Decree No. 625/1979, Art. 5);
- New York Convention of 9 December 1999 (Art. 2).

Offence of practising mutilation of female genital organs (Art. 25-quater.1 of the Decree)

- practices of female genital mutilation (Art. 583-bis of the Italian Criminal Code).

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

- reduction to or maintenance in slavery or servitude (Art. 600 of the Italian Criminal Code);
- child prostitution (Art. 600-bis, paragraphs 1 and 2, of the Italian Criminal Code);
- child pornography (Art. 600-ter of the Italian Criminal Code);
- possession of pornographic material (Art. 600-quater of the Italian Criminal Code);
- virtual pornography (Art. 600-quater 1 of the Italian Criminal Code);
- tourist initiatives aimed at the exploitation of child prostitution (Art. 600-quinquies of the Italian Criminal Code);
- trafficking in persons (Art. 601 of the Italian Criminal Code);
- purchase and disposal of slaves (Art. 602 of the Italian Criminal Code);
- illicit brokering and exploitation of labour (Art. 603-bis of the Italian Criminal Code);
- solicitation of minors (Art. 609-undecies of the Italian Criminal Code).

Market abuse offences (Art. 25-*sexies* of the Decree)

- insider trading (Art. 184, Legislative Decree of 24 February 1998, No. 58 - Consolidated Financial Act);

- market manipulation (Art. 185, Legislative Decree of 24 February 1998, No. 58 - Consolidated Financial Act).

Other cases of market abuse (Art. *187-quinquies* Consolidated Financial Act)
- prohibition of insider trading and unlawful disclosure of inside information (Art. 187-bis, Legislative Decree of 24 February 1998, No. 58 - Consolidated Financial Act);
- prohibition of market manipulation (Art. 187-ter, Legislative Decree of 24 February 1998, No. 58 - Consolidated Financial Act).

Crimes of culpable homicide and grievous or very grievous bodily harm, committed in breach of the rules on health and safety at work (Art. 25-septies of the Decree)
- manslaughter (Art. 589 of the Italian Criminal Code);
- culpable personal injury (Art. 590 of the Italian Criminal Code).

Offences of receiving stolen goods, money laundering, use of money, goods or benefits of unlawful origin and self-laundering (Art. 25-octies of the Decree)
- receiving stolen goods (Art. 648 of the Italian Criminal Code);
- money laundering (Art. 648-bis of the Italian Criminal Code);
- use of money, goods or benefits of unlawful origin (Art. 648-ter of the Italian Criminal Code);
- self-laundering (Art. 648-ter.1 of the Italian Criminal Code).

Crimes relating to non-cash payment instruments (New Art. 25-octies.1 Legislative Decree No. 231/2001). Introduced by Legislative Decree of 8 November 2021, No. 184, actually entered into force on 14 December 2021, and thus relevant as from 2022
- Misuse and falsification of credit and payment cards and similar instruments (Art. 493-ter of the Italian Criminal Code);
- Possession and distribution of computer equipment, devices or programmes intended to commit offences involving non-cash payment instruments (Art. 493-quater of the Italian Criminal Code)
- Computer fraud (Art. 640-ter of the Italian Criminal Code);
- Computer fraud with replacement of digital identity (introduced with the 2021 reform) (Art. 640-ter.1 of the Italian Criminal Code);
- Fraudulent transfer of valuables (Art. 512-bis) [Article introduced by Law No. 137/2023];
- Other offences related to the counterfeiting or misuse of electronic payment instruments;
- Other cases.

Copyright infringement offences (Art. 25-novies of the Decree)
- criminal protection of economic and moral rights of use (Art. 171, para. 1, letter a) bis and para 3, Law No. 633/1941);
- criminal protection of software and databases (Art. 171-bis, para. 1, Law No. 633/1941);
- criminal protection of audiovisual works (Art. 171-ter, Law No. 633/1941);
- criminal liability relating to media (Art. 171-septies, Law No. 633/1941);
- criminal liability for conditional access audiovisual transmissions (Art. 171-octies, Law No. 633/1941);
- urgent measures of a fiscal nature, extensions of regulatory deadlines and interventions of an economic nature (Omnibus Decree).

Offence of inducement not to make statements or to make false statements to the judicial authority (Art. 25-decies of the Decree)
- inducement not to make statements or to make false statements to the judicial authorities (Art. 377-bis of the Italian Criminal Code).

Environmental offences (Art. 25-undecies of the Decree)
These are offences under the Italian Criminal Code and special laws.

- environmental pollution (Art. 452-bis of the Italian Criminal Code);
- environmental disaster (Art. 452-quater of the Italian Criminal Code);
- culpable offences against the environment (Art. 452-quinquies of the Italian Criminal Code);
- trafficking and abandonment of highly radioactive material (Art. 452-sexies of the Italian Criminal Code);
- aggravating circumstances (Art. 452-octies of the Italian Criminal Code);
- killing, destruction, capture, taking or possession of specimens of protected wild animal or plant species (Art. 727-bis of the Italian Criminal Code);
- destruction or deterioration of habitats within a protected site (Art. 733-bis of the Italian Criminal Code).
- import, export, possession use for profit, purchase, sale, display or possession for sale or commercial purposes of protected species (Law No. 150/1992, Art. 1, Art. 2, Art.3-bis and Art. 6);
- discharges of industrial waste water containing hazardous substances; discharges to soil, subsoil and groundwater; discharges into the sea from ships or aircraft (Legislative Decree No. 152/2006, Art. 137);
- unauthorised waste management activities (Legislative Decree No. 152/2006, Art. 256);
- pollution of the soil, subsoil, surface water or groundwater (Legislative Decree No. 152/2006, Art. 257);
- breach of reporting obligations, the keeping of compulsory registers and forms (Legislative Decree No. 152/2006, Art. 258, para. 4, second sentence);
- organised activities for the illegal trafficking of waste (Legislative Decree No. 152/2006, Art. 259, para. 1);
- organised activities for the illegal trafficking of waste (Art. 452-quaterdecies of the Italian Criminal Code);
- false information on the nature, composition and chemical/physical characteristics of waste in the preparation of a waste analysis certificate; inclusion in the waste traceability control system (SISTRI) of a false waste analysis certificate; omission or fraudulent alteration of the hard copy of the SISTRI form - handling area in the transport of waste (Legislative Decree No. 152/2006, art. 260-bis)
- sanctions (Legislative Decree No. 152/2006, Art. 279);
- malicious pollution caused by ships (Legislative Decree No. 202/2007, art. 8);
- negligent ship-source pollution (Legislative Decree No. 202/2007, art. 9);
- cessation and reduction of the use of harmful substances (Law 549/1993, Art. 3).

Crimes against animals (Art. 25- undevicies of the Decree)

- Killing of animals (Art. 544-bis of the Italian Criminal Code)
- Ill-treatment of animals (Art. 544-ter of the Italian Criminal Code)
- Use of animals in shows or demonstrations; dissemination of images of violence by means of computer tools, for which particularly severe fines and disqualifications have been laid down (Art. 544-quater of the Italian Criminal Code)
- Prohibition of animal fighting (Art. 544-quinquies of the Italian Criminal Code)
- Killing or damaging other people's animals (Art. 638 of the Italian Criminal Code)

Crime of employment of third-country nationals whose stay is irregular (Art. 25-duodecies of the Decree)

- provisions against illegal immigration (Art. 12, paras. 3, 3-bis, 3-ter and 5, Legislative Decree No. 286/1998);
- employment of illegally staying third-country nationals (Art. 22, para.12-bis, Legislative Decree of 25 July 1998, No. 286 - Consolidation Act on Immigration).

Crimes of racism and xenophobia (Art. 25-terdecies of the Decree)

- propaganda and incitement to commit racial, ethnic and religious discrimination (Art. 604-bis of the Italian Criminal Code).

Fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices (Art. 25-quaterdecies of the Decree)

- fraud in sporting events (Article 1 Law of 13 December 1989, No. 401);
- Unauthorised exercise of gambling or betting activities (Article 4 Law of 13 December 1989, No. 401)

Tax offences (Art. 25-quinquiesdecies of the Decree)

- Fraudulent declaration by use of invoices or other documents for non-existent transactions (Article 2 of Legislative Decree 10 March 2000, No. 74);
- fraudulent misrepresentation by means of other artifices (Article 3 Legislative Decree 10 March 2000, No. 74);
- false declaration (Art. 4 Legislative Decree No. 74/2000);
- failure to file a tax return (Art. 5 Legislative Decree No. 74/2000);
- Issuance of invoices or other documents for non-existent transactions (Article 8 of Legislative Decree 10 March 2000, No. 74);
- concealment or destruction of accounting documents (Article 10 Legislative Decree 10 March 2000, No. 74);
- undue compensation (Art. 10-quater Legislative Decree No. 74/2000);
- fraudulent evasion of taxes (Article 11 Legislative Decree 10 March 2000, No. 74).

Smuggling (Art. 25 exiesdecies), provided for in Title VII "Customs Infringements" of Presidential Decree of 23 January 1973 No. 43.

- smuggling in the movement of goods across land borders and customs areas (Art. 282 Presidential Decree No. 43/1973);
- smuggling in the movement of goods in border lakes (Art. 283 Presidential Decree No. 43/1973);
- smuggling in the maritime movement of goods (Art. 284 Presidential Decree No. 43/1973);
- smuggling in the movement of goods by air (Art. 285 Presidential Decree No. 43/1973);
- smuggling in non-customs zones (Art. 286 Presidential Decree No. 43/1973);
- smuggling by undue use of goods imported with customs facilities (Art. 287 Presidential Decree No. 43/1973);
- smuggling in customs warehouses (Art. 288 Presidential Decree No. 43/1973);
- smuggling in cabotage and traffic (Art. 289 Presidential Decree No. 43/1973);
- smuggling in the export of goods eligible for duty drawback (Art. 290 Presidential Decree No. 43/1973);
- smuggling on temporary import or export (Art. 291 Presidential Decree No. 43/1973);
- smuggling of foreign tobacco products (Art. 291-bis Presidential Decree No. 43/1973);
- Aggravating circumstances of the crime of smuggling foreign manufactured tobacco products (Art. 291-ter Presidential Decree No. 43/1973);
- conspiracy to smuggle foreign tobacco products (Art. 291-quater Presidential Decree No. 43/1973);
- other cases of smuggling (Art. 292 Presidential Decree No. 43/1973);
- aggravating circumstances of smuggling (Art. 295 Presidential Decree No. 43/1973).
- evasion of payment or assessment of excise duty and other indirect taxes on production and consumption (Legislative Decree No. 141 of 26/09/2024).

Crimes against the cultural heritage (Art. 25-septiesdecies of the Decree)

- Theft of cultural heritage assets (Art. 518-bis of the Italian Criminal Code);
- Misappropriation of cultural heritage assets (Art. 518-ter of the Italian Criminal Code);
- Receiving stolen cultural heritage assets (Art. 518-quater of the Italian Criminal Code);
- Laundering of cultural heritage assets (Art. 518-quaterdecies of the Italian Criminal Code);
- Self-laundering of cultural heritage assets (Art. 518-quinquiesdecies of the Italian Criminal Code);

- Forgery in a private contract relating to cultural heritage assets (Art. 518-octies of the Italian Criminal Code);
- Infringements relating to the alienation of cultural heritage assets (Art. 518-novies of the Italian Criminal Code);
- Illegal importation of cultural heritage assets (Art. 518-decies of the Italian Criminal Code);
- Illicit export or export of cultural heritage assets (Art. 518-undecies of the Italian Criminal Code);
- Destruction, dispersal, deterioration, defacement, vandalism and unlawful use of cultural heritage or landscape heritage assets (Art. 518-duodecies of the Italian Criminal Code);
- Counterfeiting of works of art (Art. 518-quaterdecies of the Italian Criminal Code).

Laundering of cultural heritage assets and devastation and looting of cultural and landscape assets (Art. 25-duodicies of the Decree)

- Laundering of cultural heritage assets (Art. 518-sexies of the Italian Criminal Code);
- Devastation and pillage of cultural heritage and landscape assets (Art. 518-terdecies of the Italian Criminal Code).

Transnational offences (Art. 10 - Law of 16 March 2006, No. 146)

The following offences, if committed transnationally, constitute grounds for the administrative liability of entities:

- criminal association (Art. 416 of the Italian Criminal Code);
- mafia-type association, including foreign ones (Art. 416-bis of the Italian Criminal Code);
- conspiracy to smuggle foreign tobacco products (Art. 291-quater of the Consolidated Act referred to in the Italian Republic Presidential Decree of 23 January 1973, No. 43);
- association for the purpose of illicit trafficking in narcotic drugs or psychotropic substances (Art. 74 of the Consolidated Act referred to in the Italian Republic Presidential Decree of 9 October 1990, No. 309);
- provisions against illegal immigration (Art. 12, paragraphs 3, 3-bis, 3-ter and 5, of the Consolidated Act referred to in Legislative Decree of 25 July 1998, No. 286);
- inducement not to make statements or to make false statements to the judicial authorities (Art. 377-bis of the Italian Criminal Code);
- personal aiding and abetting (Art. 378 of the Italian Criminal Code);
- Conspiracy to commit crimes;
- Mafia-type association.

Liability of entities for administrative offences (Art. 12, Law No. 9/2013) [A prerequisite for entities operating in the virgin olive oil sector]

- use, adulteration and counterfeiting of foodstuffs (Art. 440 of the Italian Criminal Code);
- trade in counterfeit or adulterated foodstuffs (Art. 442 of the Italian Criminal Code);
- trade in harmful foodstuffs (Art. 444 of the Italian Criminal Code);
- counterfeiting, alteration or use of distinctive signs of original works or industrial products (Art. 473 of the Italian Criminal Code);
- introduction into the State and trade in products with false signs (Art. 474 of the Italian Criminal Code);
- fraud in the exercise of trade (Art. 515 of the Italian Criminal Code);
- sale of non-genuine foodstuffs as genuine (Art. 516 of the Italian Criminal Code);
- sale of industrial products with misleading signs (Art. 517 of the Italian Criminal Code);
- counterfeiting of geographical indications designations of origin of agri-food products (Art. 517-quater of the Italian Criminal Code).

1.3 The penalty system provided for in the Decree

The liability regime introduced by the Decree intends to involve in the punishment of offences the assets of entities that have benefited from the commission of the offences. In fact, in the event of an offence, a pecuniary sanction is always envisaged and, for the most serious cases, further serious disqualification measures are also envisaged, such as the suspension or revocation of concessions and licences, the disqualification from exercising the activity, the prohibition from contracting with the Public Administration, the exclusion or revocation of loans and contributions, the prohibition from advertising goods and services, up to the placement of the entity under administration.

Financial penalties apply whenever the liability of the legal person is established and they are determined by the criminal court through a system based on “quotas”. In the commensuration of the pecuniary sanction, the judge determines the number of quotas taking into account the seriousness of the offence, the degree of the Entity's responsibility as well as the activity carried out in order to eliminate or mitigate the consequences of the offence and to prevent the commission of further offences; the amount of the quota is fixed between a minimum of €258.00 and a maximum of €1,549.00, on the basis of the Entity's economic and financial conditions.

Article 12 of Legislative Decree No. 231/2001 provides for a number of cases in which the fine is reduced.

Disqualification sanctions may be applied in addition to pecuniary sanctions, but only if expressly provided for in respect of the offence for which proceedings are being prosecuted and only if at least one of the following conditions is met:

- the Entity derived a relevant profit from the offence and the offence was committed by a senior or subordinate person, but only if the commission of the offence was made possible by serious organisational deficiencies;
- in the event of repeated offences.

The disqualification sanctions provided for in the Decree are listed below:

- disqualification from exercising the activity;
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- prohibition to contract with the Public Administration, except in order to obtain the performance of a public service;
- exclusion from benefits, financing, contributions or subsidies and the possible revocation of those already granted;
- ban on advertising goods or services.

Disqualification sanctions are temporary and may also be applied as a precautionary measure, prior to conviction, at the request of the Public Prosecutor, if there are serious indications of the company's liability, grounded and specific elements that indicate a real danger of further commission of offences of the same nature as the one for which proceedings are being initiated.

Disqualification sanctions are not applied (or are revoked, if already applied as a precautionary measure) in situations of particularly minor offences and in the presence of remedial conduct by the entity.

With reference to the particular minor seriousness of the act, Art. 13 of the Decree provides that - in the cases governed by Article 12, paragraph 1, concerning the reduction of the pecuniary sanction - disqualification sanctions do not apply if one of the following conditions is met:

- the offender committed the offence in his/her own interest or in the interest of third parties and the entity did not gain any advantage nor gained a minor advantage;
- the pecuniary damage caused is of minor seriousness.

The application of disqualification sanctions is also excluded if the company has carried out the remedial conduct provided for in Article 17 of Legislative Decree No. 231/2001 before the declaration of the opening of the first instance hearing and, more specifically, when the following conditions are met:

- “the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the offence or has in any event taken effective steps to do so”;
- “the entity has eliminated the organisational deficiencies that led to the offence by adopting and implementing organisational models capable of preventing offences of the kind committed”;
- “the entity has made available the profit gained for the purposes of confiscation”.

Confiscation consists in the acquisition of the price or profit of the offence by the State or in the acquisition of sums of money, goods or other utilities of equivalent value to the price or profit of the offence: it does not, however, cover that part of the price or profit of the offence that can be returned to the injured party. Confiscation is always ordered upon conviction.

Publication of the judgment may be ordered when a disqualification sanction is imposed on the Entity. The judgement is published by posting it in the municipality where the entity has its head office as well as by publication on the Ministry of Justice's *website*.

Pursuant to paragraph 2 of Art. 26 of the Decree, the company is not liable when it voluntarily prevents the performance of the action or the realisation of the event.

Administrative sanctions against the company shall be time-barred at the end of the fifth year from the date of commission of the offence, without prejudice to cases where the statute of limitations is interrupted. The statute of limitations is interrupted in the event of an application for precautionary disqualification measures and an administrative offence; in the latter case, the statute of limitations does not run until the judgement defining the case becomes final. The interruption starts a new limitation period.

The company's final conviction is entered in the national register of administrative offence sanctions.

1.4 The Organisational, Management and Control Model as an exemption from liability under the Decree

Article 6 of the Decree establishes that the Entity shall not be held liable for the offence if it proves that it has adopted and effectively implemented, prior to the commission of the offence, **“Organisational and management models capable of preventing offences of the kind committed**'.

The legislator, therefore, has attributed an exempting value to the company's organisational, management and control models if they are suitable for the prevention of risk, as well as adopted and effectively implemented.

With regard to content, according to the Decree, the organisational, management and control models must:

- identify, by means of a specific risk analysis, the activities carried out by the Entity, within the scope of which the offences provided for in the Decree may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the offences to be prevented and the methods for managing financial resources suitable for preventing these offences from being committed;
- set up a Supervisory Body with autonomous powers of initiative and control with the task of supervising the functioning and implementation of the Model and ensuring that it is updated;
- provide for specific information obligations vis-à-vis that Supervisory Body;
- adopt an appropriate system of sanctions and disciplinary measures to penalise violation of the Model;
- provide, in relation to the nature and size of the organisation, as well as the type of activity carried out, for appropriate measures in order to ensure that the activity is carried out in compliance with the law and to detect and eliminate risk situations in good time.

Where the offence has been committed by persons who hold positions of representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy, as well as by persons who exercise, also de facto, the management and control thereof, the Entity shall not be liable if it proves that:

- the management body has adopted and effectively implemented, prior to the commission of the offence, a Model capable of preventing offences of the kind committed;
- the task of supervising the operation of and compliance with the Model and ensuring that it is updated has been entrusted to a Body of the Entity endowed with autonomous powers of initiative and control;
- the offenders committed the offence by fraudulently circumventing the Model;
- there has been no omission or insufficient supervision by the Supervisory Board with regard to the Model.

If, on the other hand, the offence is committed by persons subject to the management or supervision of one of the above-mentioned persons, the legal person is liable if the commission of the offence was made possible by the failure to comply with the management and supervision obligations.

2 Aglatech 14 S.r.l.

Aglatech 14 S.r.l. (hereinafter also "the Company") is a company active in the translation and language services sector. Founded in 1997 under the name Aglaia, in 2014 the Company changed its name to Aglatech 14 simultaneously with the change of ownership. In recent years, growth has been rapid, both in terms of turnover and people. Major changes in terms of technological innovation, process management and corporate organisation have led to the current organizational structure of the company, which aims to be a qualified partner for the provision of translation services for its customers.

Furthermore, the company is certified according to the quality standard UNI EN ISO 17100:2015 and UNI EN ISO 18587: 2017, a further element that makes it a benchmark for the entire industry.

2.1 Governance

The Company has adopted the traditional administration and control system in its articles of association.
The Articles of Association of the Company provide for the following Corporate Bodies:

- the Shareholders' Meeting (a body with exclusively deliberative functions, whose powers are by law limited to decisions of major importance in the life of the company, to the exclusion of management powers);
- the Board of Directors (responsible for the strategic supervision and management of the Company);
- a possible supervisory board (Art. 17 of the Articles of Association); a body appointed to audit the accounts (Art. 18 of the Article of Association).

The Company has exercised its right, recognised to it by law, not to appoint the supervisory board pursuant to Art. 17 of its Articles of Association.

Shareholders' meeting
At the apex is the shareholders' meeting, being the expression of the shareholder's volitional capacity, as well as the circumstance in which the ownership dialectic determines the decisive choices for the achievement of corporate interests.
Besides its task and power to determine the general direction of the Company's activities for the achievement of its purposes, pursuant to Article 2364, paragraph 1, of the Italian Civil Code, the Ordinary Shareholders' Meeting also:

- approves the financial statements;
- appoints and dismisses directors; appoints the supervisory board (when provided for) and the auditor (when provided for);
- determines the remuneration of the directors and members of the supervisory board, if this is not stipulated in the Articles of Association;
- resolves upon the liability of directors and auditors;
- resolves upon other matters assigned by law to the competence of the shareholders' meeting, as well as on any authorisations required by the Articles of Association for the performance of acts of the directors, without prejudice to the directors' liability for the acts performed;
- approves any shareholders' meeting rules of procedure.

The Extraordinary Shareholders' Meeting is competent to pass resolutions:

- on amendments to the Articles of Association,
- on the appointment, replacement and powers of liquidators and
- on any other matter expressly attributed by law to its competence.

Board of Directors
The Board of Directors (hereinafter also referred to as “BoD”), consisting of two (2) members, is the body holding strategic supervisory functions, in which the functions of direction and/or supervision of corporate management are concentrated.

The management of the company is the sole responsibility of the administrative body, which carries out all operations necessary for the implementation of the corporate purpose with the powers of ordinary and extraordinary administration, subject to any limitations established at the time of appointment.

Chairman of the Board of Directors
The Chairman of the Board of Directors is the legal representative of the Company.

The Board of Directors has attributed to the Managing Director all powers of ordinary and extraordinary administration, without exception as provided by the Articles of Association for the Board of Directors, with the sole exception of those powers expressly reserved by the Articles of Association or by law to the Board itself or to the shareholders' meeting.

In particular, the Managing Director is also vested with the power to sign in the name and on behalf of the Company all declarations necessary for the fulfilment of tax obligations, be they direct or indirect taxes of any kind, annual or infra-annual, etc., as well as to enter into contracts relating to assets entered in public registers.

Supervisory Board (where appointed)
The Supervisory Board monitors compliance with the law, regulations and Articles of Association, proper administration, and the adequacy of the Company's organisational and accounting structures. The auditors may at any time proceed, also individually, to perform inspections and controls.

The Supervisory Board is responsible for supervising the functionality of the overall system of internal controls. In view of the plurality of corporate functions and structures with control tasks and responsibilities, this board is required to ascertain the effectiveness of all the structures and functions involved in the control system and their proper coordination, promoting corrective actions for any shortcomings and irregularities detected.

Auditing companies
The statutory audit is performed by a statutory auditing firm registered in the special register established at the Ministry of Economy and Finance. The audit assignment is granted by the Shareholders' Meeting pursuant to Art. 2364 paragraph 1 No. 2 of the Italian Civil Code.
The term of office is three financial years, expiring on the date of the shareholders' meeting convened to approve the financial statements for the third financial year of the appointment.

Pursuant to Art. 14 of Legislative Decree No. 39/2010, the company entrusted with the statutory audit/the statutory auditor:

- expresses an opinion on the financial statements in a report;
- during the course of the financial year, verifies that the company's accounts are properly kept and that the operating events are correctly recorded in the accounting records.

Supervisory Body
As regards the Supervisory Body, see Chapter 4.

2.2 The Risk Management and Control System

Consistent with national and international best practices, the Company has developed a Control and Risk Management System aimed at protecting and enhancing the value of the Company. This system contributes to a management of the entity that is consistent with the corporate objectives defined by the Board of Directors and contributes to ensuring the safeguarding of corporate assets, the efficiency and effectiveness of corporate processes, the reliability of information provided to corporate bodies, compliance with laws and regulations as well as with the Articles of Association and internal procedures.

The following constitute key elements of the Company's Internal Control and Risk Management System:

- the Articles of Association, which set out various provisions on corporate governance aimed at ensuring the proper conduct of management activities;
- the Organisational Chart, which represents the organisational system adopted by the Company, in order to ensure the correct allocation of roles and functions;
- the Job Descriptions, which define the expertise of all those who, within the framework of their corporate roles, operate in areas considered “at risk of offence”;
- the Code of Ethics, consisting of a set of general rules of conduct and principles that all persons, internal and external, must comply with;
- the Procedural System, consisting of procedures, regulations and internal communications aimed at regulating the relevant processes and defining the operating methods and control measures for the performance of corporate activities.

The above-mentioned documents, once drafted and approved, are brought to the attention of the corporate functions through two main means of dissemination: communication by e-mail and publication on the corporate intranet.

The organisational instruments are reflected in the system of powers described below, which, within the Company's organisational system, represents the set of formal documents by means of which the corporate organisational functions assigning “external and internal” powers are identified:

- powers of management representation (so-called general powers of attorney), attributable by means of notarised powers of attorney registered in relation to the performance of related activities and the responsibilities assigned in the organisation of the Company;
- powers of representation in respect of individual transactions (so-called special powers of attorney), conferred by means of notarial powers of attorney or other forms of delegation in accordance with the applicable legislation and the individual types of deeds to be stipulated;
- delegation and sub-delegation of functions with reference to aspects relating to occupational health and safety regulations pursuant to Legislative Decree 81/2008, attributed to single persons in order to confer specific powers aimed at ensuring compliance with the obligations and fulfilments provided for in occupational health and safety legislation;
- internal delegations, assigned for the purpose of performing acts that produce direct effects only within the Company or, in any case, within the scope of contractual relationships already formalised.

These documents define, where necessary, the relevant limits for the different types of activities.

2.3 Code of Ethics

The Company has adopted a Code of Ethics, recalling the principles that the Company recognises as its own and to which it intends to require compliance from all Recipients.
The Code of Ethics represents a point of reference to guide the conduct of the Recipients, in the absence of specific rules of conduct and preventive protocols.

The Company is committed to the effective dissemination, both internally and to its collaborators, of information on the regulatory framework and on the behavioural and procedural rules to be complied with, in order to ensure that business activities are carried out in compliance with the ethical principles laid down in the Code of Ethics.

The Code of Ethics is periodically updated.

3 The Organisational, Management and Control Model of Aglatech 14 S.r.l.

The Company has deemed it appropriate to adopt, by resolution of its Board of Directors, an Organisational, Management and Control Model pursuant to the Decree, in the conviction that this constitutes a valid awareness-raising tool for all those who work in the interest or to the advantage of the Company, as well as an effective means of prevention against the risk of committing the crimes and administrative offences provided for by the relevant legislation.

In particular, with the adoption of the Organisational, Management and Control Model and its constant updating, the Company aims at:

- disseminating a culture oriented towards control and “Risk Management”;
- disseminating a business culture based on legality, making all those who work in the name and on behalf of the Company aware, with particular reference to those who operate in the so-called “sensitive areas”, that in the event of violations of the provisions set out in the Model, they may incur in the commission of offences liable to criminal sanctions against them and “administrative” sanctions that may be imposed on the Company, exposing it to financial, operational and reputational damage;
- reconfirming that such forms of unlawful conduct are in any case contrary - not only to the provisions of law - but also to the ethical principles with which the Company intends to comply in the exercise of its business activities and, as such, are strongly condemned (even if the Company were apparently in a position to benefit from them);

- implementing an effective and efficient organisation of business activities, with particular emphasis on the formation of decisions and their transparency and traceability, on the accountability of the resources dedicated to taking these decisions and their implementation, on the provision of preventive and subsequent controls, and on the management of internal and external information;
- implementing all the necessary measures to reduce the risk of offences being committed as far as possible and in a short time, also by enhancing the existing safeguards, aimed at avoiding unlawful conduct relevant under the Decree;
- enabling the Company to take timely action in order to prevent or counteract the commission of offences or at least to significantly reduce the damage caused by them;
- informing all those who work in the name of, on behalf of, or in any case in the interest of the Company that the violation of the provisions contained in the Model will entail, prior to and independently of the possible commission of offences, the application of disciplinary and/or contractual sanctions.

3.1 Responsibility for adopting and updating the Model

Pursuant to Article 6, para. 1, letter a) of the Decree, the management body is responsible for the adoption and effective implementation of the Model.

Therefore, the Board of Directors therefore has the responsibility and consequently the power to approve, supplement and amend, by means of a specific resolution, all the documents that constitute the Model. Similarly, decisions on subsequent amendments and additions to the Model are the responsibility of the Company's Board of Directors, also at the instigation of the Supervisory Body.

Amendments to individual documents or the adoption of new ones (by way of example but not limited to: Code of Ethics, Procedures, Codes of Conduct, Regulations, Operating Instructions, etc.), in order to incorporate any regulatory/organisational updates, may be approved by the Chief Executive Officer and/or by the persons and functions delegated to the same, according to the system of powers in force at the time. In any case, the documents must subsequently be submitted to the Board of Directors, which has the power to approve, request corrections or revoke the measures.

3.2 Drafting the Model

The drafting of this Model was characterised by the performance of activities aimed at assessing the Company's exposure to risk and at defining a system for the prevention and management of the specific risks associated with the predicate offences referred to in Legislative Decree 231/01.

In particular, for the purposes of drafting the Model, the following activities were carried out:

- identification of the sensitive areas and processes, through the examination of company documentation and interviews with personnel, and correlation of the sensitive areas and processes with respect to the offences provided for in the Legislative Decree 231/2001;
- analysis of the inherent risk, by assessing the likelihood that one or more offences under Legislative Decree No. 231/2001 may be committed in the performance of the sensitive activity and their related impact, based on the severity of the potentially applicable sanctions;
- identification of the internal control system with specific reference to the sensitive areas and processes identified, evaluation of the actions necessary to improve its functioning and identification of the existing internal rules and protocols with reference only to the areas and processes identified as being at risk of offences;
- analysis of the residual risk for each sensitive activity, evaluating the reduction of the inherent risk in relation to the adequacy and level of implementation of the control measures capable of reducing the risk of commission of the offences provided for in Legislative Decree No. 231/2001 and abstractly relevant to the Company;
- definition of rules of conduct relating to each sensitive process;

- regulating the manner in which financial resources are managed in order to prevent the commission of offences;
- provision of an appropriate disciplinary system in order to sanction both non-compliance with the provisions indicated in the Model and violations of the Code of Ethics;
- identification of the Supervisory Body in a body set up ad hoc by the Company and assignment to it of specific supervisory tasks concerning the effectiveness and efficacy of the Model;
- definition of information flows to the Supervisory Body and from the latter to the Corporate Bodies;
- adoption of a dedicated and external channel for reports concerning possible violations of the Model.

3.3 The structure of the Organisational Model of Aglatech 14 S.r.l.

This Model includes a "General Section" and single "Special Sections" prepared for the different types of offences provided for in Legislative Decree 231/2001, as well as a risk assessment document.
The Code of Ethics, procedures, codes of conduct, regulations and operating instructions referred to therein are also considered an integral part of the Model.

4 The Supervisory Body of Aglatech 14 S.r.l.

Article 6, letter b) of Legislative Decree 231/2001 prescribes that the task of supervising the functioning of and compliance with the indications of the Model, as well as ensuring that it is kept up-to-date, be entrusted to an internal body of the Company endowed with autonomous powers of initiative and control.
The autonomy and independence required by the rule presuppose that the Supervisory Body, in the performance of its functions, is placed in a functional position on an equal footing with the Directors.

Pursuant to the Decree, the Supervisory Body is responsible for supervising the operation of and compliance with the Model. In view of the specific nature of the tasks entrusted to the SB, the relative task is entrusted to an ad hoc body, set up by the Board of Directors as per the resolution approving the Model.

In carrying out its supervisory and control tasks, the Company's SB is supported by all the corporate functions and may avail itself of other external functions and professionals that, from time to time, become necessary for this purpose.

4.1 The requirements of the Supervisory Body of Aglatech 14 S.r.l.

For the purposes of identifying the Supervisory Body, in accordance with the provisions of the main reference trade associations, the Company has identified the following characteristics as indispensable requirements:

- autonomy and independence: the Body must be free from any form of interference and pressure from top management and must not be in any way involved in the exercise of operational activities and management decisions. The Supervisory Body must not find itself in a situation of conflict of interest, and no operational tasks that could undermine its autonomy must be assigned to the Body as a whole, nor to its members.
  The Supervisory Body must report to the company's top operational management and must be able to dialogue with it "on an equal footing".
- professionalism: i.e. possession of the necessary tools and techniques for the actual and effective performance of the assigned activity.
  The Company considered it particularly important to carefully examine the *curricula* of possible candidates and their previous experience, favouring profiles that have developed specific professionalism in the field, as well as in consultancy activities.

- **continuity of action**: the SB carries out the activities necessary for the supervision of the Model on an ongoing basis, with adequate commitment and with the necessary powers of investigation, meeting at least quarterly.
- **good repute**: in this respect, the following individuals cannot be appointed ("**condition of incompatibility**"):
  - those who have been convicted with a judgment, even if not final, or with a judgment applying the penalty on request (so-called "plea bargaining"') and even if with a conditionally suspended penalty, without prejudice to the effects of rehabilitation:
    - to imprisonment for a term of not less than one year for one of the offences provided for in Royal Decree 267/ 1942.
    - to imprisonment for a term of not less than one year for one of the offences provided for in the rules governing banking, financial, securities and insurance activities and in the rules governing markets and securities and payment instruments;
    - to imprisonment for a term of not less than one year for a crime against the Public Administration, against public faith, against property, against the public economy, for a crime relating to tax matters;
    - for any non-negligent offence, to imprisonment for a term of not less than two years;
    - for one of the offences provided for in Title XI of Book V of the Italian Civil Code as reformulated by Legislative Decree 61/2002.
    - for an offence which results in and has resulted in a conviction to a penalty leading to disqualification, including temporary disqualification, from public office, or temporary disqualification from the executive offices of legal persons and companies;
    - for one or more offences among those exhaustively provided for in the Decree, even if sentenced to lesser penalties than those indicated in the preceding points;
  - those who have been subject to one of the preventive measures provided for in Art. 10(3) of Law 575/1965, as replaced by Art. 3 of Law 55/1990 and subsequent amendments;
  - those on whom the ancillary administrative sanctions provided for in Art. 187-quater Legislative Decree 58/1998 have been imposed.

In consideration of the elements illustrated above and having specific regard to the structure and operations of the Company, the Directors have decided to confer the powers and attributions of the Supervisory Body, pursuant to Legislative Decree No. 231/2001 to a sole-member body set up ad hoc and consisting of one member.

4.2 Appointment, revocation and disqualification

The Board of Directors appointed the Supervisory Body by means of a special resolution that determines its term of office as three years. The resolution also determines the remuneration, justifying the choice on the basis of the verification of the fulfilment of the requirements set out in the previous paragraph. The Body remains in office for the duration of the mandate it has received, regardless of any change in the composition of the Board of Directors that appointed it. This principle does not apply when the renewal of the Board of Directors depends on the occurrence of unlawful acts that have generated (or may generate) the liability of the Company. In this case, the newly elected Board of Directors must redetermine the composition of the Supervisory Body.
It is also the responsibility of the Board of Directors to periodically assess the adequacy of the Supervisory Body in terms of organisational structure and powers conferred, and to make any additions deemed necessary by Board resolution.

For the purposes of assessing the requirements of autonomy, independence and integrity, the member of the SB, from the moment of appointment and for the entire duration of the office:

- shall not hold executive or delegated positions in the Company;
- shall not perform executive functions on behalf of the Company;
- shall not be a member of the household of one of the Company's Members;
- shall not own, directly or indirectly, more than 5% of the voting capital of the Company, nor be party to shareholders' agreements having as their object or effect the exercise of control over the Company;
- shall not be in a condition of incompatibility, as described in section 4.1 above.

The member of the Supervisory Body must self-certify by means of a declaration in lieu of affidavit that he/she is not in any of the aforementioned conditions, expressly undertaking to notify any changes concerning the content of such declarations.

The member of the Supervisory Body is also required to sign, on an annual basis, a declaration attesting to the continued fulfilment of the autonomy and independence requirements referred to in the preceding point and, in any case, to immediately notify the Board of Directors of the occurrence of any impediment conditions.

In addition to the event of death, a member of the Supervisory Body shall automatically cease to hold office if he/she:

- no longer meets the autonomy, independence and good repute requirements referred to above;
- breached confidentiality obligations strictly related to the performance of his/her duties.
- is declared to be unfit, disqualified or incapacitated under the law;
- is sentenced to a punishment entailing disqualification, even temporary, from holding public office or inability to hold executive office.

Failure to meet the eligibility, integrity and professionalism requirements laid down for the office of member of the Supervisory Body entails the automatic forfeiture of the office.
Without prejudice to cases of automatic disqualification, the member of the Body cannot be dismissed by the Board of Directors except for just cause.

The following constitute just cause for revocation:

- failure to attend more than two consecutive meetings without a justified reason;
- termination of employment, where the member is also an employee of the Company or of a subsidiary or affiliate company;
- the member is subject to disqualification or incapacitation proceedings, or bankruptcy proceedings;
- being subject to criminal proceedings for offences punishable by a sentence involving disqualification, including temporary disqualification, from public office or inability to hold executive office.

Any removal of the member of the Body must be decided by the Board of Directors of the Company.
In the event of the resignation or automatic disqualification of a member of the Body, the latter shall promptly notify the Board of Directors, which shall take the appropriate decisions and appoint a new member without undue delay.
For at least two years after ceasing to hold office, the member of the Supervisory Body may not have any significant business relations with the Company or with other subsidiaries or affiliates, with the exception of any employment relationship already existing prior to the appointment as member of the SB.

4.3 The tasks of the Supervisory Body of Aglatech 14 S.r.l.

For the performance of its tasks, the Board of Directors has allocated an annual expenditure *budget* to the Supervisory Body. However, the Supervisory Body may autonomously commit resources exceeding

its spending powers, in compliance with corporate procedures, if the use of such resources is necessary to deal with exceptional and urgent situations. In such cases, the Board must inform the Directors without delay.
In order to perform the tasks entrusted to it, the Supervisory Body makes use of all the corporate functions.

The Supervisory Body performs the following activities:

- supervision of the adequacy and effectiveness of the Model, verifying in particular the consistency between the Model itself and the actual rules adopted in the areas at risk;
- verification of the actual compliance with the Model by the single company departments, in order to ascertain that the rules defined and the safeguards put in place are followed as faithfully as possible and that they are actually suitable for preventing the risks of the commission of the offences highlighted;
- supervision to ensure that the provisions contained in the Model and in the Code of Ethics are complied with by all persons in any capacity working in the Company;
- notifying the Board of Directors of the need to proceed with any updates and adjustments to the Model in accordance with developments in the law and case law, as well as as a result of changes in the company organisation or in the business;
- supervising the proper functioning of the control activities for each area at risk, promptly reporting anomalies and malfunctions of the Model, after discussion with the areas/functions concerned;
- signalling the need to impose any disciplinary sanctions for violations of the Model and the provisions contained therein, after the necessary coordination with the heads of the competent corporate functions.

As regards the methods for performing the tasks set out above, the Supervisory Body refers to its own Regulation, in which the supervisory tasks in relation to the effectiveness, efficacy and appropriateness of updating the Model are better specified.

4.4 The reporting activity of the Supervisory Body of Aglatech 14 S.r.l.

The Supervisory Body reports directly to the Board of Directors on the implementation of the Model and the detection of any critical issues.
The Supervisory Body submits an annual activity plan for the following year to the Board of Directors.
The Supervisory Body may, however, carry out, within the scope of sensitive corporate activities and, where it deems it necessary for the performance of its functions, controls not envisaged in the intervention plan (so-called “unannounced checks”).
The Supervisory Body submits an annual report to the Board of Directors on the activities carried out during the past year, explaining the reasons for any deviations from the preventive activity plan. The reporting concerns the activities carried out by the SB and any critical issues that have emerged both in terms of conduct or events within the Company and in terms of the effectiveness of the Model.
On the basis of the critical issues identified, the Supervisory Body proposes to the Board of Directors the corrective actions deemed appropriate to improve the effectiveness of the Model.

In cases of urgency or when requested by a member, the Supervisory Body is obliged to report immediately to the Board of Directors on any critical issues encountered.

The annual report must cover:

- the activity performed, indicating in particular the monitoring carried out and its outcome, the checks carried out and their outcome, and any updates to the assessment of activities at risk of offences;
- any critical issues (and suggestions for improvement) that have emerged both in terms of internal conduct or events, and in terms of the effectiveness of the Model;
- the planned corrective and improvement actions and their status of implementation.

Meetings with the corporate bodies to which the SB reports must be minuted, and copies of the minutes must be kept by the SB and the bodies involved from time to time.

The Board of Directors has the power to convene meetings at any time to report on particular events or situations concerning the functioning of and compliance with the Model. The Board may also ask to be heard by the Directors whenever it deems it appropriate and necessary.

4.5 Obligations to inform the Supervisory Body of Aglatech 14 S.r.l.

Legislative Decree 231/2001 sets out, among the requirements that the Model must meet, the establishment of specific information/communication obligations vis-à-vis the Supervisory Body in order to enable the latter to perform its supervisory and verification activities. Timely and genuine information flows must therefore be guaranteed to the Supervisory Body.

All the Recipients of this Model are required to report to the Supervisory Body as a result of:

- Reports posted on the dedicated page https://ethicpoint.eu/aglatech-14/ (external service)
- information flows

The Supervisory Body ensures the utmost confidentiality with regard to any news, information, reports, under penalty of revocation of its mandate and the disciplinary measures defined below, without prejudice to the requirements inherent to the performance of investigations in the event that the support of consultants external to the Supervisory Board or other corporate structures is required.
All information and reports referred to in this Model are kept by the Supervisory Body in a special electronic and paper file, in compliance with the provisions on the protection of personal data.

Reports
The Supervisory Body must be informed by the Recipients of any information, of any kind, also from third parties, concerning the violation of the Model or the provisions of the Decree.
All Recipients in good faith are, in fact, required to submit, in order to protect the integrity of the Company, detailed reports based on accurate and consistent factual elements, concerning violations or suspected violations of the Organisational and Management Model adopted by the Company, of which they have become aware by reason of the functions performed.

In particular, the following must be reported:

- unlawful conduct, relevant under Legislative Decree 231/01;
- violations of the Model, the Code of Ethics and the provisions contained therein, from which a sanctioning risk for the Company may arise under the Decree.

Reports should be submitted on the dedicated page https://ethicpoint.eu/aglatech-14/ (external service). Reports will be handled in such a way as to ensure the utmost protection of those who send communications or requests for information and in compliance with the applicable legal provisions on the protection of personal data. If requested, reports can be handled completely anonymously and exclusively by the independent external service.

Please note that, pursuant to Law 179/2017, concerning "Provisions for the protection of persons reporting criminal offences or irregularities of which they have become aware in the context of public or private employment relations (so-called whistleblowing)", it is prohibited to carry out acts of retaliation or discrimination, whether direct or indirect, against the whistleblower for reasons directly or indirectly related to the report, in compliance with the regulatory provisions of Art. 6, paragraph 2-bis, of Legislative Decree No. 231/2001.

Discriminatory measures against whistleblowers may be reported to the National Labour Inspectorate for action within its competence.
In accordance with the provisions in force, it is clarified that the retaliatory or discriminatory dismissal of the reporting person, as well as any other retaliatory or discriminatory measure, is null and void. In the event of disputes relating to the imposition of disciplinary sanctions, demotions, dismissals,

transfers or any other organisational measures having a direct or indirect negative effect on working conditions, the employer is required prove that such measures are based on reasons unrelated to the report itself.

Finally, it should be noted that the following actions are sanctioned in accordance with the provisions of Chapter 6 “Sanctioning System” below:
- any breaches of whistleblower protection measures;
- unfounded reports made with intent or gross negligence.

Information flows
The Supervisory Body must be informed, by means of information flows from the Recipients, of events and aspects relating to ordinary and extraordinary activities of relevance pursuant to the Legislative Decree 231/2001.
In particular, the information, data and news requested by the Supervisory Body must be sent, on a periodic basis, to the latter, including those relating to:
- measures and/or information from judicial police bodies or any other authority, from which it can be inferred that investigations are being carried out, even against unknown persons for the offences provided for in the Decree, concerning the Company;
- visits, inspections and checks by the competent bodies (regional administrations, regional authorities and local authorities) and, at their conclusion, any findings and sanctions imposed;
- requests for legal assistance made by persons within the Company, in the event of legal proceedings being initiated for one of the offences provided for in the Decree;
- information on the effective implementation of the Model in all corporate areas/functions at risk;
- disciplinary proceedings for violation of the Model, Code of Ethics and/or company regulations;
- information on the development of activities relating to areas at risk;
- accidents in the workplace;
- environmental accidents;
- changes in the system of delegated and proxy powers adopted by the Company and/or in the organisational chart;
- the minutes of the meetings of the corporate bodies;
- training courses.

Information flows must be sent to the address of the Supervisory Body odvaglatech14@legalmail.it in the manner laid down in the Information Flow Procedure.

4.6 Books of the Supervisory Body of Aglatech 14 S.r.l.

The SB establishes, by means of its own regulations, the procedures for recording the activities performed; these procedures take account of the confidentiality obligations concerning the names of any reporting persons and of the verification investigations, as well as of the right of the Board of Auditors and the Board of Directors to consult only the minutes of meetings and periodic reports.
All information, notifications, reports provided for in this Model are kept by the SB for a period of 10 years in a dedicated section of the company file server accessible only to the members of the SB, or in a special hard copy archive with selected access limited to the members of the Supervisory Body.
The access keys to the paper archive will be granted only to the members of the SB, who must return them immediately at the end of their assignment for whatever reason.
Access to the electronic documents of the SB with read and write powers must be granted exclusively to the members of the Supervisory Body itself.
The Supervisory Body establishes, through its own regulations, the procedures for recording reports of violations of the Model or of a Protocol (also governed by the whistleblowing procedure); these procedures take into account the obligations of confidentiality concerning the names of any reporting person and the verification investigations, in order to ensure that such data and information cannot be consulted by persons other than the members of the Supervisory Body themselves.

5 Training and information
5.1 General Provisions

The Company ensures correct and complete knowledge of the legislation, the Model and the Code of Ethics.
For the purposes of implementing the Model, training, awareness-raising activities and information to personnel are managed by the competent corporate function in close coordination with the Supervisory Body and the heads of the other corporate functions involved in the application of the Model.

5.2 Initial disclosure

This Model is sent to all company resources, who must sign a special form certifying that they are aware of and accept the Model.
All subsequent amendments and information concerning the Model are communicated to corporate resources through official information channels.

5.3 Staff training

Participation in training activities aimed at disseminating knowledge of the regulations set out in the Decree, the Organisational, Management and Control Model and the Code of Ethics is mandatory.
In terms of content and delivery methods, the training takes into account the expertise of the qualifications of the Recipients, the risk level of the area in which they work and whether or not they are assigned to representative functions.
Unjustified non-attendance at training sessions shall constitute a disciplinary offence, in accordance with the Disciplinary System set out below.

5.4 Information to "Third Party Recipients"

The Company requires knowledge of and compliance with the Model and the Code of Ethics among the so-called "Third Party Recipients", such as consultants, collaborators, agents, suppliers, distributors, business *partners* and other external parties operating in the interest or to the advantage of Aglatech 14 S.r.l.
Aglatech 14 S.r.l. provides for the inclusion in contracts with third parties, with whom it does business, of special clauses providing for the termination of contractual obligations in the event of non-compliance with the established ethical principles.

6 The Disciplinary System
6.1 General Profiles

A necessary condition for guaranteeing the effectiveness of the Model, as well as efficient action by the Supervisory Body, is the definition of a system of sanctions commensurate with the violation of the provisions referred to in the Code of Ethics, the Model and the documents referred to therein, as well as the corporate operating procedures that regulate the functioning of the Company's processes.

This disciplinary system constitutes, in fact, under Art. 6, para. 2, letter e) of Legislative Decree No. 231/2001, an essential requirement for the exemption from liability of the Company. The imposition of disciplinary sanctions for violation of the principles and rules of conduct set out in the Organisational Model is irrespective of whether or not criminal proceedings are instituted and of the outcome of the ensuing judgement. Illegal conduct in relation to Legislative Decree No. 231/2001 and violations of the Model damage the relationship of trust established with the Company and, consequently, lead to disciplinary action, regardless of whether criminal proceedings are brought in cases where the conduct constitutes an offence.

Therefore, for the purposes of the disciplinary system and in compliance with the provisions of the collective bargaining agreement, both unlawful conduct relevant under the Decree and violations of the Model by employees or third parties who have relations with the Company constitute conduct subject to sanctions. Since the Model also consists of the body of legislation that forms an integral part thereof, it follows that "violation of the Model" must also be understood as the violation of one or more procedures and/or principles of the Code of Ethics.

Violation of the measures put in place to protect the whistleblower and reports made with intent or gross negligence that prove to be unfounded also constitute conduct potentially liable to disciplinary sanctions.
As to the type of sanctions that can be imposed, it should first be pointed out that, in the case of employment, any sanctioning measure must comply with the procedures laid down in Art. 7 of the Workers' Statute and/or special statutory or contractual regulations, where applicable, characterised not only by the principle of specificity of violations, but also by the principle of specificity of sanctions.

The identification and application of sanctions must take into account the principles of proportionality and appropriateness with respect to the alleged violation. In this respect, the following circumstances are relevant:

- type of offence alleged;
- actual circumstances in which the offence took place;
- manner of commission of the conduct;
- seriousness of the violation, also taking into account the subjective attitude of the person responsible for the violation;
- possible commission of several violations within the same conduct;
- possible complicity of several persons in the commission of the violation;
- possible recidivism of the offender.

6.2 Sanctions against employees

The following conduct constitutes a disciplinary offence:

- violation of the single rules of conduct set out in this Model, in the Code of Ethics and in the corporate rules and protocols adopted by the Company;
- breach of whistleblower protection measures;
- submission of unfounded reports with intent or gross negligence.

The sanctions that can be imposed on employees are adopted in accordance with the procedures laid down in the applicable legislation.
In application of the principle of proportionality, depending on the seriousness of the infringement committed, the following disciplinary sanctions are provided for:

- **Verbally inflicted reprimand:** it applies in the case of the most minor non-compliances with the principles and rules of conduct laid down in this Model, such conduct being related to a minor non-compliance with contractual rules or directives and instructions issued by management or supervisors.
- **Written reprimand:** it applies in the event of a repeated infringement referred to in the previous point.
- **Fine or suspension from pay and service:** this applies in the event of non-compliance with the principles and rules of conduct laid down in this Model, in respect of conduct that does not comply with or is inadequate to the requirements of the Model to an extent to be considered serious, even if dependent on a repeated offence. Such conduct includes the violation of the obligation to inform the Supervisory Body about the commission of offences, even if attempted, as well as any violation of the Model, the violation of measures aimed at protecting the confidentiality of the whistleblower or the submission of reports that are unfounded and made with intent or gross negligence. The same sanction shall be applied in the event of repeated failure to attend (either physically or in any way requested by the Company), without a justified reason, the training sessions that over time will be provided by the Company relating

to the Decree, the Organisational, Management and Control Model and the Code of Ethics adopted by the Company or in relation to issues related thereto. The fine may not exceed the amount of four hours' pay. Suspension from pay and service may not be ordered for more than ten days and shall be applied for major offences.

- Dismissal for disciplinary reasons: this applies in the event of the adoption of a conscious conduct in contrast with the provisions of this Model which, even if it is only liable to constitute one of the offences sanctioned by the Decree, damages the element of trust that characterises the employment relationship or is so serious as not to allow its continuation, even temporarily.

6.3 Sanctions against Executives

Violation of the principles and rules of conduct contained in this Model by executives, or the adoption of a conduct that does not comply with the aforementioned provisions, as well as violation of the measures for the protection of *whistleblowers* or the submission of unfounded reports with intent or gross negligence, shall be subject to disciplinary measures implemented according to the seriousness of the violation committed.

For the most serious cases, termination of employment is provided for, in view of the special bond of trust that binds the executive to the employer.
Also the following constitute a disciplinary offence:

- the failure of managerial staff to supervise the correct application, by hierarchically subordinate workers, of the rules laid down in the Model;
- the breach of the obligation to inform the Supervisory Body of the commission of the relevant offences, even if attempted;
- the implementation, in the performance of their respective duties, of conduct that does not comply with conduct reasonably expected of an executive, in relation to the role held and the degree of autonomy recognised;
- the submission, with intent or gross negligence, of reports that turn out to be unfounded.

6.4 Sanctions against Directors and Auditors

In respect of Directors/Auditors who have:

- committed a violation of this Model;
- violated the measures put in place to protect whistleblowers;
- submitted unfounded reports with intent or gross negligence.

The Company may apply any appropriate measure permitted by law, including the following sanctions, determined according to the seriousness of the act and fault, as well as the consequences thereof:

- formal written warning;
- a fine, taking into account the seriousness of the offence, equal to between two and five times the emoluments calculated on a monthly basis.

In the event of serious violations by Directors or Statutory Auditors that are not justified and/or not ratified by the Board of Directors/Board of Statutory Auditors, the fact may be considered just cause for the removal of the Director/Auditor.

An unjustified serious breach is the carrying out of offences understood as the implementation of conduct constituting offences with awareness and intent.

6.5 Sanctions against members of the Supervisory Body

In the event of the occurrence of offences or violations of the Code of Ethics, the Model and/or the rules referred to therein, including in particular the whistleblowing rules, by the Supervisory Body, the

Board of Directors, having consulted the Supervisory Board (where appointed), must take the appropriate measures based on the seriousness of the incident.
In the event of serious violations that are not justified and/or not ratified by the Board of Directors, the fact may be considered just cause for dismissal, without prejudice to the application of the disciplinary sanctions provided for in the existing contracts.
Depending on the type of relationship existing between the Company and the member, the measures may be those provided for in the applicable collective bargaining agreements or termination for breach of contract and, in any case, revocation of the appointment.

The Company may also take legal action to protect its rights in civil, administrative or criminal proceedings depending on the circumstances.

6.6 Sanctions applicable to the Recipients of Reports (so-called "Whistleblowing")

If it is ascertained that the SB (or one of its members) has violated the obligations of confidentiality related to the identity of the reporting person, the Board of Directors shall proceed to revoke the appointment and to subsequently appoint a replacement Supervisory Board (or its member).

6.7 Sanctions against "Third Party Recipients"

Where possible, a necessary condition for validly concluding contracts of any kind with the Company, and in particular supply and consultancy contracts, is the assumption of a commitment by the third party contractor to comply with the Model and Code of Ethics, as well as the procedures applicable in relation to the services covered by the contract.
Such contracts must include, whenever possible, termination clauses, or rights of termination in favour of the Company without any penalty for the latter, in the event of the commission of offences or conduct constituting offences, or in the event of violation of the rules of the Code of Ethics, the Model and/or the rules of conduct referred to therein.

In any case, the commission of unlawful acts or violations of the Model, the Code of Ethics or the procedures adopted by the Company shall be considered just cause for the termination of the contract pursuant to Articles 1453 et seq. of the Civil Code.

However, the Company reserves the right to claim compensation if such conduct causes damage to the Company, such as in the event that the measures provided for in the Decree are applied to it by the judge.