



# CO.MA.DI.S. S.p.A.

Registered office in Senago (MI), Via Piemonte 34  
Registered with Milan business register no. 02168181200  
Company under the direction and coordination of IMA SpA.

## **ORGANISATION,** **MANAGEMENT AND CONTROL MODEL**

under Legislative Decree no. 231 of 8 June 2001  
on "Corporate Administrative Liability"

### **General Section**

*The Organisation, Management and Control Model of CO.MA.DI.S. S.p.A. has been written and revised in accordance with the provisions of Articles 6 and 7 of Leg. Dec. no. 231/01.*

*The revision of the Model was approved by the Company Board of Directors on 14 March 2024 and will be effectively implemented through progressive implementation by the Board of Directors and the Supervisory Committee.*

*The Model is the management reference designed to be the tool for prevention of the offences set out in the aforementioned Leg. Dec. in accordance with the corporate ethical policy adopted by the Company. The reproduction or use of any part of this document is prohibited, except with the express authorisation of its authors.*

#### **Update 14 March 2024**

<b>Version</b>	<b>Reason for change</b>	<b>Date</b>
1.0	First adoption of Organisation Model by Board of Directors	13 March 2013
2.0	Updated version (organisation, protocols and regulatory updates)	19 March 2021
3.0	General Section: new paragraphs dedicated to Whistleblowing, in accordance with Legislative Decree No. 24, 10 March 2023. Annexes A and B updated. Special Section: added a part dedicated to Smuggling offences and Fraudulent Payment offences.	14 March 2024

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- "B" – Disciplinary and sanction system
- "C" – Supervisory Committee Regulations

**DEFINITIONS**

<i>Director(s)</i>	Member(s) of the CO.MA.DI.S. Board of Directors.
<i>Activities at Risk of Offence or Sensitive Activities</i>	Processes, operations or actions, or a set of operations and actions, during which it is theoretically possible for individuals working within the Company's organisation to commit one of the Predicate Offences
<i>Areas at Risk of Offence</i>	The functions, offices or departments within which, in theory, the Predicate Offences could be committed
<i>National Collective Labour Agreement (CCNL)</i>	National Collective Labour Agreement applied by CO.MA.DI.S.
<i>Code of Ethics</i>	The Code of Ethics adopted by the parent company IMA SpA Unipersonale, the full text of which is available at <a href="http://www.ima.it">www.ima.it</a> . It states the general rules of conduct, recommendations, obligations and prohibitions on which operations at the parent company and the companies within IMA Group are based, and with which CO.MA.DI.S. employees are expected to comply. For the purposes of the Organisation Model, reference to the "Code of Ethics" is limited exclusively to those rules of conduct and behaviour (specified therein) the breach of which and/or failure to comply with which may result in (or be instrumental to) the commission of a Predicate Offence.
<i>Board of Auditors</i>	CO.MA.DI.S. Board of Auditors
<i>Board of Directors</i>	CO.MA.DI.S. Board of Directors
<i>Collaborators</i>	This term refers to any individual with an ongoing collaboration agreement, also with powers, but without any restriction of permanent employment, agency, representation and/or other professional relations that are not of a permanent nature
<i>CO.MA.DI.S. or Company</i>	CO.MA.DI.S. S.p.A. with registered office in via Piemonte 34, 20030 Senago (MI)
<i>Managing Director(s)</i>	Director with specific powers as authorised by the CO.MA.DI.S. Board of Directors.
<i>Consultants</i>	Individuals acting in the name and/or on behalf of CO.MA.DI.S. by virtue of a mandate agreement or other professional collaboration arrangement
<i>Decree no. 231</i>	Legislative Decree no. 231 of 8 June 2001 as amended
<i>Recipients</i>	Individuals required to comply with the provisions of this Model under the terms of Decree no. 231, including but not limited to the Corporate Bodies, Directors, members of the Board of Auditors, Employees, Consultants, agents, Collaborators and Partners and

	anyone acting on behalf of the Company, and anyone who directly or indirectly, on a permanent or temporary basis, establishes any legal or de facto relationship, negotiation or collaboration in the interests of the Company
<i>Employees</i>	All individuals with a permanent contract of employment or a parasubordinate relationship with CO.MA.DI.S., including managers
<i>Entity</i>	Term used by Decree no. 231 to refer generically to the legal entity to whom Decree no. 231 applies
<i>Suppliers</i>	Suppliers of CO.MA.DI.S. goods and services who are not defined as Partners
<i>IMA Group</i>	IMA Industria Macchine Automatiche SpA Unipersonale and its direct and indirect subsidiaries
<i>IMA or Parent Company</i>	IMA Industria Macchine Automatiche SpA Unipersonale, based in Ozzano dell'Emilia (BO), Via Emilia 428/442, the parent company of IMA Group
<i>Guidelines</i>	"Guidelines for the construction of organisation, management and control models pursuant to Decree no. 231", prepared by Confindustria in March 2014 (approved by the Ministry of Justice on 21 July 2014)
<i>Model, Organisation Model or MOGC</i>	The Organisation, Management & Control Model adopted by CO.MA.DI.S., in accordance with articles 6 and 7 of the Decree 231. The Model as a whole consists of the General Section, the Special Sections and the Annexes
<i>Corporate Bodies</i>	CO.MA.DI.S. Board of Directors and Board of Auditors
<i>Supervisory Committee</i>	The Committee responsible for supervising the functioning of and compliance with the Model and its updating at CO.MA.DI.S. in accordance with Article 6 of Decree no. 231
<i>Partner</i>	A party (including customers) with whom CO.MA.DI.S. has established a contractual relationship, and one that cooperates with CO.MA.DI.S. with regard to At-Risk Activities
<i>General Section</i>	The section of the Model that contains, among other things, a description of the functions of the Model and of the Supervisory Committee, as well as a description of the organisation and structure of CO.MA.DI.S.
<i>Special Section(s)</i>	The sections of the Model expressly dedicated to each Offence identified as being relevant to CO.MA.DI.S.'s business. They describe the characteristics of the Offences, the Areas and Activities at Risk of Offence, the main characteristics of the control and prevention system, and the auditing and monitoring activities of the Supervisory Committee

<i>Public administration (P.A.)</i>	The public-law institutions (government, ministries, regional, provincial and municipal authorities) and at times public-law organisations (agencies, contracting authorities, public/private companies etc.), as well as any other entity acting in some way in the interests of the community and therefore in the public interest
<i>Predicate Offences or Offences</i>	The offences governed by the Decree. CO.MA.DI.S.'s Organisation Model contains a list of the Decree's Predicate Offences, and has been updated to the date on which the Model was published
<i>System of Internal Control</i>	Set of procedures, processes and practices adopted by CO.MA.DI.S. and addressing the governance and control of all company activities
<i>Health and Safety at Work Management System or SGSL</i>	The organisation and management Model for the definition and implementation of a company health and safety policy, pursuant to art. 6(1), lett. A of Decree no. 231, designed to prevent the offences quoted in art. 589 and 590(3) of the Italian Criminal code, committed in breach of the accident-prevention and health and safety at work regulations.
<i>Senior Personnel</i>	The persons with the autonomous power to take decisions in the name or on behalf of the Company within the remit and limitations of the respective authorisations. Pursuant to art. 5(1), lett. A) of Decree no. 231, they fulfil roles of representation, administration or management of the Company or its organisational unit with financial and functional autonomy, and manage and control the company, including on a de facto basis.
<i>Individuals subject to third-party direction</i>	Persons subject to direct supervision by the Senior Personnel as identified in Article 7 Decree no. 231
<i>TUS</i>	Safety Consolidation Act, under Legislative Decree no. 81 of 9 April 2008 as subsequently amended and supplemented

## PREAMBLE

The Model, approved and adopted by the CO.MA.DI.S. Board of Directors in its first version on 13 March 2013 and last updated on 14 March 2024, lays down the rules, procedures and principles adopted and implemented on an ongoing basis by CO.MA.DI.S. to avail itself of an effective and operational tool for guaranteeing, together with everything already in place for the purposes of control and transparency, maximum reduction of the risks envisaged by Decree no. 231.

### 1. LEGISLATIVE DECREE NO. 231/2001 - "Rules on the administrative liability of legal persons, companies and associations including those without legal status"

#### GENERAL PRINCIPLES

Decree no. 231 implementing art. 11 of Law no. 300 of 29 September 2000 envisages, in addition to the criminal liability of the natural person that actually committed the "offence", the criminal liability of the Entity to which the legal person "belongs", which benefited from or in whose interest the offence was committed.

In compliance with international and EU obligations, Decree no. 231 introduced into our legal system a form of direct and autonomous liability of collective bodies, associated with the commission of specific offences; this liability is defined as "administrative", but in practical terms amounts to a real form of criminal liability.

#### INDIVIDUALS

The individuals whose criminal activity is associated with liability for a corporate entity must be linked to the Company by a contract of employment and/or a contract deriving from mandate received from Key Personnel (suppliers, consultants, collaborators etc).

In particular, art. 5 of Decree no. 231 identifies:

- a) individuals holding roles of agency, administration or management of the Entity or of one of its organisational units, in possession of financial and functional autonomy, so-called Senior Personnel;
- b) individuals who effectively carry out the management and control of the Company;
- c) individuals subject to the direction or supervision of one of the persons referred to in subparagraphs a) and b) above.

The legislator has given special significance to "de facto" situations, i.e. those where the powers necessary for independent action cannot immediately be deduced from the individual's role within the organisation, or from official documentation (delegations, powers of attorney, etc.).

Art. 6 of Decree no. 231 states that, in the event the offence is committed by individuals in a senior position, the Company is not liable if it proves that:

- a) the executive body had adopted and effectively implemented an organisation, management and control model intended to prevent the offences under the Decree, before the offence was committed;
- b) a body with independent decision-making and control powers had been entrusted with the task of supervising the functioning, observance and updating of the Model;

- c) the individuals who committed the offence fraudulently evaded the organisation and management models;
- d) there was no omission of or insufficient oversight by the Body.

Article 7 provides that the Company is liable if an individual subject to third-party direction was able to commit the offence as a result of non-compliance with the obligations of direction and supervision. Those obligations are considered to have been fulfilled (subject to proof to the contrary, to be demonstrated by the public prosecutor), if the Company had effectively adopted the preventive Model.

#### THE INTEREST OR BENEFIT FOR THE COMPANY

In order for the Company to be held liable, it is also necessary for the alleged unlawful conduct to be committed by individuals "in the Entity's interest or advantage"<sup>(1)</sup>, whereas this liability is expressly excluded in the event the offence is committed "in the sole personal interest or that of third parties".

More precisely, the Court of Cassation has ruled that the Entity does not have administrative liability for the offence when the offence is committed by the individual in his/her own exclusive interest or in the interest of third parties, which cannot be linked even partially to the interest of the Entity, i.e. in the event it is not possible to configure guilt by association between the Company and its bodies.

With the exception of the above the Entity will not be liable for an act committed by an employee or representative if it can prove that it took the measures needed to prevent offences of that type from being committed (the adoption and effective implementation of the Model).

The case-law underlines that the liability borne by the Entity under Decree no. 231 arises from a "fault of the organisation" of the legal entity (ex plurimis, Criminal Chamber Sect. VI, 18-02-2010 - 16-07-2010, no. 27735). Failure to adopt the Model, in the presence of the objective and subjective conditions indicated above (offence committed in the interest or advantage of the company and senior position of the offender) is sufficient to constitute the grounds for punishment set out in the Ministerial Report on the Legislative Decree and to integrate the disciplinary procedure, constituted by the omission of the foreseen due organisational and managerial precautions designed to prevent certain types of offences. This concept of grounds for punishment is underpinned by a new "regulatory" form of culpability by

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<sup>1</sup> *Regarding the liability of legal entities and companies for criminal offenses, the regulatory expression, which identifies its condition in the commission of crimes "in its interest or to its advantage", does not contain a hendiadys, because the terms refer to legally different concepts, being able to distinguish an interest "upstream" due to undue enrichment, prefigured and perhaps not realised, as a consequence of the offense, from an advantage objectively achieved with the commission of the crime, even if not proposed ex ante, so that the interest and advantage are in real competition (see Court of Cassation Criminal Chamber Sect. II, 20.12.2005 no. 3615).*

*Certainly, the requirement of interest or benefit of the Entity, as a criterion for the objective attribution of liability of the entity itself, can also be supplemented by indirect benefit, understood as being the acquisition for the company of a privileged position on the market arising from the offence committed by senior personnel. Nevertheless, the very nature of the criterion of attribution of liability recognised by law requires the concrete and non-abstract affirmation of the existence of such an interest or benefit, to be understood respectively as potential or actual usefulness, although not necessarily of a financial nature, received by the entity as a result of committing the predicate offence. (see Court of Milan – order of 28.04.2008)*

organisational and managerial omission, since the legislator, reasonably drawn by events in recent decades in the economic and entrepreneurial sphere, has the legitimate and well-founded conviction of the need for any organisational complex constituting an entity pursuant to art. 1(2) of Decree no. 231 to adopt organisation and management models suitable for preventing the commission of certain offences that experience has shown to be functional to structured and consistent interests (2). This "fault of the organisation" becomes particularly relevant within a group of companies.

#### **PREDICATE OFFENCES TRIGGERING APPLICATION OF DECREE NO. 231/2001**

The Decree 231 expressly identifies the offences (crimes and contraventions) that may result in the Company being held liable in the event the same are committed in its interest or advantage. Annex A lists the offences covered by the standard, divided by category.

#### **SANCTIONS**

The sanctions envisaged by Decree no. 231 are:

- i. pecuniary sanctions, which are always applied in cases where the Company's liability is ascertained, according to a quota system based on the severity of the offence and the company's financial standing, for the sole purpose of "guaranteeing the effectiveness of the penalty";
- ii. disqualification sanctions (disqualification from exercising the activity, the suspension or revocation of authorisations, licences or concessions related to the committing of an offence, a prohibition on contracting with the public administration, exclusion from subsidies or special-rate financing, the possible revocation of any financing already granted, and a prohibition on publicising goods and services), which are imposed in addition to the pecuniary sanctions and have a duration of between three months and two years. They are only applied in the event that certain Predicate Offences governed by the Decree are committed. The measures are applied in relation to their dissuasive effect, as they can have a profound impact on the organisation and on the functioning and activities of the Company. Where the requirements are met (with particular regard to the severity and significance of the offences and the possibility of their being repeated), these penalties may also be imposed on a provisional basis for a maximum of one year. In order for a provisional measure to be imposed, express provision must be made for the specific type of offence, and it must also be particularly serious with regard to its (negative) value, or the "danger" posed by a company which, in the presence of repeated offences, has shown itself to be indifferent to pecuniary sanctions.
- iii. Publication of the judgement, which can only be ordered in cases where a disqualification sanction is imposed on the entity;
- iv. Seizure of the proceeds or profits of the offence, or an equivalent measure.

#### **THE EXEMPTING EFFECT OF AN ORGANISATION MODEL**

The "exempting" effect of an organisation and control model is subject to its having been adopted before the offence was committed. Where adopted after the offence was committed, such models can lead to a reduction in the penalties, and avoid the imposition of provisional measures. Where adopted after the order is made, together with compensation for damages and restitution of the undue profits, they can lead to the prohibitive penalty being converted into a financial one. The Court of Cassation has

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<sup>2</sup> *Court of Cassation Criminal Chamber Sect. VI – 9.07.2009 no. 36083*

underlined on several occasions (for example in judgment number 36083/2009) that the absence of an organisation model effectively prevents any defence of the company in relation to an offence

#### REQUIREMENTS OF THE MODEL

In order for a model to be considered effective and fit for its purpose, it must materially fulfil the following requirements:

- identify the areas and activities at risk where offences may be committed;
- put in place appropriate procedures for the implementation of the Company's decisions in relation to such offences;
- identify the procedures for managing financial resources in order to prevent offences from being committed;
- define the flows of information to and from the Supervisory Committee;
- introduce a system of internal disciplinary measures intended to sanction non-compliance with the measures indicated.

In drawing up the Model and consequently evaluating its suitability, it is appropriate to take account of the case-law on the point and the criteria set by the same; in particular: Court of Cassation judgement No. 4677 of 30.01.2014 (against the advice of the preliminary hearing judgement in Milan on 17.11.2009 and the Milan Court of Appeal on 21.03.2012) established, briefly, that "a model is suitable when its supporting procedures are effective at preventing the commission of the predicate offence".

It is also important to underline that established by the Milan preliminary inquiry judge (Dr D'Arcangelo) in November 2010. The ruling established the principle according to which "acting in compliance with the law does not depend on the discretion of the entrepreneur and the risk of non-compliance cannot fall under the risks deemed acceptable by directors".

*The same ruling states that "a judge called upon to rule on the suitability of an organisation model must refer to the discipline of a specific sector with reference to the time of the contested criminal conduct and verify which precautionary measures were adopted by the company to prevent a given criminal act and how the same may have been implemented in practice with reference to the best technical knowledge available at the time" [...] "the appropriate precautionary model is (as can be seen, from a methodological point of view, from the preceptive content of art. 30 Leg. Dec. no. 81 of 9 April 2008) one formed from the best knowledge, consolidated and shared in the historical moment in which the offence is committed, with respect to the methods of neutralisation or minimisation of the typical risk".*

Among other things, the Model must also contain details of the financial resources intended to prevent and impede the committing of offences.

The existence of a corporate group is particularly relevant in terms of the suitability of the Model: updates to and adaptations of the Organisation Model cannot ignore legislative developments in relation to a parent company's administrative liability for predicate offences committed by personnel (senior or otherwise) belonging to the subsidiaries.

#### GUIDELINES

Art. 6 of Decree no. 231 provides that Organisation, Management and Control Models can be adopted on the basis of codes of conduct drawn up by the associations representing the entities, communicated

to the Ministry of Justice. As such, in preparing this document, the Company took account of the Guidelines whilst deciding how to best customise and adapt the principles laid down by the Legislator to its specific situation.

However, it is specified that the (necessarily general and standardised) information given in the Guidelines has at times been supplemented or disregarded, where deemed necessary, to adapt the principles contained therein to the Company's own specific circumstances.

## **2. THE CO.MA.DI.S. ORGANISATION, MANAGEMENT AND CONTROL MODEL**

CO.MA.DI.S. formally adopted its Organisation Model on 13 March 2013 and subsequently updated it on 14 March 2024.

This Organisation Model was drawn up and updated while taking the following into account:

- the current regulatory framework;
- the governance and organisational structure on the Model adoption date;
- the current case-law and theory;
- the directives given by Parent company IMA on Organisation Models pursuant to 231 and the considerations arising from the experience of applying the Model over the years;
- the best practices used by Italian companies in relation to the drafting and management of organisation models;
- the Guidelines, bearing in mind however that the (necessarily general and standardised) information given therein has at times been supplemented or disregarded, where deemed necessary, to adapt the principles contained therein to CO.MA.DI.S.'s own specific circumstances;
- with specific reference to health and safety at work and the provisions under art. 30 of TUS.

### **CHARACTERISTICS OF THE MODEL**

This Organisation Model is an integral part of CO.MA.DI.S.'s System of Internal Control, which is made up of a complex system of procedures and processes implemented and applied by the Company to which the Model itself refers for its implementation. The main ones are:

- the general system of governance;
- the system of powers and authorities and all the documents intended to describe and allocate responsibilities and/or duties to those working in the Areas at Risk of Offence within the company (these may include organisational charts, work instructions, job descriptions, functional charts, etc.);
- the safety management system - SGSL: Safety Management System compliant with Leg. Dec. no. 81/08.
- the system of internal procedures and controls intended to guarantee adequate transparency, recognition and traceability of decision-making and financial processes and the behaviours to be adopted by the recipients of this Model working in the Areas at Risk of Offence.

It follows that the term "Model" must be understood as referring not only to this document (General Section, Special Section and Annexes), but also to all the other existing and applied systems and

documents relating to the Company's System of Internal Control and those subsequently adopted in accordance with that laid down in the Model in the pursuance of its main purposes.

An essential element of the system of preventive control is the adoption and implementation of ethical principles designed to prevent the Offences laid down by Decree 231, stated in the IMA Group Code of Ethics which, though distinct and independent from the Model, is cited by the Model by virtue of the stated aim of the company and the Group to operate both inwardly and outwardly in full compliance with the principles of lawfulness and correctness. The Code of Ethics outlines the fundamental ethical principles and the relative rules of conduct that guarantee its implementation, properly govern the behavioural principles to be observed within the company activities to ensure the proper operation, reliability and reputation of the Company, and constitute an effective tool for the prevention of unlawful behaviours by all those acting in the name and on behalf of the Company or working with the same.

With reference to the specific requirements identified by the legislator in Decree 231 and further outlined in the Guidelines, the activities that the Board of Directors has put in place for the implementation of the Model are as follows:

- detailed mapping of the At-Risk Activities and analysis;
- analysis of the existing System of Internal Control with reference to the Activities at Risk of Offence and definition of any corrective actions intended to guarantee full compliance with the Decree 231. In this regard specific attention was paid to:
  - o the definition of ethical principles in relation to any conduct that may constitute one of the offences covered by the Decree;
  - o definition of the processes of the Company that may, in theory, generate the conditions, opportunities or means to commit offences;
  - o definition of staff training procedures;
  - o defining the notice regarding the obligation to comply with the Model adopted by the Company to be provided to outsourcers and to other third parties with which the Company does business;
  - o definition and application of disciplinary measures designed to sanction non-compliance with the Model, and suitable deterrents;
- identification of the Supervisory Committee's composition and the attribution of specific supervision duties over the proper and correct functioning and updating of the Model;
- definition of information flows to Supervisory Committee.

As suggested by the Guidelines, the Organisation Model formalises and clarifies the allocation of responsibilities, hierarchies and job descriptions, with specific provision for control principles such as the segregation of functions. In particular, the current operating practices are intended to regulate the conduct of ordinary activities, by providing appropriate control points (such as authorisations for

transaction phases, reconciliations and checks on the work of third parties and peripherals), as well as adequate safety levels. In addition, within the structure of operating processes, where possible, the segregation of duties and responsibilities among those carrying out crucial activities of a risk process is adopted. Principles of transparency and verifiability have also been applied according to which each operation, transaction or action is verifiable, documented, coherent and consistent.

With regard to ordinary treasury management, preventive protocols, periodic reconciliations, supervision and authorisation hubs, segregation of duties have been adopted where possible (e.g.: between accounting, treasury and individuals with spending powers).

Finally, with specific reference to powers of authorisation and signature, these have been allocated in accordance with the organisational dimensions and managerial responsibilities, with the provision, when requested, of a specific limit for the approval.

The Model covers every aspect of the Company's activities, through the clear distinction made between operational and control duties. The aim is to correctly manage Activities at Risk of Offence and potential conflicts of interest. In particular, the checks involve, with differing roles and levels, the Board of Directors, the Board of Auditors, the Supervisory Committee, the employees, and represent an essential attribute of the Company's day-to-day activities.

By implementing this Model, CO.MA.DI.S., as a company within IMA Group, complies with the "IMA Group 231 system", which, through its principles, is the reference for all companies within IMA Group. The system can be summarised as follows:

- 1) the directly or indirectly controlled Italian companies within IMA Group adopt an Organisation Model autonomously and taking account of the nature of their specific activities and structure;
- 2) the Model, when adopted, is deployed in a way that ensures optimum implementation;
- 3) a Supervisory Committee is appointed for each company, with the appropriate structure, authority and functions as provided for by the Decree;
- 4) to protect itself, IMA stipulates the minimum requirements for the Model adopted by each subsidiary, and the criteria for the operation of each Supervisory Committee;
- 5) The specific tasks of the CO.MA.DI.S. Supervisory Committee include monitoring, using appropriate information flows, that all Supervisory Committees ensure proper oversight, as envisaged by Decree 231.

### **3. CO.MA.DI.S. CURRENT STRUCTURE**

#### ***CO.MA.DI.S. structure and organisation***

CO.MA.DI.S. was set up, in its current configuration, on 30 March 2001 and operates in the design, development, commercialisation and sale of automatic machines. The Company is based in Senago (MI), where its registered office, administration and production facility are located, the latter comprising approximately 2,200 m<sup>2</sup> industrial premises. On the date the Organisation Model was approved, 100% of CO.MA.DI.S. ordinary shares were held by IMA, the world leader in the design and manufacture of

automatic machines for the processing and packaging of pharmaceutical products, cosmetics, tea, coffee and foodstuffs.

CO.MA.DI.S. operates in the design, manufacture, sale and technical support of automatic packaging machines (mainly tube fillers) used predominantly in the pharmaceutical and personal care sector. The goods produced by the Company align, by type and market niche, with those of IMA's Safe Division.

CO.MA.DI.S.'s main clients are private multinationals operating in the aforesaid sectors that require the implementation within their production process of machinery and equipment for filling liquid and semiliquid products. The Company carries out its own commercial promotion through contacts with customers either directly or through the IMA Group sales network (*Pharma* sector). The Company does not work with entities belonging to Public Administration nor takes part in public tenders.

On the date the Model was adopted, the Company has a total of 32 units, divided by function as shown in the table below:

<b>Function</b>	<b>Number</b>
General Management	1
Technical Departments	5
Production workshop	6
Assembly Workshop	7
Commercial, marketing and sales	6
General and administration	7
	<b>32</b>

**ORGANISATIONAL STRUCTURE**

**a) General Management:**

ensures the fulfilment of the business objectives planned and shared with parent company IMA and with the head of the particular division. Commercial and industrial management and staff managers (Human Resources and Administration) report to this body.

**b) Commercial Management:**

responsible for commercial development and sales, ensures the desired level of competitiveness is achieved within the framework of company and Group plans, and ensures the planned margin. Commercial Management also manages pre-sales activities (definition of technical specifications and legal contractual conditions for machines being sold), delivery and after-sales services.

**c) Industrial Management:**

ensures the application of production planning in compliance with the schedule, costs and technical requirements set out in the sales order; coordinates production and assembly personnel and establishes work priorities. Industrial Management coordinates the Technical Department responsible for the executive design of machinery and the issue of statements and certifications relating to the machines built, in compliance with explicit, implicit and mandatory requirements. Health and safety management also reports to this body.

**d) Administration Office:**

ensures proper management and coordination of all the Company's financial, administrative, social security, tax, national insurance, statutory, accounting and budgetary activities, with particular reference to the drawing up of the financial statement and compliance with all tax measures. It reports hierarchically to the Managing Director and functionally to the AFC Management of the IMA Group.

#### **CORPORATE GOVERNANCE**

CO.MA.DI.S. Srl has a share capital of Euro 1,540,000 fully subscribed and paid up. The Company operates under the management and coordination of IMA pursuant to art. 2497-*bis* of the Italian Civil Code.

The Company has opted for a traditional administration and control system; a Board of Directors and a Board of Auditors have been appointed and legal auditing has been entrusted to an auditing firm pursuant to art. 2409-*bis* of the Italian Civil Code.

#### **4.1 Shareholders' Meeting**

The shareholders' meeting is governed by the Italian Civil Code supported by that laid down in the company bylaws.

#### **4.2 Board of Directors**

The Company is administered by a Board of Directors comprising 5 members and governed by the company bylaws. The Board of Directors enjoys the broadest powers of ordinary and extraordinary administration and provision, including the ability to appoint directors and legal representatives establishing their powers, including those of representation, their functions and remuneration, in accordance with company bylaws.

#### **4.3 Board of Auditors**

The task of the CO.MA.DI.S. Board of Auditors, comprising 3 statutory members and 2 substitute members, is to oversee the administration and entire activity of the Company. In particular, it is obliged to oversee compliance with the law and the bylaws, and compliance with the principles of proper administration. The Board of Auditors therefore oversees the legitimacy of the Directors' management and the adequacy of the decision-making process, that the Directors make decisions based on good administration, that operations are justifiable in relation to the business purpose, and that the Directors do not behave with negligence, malpractice or rashness. The Board of Auditors also verifies the activity of the shareholders' meeting, ensuring compliance with the envisaged formalities for calling such a meeting; compliance of the resolutions with the law and the company bylaws.

#### **4.4 Auditing firm for legal accounting control**

In compliance with the possibility guaranteed by the company bylaws, legal accounting control is entrusted to an Auditing Firm enrolled on the Auditing Firms Register. The Auditing Firm is appointed by the Shareholders' Meeting following a proposal submitted by the Board of Auditors.

#### **SYSTEMS OF INTERNAL CONTROL**

The system of internal control is the set of rules, procedures and organisational structures through which the Company is managed soundly, correctly and consistently with the established goals, through an adequate identification, measurement, management and monitoring of the main risks.

With reference to production, each machine is marked by a production work order, which enables

General Management to fully trace and control all operative phases relating to the operating process, and which are summarised as follows: (i) definition of offer technical-commercial specifications; (ii) definition of contracts; (iii) design and manufacture; (iv) testing and inspection; (v) delivery (invoicing, export documents, technical self-certification) and financial management.

With regard to staff processes, such as those relating to administration, treasury management and cash flows, as well as the debit cycle and human resources, the Company has set up execution, authorisation and control processes based on the segregation of roles and operating responsibilities. Staff departments report hierarchically to the Managing Director and functionally to the respective management of parent company IMA.

#### **4. ACTIVITIES PRELIMINARY TO THE ADOPTION OF THE ORGANISATION MODEL**

The preparation of the Organisation Model was preceded by a series of preliminary activities involving "mapping" Areas at Risk of Offence and checking of the Company's systems of internal control, in line with that laid down in Decree no. 231 and in the Guidelines.

In this regard, it should be noted that the main phases into which a risk management system aimed at the construction of the Organisation Model is divided are identified as follows by the provisions of Decree no. 231 and by the Guidelines:

- a) **"risk identification"**, i.e. analysis of the company context to highlight in which area/sector of activity and in which ways events detrimental to the objectives stated in Decree no. 231 may occur;
- b) **"control system design"** (protocols for planning the training and implementation of the Entity's decisions), i.e. assessment of the organisation and control system already in place at the Company and its possible adaptation to make it suitable for effectively countering the identified risks, i.e. to reduce the risks to an "acceptable level" with regard to i) the likelihood of occurrence of the event and ii) the impact of the event.

The preliminary activities in question (i.e. the "mapping of Areas at Risk of Offence" and verification of systems of internal control) were carried out through self-assessment using company documentation (organisation charts, corporate delegations and proxies, policies, procedures, guidelines and internal regulations adopted by the Company, etc.) and interviews with Company personnel. In addition, the verification was carried out by analysing further elements relevant to the process of identifying risks and evaluating the areas/activities most exposed to the commission of offences, including:

- evolution of the regulatory framework, case-law and theory;
- corporate and organisational changes occurring since the date the Model was adopted, as well as the specific "history" of the Company including, in particular, the presence of any criminal, administrative or civil proceedings involving the Company with regard to the At-Risk Activities;
- the size of the Company to which it belongs (in relation to information such as sales, number of employees);
- markets and territories in which the Company operates;
- organisational structure;
- pre-existence of corporate ethics;
- collaboration between department managers;

- identification of the individuals whose unlawful conduct may lead to the liability of CO.MA.DI.S. pursuant to Decree no. 231, including Senior Personnel, Individuals subject to third-party direction and third-party individuals (professionals, consultants, service providers) with which the Company interacts;
- degree of separation of functions;
- considerations arising from the experience of applying the Model over the years;
- best practices implemented by Italian companies in the management and drawing up of organisation models.

#### **MAPPING OF "AREAS AT RISK OF OFFENCE" AND ANALYSIS OF POTENTIAL RISKS**

The functional areas of the Company in which a potential risk of Predicate Offences being committed exists have been identified and the specific At-Risk Activities and the possible methods of committing the Offences have been identified for each area.

Of the Activities at Risk of Offence, activities were identified that are both directly at risk of such offences being committed and "instrumental", which are understood as being activities that - though not directly relevant to the Decree 231 - may, as a general rule, be considered as conditions, opportunities or means for committing the offences.

The process of identifying risks and assessing the areas most at risk of offences being committed was conducted using a risk-based approach, i.e. taking account of the inherent or potential risk of Offences being committed (i.e. the risk assumed before the Company has put in place measures to reduce the likelihood and impact of an event). The "inherent risk" level was measured by taking account of both the likelihood of the offence being committed and the impact of such an event, determined by taking account of factors such as the type and entity of penalties (pecuniary or disqualification) that may be inflicted on the company, the frequency and recurrence of At-Risk Activities, the nature and volume of the relevant transactions, the specific modes of execution, as well as the sector's history and specific circumstances.

#### **RISK ASSESSMENT - ASSESSMENT OF THE SYSTEM OF INTERNAL CONTROL**

Once the "inherent risk" (and its relevance) is defined as part of the Sensitive Activities, the current System of Internal Control was assessed to establish its "adequacy" to bring the risk down to an "acceptable level".

The risk's "acceptability" threshold, in malicious offences, cannot be expressed by referring to the mere relationship between costs and benefits as taught in business theory (so a risk may be defined as acceptable when the additional checks "cost" more than the resource being protected). As set out in the Guidelines, economic logic, in the crime prevention system described in Decree no. 231, cannot be the sole definition of an acceptable risk level. Instead, the risk acceptability threshold must be represented by the existence of a prevention system that cannot be circumvented except fraudulently, specifying that fraud does not necessarily require artifice and deception, but may also consist in the mere breach of the provisions set out in the Model, or in the circumvention of the safety measures foreseen by the same. With reference to negligent crimes, and in particular to offences committed in breach of workplace health and safety regulations, the acceptability threshold must be even more strictly defined, given that, considering the scale of the assets protected, the risks to workers' health and safety must be completely eliminated or reduced to a minimum, as far as possible through the

adoption of the preventive measures available in relation to knowledge acquired on the basis of technical progress.

The assessment of control and monitoring oversight of the Company's System of Internal Control is based on verifying the existence of the following criteria and requirements (as laid down in the Guidelines):

- i) existence and formalisation of written Company procedures and manuals;
- ii) definition of roles and responsibilities with respect to the management of Company processes;
- iii) compliance with the "segregation of duties" principle;
- iv) traceability of Company processes;
- v) communication, training and effective knowledge of Company procedures.

After mapping the At-Risk Areas and Activities at Risk of Offence and, in general, after the risk assessment, a report is drawn up - filed at the Company - which highlights the various stages in which the risk assessment is divided, i.e.:

- I. checking, within the At-Risk Areas and with reference to the specific Activities at Risk of Offence, the preventive control systems (i.e. formalised procedures, operating practices, segregation systems, financial resource management systems, etc.) existing at the company and assessing their suitability to ensure that the risk of crimes being committed is brought back to an acceptable level ("**as is analysis**");
- II. identification of existing deficiencies or criticalities within the system of control and the consequent corrective actions needed to improve the system ("**gap analysis**").

The mapping of Areas at Risk of Offence and Sensitive Activities, and the *risk assessment* in general, provide confirmation that CO.MA.DI.S. aligns its operating procedures for overseeing the Areas at Risk of Offence with the general principles of an efficient system of internal control indicated above (to be understood as general protocols), i.e.:

- "management and control processes" of Activities at Risk of Offence, put in place in order to
  - i. ensure that Company activities are carried out in accordance with current laws and regulations and from the general perspective of protecting the integrity of the Company's assets;
  - ii. define and govern the terms and conditions under which these activities are carried out;
  - iii. ensure, where necessary, that decision-making processes are "standardised" and limit Company decisions based on subjective choices;
- clear allocation of powers and responsibilities, with an indication of operating limits and consistent with the duties assigned and the positions occupied within the organisational structure
- separation of tasks, through the distribution of responsibilities and the provision of adequate levels of authorisation in line with the size of the structure, to avoid functional overlap or work assignments that concentrate critical activities on a single individual;

- adoption of instruments capable of ensuring the traceability of actions, operations and transactions through suitable documentary evidence which specifies the characteristics and reasons for the operation and identify the individuals involved in the operation in various capacities (authorisation, implementation, recording, inspection of the operation);
- implement workers' information and training activities;
- set up, execute and document the control and supervision of processes and Activities at Risk of Offence;
- existence of security mechanisms that ensure adequate protection of information from physical or electronic access to the data and tools used in the Company's information system, particularly with regard to management and accounting systems.

#### **5. INFORMATION AND TRAINING FOR RECIPIENTS OF THE MODEL**

The Company is aware of the importance of training and information as a vitally important protocol and takes action to ensure that the Model's Recipients understand both the content of Decree 231 and the obligations arising from it, and the Model itself.

For the purpose of implementing the Model, training, awareness-raising and information given to personnel are managed by the competent company department in close collaboration with the Supervisory Committee and with the heads of other departments involved in applying the Model.

Training, awareness-raising and information relates to all Company personnel, including Senior Personnel.

Information and training activities are envisaged and provided on recruitment or at the start of employment and whenever the Model is amended or other factual or legal circumstances arise that determine the need for them in order to guarantee the correct application of the provisions foreseen in Decree.

In particular, the following are envisaged upon approval and updating of this document:

- a communication to all personnel regarding the adoption and/or updating of this document;
- subsequently, new recruits are given an information pack containing (in addition to the materials indicated in additional Company policies or procedures, such as data protection and security, health and safety at work) this document, "Organisation, Management and Control Model under Decree no. 231", containing an express reference to consult the Special Section, IMA's intranet site, as well as the Code of Ethics, in order to ensure that new recruits receive knowledge considered essential;
- Employees must sign a form to demonstrate they accept the contents of the documents delivered to them and have read the text of Decree no. 231 as published on the company intranet;
- specific and ongoing training to be organised in a classroom setting or provided via e-learning services and tools (with solutions certifying training has been carried out).

Communication and training activities also involve tools such as powers of authorisation, reporting lines, procedures, information flows and everything that contributes to transparency in daily operations.

All communication and training initiatives are instigated by the Board of Directors, which requires the recipients to collaborate fully in this regard.

To guarantee the Model is effectively circulated and the personnel are informed with regard to the contents of Decree no. 231 and the obligations arising from implementation of the same, a specific area of the company information system is dedicated to the topic (in which the previously described set of information documents, the forms and tools for reporting wrongdoing to the Supervisory Committee, as well as any other relevant documentation is available for viewing and download).

## **6. INFORMATION FOR THIRD PARTIES**

Collaborators, Suppliers, Consultants and Partners, with particular reference to individuals involved in the provision of activities, supplies or services that affect At-Risk Activities, are informed of the adoption of the Model and the Company's requirement for them to behave in compliance with the principles of conduct set out therein.

Company departments provide the Suppliers and Consultants with which they have dealings with information on the policies and procedures adopted by the Company as a result of the Model, as well as the consequences that behaviour in breach of the Model or current regulations can have with regard to contractual relations.

Where possible, the contracts will include specific clauses intended to regulate these consequences, such as termination clauses and/or the right of withdrawal in the event of violations of the provisions set out in the Model.

## **7. DISCIPLINARY AND SANCTION SYSTEM**

A necessary condition for guaranteeing the effectiveness of the Model is the definition of a system of sanctions commensurate with the breach of procedural protocols and/or other rules outlined in the Model. This system includes, pursuant to art. 6(1) lett. e) of Decree no. 231, an essential requirement for the purposes of exemption from the Company's liability. The disciplinary system must envisage sanctions for each Recipient, in consideration of the type of relationship with the Company. In the same way as the Model, the system is directed at Senior Personnel, Employees, Collaborators and third parties working on behalf of the Company and sets out adequate disciplinary sanctions in some cases and contractual/negotiation sanctions in others.

In light of the above, CO.MA.DI.S. has implemented the disciplinary system set out in sub-Annex "B".

## **8. SUPERVISORY COMMITTEE**

### **APPOINTMENT AND DURATION OF MANDATE**

To ensure proper implementation of the Model, the task of overseeing the functioning and compliance of the Model and ensuring it is updated must be entrusted to a body equipped with autonomous powers

of initiative and control. CO.MA.DI.S.'s Board of Directors has therefore set up the Supervisory Committee as per the Supervisory Committee regulations attached to this document (Annex "C").

#### TASKS

The Supervisory Committee has the following tasks:

- oversee the Model's effectiveness by checking consistency between actual behaviour and that envisaged by the Model and by overseeing areas at risk of offence identified in the special sections. To carry out these tasks, the Supervisory Committee may establish control activities at each operative level, using the necessary tools to provide prompt notification of failings and dysfunctions in the Model and verifying the control procedures. Each operation deemed at specific risk must be signalled to the Supervisory Committee by internal managers. This will allow the checks describing the characteristics and aims of the operation to be carried out at any time and the person who authorised, recorded and verified the operation to be identified. The Supervisory Committee must activate control procedures in consideration of the company operability and the fact that the primary responsibility for activity management lies with department managers and/or senior management and the responsible corporate bodies.
- Check the adequacy of the Model at regular intervals to ensure it continues to prevent behaviours intended to exclude or cause conflict and remains sound and functional, through constant monitoring of the system of controls, protocols and governance as a whole.
- Propose the board of directors update the Model in the event controls carried out result in a need for corrections or adjustments. In particular, the Supervisory Committee must:
  - ensure that the Model is kept up-to-date with changes in the law and with any changes to the company's internal organisation and activities;
  - cooperate with the preparation and integration of internal regulations (codes of conduct, operating instructions, protocols, control procedures etc.) for risk prevention;
  - promote initiatives designed to raise awareness of the Model amongst CO.MA.DI.S. departments and employees, providing any necessary instructions and clarifications and working with Human Resources to set up specific training seminars;
  - liaise with other company departments on better control of activities and on everything pertaining to correct implementation of the Model;
  - arrange special checks and/or targeted investigations with direct access to the relevant documentation in instances where the Model is found to be dysfunctional or offences have been committed.

#### COMPOSITION

Decree makes no stipulation as to Supervisory Committee composition, providing only a brief definition of the same, i.e. "*entity body equipped with autonomous powers of initiative and control*".

Pursuant to paragraph 4-*bis* of art. 6 Decree no. 231<sup>3</sup> Supervisory Committee functions at corporations may also be carried out by the Board of Auditors.

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<sup>3</sup> Paragraph added by paragraph 12 of art. 14, L. 12 November 2011, no. 183, valid from 1st January 2012, pursuant to that laid down in paragraph 1 of art. 36 of the same law no. 183/2011.

The legislator leaves all decisions on the composition of the Supervisory Committee to the individual Entities intending to comply with the provisions of Decree - a choice that must comply with the specific company's needs.

Theory and practice have led to diverse solutions on the possible structure and composition of the Supervisory Committee, depending on the size of the Entity, the relative rules of corporate governance and the need to balance costs and benefits.

To that end, the board of directors has analysed the solutions suggested by trade associations and consultants to identify and compare the various strengths with the criticality of the various solutions suggested.

#### **REQUIREMENT OF PROFESSIONALISM**

Compliance with this requirement must be guaranteed by the technical and specialist skills available to the Supervisory Committee, who must guarantee prompt and proper fulfilment of the legal obligations.

In particular, the skills required are in the following fields:

- criminal law: understanding of the interpretation of legal standards with specific training in offences identifiable in company operability and in the identification of possible sanctionable behaviours;
- organisation skills: specific training in analysis of company processes and analysis of procedures; knowledge of the main legislative principles in compliance and related controls;
- analysis and control skills: experience in System of Internal Controls within companies;
- financial flow control skills.

#### **REQUIREMENT OF INDEPENDENCE**

If comprising only one member, the requirement of independence of the Supervisory Committee is met if there is no collaboration or consultancy between the member and the Company. If comprising more than one member, the requirement of independence is guaranteed if the Supervisory Committee is made up mainly of external persons that have no collaboration or consultancy with the Company. The internal member may not be a CO.MA.DI.S. director and, with sole regard to his/her Supervisory Committee tasks, is not part of the ordinary lines of hierarchical employment.

#### **EFFECTIVENESS AND CONTINUITY OF ACTION**

This requirement is necessary to ensure the Supervisory Committee has full knowledge of company activities, operating processes and changes that may occur throughout the company's life. The Supervisory Committee must carry out its activities according to the schedule set out in the Committee's bylaws and, in any event, four times a year.

#### **REPORTING LINES**

The Supervisory Committee shall report to the Chair of the Board of Directors. The Supervisory Committee shall submit to the Board of Directors, barring specific necessities, at least one annual report on the Organisation and Management Model, containing:

- its observations on the effectiveness and efficacy of the Model, with indication of the integrations and/or changes deemed necessary;
- any recommendation to update the Model following changes to the legislation or corporate and organisational system;
- a summary of its findings and corrective/preventive actions to be implemented.

The Supervisory Committee may ask to speak to the Board of Directors whenever it is deemed necessary.

#### **OBLIGATION TO INFORM THE SUPERVISORY COMMITTEE**

Art. 6(2) lett. d) states that the adopted Model envisages an obligation to inform the Supervisory Committee. This obligation, applied to company departments at risk of offence, will be implemented as a tool for improving monitoring activities and will cover anomalies found within the department.

In particular, to facilitate the activity of monitoring the effectiveness of the Model adopted by the Company, all Recipients are required to inform the Supervisory Committee of any information and report of any kind, including where received from third parties, concerning the implementation of the Model and of all principles of conduct and procedures referred to therein.

In exercising its duties, the Supervisory Committee is always able to request data and information from Recipients on company activities, the application and compliance with rules of conduct and company procedures as they are set out in the Model, and check any necessary documents both on a sample basis and systematically. Recipients shall cooperate with the Supervisory Committee and provide all data and information requested from them.

Failure to comply with the obligation to inform is considered a disciplinary offence, where applicable. Therefore, Recipients who do not correctly meet the obligation to inform the Supervisory Committee in the time and manner identified here may be subject to disciplinary measures.

The Supervisory Committee must be informed of the following by corporate bodies and/or by department managers:

- information about organisational changes (for example, changes to the organisation chart, revision of existing procedures or adoption of new procedures or policies, etc.);
- updates and changes to the system of delegations and powers;
- significant and/or unusual operations affecting areas at risk of commission of offences identified in the preliminary analyses carried out for the adoption of the Model;
- changes to at-risk or potentially at-risk situations;
- any communication from the auditor on aspects relating to deficiencies in the system of internal control;

- copy of the minutes of the meetings of the Board of Directors and of the Board of Statutory Auditors;
- copy of any correspondence sent to the Supervisory Committee (e.g. Italian Competition Authority, Italian Data Protection Authority, etc.);
- copy of the periodic report on environmental and health and safety matters (including the minutes of meetings attended by the Employer, RSPP, Company Physician and RSL pursuant to art. 35 TUS and the review reports by "Top Management").

Information and reports should be sent to the Supervisory Committee at the following email address:

**organismovigilanza.comadis@ima.it**

or by post, to the Supervisory Committee at the Company's head office, located at:

**CO.MA.DI.S. S.p.A. Supervisory Committee**

Via Piemonte 34, in Senago (MI)

stating "PERSONAL AND STRICTLY CONFIDENTIAL" marked on the envelope.

Notwithstanding the above, reports addressed to or brought to the knowledge of the Supervisory Committee shall also be examined, provided they are sufficiently precise and detailed.

Solely the Supervisory Committee has access to its email account. **As such, the Supervisory Committee is obliged to ensure the information and reports received as part of its activities are kept confidential.** The Supervisory Committee acts in such a way as to protect whistleblowers against any form of retaliation, discrimination, penalty or any other consequence, assuring them of their confidentiality and anonymity, notwithstanding legal obligations and the protection of the rights of the Company or of parties wrongly accused and/or accused in bad faith.

CO.MA.DI.S., as personal data controller under EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 (hereafter "GDPR") and Leg. Dec. no. 196/2003, as amended by Leg. Dec. no. 101/2108 (hereafter "Privacy Code"), shall process the personal data acquired through information flows for the purposes associated with compliance with the obligations of Decree no. 231/01 and the Organisation Model. The data may be processed both in paper and electronic form. Data subjects, as identified under art. 4 no. 1) of GDPR, may exercise the rights recognised to them pursuant to art. 15 – 22 of GDPR, by contacting the data controller by email at [privacy@ima.it](mailto:privacy@ima.it) or by registered letter to the Company's headquarters.

**REPORTING OF WRONGDOING PURSUANT TO LEGISLATIVE DECREE NO. 24 OF 10 MARCH 2023 ON  
"WHISTLEBLOWING"**

Legislative decree no. 24 of 10 March 2023 on *"the protection of persons reporting breaches of Union law and laying down provisions on the protection of persons reporting breaches of national laws"* ("**WB Decree**"), adopted in implementation of Directive (EU) 2019/1937, amended, rendering it autonomous and up-to-date, the regulation of *"whistleblowing"*, i.e., the reporting of wrongdoing within the company.

In accordance with the WB Decree - and in compliance with the new formulation of art. 6(2-bis) of Decree 231 – the Company has implemented internal reporting channels, specifically dedicated to the reporting of wrongdoing, as indicated in art. 3 of the WB Decree (Subjective Scope), which the whistleblower has witnessed as part of his/her duties and/or at the Company work environment where he/she works.

In compliance with that laid down in the WB Decree, the Company has adopted its own internal procedure (“**WB Procedure**”), which sets out the range of wrongdoing/offences that may be reported, the reporting methods, the persons entitled to submit reports (employees, freelancers and all those working at IMA, including self-employed workers and suppliers/customers) and the protections and rights afforded to whistleblowers.

As part of its WB Procedure, the Company has identified a collective body (“**Whistleblowing Officer**”), with a high professional profile, whose task it is to receive and handle internal reports and carry out all activities contemplated under art. 5 of the WB Decree (Management of internal handling channel). As such, the Whistleblowing Officer shall, among other things, be in charge of:

- checking that all communication channels are open and usable by all entitled parties;
- receiving and processing reports;
- keeping report contents and the reporter's identity confidential and private;
- interacting with other Company departments, and with the Supervisory Committee where applicable, in compliance with confidentiality laws.

In order to be taken into consideration, reports must be circumstantiated, i.e. the whistleblower must have reasonable grounds to believe that an offence is being, has been or may be committed involving the commission of a breach relevant under the WB Decree.

In order to be deemed circumstantiated, the following must be provided with each report:

- i. a clear and full description of the reported events;
- ii. an indication of the circumstantial time and place of the reported events;
- iii. details of the accused party, if known, or other elements suitable for identifying the accused party;
- iv. an indication of other parties that may confirm the reported events or add further essential information;
- v. documents that may strengthen and/or confirm the credibility of the reported events;
- vi. any other essential information and/or element that may prove useful.

Reports must be sent to the Whistleblowing Officer via one of the following channels:

- by registered letter in a sealed envelope to the “Whistleblowing Officer” at the IMA registered office. If reporting by post, “Reserved – Confidential” must be written on the sealed envelope;
- by telephone, as indicated in the WB Procedure, with the whistleblower being able to request a face-to-face meeting with the Officer;

using the “My Governance” IT platform accessible through the IMA website, as outlined in the WB Procedure. When making a report, the whistleblower must provide his/her details or, in any event, elements that enable him/her to be identified.

The reporting channels have been created with the specific aim of guaranteeing the reporter's confidentiality; the e-mail box has been specially created outside of the Company's server circuit and is accessible solely by the Whistleblowing Officer.

The Whistleblowing Officer acts in such a way as to protect whistleblowers against any form of retaliation, discrimination, penalty or any other consequence, assuring them of their confidentiality and anonymity, notwithstanding legal obligations and the protection of the rights of the Company or of parties wrongly accused and/or accused in bad faith.

The Whistleblowing Officer shall handle reports in compliance with the provisions of art. 5 of the WB Decree (Management of internal reporting channel) and as set out in the WB Procedure.

Those who breach measures to protect the whistleblower, or whistleblowers making reports with wilful misconduct or gross negligence later found to be unfounded, may be subject to the application of disciplinary sanctions, as laid down in Annex B of this Model.

#### **COOPERATION BETWEEN SUPERVISORY COMMITTEE AND WB COMMITTEE**

The Whistleblowing Officer and the Supervisory Committee shall liaise on an ongoing basis with regard to their respective activities and any information, alerts and reports that they may receive or acquire, notwithstanding that laid down in art. 4(6) Leg. Dec. 24/2023. In particular, by way of a non-limiting example, these bodies shall promptly report the following to one another:

- any breach of the Model or Code of Ethics of which they become aware;
- any organisational or procedural deficiencies that could lead to the risk of breaches of the Model and/or the Code of Ethics being committed;
- any other information relevant to the proper performance of their respective duties.

In particular, the Whistleblowing Officer and the Supervisory Committee shall consult one another on a case-by-case basis in order to ascertain which of the two bodies has the competence to take action in the individual cases reported to them or about which they have acquired information. If an individual problem falls within the remit of both bodies, they shall coordinate their respective activities in order to promote joint action, without, however, this representing a limitation or constraint on their mutual autonomy.

Notwithstanding the above, the Whistleblowing Officer shall inform the Supervisory Committee at regular intervals about the Reports it has received and handled and any proposals for changing and improving the system.

#### **FINANCIAL AUTONOMY**

To guarantee the Supervisory Committee the necessary financial autonomy, the Board of Directors approves the annual spending budget based on the mere request of the Supervisory Committee.

The budget set aside must be sufficient to cover the control, verification and updating of the Model, including, where necessary, the acquisition of consultancy. For spending in excess of the agreed budget and for extraordinary expenses, the Supervisory Committee applies for a spending authorisation in writing on a case by case basis to the Board of Directors, which will assess the substantiated application to determine the necessary financial resources.

#### **SUPERVISORY COMMITTEE REGULATIONS**

The Board of Directors establishes the operating principles of the Supervisory Committee through special regulations (Annex "C").

The Supervisory Committee may draw up its own regulations governing its activities, provided such regulations are not in conflict with the Model.

#### **THE CHOICE MADE BY CO.MA.DI.S.**

Having carefully evaluated that laid down in paragraph 12 of art. 14 L. 12/11/2011 no. 183, the CO.MA.DI.S. Board of Directors has opted to adopt a single-member Supervisory Committee comprising an external professional with specific past experience in the sector who does not also sit on the current Board of Auditors. Among other things, this choice meets the need to safeguard the Company by ensuring its control bodies are separate and independent of one another, guaranteeing, through specific technical skills and mutual control, the most correct and transparent pursuit of their respective objectives and responsibilities.

Finally, the above option fulfils the requirement of independence of the Supervisory Committee according to the need for separation between the parent company and its subsidiaries in view of effective prevention of corporate crime.

If it deems it necessary, the Supervisory Committee may be assisted to better carry out its tasks by experts in the specific sector.

### **9. PERIODIC CHECKS AND UPDATING OF THE MODEL**

The Decree expressly provides that the Model needs to be updated to ensure it meets the Company's specific requirements and actual operations. The Model is to be adapted and/or updated essentially in the following circumstances:

- legislative changes;
- breaches of the Model and/or findings made during checks on the effectiveness of the Model (which may also be deduced from experiences involving other companies);
- changes to the Company's organisational structure, including those arising from special finance operations or changes to the company strategy arising from new fields of activity being undertaken.

Specifically, responsibility for updating the Model and, therefore, for making additions and/or amendments to it, lies with the same management body to which the legislator has assigned the task of

adoption of the Model. As such, the Supervisory Committee, in liaison with the heads of department from time to time affected, must:

- check procedures and protocols. To that end, it will periodically check the effectiveness and implementation of the protocols and procedures set out in this Model;
- check the level of awareness of the Model including by analysing requests for clarification or reports received;
- inform the administrative authority of the need to update the Model and/or the risk assessment activity aimed at revising the map of activities potentially at risk, if the above conditions are met (particularly when the organisation or the company's business is substantially changed, when there is a high staff turnover or when Decree no. 231 is added to or amended).

\* \* \* \* \*



## **CO.MA.DI.S. S.p.A.**

Registered office in Senago (MI), Via Piemonte 34  
Registered with Milan business register no. 02168181200  
Company under the direction and coordination of IMA SpA.

### **ORGANISATION, MANAGEMENT AND CONTROL MODEL**

under Legislative Decree no. 231 of 8 June 2001  
on "Corporate Administrative Liability"

#### **ANNEX "A"**

#### **PREDICATE OFFENCES LIST**

### Foreword

The present list of offences includes the list of all predicate offences covered by Legislative Decree 8 June 2001 no. 231 on *"Rules laying down the administrative liability of legal persons, companies and associations, including those without legal status, under art. 11 of law no. 300 of 29 September 2000"*, and implements all the legislative changes occurred in ensuing years, including those introduced with Law 19 December 2019 no. 157 (published in the Official Journal no. 301 of 24 December 2019 and in force from the following day), with Legislative Decree no. 14 July 2020. 75 (published in the Official Journal no. 177 of 15 July 2020 and in force from 30 July 2020), with Legislative Decree no. 8 November 2021 no. 184 (published in the Official Journal no. 284 of 29 November 2021 and in force from 14 December 2021), with Law no. 23 December 2021. 238 (published in the Official Journal no. 12 of 17 January 2022 and in force from 1 February 2022), as well as with Law no. 9 March 2022. 22 (published in the Official Journal no. 68 of 22 March 2022 and in force from 23 March 2022), with Legislative Decree no. 2 March 2023. 19 (published in the Official Gazette no. 56 of 7 March 2023) and, lastly, with Law no. 9 October 2023. 137 (published in the Official Journal no. 236 of 9.10.2023).

#### **MISAPPROPRIATION OF FUNDS, FRAUD AGAINST THE STATE OR A PUBLIC BODY OR TO OBTAIN PUBLIC FUNDS AND COMPUTER FRAUD AGAINST THE STATE OR A PUBLIC BODY (ART. 24):**

- Embezzlement from the State or other public entity (Article 316-*bis* Italian Criminal Code);
- Unlawful receipt of contributions, financing or other disbursements by the State or other public body (art. 316-*ter* Italian Criminal Code);
- Disturbed freedom of enchantments (art. 353 Italian Criminal Code);
- Disturbed freedom of the procedure for choosing the contractor (art. 353bis Italian Criminal Code);
- Fraud in public supplies (art. 356 Italian Criminal Code);
- Fraud against the State or other public entity (Article 640(2), no. 1 Italian Criminal Code);
- Aggravated fraud for the obtainment of public funds (art. 640-*bis* Italian Criminal Code);
- Computer fraud to the detriment of the State or other public entity (Article 640-*ter* Italian Criminal Code);
- Fraud against the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development (art. 2 L. 23/12/1986, no. 898).

#### **COMPUTER CRIMES AND UNLAWFUL DATA PROCESSING (ART. 24 BIS)<sup>1</sup>:**

- Unauthorized access to a computer or telematic system (art. 615-*ter* Italian Criminal Code);
- Detention and unfair distribution of access codes to computer or telematic systems (art. 615-*quater* Italian Criminal Code);
- Broadcast equipment, devices or computer programs designed to damage or disrupt a computer or telematic system (art. 615-*quinqüies* Italian Criminal Code);
- Interception, hindrance or illicit interruption of computer or telematic communications (art. 617-*quater* Italian Criminal Code);
- Installation of equipment designed to intercept, hinder or interrupt computer or telematic communications (617-*quinqüies* Italian Criminal Code);
- Damage to information, data and computer programs (art. 635-*bis* Italian Criminal Code);
- Corruption of information, data and computer programs used by governments or other public entities or in any case of public convenience (art. 635-*ter* Italian Criminal Code);
- Damage to computer or telematic systems (art. 635-*quater* Italian Criminal Code);
- Damage to computer or telematic systems of public utility (art. 635-*quinqüies* Italian Criminal Code);

<sup>1</sup> Article added from art. 7 of Law 18.03.2008 no. 48.

- Computer fraud by the provider of electronic signature certification services (art. 640-*quinquies* Italian Criminal Code).
- Urgent provisions on national cyber security perimeter and regulation of special powers in sectors of strategic importance (art. 1(11), Leg. Dec. no. 105/2019).<sup>2</sup>

Law 18 March 2008 no. 48 further extended the range of so-called "predicate" offences, providing under art. 24-*bis* the hypotheses of forgery of records regarding computer documents according to the notion offered by art. 491 *bis* of the Italian Criminal Code, and therefore re-including the following offences:

- Material forgery committed by the public official in official records (art. 476 Italian Criminal Code);
- Material forgery committed by the public official in certificates or administrative authorisations (art. 477 Italian Criminal Code);
- Material forgery committed by the public official in authentic copies of public or private records and in statements of content of records (art. 478 Italian Criminal Code);
- Ideological forgery committed by the public official in official records (art. 479 Italian Criminal Code);
- Material forgery committed by the public official in certificates or administrative authorisations (art. 480 Italian Criminal Code);
- Ideological forgery in certificates committed by persons providing a public service (art. 481 Italian Criminal Code);
- Material forgery committed by a private individual (art. 482 Italian Criminal Code);
- Ideological forgery committed by a private individual in an official record (art. 483 Italian Criminal Code);
- Forgery of records and notifications (art. 484 Italian Criminal Code);
- Misuse of document signed in blank. Public act (art. 487 Italian Criminal Code);
- Other misuse of document signed in blank. Applicability of provisions on material forgery (art. 488 Italian Criminal Code);
- Use of forged record (art. 489 Italian Criminal Code);
- Suppression, destruction and concealment of genuine records (art. 490 Italian Criminal Code);
- Forgery in holographic wills, bills of exchange or credit instruments (art. 491 Italian Criminal Code).

**ORGANISED CRIME OFFENCES (ART. 24 TER)<sup>3</sup>:**

- Criminal association (art. 416 Italian Criminal Code);
- Criminal association aimed at forcing or keeping persons in slavery, human trafficking, purchase and sale of slaves and offences relating to violations of the guidelines on unlawful immigration pursuant to art. 12 Leg. Dec. no. 286/1998 (art. 416(6) Italian Criminal Code);
- Mafia-type association (art. 416-*bis* Italian Criminal Code);
- Crimes committed making use of the conditions provided for by art. 416 *bis* of the Criminal Code, or in order to facilitate the activity of the associations envisaged by the aforementioned article;
- Political-mafia electoral exchange (art. 416-*ter* Italian Criminal Code);
- Kidnapping for extortion (art. 630 Italian Criminal Code);
- Association aimed at illicit trafficking in narcotic drugs or psychotropic substances (art. 74 Presidential Dec. no. 309 of 9 October 1990);
- Illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or place open to the public of weapons of war or war-like weapons or parts thereof, explosives,

<sup>2</sup> The Law has been in force since 21.11.2019 but is not applicable before the implementing decrees of the conversion law are approved and published (Law 18.11.2019 n. 133).

<sup>3</sup> Article added from Law 15 July 2009, n. 94 art. 2(29).

clandestine weapons as well as more common firearms<sup>4</sup> (art. 407(2), lett. a), number 5), Italian Criminal Code).

**EMBEZZLEMENT, CRIMES OF BRIBERY, UNLAWFUL INCITEMENT TO GIVE OR PROMISE BENEFITS, CORRUPTION AND ABUSE OF OFFICE (ART. 25):**

- Embezzlement (art. 314 (1) Italian Criminal Code) - when the fact offends the financial interests of the European Union;
- Embezzlement through profit from the error of others (art. 316 Italian Criminal Code) - when the fact offends the financial interests of the European Union;
- Bribery (art. 317 Italian Criminal Code);
- Corruption in the exercise of the function (art. 318 and 321 Italian Criminal Code);
- Corruption for an act contrary to official duties (art. 319 and 321 Italian Criminal Code);
- Corruption in judicial acts (art. 319-ter and 321 Italian Criminal Code);
- Aggravating circumstances (art. 319-bis Italian Criminal Code);
- Unlawful incitement to give or promise benefits (art. 319-quater Italian Criminal Code);
- Corruption of public service personnel (art. 320 and 321 Italian Criminal Code)
- Incitement to bribery (art. 322 Italian Criminal Code);
- Embezzlement, extortion, undue inducement to give or promise benefits, corruption and incitement to corruption, abuse of office of members of international courts or bodies of the European Communities or of international parliamentary assemblies or of international organizations and of officials of the European Communities and Foreign states (art. 322 bis Italian Criminal Code);
- Abuse of office (art. 323 Italian Criminal Code);
- Unlawful influence (art. 346-bis Italian Criminal Code).

**COUNTERFEITING MONEY, PUBLIC CREDIT PAPERS, REVENUE STAMPS AND TOOLS OR IDENTIFYING MARKS (ART. 25 BIS)<sup>5</sup>:**

- Counterfeiting, spend and introduction in the State, following consultation, of counterfeit money (art. 453 Italian Criminal Code);
- Alteration of coins (art. 454 Italian Criminal Code);
- Spending and introduction in the State, without concert, of counterfeit money (art. 455 Italian Criminal Code);
- Spending of counterfeit money received in good faith (art. 457 Italian Criminal Code);
- Falsification of revenue stamps, introduced in the State, purchase, possession or circulation of counterfeit revenue stamps (art. 459 Italian Criminal Code);
- Counterfeit watermarked paper used for the manufacture of public credit or revenue stamps (art. 460 Italian Criminal Code);
- Manufacture or possession of watermarks or instruments for counterfeiting of coins, revenue stamps or paper filigree (art. 461 Italian Criminal Code);
- Use of counterfeited or altered revenue stamps (art. 464 Italian Criminal Code);
- Forgery, alteration or use of trademarks or patents, designs and drawings (art. 473 Italian Criminal Code);
- Introduction in the State and the marketing of products with false signs (art. 474 Italian Criminal Code).

**CRIMES AGAINST INDUSTRY AND COMMERCE (ART. 25-BIS.1.)<sup>6</sup>:**

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<sup>4</sup> Excluding those called "indoor range" or gas guns, and compressed air or compressed gas guns, both long and short whose bullets dispense kinetic energy over 7.5 joules, and rocket launcher instruments, barring weapons used for fishing or weapons and instruments for which the "Central consultative commission for weapons control" excludes, in relative to the respective characteristics, the aptitude to threaten a person.

<sup>5</sup> Article added from art. 6 Leg. Dec. no. 350 of 25 September 2001, amended in L. no. 409 of 23 November 2001.

<sup>6</sup> Article added from Law no. 99 of 23 July 2009.

- Obstructing of industry or commerce (art. 513 Italian Criminal Code); Illegal competition with threats or violence" (art. 513-*bis* Italian Criminal Code);
- Illegal competition with threats or violence" (art. 513-*bis* Italian Criminal Code);
- Fraud against national industries (art. 514);
- Fraudulent trading (art. 515 Italian Criminal Code);
- Sale of non-genuine foodstuffs as genuine (art. 516 Italian Criminal Code);
- Sale of industrial products with misleading signs (art. 517 Italian Criminal Code);
- Manufacture and sale of goods made by usurping industrial property (art. 517-*ter* Italian Criminal Code);
- Counterfeiting of geographical signs or designations of origin of agri-food products (art. 517-*quater* Italian Criminal Code);

**CORPORATE OFFENCES (ART. 25 TER)<sup>7</sup>:**

- False corporate communications (art. 2621 Italian Civil Code);
- Misdemeanours (art. 2621-*bis* Italian Civil Code);
- False corporate communications of listed companies (art. 2622 Italian Civil Code);
- False statement in a prospectus (art. 2623 (1) (2) Italian Civil Code)<sup>8</sup>;
- False reporting or communications by the auditing company (art. 2624 (1) (2) Italian Civil Code)<sup>9</sup>;
- Prevented control (art. 2625 (2) Italian Civil code);
- Unlawful restitution of contributions (art. 2626 Italian Civil Code);
- Unlawful distribution of profits and reserves (art. 2627 Italian Civil Code);
- Illegal transactions involving shares or shares in the company or of the parent company (art. 2628 Italian Civil Code);
- Operations to the detriment of creditors (art. 2629 Italian Civil Code);
- Failure to disclose conflict of interest (art. 2629-*bis* Italian Civil Code);
- Fictitious capital making (art. 2632 Italian Civil Code);
- Unlawful distribution of corporate assets by the liquidators (art. 2633 Italian Civil Code);
- Unlawful influence over Assembly (art. 2636 Italian Civil Code);
- Insider trading (art. 2637 Italian Civil Code);
- Hindrance to the supervisory functions of public authorities (art. 2638(1,2) Italian Civil Code);
- Corruption between private individuals (art. 2635(3) Italian Civil Code);
- Incitement to corruption between private individuals (art. 2635-*bis* (1), Italian Civil Code);
- False or omitted declarations for the issuance of the preliminary certificate (art. 54 of Legislative Decree 2.03.2023 no. 19)

**OFFENCES WITH THE PURPOSE OF TERRORISM OR SUBVERSION OF DEMOCRACY (ART. 25 QUATER):**

Art. 3 law 14 January 2003 no. 7 (ratification and execution of the International Convention for the Suppression of the Financing of Terrorism and adaptation of national regulations) added art. 25-*quater* to Leg. Dec. no. 231, which also extended the administrative liability of entities to "offences with the purpose of terrorism or subversion of democracy, provided for under the criminal code and special laws", and to crimes "that are committed in violation of that laid down in article 2 of the International Convention for the Suppression of the Financing of Terrorism signed in New York on 9 December 1999".

- Subversive association (art. 270 Italian Criminal Code);

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<sup>7</sup> Added article from art. 3 Leg. Dec. no. 61 of 11 April 2002 as last amended with L. no. 69/2015.

<sup>8</sup> Article repealed by art. 34, paragraph 2 of Law 28.12.2005 n. 262.

<sup>9</sup> Article repealed by art. 37, paragraph 34 of Leg. Dec. 27.01.2010 n. 39.

- Association with the aim of terrorism, including international terrorism, or subversion of the democratic order (art. 270 bis Italian Criminal Code);
- Aggravating and mitigating circumstances (art. 270 bis.1 Italian Criminal Code);
- Assistance to members (art. 270 ter Italian Criminal Code);
- Recruitment for the purpose of terrorism, including international terrorism (art. 270 quater Italian Criminal Code);
- Organization of transfer for terrorist purposes (art. 270 quater.1 Italian Criminal Code);
- Training for activities with the aim of terrorism, including international terrorism (art. 270 quinquies Italian Criminal Code);
- Financing of conduct for terrorist purposes (art. 270 quinquies.1 Italian Criminal Code);
- Subtraction of goods or money subjected to seizure (art. 270 quinquies.2 Italian Criminal Code);
- Conducted for terrorist purposes (art. 270 sexies Italian Criminal Code);
- Attack for terrorist or subversion purposes (art. 280 Italian Criminal Code);
- Act of terrorism with deadly or explosive devices (art. 280 bis Italian Criminal Code);
- Acts of nuclear terrorism (art. 280 ter Italian Criminal Code);
- Kidnapping for the purpose of terrorism or subversion (art. 289 bis Italian Criminal Code);
- Seizure for the purpose of coercion (art. 289 ter Italian Criminal Code);
- Incitement to commit any of the crimes envisaged by the first and second counts (art. 302 Italian Criminal Code);
- Political conspiracy by agreement (art. 304 Italian Criminal Code);
- Political conspiracy by association (art. 305 Italian Criminal Code);
- Armed gang: training and participation (art. 306 Italian Criminal Code);
- Assistance to participants in a conspiracy or armed gang (art. 307 Italian Criminal Code);
- Seizure, hijacking and destruction of an aircraft (art. 1 of Law 10.05.1976 n. 342);
- Damage to ground installations (art. 2 of Law 10.05.1976 n. 342);
- Sanctions (art. 3 of Law 28.12.1989 n. 422);
- Pentimento operaso (art. 5 of Legislative Decree 15.12.1979 n. 625);
- New York Convention of 9 December 1999 (art. 2).

**PRACTICE OF FEMALE GENITAL MUTILATION (ART. 25 QUATER -1):**

Law 9 January 2006 no. 7 introduced art. 25-*quater* 1, envisaging the entity's liability for the hypothesis envisaged in art. 583 bis of the Italian Criminal Code (*Practice of female genital mutilation*).

**CRIMES AGAINST THE INDIVIDUAL PERSONALITY (ART. 25 QUINQUIES)<sup>10</sup>:**

- Forcing or keeping in slavery or servitude (art. 600 Italian Criminal Code);
- Child prostitution (art. 600-*bis* Italian Criminal Code);
- Child pornography (art. 600-*ter* Italian Criminal Code);
- Possession of pornographic material (art. 600-*quater* Italian Criminal Code);
- Virtual pornography (art. 600 quater.1 Italian Criminal Code);
- Tourism initiatives for the exploitation of child prostitution (art. 600-*quinquies* Italian Criminal Code);
- Trafficking in persons (art. 601 Italian Criminal Code);
- Purchase and sale of slaves (art. 602 Italian Criminal Code);
- Child grooming (art. 609-*undecies* Italian Criminal Code);
- Illegal intermediation and labour exploitation (art. 603-*bis* Italian Criminal Code).

<sup>10</sup> Article introduced with Law no. 228 of 11 August 2003, in force since 7 September 2003.

**MARKET ABUSE (ART. 25 SEXIES):**

Law 18 April 2005, no. 62 introduced art. 25-*sexies* (*Market abuse*) to Leg. Dec. no. 231, envisaging the entity's liability in relation to insider dealing and market manipulation envisaged by part V, heading I bis, point II of the Consolidation Act under Leg. Dec. no. 58 of 24 February 1998 (art. 184 and 185).

To these must be added the hypotheses referred to in the articles. 14 and 15 of EU Reg. n. 596/2014, provided for by art. 187 quinquies of the aforementioned Consolidated Law.

**MANSLAUGHTER OR SERIOUS OR CRITICAL INJURY COMMITTED IN VIOLATION OF THE RULES ON HEALTH AND SAFETY IN THE WORKPLACE (ART. 25 SEPTIES):**

Law 3 August 2007, no. 123 introduced art. 25-*septies* (subsequently amended by art. 300 of Leg. Dec. no. 81 of 30 April 2008), which contemplates the case of Manslaughter or serious or critical injury (art. 589, 590 Italian Criminal Code), *committed in violation of the rules governing accident prevention and health and safety in the workplace*.

**RECEIPT, LAUNDERING AND USE OF MONEY, PROPERTY OR BENEFITS OF UNLAWFUL ORIGIN (ART. 25 OCTIES)<sup>11</sup>:**

- Receipt (art. 648 Italian Criminal Code);
- Laundering (art. 648 bis Italian Criminal Code);
- Use of money, property or benefits of unlawful origin (ar. 648 ter Italian Criminal Code);
- Self-laundering (art. 648-ter. 1 Italian Criminal Code).

**OFFENCES RELATING TO PAYMENT INSTRUMENTS OTHER THAN CASH (ART. 25 OCTIES.1)<sup>12</sup>:**

- Misuse and falsification of credit and payment cards (art. 493-*ter* Italian Criminal Code);
- Possession and dissemination of equipment, devices and computer programs intended to commit offences relating to non-cash payment instruments (art. 493-*quater* Italian Criminal Code);
- Fraudulent transfer of values (art. 512 Italian Criminal Code);
- Computer fraud against the State or other public body (art.640-*ter* Italian Criminal Code);
- Any other crime against public faith, against patrimony or which in any case offends the patrimony provided for by the Penal Code, when it concerns payment instruments other than cash (unless the fact constitutes another administrative offense sanctioned more seriously).

**COPYRIGHT INFRINGEMENT OFFENCES (ART. 25-NOVIES)<sup>13</sup>:**

- Making available to the public a protected intellectual work, or part thereof, in a system of telematic networks through connections of any kind (art. 171, L. 633/1941 paragraph 1 lett. a) *bis*);
- Offences committed in the previous paragraph on others' works not intended for publication if it would hurt their honour or reputation (art. 171, Law no. 633/1941(3));
- Unauthorized duplication, for profit, of computer programs; import, distribution, sale or possession for commercial or business purposes or leased concession of programs in media not covered by SIAE; provision of means to remove or circumvent computer programs protection devices (art. 171-*bis* Law no. 633/1941(1));
- Reproduction, transfer to another medium, distribution, communication, presentation or display, in public, of the contents of a database; extraction or reuse of the database; distribution, sale or leased concession in databases (art. 171-*bis* Law no. 633/1941(2));

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<sup>11</sup> Article added by art. 63 (3) of Leg. Dec. no. 231 of 21 November 2007.

<sup>12</sup> Article added by art. 3 of Leg. Dec. no. 184 of 8 November 2021.

<sup>13</sup> Article added from Law no. 99 of 23 July 2009.

- Unauthorized duplication, reproduction, transmission or public dissemination by any means, in whole or in part, of intellectual works for the television or film circuits, sale or rental of records, tapes or similar media or any other media containing phonograms or videograms of similar musical, cinematographic or audiovisual works or sequences of moving images; literary, dramatic, scientific or educational, musical or dramatic musical and multimedia works, even if included in collective or composite works or databases; reproduction, duplication, transmission or unfair distribution, sale or trade, sale in any way or illegal import of more than fifty copies or copies of works protected by copyright and related rights; placing in a system of telematic networks, through connections of any kind, an intellectual work protected by copyright, or part thereof (art. 171-*ter* Law no. 633/1941);<sup>14</sup>
- Failure to notify SIAE of the identification data of media not subject to marking or false declaration (art. 171-*septies* Law no. 633/1941);
- Fraudulent production, sale, import, promotion, installation, modification, public and private use of equipment or parts of equipment suitable for decoding conditional access audiovisual transmissions made by wireless, satellite, cable, in both analogue and digital (art. 171-*octies* Law no. 633/1941).

**INDUCEMENT TO WITHHOLD STATEMENTS OR TO GIVE FALSE STATEMENTS TO THE LEGAL AUTHORITIES (ART. 25-DECIES)<sup>15</sup>:**

- Inducement to withhold statements or to give false statements to the legal authorities (art. 377-*bis* Italian Criminal Code).

**TRANSNATIONAL OFFENCES<sup>16</sup>:**

Definition of transnational offences:

Under this law, a transnational offence is considered as an offence punished by imprisonment of no less than a maximum of four years, if an organised criminal group is involved, and:

- a) is committed in more than one state;
- b) is committed in one state but a substantial part of its preparation, planning, direction or control took place in another state;
- c) is committed in one state but an organised criminal group active in criminal activities in more than one state was involved;
- d) or it is committed in one State but has substantial effects in another State.

Envisaged offences:

- Criminal association (art. 416 Italian Criminal Code);
- Mafia-type associations, including foreign associations (art. 416-*bis* Criminal Code);
- Inducement to withhold statements or to give false statements to the legal authorities (art. 377-*bis* Italian Criminal Code);
- Aiding and abetting an offender (art. 378 Italian Criminal Code);
- Criminal conspiracy to smuggle foreign processed tobacco (art. 291-*quater* Presidential Decree 43/73);
- Conspiracy related to the illegal trafficking of narcotics or psychotropic substances (art. 74 Presidential Decree 309/1990);
- Provisions against unlawful immigration (art. 12 Legislative Decree no. 286/98).

<sup>14</sup> Law 14.07.2023 n. 93 (containing «Provisions for the prevention and repression of the illicit diffusion of contents protected by copyright through electronic communications networks» and which entered into force on 08.08.2023) also intervened on art. 171 *ter* of Law no. 633/1941, thus determining the extension of the liability of legal persons also for the cases of those who illegally «carry out the fixation on digital, audio, video or audiovideo support, in whole or in part, of a cinematographic, audiovisual or editorial work or carries out the reproduction, execution or communication to the public of the illegally performed fixation».

<sup>15</sup> This article was added from art. 4 L. no. 116 of 3 August 2009, as article 25-*novies*, not taking into account the addition of article 25-*novies* from art. 15(7), letter c) of L. no. 99 of 23 July 1999. As such it has been renumbered article 25 *decies*.

<sup>16</sup> Law no. 146 of 16 March 2006, which extends the liability of entities to so-called transnational offences.

**ENVIRONMENTAL OFFENCES (ART. 25-UNDECIES)<sup>17</sup>:**

- The killing, destruction, removal or possession of protected plant or animal species (art. 727-*bis*, Italian Criminal Code);
- The destruction or damaging of protected habitats (art. 733-*bis*, Italian Criminal Code);
- Discharge of industrial waste water containing hazardous substances (various cases as provided for under article 137, Leg. Dec. no. 152/2006);
- Handling of unauthorised waste (various cases as provided for under article 256, Leg. Dec. no. 152/2006);
- Pollution of the soil, subsoil, surface or groundwater and exceeding of the threshold risk concentrations (art. 257 Leg. Dec. no. 152/2006);
- Violation of obligations of disclosure, keeping of mandatory records and registers on waste traceability (art. 258 Leg. Dec. no. 152/2006);
- Illegal trafficking of waste (art. 259 Leg. Dec. no. 152/2006);
- Organised activities for the illegal trafficking of waste (art. 452-*quaterdecies* Italian Criminal Code)<sup>18</sup>;
- False indications on the nature, composition and chemical-physical characteristics of the waste when preparing a waste analysis certificate; inclusion of a false waste analysis certificate in SISTRI; omission or fraudulent alteration of the paper copy of the SISTRI form - waste transport handling area (art. 260 bis, Legislative Decree no. 152/2006);
- Atmospheric emissions exceeding limit values or in breach of regulations (art. 279, Leg. Dec. no. 152/2006);
- The holding, importing/exporting or re-exporting without authorisation or with false authorisation of endangered plant or animal species (Law no. 150/1992);
- Production, consumption, import, export, holding and sale of substances harmful to the ozone layer and the environment (Law no. 549/1993);
- Ship-source pollution (Leg. Dec. no. 202/2007);
- Environmental pollution (art. 452-*bis* Italian Criminal Code)<sup>19</sup>;
- Environmental disaster (art. 452-*quater* Italian Criminal Code);
- Negligent offences against the environment (art. 452-*quinquies* Italian Criminal Code);
- Transportation and dumping of highly radioactive material (art. 452-*sexies* Italian Criminal Code);
- Aggravating circumstances (art. 452-*octies* Italian Criminal Code).

**EMPLOYMENT OF THIRD-COUNTRY NATIONALS WITH IRREGULAR PERMIT OF STAY: (ART. 25-DUODECIES)<sup>20</sup>:**

- Employment of third-country nationals with irregular permit of stay (art. 22, paragraph 12-bis, Leg. Dec. no. 286 of 25 July 1998).
- Assisting unlawful immigration (art. 12, paragraphs 3, 3-bis, 3-ter, 5, Leg. Dec. no. 286 of 25 July 1998).

**RACISM AND XENOPHOBIA (ART. 25-TERDECIES)<sup>21</sup>:**

<sup>17</sup> Article added from Leg. Dec. no. 121, of 7 July 2011, under the name of: "Implementation of directive 2008/99/EC on the protection of the environment, and of directive 2009/123/EC, which amends directive 2005/35/EC on ship-source pollution and on the introduction of penalties for infringements". Published in OJ no. 177, of 1 August 2011, in effect since 16.08.2011 and last amended under Law no. 68/2015.

<sup>18</sup> Following the repeal of art. 260 Leg. Dec. no. 152/2006, in accordance with that laid down in art. 8(1) Leg. Dec. no. 21 of 1 March 2018, since 6 April 2018 references to the provisions of this article, wherever present, are understood as referring to art. 452-*quaterdecies* of the Italian Criminal Code.

<sup>19</sup> Heading VI-bis, including art. 452-*bis* to 452-*terdecies*, was added from art. 1(1), Law 22 May 2015, no. 68, in effect from 29 May 2015, pursuant to that provided for under art. 3(1) of the same Law no. 68/2015.

<sup>20</sup> Article added from Leg. Dec. no. 109/2012, published in OJ no. 172 of 25 July 2012 and entered into force on 9 August 2012.

<sup>21</sup> Article added from art. 5(2), L. no. 167 of 20 November 2017, published in OJ no. 277 of 27 November 2017 and in force since 12 December 2017; following the repeal of art. 3 Leg. Dec. no. 654/1975, in accordance with that laid down in art. 8(1) Leg. Dec. no. 21 of 1 March 2018, since 6 April 2018 references to the provisions of the aforesaid article, wherever present, are understood as referring to art. 604-bis of the Italian Criminal Code.

- Propaganda and incitement for reasons of racial, ethnic and religious discrimination (art. 604 *bis* Italian Criminal Code).

**FRAUD IN SPORTS COMPETITIONS, ILLEGAL GAMBLING OR BETTING CARRIED OUT USING BANNED EQUIPMENT (ART. 25-QUATERDECIES)<sup>22</sup>:**

- Fraud offences in sports competitions, illegal gambling or betting carried out using banned equipment (offences under articles 1 and 4 of law 13 December 1989, no. 401).

**TAX OFFENCES (ART. 25-QUINQUESDECIES)<sup>23</sup>:**

- Fraudulent declaration through the use of invoices or other documents for non-existent operations (art. 2, paragraph 1 and paragraph 2 bis of Legislative Decree no. 74 of 10 March 2000);
- Fraudulent declaration by other devices (art. 3 Leg. Dec. no. 74 of 10 March 2000), when the crime is committed with the aim of evading VAT as part of cross-border fraudulent systems connected to the territory of at least one other EU member state and results or may result in overall damage equal to or greater than 10 million euros;
- Failure to declare (art. 5 of Leg. Dec. no. 74 of 10 March 2000), when the crime is committed for the purpose of evading VAT in the context of cross-border fraudulent systems connected to the territory of at least one other member state of the EU and results or may result in overall damage equal to or greater than 10 million euros;
- Issue of invoices or other documents for non-existent operations (art. 8, paragraph 1 and paragraph 2 bis of Legislative Decree no. 74 of 10 March 2000);
- Concealment or destruction of accounting documents (art. 10 Leg. Dec. no. 74 of 10 March 2000); Undue compensation (art. 10 quater of Leg. Dec. no. 74 of 10 March 2000), when the crime is committed for the purpose of evading VAT in the context of cross-border fraudulent systems connected to the territory of at least one other member state of the EU and results or may result in overall damage equal to or greater than 10 million euros;

**SMUGGLING (ART. 25-SEXIEDECIES)<sup>24</sup>:**

Legislative Decree 14.07.2020 n. 75 inserted the art. into Legislative Decree 231/2001. 25 sexesdecies, thus establishing the Entity's liability in relation to the smuggling crimes envisaged by the Consolidated Law on customs matters referred to in the Presidential Decree. 01.23.1973, n. 43. In light of the subsequent amendments made to the aforementioned T.U. (first with Legislative Decree 16.01.2016 no. 8 and then, lastly, with the same Legislative Decree no. 75/2020), constitute a predicate crime for the purposes of Legislative Decree no. 231/2001 violations of the Consolidated Law. constituting a crime if the amount of border dues evaded is greater than 10 thousand Euros, or the aggravated cases punished (also or only) with a prison sentence, regardless of the amount of border dues evaded:

- Smuggling in the movement of goods across land borders and customs spaces (art. 282 Presidential Dec. no. 73/1943);
- Smuggling in the movement of goods across border lakes (art. 283 Presidential Dec. no. 73/1943);
- Smuggling in the movement of goods by sea (art. 284 Presidential Dec. no. 73/1943);
- Smuggling in the movement of goods by air (art. 285 Presidential Dec. no. 73/1943);

<sup>22</sup> Article added from art. 5, Law 3 May 2019, no. 39 ratifying and implementing the Council of Europe Convention on the Manipulation of Sports Competitions, signed in Magglingen on 18 September 2014, published in Official Journal General Series no. 113 of 16.5.2019, in force from 17.5.2019.

<sup>23</sup> Article added from art. 39(2), Leg. Dec. no. 124 of 26 October 2019; the standard, pursuant to art. 39(3), of the same Leg. Dec. no. 124/2019 took effect on 25 December 2019 (the day after 24 December 2015, publication date in Official Journal, General Series, no. 301 of conversion law no. 157 of 19 December 2019 "Conversion into law, with amendments, of Decree-Law no. 124 of 26 October 2019, setting forth urgent provisions on fiscal matters and for unavoidable requirements").

<sup>24</sup> Article added by art. 5, paragraph 1 letter. d) of Legislative Decree 14.07.2020 n. 75.

- Smuggling in non-customs areas (art. 286 Presidential Dec. no. 73/1943);
- Smuggling for improper use of goods imported with customs facilities (art. 287 Presidential Dec. no. 73/1943);
- Smuggling in customs warehouses (art. 288 Presidential Dec. no. 73/1943);
- Smuggling in cabotage and in circulation (art. 289 Presidential Dec. no. 73/1943);
- Smuggling in the export of goods eligible for duty drawback (art. 290 Presidential Dec. no. 73/1943);
- Smuggling in temporary import or export (art. 291 Presidential Dec. no. 73/1943);
- Smuggling foreign tobacco products (art. 291-*bis* Presidential Dec. no. 73/1943);
- Aggravating circumstances of smuggling foreign tobacco products (art. 291-*ter* Presidential Dec. no. 73/1943);
- Criminal association for the purpose of smuggling foreign tobacco products (art. 291-*quater* Presidential Dec. no. 73/1943);
- Other cases of smuggling (art. 292 Presidential Dec. no. 73/1943);
- Aggravating circumstances of smuggling (art. 295 Presidential Dec. no. 73/1943).

**OFFENCES AGAINST CULTURAL HERITAGE (ART. 25-SEPTIEDECIES)<sup>25</sup>:**

- Theft of cultural goods (art. 518 bis Italian Criminal Code);
- Misappropriation of cultural goods (art. 518 ter Italian Criminal Code);
- Receiving of cultural goods (art. 518 quarter Italian Criminal Code);
- Falsification in private writing relating to cultural goods (art. 518 octies Italian Criminal Code);
- Offences related to cultural property disposals (art. 518 novies Italian Criminal Code);
- Illicit import of cultural goods (art. 518 decies Italian Criminal Code);
- Illicit exit or export of cultural goods (art. 518 undecies Italian Criminal Code);
- Destruction, dispersion, deterioration, disfigurement, fouling and unlawful use of cultural or landscape property (art. 518 duodecies Italian Criminal Code);
- Counterfeiting of works of art (art. 518 quaterdecies Italian Criminal Code);

**RECYCLING OF CULTURAL GOODS AND DESTRUCTION AND LOOTING OF CULTURAL AND LANDSCAPE HERITAGE (ART. 25-SEPTIEDECIES)<sup>26</sup>:**

- art. 518 sexies Italian Criminal Code (Recycling of cultural goods);
- art. 518 terdecies Italian Criminal Code (Destruction and looting of cultural and landscape heritage).

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<sup>25</sup> Article added by art. 3, paragraph 1 of Law 9.03.2022 n. 22.

<sup>26</sup> Article added by art. 3, paragraph 1 of Law 9.03.2022 n. 22.



## **CO.MA.DI.S. S.p.A.**

Registered office in Senago (MI), Via Piemonte 34  
Registered with Milan business register no. 02168181200  
Company under the direction and coordination of IMA SpA.

### **ORGANISATION, MANAGEMENT AND CONTROL MODEL**

under Legislative Decree no. 231 of 8 June 2001  
on "Corporate Administrative Liability"

#### **ANNEX "B"**

#### **DISCIPLINARY SYSTEM**

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## FOREWORD - DEFINITIONS

The disciplinary and sanction system is an integral part of CO.MA.DI.S 's Organisation Model. The terms written with an upper case letter in this document shall have the meaning attributed to them in the General Section of the Model.

The Company, in compliance with the provisions of articles 6 and 7 of Decree no. 231, to ensure compliance with, effectiveness and implementation of the principles and rules of conduct set out in the Model (including the Code of Ethics), has adopted this disciplinary and sanction system, which contains a set of rules defining the types of "sanctions" introduced in the event of a breach of the provisions of the Model and the Code of Ethics by Employees, Collaborators, Suppliers, Directors, Senior Personnel and Individuals subject to third-party direction and/or any other individual that has a professional or commercial relationship with the Company.

This Disciplinary System is designed to sanction any breach and failure to comply with rules of behaviour and conduct which may result in (or be instrumental to) the commission of Predicate Offences and/or breach and failure to comply with Company procedures, processes and *policies* in place in Areas at Risk of Offence. As already indicated in the definitions (see Paragraph "A" of the "General Section"), the reference to the "Code of Ethics" contained in this document is therefore limited exclusively to those rules of conduct and behaviour (specified therein) the breach of which and/or failure to comply with which may result in (or be instrumental to) the commission of a Predicate Offence.

The application of the "disciplinary sanctions" and measures specified below is not, pursuant to the Decree, conditional upon the outcome of any criminal proceedings brought against the perpetrator of the breach, insofar as the rules of conduct laid down in the Model (including the Code of Ethics) are adopted voluntarily by the Company on an entirely independent basis, regardless of whether any conducts may constitute an offence or are pursued by the courts.

In order that the Model can serve to exclude the Company's liability pursuant to art. 6(2) of the Decree, the Disciplinary System adopted by the Company is based on principles of specificity and autonomy (it being designed to sanction any breach of the Model regardless of whether an offence is actually committed) as well as proportionality (insofar as the sanctions applicable must be commensurate with the breaches charged). Furthermore, the System involves a procedure for establishing and imposing disciplinary sanctions consistent with current laws on protection of workers, as well as compliance with the provisions contained in the National Collective Labour Agreement (CCNL). Specific details are given about the System through the Company's information channels (i.e. noticeboard and company intranet) and through staff training.

## SANCTIONS FOR EMPLOYEES AND MANAGERS

### 2.1 General principles and sanctionable behaviours

Compliance by the Company's employees (including managers) with the provisions contained in the Model, in the Code of Ethics, in the company protocols and in the procedures provided for in the Model or referred to therein, constitutes a fundamental part of their contractual obligations pursuant to article 2104 of the Italian Civil Code.

Therefore, any breach of those provisions will constitute a failure by the employee to perform the obligations arising from the employment relationship and will lead to the imposition of sanctions and/or disciplinary measures, in observance of the principle of graduality and proportionality and in accordance with the procedures laid down by the applicable laws indicated below. Any such breach will entail the consequences laid down by law, including in relation to the continuation of the employment relationship and the obligation to compensate for any harm caused.

The Disciplinary System is applied in the event of breach of the internal procedures, principles and *policies* (including orders given by the Company both in written and oral form) specified or referred to in this Model and in the Code of Ethics, i.e. where specific sanctionable behaviours are adopted (without prejudice to any consequences, including disciplinary consequences, arising from breaches of other obligations laid down by law and/or in the National Collective Labour Agreement). The following behaviours in particular constitute breaches of the Model:

- behaviours which constitute, directly or indirectly, offences covered by the Decree;
- behaviours which, although not constituting one of the offences covered by the Decree, are unequivocally intended at committing those offences;

- failure to comply with the Code of Ethics, general principles of behaviour, control principles and systems, preventive protocols, company procedures, internal regulations, written or verbal instructions, guidelines envisaged or quoted in the Model, including, in particular, those envisaged or quoted by Special Section A of the Model with reference to each category of offence;
- lack of evidence or untruthful evidence about activities carried out in relation to the documentation, monitoring and supervision of activities in Areas at Risk of Offence in such a manner as to impede the transparency or verifiability of those activities;
- breach and/or evasion of the control system, by removing, destroying, altering or omitting the documentation required under current procedures or by obstructing the appointed bodies and the Supervisory Committee from monitoring or accessing requested information and documentation;
- failure to comply with the provisions relating to signatory powers and the system of delegations;
- failure on the part of immediate superiors to supervise their subordinates with respect to the correct and effective application of the Code of Ethics and of Company procedures;
- failure to comply with the reporting duties towards the Supervisory Committee;
- failure to take part without justified reason in the inspections scheduled by the Supervisory Committee;
- failure to take part without justified reason in the training events scheduled with respect to the Organisation Model;
- reporting of any of the breaches described above to the Supervisory Committee, to an immediate superior or to another person who is required to report the same to the Supervisory Committee, where the person reporting the breach knows that it is false or malicious;
- failure to report to the Supervisory Committee and/or to the immediate superior about any breaches of the Model notwithstanding direct and certain proof thereof;
- failure to notify/train/update internal and external staff operating in areas potentially at risk of an offence being committed;
- as regards health and safety at work, failure on the part of workers to fulfil the obligations incumbent upon them under current legislation (including, in particular, article 20 of Leg. Dec. no. 81/2008) and, as far as other safety officers are concerned (i.e. Employer, Managers, Officers, RSPP and ASPP, and other roles provided for under Leg. Dec. no. 81/2008), failure to fulfil the obligations incumbent upon them under Leg. Dec. no. 81/2008.

The severity of breaches of the Model will be assessed according to the following circumstances:

- level of responsibility and autonomy of the perpetrator of the breach;
- possible existence of previous situations of breach involving that person;
- existence and intensity of any intent;
- as far as negligent conduct is concerned, existence and degree of negligence, carelessness or imprudence in the failure to observe the precautionary rule;
- foreseeability of the consequences of the conduct;
- severity of the behaviour, by which is meant the level of risk and the consequences to which the Company may reasonably consider that it is exposed, in accordance with the Model, as a result of the censured conduct;
- the time, manner and other circumstances in which the breach took place.

Equally, the Disciplinary System adopted by the Company, in compliance with that laid down in lett. d), (2)bis of art. 6 Decree no. 231, introduced in the aforesaid article under Law 30 November 2017 no. 179 ("*whistleblowing*"), applies to those who, with reference to the reports described in point 9, lett. k) of the General Section of the Model:

- breach the Company's measures to protect the whistleblower;
- make reports with malice or misconduct later found to be unfounded.

## 2.2 Sanctions on employees (non-directors)

The disciplinary measures that can be taken against employees (non-managers), in accordance with the procedures set out in art. 7 of the Workers' Statute and with any special laws applicable, are the sanctions laid down in the National Collective Labour Agreement, which are listed below in increasing level of severity:

- verbal warning;
- written warning;
- fine of no more than the maximum amount envisaged by the applicable CCNL;
- suspension from work without pay;
- dismissal with notice;
- dismissal without notice.

For example, the sanction of:

- **verbal warning or written warning** is, depending on the severity of the breach, imposed on a worker who commits a minor breach of the rules of conduct and/or internal procedures specified or referred to in this Model or in the Code of Ethics or who fails to carry out orders given by the Company or who, in Areas at Risk of Offence, adopts behaviours that do not conform to the Model, the Code of Ethics or the rules of conduct and/or procedures referred to therein, where the breaches are not serious in nature;
- fine is, within the limits **laid** down in the National Collective Labour Agreement, imposed on a worker who commits the breaches described in the previous paragraph several times (but no more than three);
- **suspension from work without pay** is imposed on a worker who, in breaching the rules of conduct and/or internal procedures specified or referred to in this Model or in the Code of Ethics, causes non-serious harm to the Company or exposes it to the risk of non-serious harm;
- **disciplinary dismissal with notice** is, in accordance with current laws, imposed on a worker who commits the breaches referred to in point 1 more than three times or who, in Areas at Risk of Offence, adopts behaviours that do not conform to the Model or the Code of Ethics or the rules of conduct and/or procedures referred to therein and which are clearly intended at committing one or more offences covered by the Decree or commits other breaches of this Model or the Code of Ethics or the rules of conduct and/or procedures referred to therein, where such breaches are so serious that it is not possible to continue the employment relationship, provided that the conditions laid down in paragraph 5 below are not fulfilled;
- **disciplinary dismissal with just cause, without notice**, is imposed on a worker who, in Areas at Risk of Offence, adopts behaviours manifestly in breach of this Model or the Code of Ethics or the rules of conduct and/or procedures referred to therein, where such breaches may result in the sanctions covered by the Decree being imposed on the Company or result in other serious harm or risk of serious harm being caused to the Company, or where the worker commits other acts or breaches such that it is not possible to continue the employment relationship, even on a temporary basis.

These sanctions are imposed on employees not only in the case of actual breach of the rules of conduct and/or procedures referred to in this Model and in the case of conducts that do not conform to the Model and the Code of Ethics but also in the case of attempted offences, i.e. behaviours or omissions clearly intended at disregarding the behavioural rules laid down in this Model.

As regards health and safety of workers, since employees are also obliged to comply with the main obligations laid down in art. 20 of Decree no. 81/2008, if those obligations are breached, the aforementioned sanctions will be applied on a graduated basis according to the risk of application of the measures specified in the Decree that their conduct has brought about.

The actual sanction to be applied will be determined according to point 2.4 below.

None of the above affects the right to claim compensation for the harm caused as a result of such behaviours, including harm caused as a result of a judge applying the measures laid down in the Decree.

### 2.3 Sanctions on directors

If the Company's managers breach the provisions, rules of conduct and procedures contained in the Model or in the Code of Ethics or, in Areas at Risk of Offence, adopt behaviours that do not conform to the Model or to the Code of Ethics and where such behaviours can be classified as "sanctionable", as explained in point 2.1 above, the following sanctions will be adopted in relation to those responsible:

- written warning;
- dismissal with notice;
- dismissal without notice.

For example, the director will incur the following:

- **written warning** will be imposed on a manager who commits a non-serious breach of one or more procedural or behavioural rules laid down in the Model or in the Code of Ethics, the observance of which is necessary in order to maintain the relationship of trust with the Company, taking particular account of the responsibilities entrusted to the manager;
- **dismissal with notice** will be imposed on a manager, in accordance with art. 2118 of the Civil Code and with the provisions of the applicable National Collective Labour Agreement, who commits a serious breach of one or more stipulations of the Model or the Code of Ethics (i.e. procedural or behavioural rules laid down therein) or who commits again one or more breaches described in the previous point, such as to constitute, following appropriate and necessary checks by the Company, a substantial failure which can be ascribed to the fault or neglect of the manager;
- **dismissal without notice** will be imposed on a manager, in accordance with art. 2119 of the Civil Code and with the provisions of the applicable National Collective Labour Agreement, who commits a breach of one or more stipulations of the Model or Code of Ethics (i.e. procedural or behavioural rules included therein) where that breach is so serious that it causes irreparable harm to the relationship of trust and it is not possible to continue the employment relationship, even on a temporary basis.

The actual sanction to be applied will be determined according to point 2.4 below.

In each case, for workers with manager status, the following constitute a serious breach of the stipulations of the Model:

- failure to fulfil the duty to manage or supervise their subordinate workers with respect to the correct and effective application of the Model;
- failure to fulfil the duty to supervise other recipients of the Model who, while not being connected to the Company by a subordinate employment relationship, are nonetheless subject to the stipulations of the Model (e.g. Collaborators, Suppliers, Consultants, etc.).

Without prejudice to the foregoing, the Company henceforth reserves the right to take action against any manager who has been subject to the measures indicated above in order to remedy the harm suffered and/or recover any damages that the Company is ordered to pay to third parties.

### 2.4 Ascertaining violations and imposition of sanctions

Specific company departments will be responsible for ascertaining violations, including those reported by the Supervisory Committee, for managing disciplinary proceedings and for imposing sanctions.

The Supervisory Committee must in all cases be involved in the procedure for ascertaining violations and in the subsequent imposition of sanctions where there is a breach of the Model (or of the Code of Ethics which forms an integral part thereof). A disciplinary measure cannot therefore be dropped or a sanction imposed for a breach of the Model (or of the Code of Ethics which forms an integral part thereof) without having previously informed the Supervisory Committee and sought its opinion, even if the proposal to commence the proceedings comes from the Committee itself.

None of the foregoing affects the provisions set out in art. 7 of Law no. 300/1970 and in the applicable National Collective Labour Agreement regarding sanction procedures, which are deemed to be fully incorporated herein by

reference. Disciplinary sanctions and any claim for compensation will be commensurate with the employee's and/or the manager's level of responsibility and autonomy and will take into account the existence of any previous breaches committed by that person, the intentionality of his/her behaviour and the severity of the same, by which is meant the level of risk to which the Company may reasonably consider that it is exposed, in accordance with the Model, as a result of the censured conduct. Furthermore, in assessing the severity of the conduct, account will be taken of the degree of negligence, malpractice or rashness, the severity of any harm caused to the Company, as well as the harmful consequences that the conduct has caused to the Company and/or to individuals from the point of view of the laws on health and safety at work and the existence of mitigating or aggravating circumstances.

The sanctions that can be imposed under this Disciplinary System conform to the specifications of the national collective labour agreements applicable to the sector and, specifically, the applicable CCNL, in accordance, from a procedural point of view, with the provisions of art. 7 of Law no. 300 of 30 May 1970 (Workers' Statute) regarding the notification of the offence and the imposition of the respective sanction, which provisions are deemed to be fully incorporated herein by reference. In particular:

- no disciplinary measures will be adopted without the worker having previously been notified of the offence of which he/she is accused and having had the opportunity to put forward his/her defence;
- disciplinary measures more serious than a verbal warning will not be applied until five days have elapsed from the written notification of the offence giving rise to those measures, during which the worker may put forward his/her explanations and may possibly be assisted by a union representative;
- if the disciplinary measure is not adopted within six days of the submission of those explanations, the latter will be deemed to have been accepted;
- the imposition of any disciplinary measure more serious than a verbal warning will be notified in writing and reasons will be given;
- for the purposes of determining any repeat offending, no account will be taken of disciplinary measures once two years have elapsed from the imposition of those measures.

## MEASURES AGAINST DIRECTORS

If one or more members of the Board of Directors breaches the provisions laid down in the Model and/or Code of Ethics (which is an integral part of it), the other directors and/or the Board of Auditors and/or the Supervisory Committee shall inform, without delay and in writing, the Board of Directors, Board of Auditors and Supervisory Committee via a communication to the chairs of said bodies (or to one of their members if the report directly concerns the body(s)).

Once the reported breach has been examined, the Board of Directors or Board of Auditors will, after checking that the allegations are well-founded (which may involve interviewing the director concerned and consulting with the Supervisory Committee), take appropriate measures from those listed below according to the severity of the breach and may, where applicable, call a Shareholders' Meeting.

If one or more Directors who have allegedly committed an offence giving rise to the Company's administrative liability are committed for trial, the Chairman of the Board of Directors or the Chairman of the Board of Statutory Auditors must call a Shareholders' Meeting in order to discuss their possible removal from office or any different options, all of which must be appropriately justified. The same procedure will also apply for any subsequent procedural stages.

The following disciplinary measures may be taken against directors:

- **formal written warning** with an order to comply with the provisions of the Model, which may be given in the event of a minor infringement of the principles and rules of behaviour contained in this Model, in the Code of Ethics or in company procedures;
- in more serious cases of breaches involving a failure to comply with the stipulations and/or procedures and/or internal rules contained in this Model (including the Code of Ethics), even where the same may only potentially constitute an offence and/or an administrative offence and/or a conduct knowingly conflicting with the above stipulations, the following measures may be applied taking into account the intentionality and severity of the behaviour (which may also be assessed according to the level of risk to which the Company is exposed) and the

specific circumstances in which that behaviour materialised: i) **total or partial revocation** of delegations that may have been granted, and (ii) **dismissal** with immediate effect.

The resolutions adopted by the Board of Directors, by the Board of Statutory Auditors and/or by the Shareholders' Meeting will be notified in writing to the individual concerned and to the Supervisory Committee.

The procedure described above does not affect the rights and duties attributed to the corporate bodies by law or by the Bylaws.

In all cases where a breach of the Model (and/or of the Code of Ethics) is found to have been committed by a director who is also connected to the Company by a subordinate employment relationship, regardless of whether the breach concerns his/her duties as director or as employee, the procedure described in relation to Managers in point 2 above will be followed. If the individual concerned is dismissed as a result of that procedure, the Board of Directors will immediately call a Shareholders' Meeting in order to discuss the necessary measures, including removal of the Director in question.

None of the above affects the Company's right to compensation for the harm suffered.

## **MEASURES AGAINST AUDITORS**

In the event one or more members of the Board of Statutory Auditors breaches the provisions of the Model or Code of Ethics, the Board of Directors and/or the Supervisory Committee shall, without delay and in writing, inform the entire Board of Statutory Auditors and all appropriate measures permitted by current legislation shall be taken, including removal of the individual(s) concerned from office.

In cases considered to be more serious, the Board of Directors, having informed the Board of Statutory Auditors, will call a Shareholders' Meeting to discuss the appropriate measures.

If one or more Statutory Auditors who have allegedly committed an offence giving rise to the Company's administrative liability are committed for trial, the Chairman of the Board of Directors or the Chairman of the Board of Statutory Auditors must call a Shareholders' Meeting in order to discuss their possible removal from office or any other options, all of which must be appropriately justified. The same procedure will also apply for any subsequent procedural stages.

In all cases the Company's right to bring actions for liability and compensation will be unaffected.

## **MEASURES AGAINST COLLABORATORS AND COMMERCIAL PARTNERS**

If Collaborators, Suppliers or Partners breach the provisions laid down in the Model or Code of Ethics, the Board of Directors (or the Managing Director or otherwise the Company representative responsible for managing contractual relationships) will, having consulted with the Supervisory Committee where necessary, decide whether to terminate the contractual relationship in force and will impose any sanction laid down in the contract pursuant to the specific clauses contained therein. These clauses may, in particular, specify that the Company has the right to terminate the contract and/or impose penalties as well as the right to claim compensation for the harm suffered.

The contract with Collaborators, Suppliers and Partners must be terminated immediately by the Company if the former are responsible for the breach of the stipulations and/or procedures and/or internal rules specified or referred to in this Model (including the Code of Ethics), even where the same may only potentially constitute an offence and/or administrative offence and/or a conduct knowingly conflicting with the above stipulations, if so provided in said contract.

As regards workers connected to the company by employment relationships other than subordinate work (collaborators and, in general, external individuals), the applicable measures and disciplinary procedures will take place in compliance with the law and in accordance with the contractual terms and conditions.

## DISCIPLINARY SYSTEM AND WRONGDOING PURSUANT TO LEGISLATIVE DECREE 24/2023 (“WB DECREE”)

The Disciplinary System – pursuant to art. 21 “Sanctions”, paragraph 2, of the WB Decree – also applies to those who<sup>1</sup>, in reference to the reports described under L) “Reporting of wrongdoing pursuant to legislative decree no. 24 of 10 March 2023 on ‘Whistleblowing’” of the General Section of the Model, engage in any of the following wrongdoing pursuant to the WB Decree (“Wrongdoing”):

- i. retaliation - to be understood as any behaviour, deed or omission, even if only attempted or threatened, carried out as a result of the whistleblowing (or report to the judicial or accounting authority or public disclosure) - which causes or may cause, directly or indirectly, unfair harm to the whistleblower, or to the person who made the report or public disclosure (“Whistleblowers”), in breach of art. 17 “Prohibition of retaliation” of the WB Decree, and/or to other persons specifically identified by the WB Decree in art. 3 “Subjective scope”<sup>2</sup> (so-called “Persons assimilated to the Whistleblower”);
- ii. actions or behaviours by which whistleblowing was obstructed or an attempt was made to obstruct it;
- iii. breach of the obligation of confidentiality of Whistleblowers;
- iv. failure to set up reporting channels, failure to adopt whistleblowing procedures compliant with the regulations, or failure to carry out verification and analysis of reports received.

The Disciplinary System also applies if it has been established, in connection with the report made, that the Whistleblower is liable, even by a first instance decision, for the offences of defamation or slander (or in any case for the same offences committed in connection with the report), or that the Whistleblower is liable in cases of wilful misconduct or gross negligence (“Whistleblower's liability”).

As such, in the event of Wrongdoing, or if the Whistleblower is found to be liable, the Company, after assessing the case in point, shall:

- (i) impose:
  - a. on employees the sanctions set out in point 2.2 of the Disciplinary System;
  - b. on directors the sanctions set out in point 2.3 of the Disciplinary System;
- (ii) implement - in relation to Administrators, Auditors, freelancers and commercial partners - the measures set out in points 3, 4 and 5 of the Disciplinary System.

In any case, the Company shall also sanction, in the appropriate manner in relation to the specific case, any persons and entities not expressly identified among those referred to in points (i) and (ii) above, who engage in Wrongdoing or in respect of whom the Whistleblower is found to be liable.

The following also apply, pursuant to art. 19 of the WB Decree:

- Whistleblowers may inform ANAC of any retaliation they believe they have suffered. If the retaliation took place in the workplace of a private-sector worker, ANAC informs the National Labour Inspectorate for measures within its remit;
- acts committed in breach of article 17 “Prohibition of retaliation” of the WB Decree are null and void. Whistleblowers who have been dismissed as a result of whistleblowing, public disclosure or reports to the judicial or accounting authority are entitled to be reinstated in their jobs, pursuant to article 18 of law no. 300 of 20 May 1970 or article 2 of legislative decree no. 23 of 4 March 2015, as a result of the specific legislation applicable to the worker. Furthermore, pursuant to art. 17(2) of the WB Decree, in the context of judicial or administrative proceedings or in extrajudicial disputes concerning the ascertainment of behaviours, deeds or

<sup>1</sup>This provision applies to anyone engaging in Wrongdoing, including employees, directors, administrators, auditors, freelancers and the Company's commercial partners.

<sup>2</sup>Pursuant to art. 3(5), the protective measures, in addition to Whistleblowers, also apply to “a) facilitators; b) persons in the same work environment as the whistleblower, the person who has made a complaint to the judicial or accounting authority or the person who has made a public disclosure, and who are linked to them by a stable emotional or kinship relationship up to the fourth degree; c) work colleagues of the whistleblower or person who made a complaint to the judicial or accounting authority or who made a public disclosure, who work in the same work environment and who have an ongoing and current working relationship with them; d) entities owned by the whistleblower or person who made a complaint to the judicial or accounting authority or who made a public disclosure, or for which said persons work, as well as entities operating in the same work environment as those persons.”

omissions prohibited under said article in relation to Whistleblowers, it is presumed that the same have been committed as a result of the whistleblowing, public disclosure or report to the judicial or accounting authorities; as such, the burden of proving that such behaviours or deeds are motivated by reasons unrelated to the whistleblowing, public disclosure or report lies with the person who carried them out.

## **OVERSIGHT ROLE OF THE SUPERVISORY COMMITTEE**

The disciplinary system described here is constantly monitored by the Supervisory Committee.

In particular, the Supervisory Committee checks that the Company has provided all workers and all recipients of the Organisation Model with adequate information about the existence of the Disciplinary System and about the consequences that may arise from breach of the principles and of the rules of conduct specified or referred to in the Model and in the Code of Ethics.

Furthermore, the Committee reports promptly to the Company's senior bodies about any reports that it has received concerning possible breaches of the Model or of the Code of Ethics, and asks the relevant company departments responsible for managing disciplinary proceedings and for imposing sanctions for information, data and/or facts which may be helpful in terms of monitoring the correct application of the Disciplinary System.

Finally, the Supervisory Committee, although not having direct disciplinary or sanctioning powers, must be informed about any disciplinary proceedings carried out and any sanctions imposed or about decisions made by the Company to abandon disciplinary proceedings brought against staff.

\* \* \* \* \*