MARMOLES MAN
CARRARA

MARMOLES MAN SRL

ORGANIZATION, MANAGEMENT AND CONTROL MODEL

GENERAL PART

PURSUANT TO ARTICLE 6, PARAGRAPH 3, OF LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

Index

PART ONE – LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001 5

1.1 Administrative liability of entities 5

1.2 Offences provided for by the Decree 6

1.3 Perpetrators of the predicate offence 7

1.4 The interest or advantage of the entity 7

1.5 Sanctions provided for by Legislative Decree 231/2001 8

1.6 Offences committed abroad 9

1.7 Adoption and implementation of an Organisation, Management and Control Model 10

PART TWO – THE ORGANISATION, MANAGEMENT AND CONTROL MODEL OF MARMOLES MAN SRL 11

2.1 The Company 11

2.2 Governance 11

2.3 Purpose of the Model 11

2.4 Recipients of the Model 12

2.5 Constituent elements of the Model 12

PART THREE – THE CODE OF ETHICS 12

3.1 Drafting and approval of the Code of Ethics 12

3.2 Purpose, structure and recipients of the Code of Ethics 13

3.3 Implementation and control of the Code of Ethics and information obligations towards the Supervisory Body 14

PART FOUR – THE DISCIPLINARY SYSTEM 15

4.1 Drafting and adoption of the Disciplinary System 15

4.2 La struttura del Sistema Disciplinare 15

PART FIVE – THE SUPERVISORY BODY 16

5.1 The composition of the Supervisory Body and its requirements 16

5.2 The tasks and powers of the Supervisory Body 17

5.3 Regulation of the Supervisory Body 18

5.4 Information flows concerning the Supervisory Body 19

PART SIX – AMENDMENTS AND UPDATING OF THE MODEL 21

PART SEVEN – COMMUNICATION AND TRAINING ON THE MODEL 22

7.1 Information on the Model and related Protocols 22

7.2 Training on the Model and related Protocols 22

7.3 Communication of updates to the Model and/or the Code of Ethics 23

PART ONE – LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

1.1 Administrative liability of entities

Legislative Decree 231/2001, entitled “Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality”, was enacted on 8 June 2001, pursuant to the delegation under Article 11 of Law no. 300 of 29 September 2000, and came into force on 4 July 2001. The legislator intended to bring domestic rules on the liability of legal persons into line with the international conventions to which Italy had already acceded, such as the Brussels Convention of 26 June 1995 on the protection of the financial interests of the European Communities, the Convention of 26 May 1997 (also signed in Brussels) on combating bribery involving officials of the European Union or of its Member States, and the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.

This new form of liability, although defined as “administrative” by the legislator, has the characteristics of criminal liability, since the ascertainment of the offences from which it derives is entrusted to the competent criminal court, and the same guarantees of criminal proceedings are extended to the entity.

The administrative liability of the entity arises from the commission of offences expressly referred to in Legislative Decree 231/2001, committed in the interest or to the advantage of the entity itself by natural persons holding functions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy, or by persons who exercise, including de facto, its management and control (the so-called “senior managers”), or by persons subject to the direction or supervision of any of the persons indicated above (the so-called “subordinates”). Conversely, the existence of an exclusive advantage for the person who commits the offence excludes the liability of the Company, which is thereby placed in a situation of absolute and manifest extraneousness to the offence committed.

In addition to the existence of the requirements described above, Legislative Decree 231/2001 also requires the ascertainment of the entity's culpability in order to affirm its liability. This requirement can be traced to a so-called “organisational fault”, to be understood as the entity's failure to adopt adequate preventive measures to prevent the commission of the offences listed in the following section by the persons identified in the Decree.

Where the entity is able to demonstrate that it has adopted and effectively implemented an organisational structure suitable for preventing the commission of such offences, through the adoption of the organisation, management and control model provided for by Legislative Decree 231/2001, it will not be liable for administrative liability.

It should be noted that the administrative liability of the legal person is in addition to criminal liability, but does not exclude the liability of the natural person who actually committed the offence; both these liabilities are subject to ascertainment before the criminal court.

The liability of the company may also arise where the predicate offence takes the form of an attempt (pursuant to Art. 26 of Legislative Decree 231/2001), that is, where the acting person performs acts unequivocally suitable to commit the offence, and the action is not completed or the event does not occur.

1.2 Offences provided for by the Decree

The offences from which the administrative liability of the entity derives are those expressly and exhaustively referred to in Legislative Decree 231/2001 and its subsequent amendments and additions. The categories of offence currently falling within the scope of Legislative Decree 231/2001 are listed below, with reference to the catalogue of predicate offences: 1. Offences against the Public Administration (Arts. 24 and 25);

2. Computer crimes and unlawful processing of data, introduced by Law 48/2008 (Art. 24-bis);

3. Organised crime offences, introduced by Law 94/2009 and amended by Law 69/2015 and Law no. 236/2016 (Art. 24-ter);

4. Offences relating to counterfeiting of money, public credit cards, stamp duties and instruments or distinctive signs, added by Decree-Law no. 350/2001, converted with amendments by Law no. 409/2001; amended by Law no. 99/2009 and Legislative Decree 125/2016 (Art. 25-bis);

5. Offences against industry and commerce, introduced by Law 99/2009 (Art. 25-bis.1);

6. Corporate offences, introduced by Legislative Decree 61/2002 and amended by Law 262/2005, Law 190/2012, Law 69/2015 and Legislative Decree 38/2017 (Art. 25-ter);

7. Offences with the purpose of terrorism or subversion of the democratic order, introduced by Law 7/2003 (Art. 25-quater);

8. Female genital mutilation practices, introduced by Law 7/2006 (Art. 25-quater.1);

9. Offences against individual personality, introduced by Law 228/2003 and amended by Law 38/2006, by Legislative Decree 39/2014 and by Law 199/2016 (Art. 25-quinquies);

10. Market abuse, introduced by Law 62/2005 and amended by Law 262/2005 and by Law no. 238 of 23 December 2021 (Art. 25-sexies);

11. Transnational offences, introduced by Law 146/2006;

12. Offences of manslaughter or grievous or very grievous bodily harm committed in breach of the rules on the protection of health and safety at work, introduced by Law 123/2007 and most recently amended by Law no. 41 of 23 March 2016 (Art. 25-septies);

13. Offences of receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, introduced by Legislative Decree 231/2007, and self-laundering introduced by Law 186/2014 (Art. 25-octies);

14. Offences relating to payment instruments other than cash, introduced by Legislative Decree 184/2021 (Art. 25-octies.1);

15. Offences relating to the infringement of copyright, introduced by Law 99/2009 (Art. 25-novies);

16. Offence of inducing a person not to make statements or to make false statements to the judicial authority, introduced by Law 116/2009 and replaced by Art. 2, paragraph 1, of Legislative Decree 121 of 7 July 2011 (Art. 25-decies);

17. Environmental offences, introduced by Legislative Decree 121/2011 and amended by Law 68/2015 (Art. 25-undecies);

18. Offence of employing third-country nationals whose stay is irregular, introduced into the Decree by Legislative Decree 109/2012 (Art. 25-duodecies);

19. Offences of racism and xenophobia (Art. 25-terdecies);

20. Offence of fraud in sporting competitions, unlawful gambling or betting and games of chance played by means of prohibited devices, introduced into the Decree by Law no. 401 of 13 December 1989 (Art. 25-quaterdecies);

21. Tax offences, introduced by Law no. 157 of 19 December 2019 and amended by Legislative Decree no. 75 of 14 July 2020 (Art. 25-quinquiesdecies).

22. Smuggling offences, introduced by Legislative Decree no. 75 of 14 July 2020 (Art. 25-sexiesdecies); 23. Offences against cultural heritage, introduced by Law no. 22 of 9 March 2022 (Arts. 25-septiesdecies and 25-duodevicies).

1.3 Perpetrators of the predicate offence

Pursuant to Article 5 of Legislative Decree 231/2001, the entity is liable for offences committed in its interest or to its advantage:

- by “persons holding functions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy, as well as persons who exercise, including de facto, the management and control of the entity itself” (the so-called senior managers or “senior persons”: Art. 5, para. 1, letter a, of the Decree);
- by persons subject to the direction or supervision of one of the senior persons (the so-called subordinates: Art. 5, para. 1, letter b, of the Decree).

By express legislative provision (Art. 5, para. 2, of Legislative Decree 231/2001), the entity is not liable if the persons indicated acted solely in their own interest or in the interest of third parties.

1.4 The interest or advantage of the entity

Liability arises only when certain types of offence are committed by persons linked in various ways to the entity, and only where the unlawful conduct was carried out in its interest or to its advantage. Therefore, liability arises not only when the unlawful conduct has produced an advantage, whether financial or otherwise, for the entity, but also where, even in the absence of such a concrete result, the offence is motivated by the entity's interest.

As to the meaning of the terms “interest” and “advantage”, the governmental report accompanying the Decree gives the former a subjective value, that is, relating to the will of the natural person who materially committed the offence (who must have acted with the aim of pursuing a specific interest of the entity), while the latter has an objective value, relating to the actual results of the conduct (the reference is to cases in which the perpetrator, although not directly aiming at an interest of the entity, nevertheless obtains an advantage in its favour).

The report also suggests that the assessment of the existence of the first requirement (the interest) requires an ex ante verification, whereas the verification of the advantage that the entity may derive even where the natural person did not act in its interest always requires an ex post verification, since only the result of the criminal conduct is to be assessed.

1.5 Sanctions provided for by Legislative Decree 231/2001

The administrative sanctions provided for by law against the entity as a consequence of the commission or attempted commission of the specific offences mentioned above, pursuant to Article 9 of the Decree, are divided into:

- monetary sanctions;
- disqualification sanctions;
- confiscation;
- publication of the judgment.

In general terms, it should be noted that the ascertainment of the entity's liability, as well as the determination of the existence and amount of the sanction, are entrusted to the criminal court competent for the proceedings relating to the offences from which the administrative liability depends.

The entity is therefore liable for the offences referred to in Arts. 24 et seq. even where they are committed in the form of an attempt. In such cases, however, the monetary and disqualification sanctions are reduced by one third to one half.

The entity is not liable where it voluntarily prevents the action from being completed or the event from occurring.

Monetary sanctions Monetary sanctions are governed by Arts. 10, 11 and 12 of the Decree and apply in all cases where the entity's liability is established. Monetary sanctions are applied in shares, in a number not less than 100 and not more than 1,000, while the amount of each share ranges from a minimum of €258.23 to a maximum of €1,549.37. The court determines the number of shares on the basis of the criteria set out in paragraph 1 of Article 11, while the amount of each share is fixed on the basis of the economic and financial conditions of the entity concerned.

Disqualification sanctions Disqualification sanctions, identified in paragraph 2 of Article 9 of the Decree and applicable only in the cases expressly provided for and only for certain offences, are:

a) a) prohibition from carrying on the activity;
b) b) suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
c) c) prohibition on contracting with the Public Administration, except to obtain the performance of a public service;
d) d) exclusion from benefits, financing, contributions or subsidies, and possible revocation of those already granted;
e) e) prohibition on advertising goods and services.

As with monetary sanctions, the type and duration of disqualification sanctions are determined by the criminal court, taking into account the factors more specifically described in Article 14 of the Decree. In any case, disqualification sanctions last for a minimum of 3 months and a maximum of 2 years. It should be noted that Law 3/2019 amended paragraph 5 of Art. 25 of Legislative Decree 231/2001, rewriting the duration of the disqualification sanctions that may be imposed in the case of the offences of extortion, induction to give or promise benefits, and bribery. In particular:

- if the above offences were committed by a senior person, the duration is not less than 4 years and not more than 7 years;
- if the above offences were committed by a non-senior person, the duration is not less than 2 years and not more than 4 years.

Lastly, pursuant to the new paragraph 5-bis of Art. 25 of Legislative Decree 231/2001, introduced by the aforementioned Law 3/2019, "if, before the first-instance judgment, the entity has effectively acted to prevent the criminal activity from leading to further consequences, to secure the evidence of the offences and the identification of those responsible, or to seize the sums or other benefits transferred, and has eliminated the organisational shortcomings that led to the offence by adopting and implementing organisational models suitable for preventing offences of the kind that occurred, the disqualification sanctions shall have the duration established by Article 13, paragraph 2" (that is, not less than three months and not more than three years).

One of the most important aspects to emphasise is that they may be applied to the entity either at the conclusion of the proceedings, once its culpability has been established, or as a precautionary measure where at least one of the following conditions applies:

- the entity obtained a significant profit from the offence and the offence was committed by senior persons or by subordinates under the direction or supervision of others, where, in the latter case, the commission of the offence was determined or facilitated by serious organisational shortcomings;
- in case of repetition of the unlawful acts.

Confiscation Confiscation of the price or profit of the offence is a mandatory sanction that follows any conviction (Article 19 of the Decree).

Publication of the judgment Publication of the judgment is a possible sanction and presupposes the application of a disqualification sanction (Art. 18 of the Decree).

1.6 Offences committed abroad

By virtue of Article 4 of the Decree, the entity may be held liable in Italy for the commission of certain offences outside national borders. In particular, Art. 4 of the Decree provides that entities having their principal place of business in the territory of the State are also liable for offences committed abroad, in the cases and under the conditions provided for in Articles 7 to 10 of the Criminal Code, provided that the State in which the offence was committed does not proceed against them. Accordingly, the entity may be prosecuted where:

- it has its principal place of business in Italy, that is, the effective seat where administrative and management activities are carried out, which may also differ from the place where the company or its registered office is located (for entities with legal personality), or the place where the activity is carried out on a continuous basis (for entities without legal personality);
- the State in whose jurisdiction the offence was committed is not proceeding against the entity;
- the request of the Minister of Justice, on which the punishability may be made conditional, also refers to the entity itself.

These rules concern offences committed entirely abroad by senior or subordinate persons. For criminal conduct that took place even only in part in Italy, the principle of territoriality under Art. 6 of the Criminal Code applies, under which "an offence is deemed to have been committed in the territory of the State when the action or omission constituting it took place there in whole or in part, or when the event that is the consequence of the action or omission occurred there".

1.7 Adoption and implementation of an Organisation, Management and Control Model

as an exemption from administrative liability for offences (Arts. 6 and 7 of the Decree)

The legislator recognises, in Articles 6 and 7 of the Decree, specific forms of exemption from the administrative liability of the entity. In particular, Article 6, paragraph 1, of the Decree provides a specific form of exemption from liability where the entity proves that:

- the management body of the entity, before the offence was committed, adopted and effectively implemented organisation and management models suitable for preventing offences of the kind that occurred;
- the task of supervising the operation of and compliance with the Models, and of ensuring their updating, has been entrusted to a body of the entity endowed with autonomous powers of initiative and control;
- the persons who committed the offence acted by fraudulently circumventing the above organisation and management Models;
- supervision by the Control Body was not omitted or neglected.

The content of the Model is identified by the same Article 6, which, in paragraph 2, provides that the entity must:

- identify the activities within which there is a possibility that the offences provided for by the Decree may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- identify methods of managing financial resources suitable for preventing the commission of such offences;
- provide for information obligations towards the Control Body responsible for supervising the operation of and compliance with the Organisational Model;
- introduce an internal disciplinary system capable of sanctioning non-compliance with the measures indicated in the Model.

Lastly, it should be noted that Legislative Decree no. 24 of 2023, implementing EU Directive 2019/1937 (Whistleblowing), amended Art. 6 of Legislative Decree 231/2001, introducing among other things paragraph 2-bis, under which: "The models referred to in letter a) of paragraph 1 provide, pursuant to the legislative decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, for internal reporting channels, the prohibition of retaliation and the disciplinary system adopted pursuant to paragraph 2, letter e)".

PART TWO – THE ORGANISATION, MANAGEMENT AND CONTROL MODEL OF MARMOLES MAN SRL

OF MARMOLES MAN SRL

2.1 The Company

MARMOLES MAN SRL (hereinafter also the "Company"), with its registered office in Carrara, Viale Domenico Zaccagna no. 38. Since 2011 the company has marketed, both nationally and internationally (in particular in Europe, the United States, Canada, South America, the Emirates and Asia), marbles sourced directly from the Apuan Alps, as well as from other parts of the world. It also has a showroom for the display and sale of slabs, the processing (sawing) of which is outsourced to local workshops.

2.2 Governance

Governance is defined as the system aimed at ensuring the integrity of the Company and safeguarding its assets, preserving their value for all stakeholders (employees, suppliers, the social environment, etc.), guaranteeing informational transparency, fairness, effectiveness and efficiency in the conduct of activities and therefore of processes. For the Company, it is the set of rules and procedures governing the decision-making, control and monitoring processes of the Company's life. The Company adopts a traditional system of administration and control. The governance and control system is structured as follows:

- Shareholders' Meeting – Board of Directors – Board of Statutory Auditors – Statutory Auditor

2.3 Purpose of the Model

In this context, the Company is sensitive to the need to ensure conditions of fairness and transparency in the conduct of its business, to protect its position and image, the expectations of its shareholders and the work of its employees, and is also aware of the importance of having an Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001 (also the "Model") suitable for preventing the commission of unlawful conduct.

To this end, although the adoption of the Model is provided for by law as optional rather than mandatory, the Company has undertaken a project to analyse its organisational, management and control tools, aimed at verifying the consistency of the behavioural principles and procedures with the purposes set out in the Decree and, where necessary, supplementing what already exists.

Through the adoption of the Model, the Company intends to:

- consolidate a culture of risk prevention and control within the framework of achieving the corporate objectives;
- provide for a system of constant monitoring of activities aimed at enabling the Company to prevent or impede the commission of offences;
- fully comply with the provisions of law and the guiding principles of the Decree by formalising a structured and systematic system, already in existence, of organisational practices/procedures and control activities (ex ante and ex post) designed to prevent and monitor the risk of commission of offences through the

identification of the related sensitive activities;

- constitute an effective management tool for the Company, also recognising the Model as having a function of creating and protecting the Company's value;
- provide adequate information to employees, third parties and those acting on the Company's behalf or connected with it, regarding:

i. i. the activities that entail the risk of commission of offences in the event of conduct not compliant with the provisions of the Code of Ethics and with the other ethical rules/organisational practices/procedures (as well as with the law);

ii. ii. the sanctions that may arise for them or for the Company as a consequence of the breach of statutory or internal provisions.

- disseminate and affirm a culture founded on legality, with the Company's express disapproval of any conduct contrary to the law or to internal provisions and, in particular, to the provisions contained in this Model;
- provide for an efficient and balanced organisation of the Company, with particular regard to decision-making processes and their transparency, to preventive and subsequent controls, and to internal and external information.

2.4 Recipients of the Model

The Model is addressed to all persons ("the Recipients") identified below:

- the Administrative Body and all those holding management and executive functions in the Company, as well as those who exercise, including de facto, the management and control of the Company;
- all those who have an employment relationship with the Company (employees);
- those who operate on the mandate of, or on behalf of, the Company within the sensitive activities, such as consultants.

2.5 Constituent elements of the Model

The Model consists of this **General Part** and of a **Special Part**. The **General Part** describes the framework set out in Legislative Decree 231/2001 and governs the essential components of the Model, such as the Disciplinary System, the characteristics of the Supervisory Body and its operating principles, the Code of Ethics and the process for updating over time, and sets out the obligations for communicating the Model and training personnel.

The **Special Part** identifies the "sensitive" activities — that is, the activities that the Company has considered at risk of offence following the risk analyses carried out — pursuant to the Decree, sets out the general principles of conduct, the prevention elements safeguarding those activities and the essential control measures designed to prevent or mitigate the offences.

PART THREE – THE CODE OF ETHICS

3.1 Drafting and approval of the Code of Ethics

The Company intends to operate in accordance with ethical principles aimed at informing the entity's activities, the pursuit of its corporate purpose and its growth with respect for the laws in force. To this end, the Company has adopted a Code of Ethics, designed to define a set of

principles of “professional ethics”, which the Company recognises as its own and whose observance it requires from its corporate bodies, its employees, and anyone having dealings with the Company.

The Code of Ethics is distributed to all employees and constitutes a guide to the policies adopted by the entity and to the legality requirements that govern the Company's conduct.

The Code of Ethics has been drawn up on the basis of the provisions of Legislative Decree 231/01, in line with the “Guidelines for the construction of Organisation, Management and Control Models”, drawn up by Confindustria, issued on 7 March 2002 and updated in March 2014 and June 2021.

3.2 Purpose, structure and recipients of the Code of Ethics

The Code of Ethics contains the general principles and behavioural rules that the Company recognises as having a positive ethical value, and with which all recipients of the Code must comply.

These are the Administrative Body, employees, and all those who operate directly or indirectly for the Company (for example consultants, suppliers, etc., hereinafter referred to as Third-Party Recipients).

The Recipients indicated above are required to observe, and to ensure observance of, within their respective remits, the principles contained in the Code of Ethics, which is binding on all of them.

The set of rules contained in the Code of Ethics, moreover, by standardising conduct to particularly high ethical standards based on the utmost fairness and transparency, makes it possible to safeguard the interests of stakeholders and to preserve the Company's image and reputation, while ensuring an ethical approach to the market, both in activities carried out within Italy and in international dealings.

With a view to full compliance with the provisions of the Decree, the ethical principles and behavioural rules formalised in the Code of Ethics have been developed into specific 231 Protocols governing the Company's main processes.

The Code of Ethics is therefore a fundamental reference point that employees, suppliers, consultants and all those who have relations with the Company are called upon to comply with scrupulously.

Compliance with the Code of Ethics, together with observance of the 231 Control Protocols, serves not only to spread a culture within the Company that is attentive to legality and ethics, but also to protect the interests of employees and of those who have relations with the Company, shielding the Company from serious liabilities, sanctions and reputational damage.

For these reasons, and in order to guarantee the transparency of operations and the adherence of actions to its ethical and behavioural principles, the Company closely monitors compliance with the Code of Ethics, intervening where necessary with corrective measures and appropriate sanctions.

In this regard, breach of the Code and of the Model, besides causing organisational inefficiencies and malfunctions, may entail the application of the Sanctions System provided for in the Model itself, regardless of whether the breach constitutes a criminal or

administrative offence.

Likewise, failure to comply with the Code of Ethics by suppliers, consultants and third parties who have relations with the Company is considered by the Company as a breach of contract, which may justify termination of the contract and any claim for damages.

3.3 Implementation and control of the Code of Ethics and information obligations towards the Supervisory Body

of the Supervisory Body

The Recipients of the Code of Ethics must comply with specific information obligations towards the SB, with particular reference to possible breaches of laws or regulations, of the Model, of the Code of Ethics and of internal procedures.

Communications to the SB may be made both by e-mail and in writing. The Company has also set up a dedicated system accessible to employees and third parties, structured in such a way as to guarantee the confidentiality of the reporting person.

Through this tool, the SB receives reports concerning:

- breaches, actual or suspected, of the provisions contained in the Organisational Model and in the Code of Ethics adopted by the Company;
- conduct and/or behaviour that may amount to one of the offences relevant under Legislative Decree no. 231/2001, as identified in Annex 1 to the General Part of the Model;
- other possible breaches and/or non-compliance with the company procedures/policies in force;
- any other active or omissive conduct, actual or suspected, capable of constituting a breach of the obligations arising from the employment contract concluded between the Company and its employees and/or similar personnel.

In any case, the SB ensures that the person making the report, where identified or identifiable, is not subject to retaliation, discrimination or any other penalty, and therefore guarantees their confidentiality, unless legal obligations require otherwise.

Supervision of the implementation and observance of the Model and of the Code of Ethics, with a view to reducing the risk of commission of the offences provided for in the Decree, is entrusted to the SB, which is required, among other things, to:

- formulate its observations on ethical issues that may arise in connection with decisions, and on alleged breaches of the Code of Ethics of which it becomes aware;
- provide the persons concerned with all clarifications and explanations requested, including those relating to the lawfulness of a specific action or conduct, or to the correct interpretation of the Model and of the Code of Ethics;
- follow and coordinate the updating of the Code of Ethics, also through its own proposals for adjustment and/or updating;
- cooperate in preparing and implementing the ethics communication and training plan;
- report any breaches of the Model and of the Code of Ethics to the competent bodies, suggesting the sanction to be imposed on the person identified as responsible, and verifying the actual application of any measures adopted.

Upon receipt of the report of a breach, the Company's bodies indicated in the Disciplinary System decide on the possible adoption and/or amendment of the measures proposed by the SB, activating the functions from time to time responsible for actually applying the sanctions.

In any case, the stages of notification of the breach, as well as of determining and actually applying the sanctions, are carried out in compliance with the laws and regulations in force, as well as with the provisions of the collective agreement applied to all Company employees and, where applicable, with the regulations.

PART FOUR – THE DISCIPLINARY SYSTEM

4.1 Drafting and adoption of the Disciplinary System

Pursuant to Articles 6 and 7 of the Decree, the Model may be considered effectively implemented, for the purposes of excluding the Company's liability, only if it provides for a disciplinary system capable of sanctioning non-compliance with the measures set out therein.

The Disciplinary System is designed to sanction breaches of the principles, rules and measures provided for in the Model and in the related Protocols, in compliance with the rules laid down by national collective bargaining, as well as with the laws or regulations in force. Furthermore, as a result of the amendments made to Art. 6 of the Decree by Law no. 179 of 30 November 2017, entitled “Provisions for the protection of persons who report offences or irregularities of which they become aware in the context of a public or private employment relationship”, “the models referred to in letter a) of paragraph 1 provide, in point d), in the disciplinary system adopted pursuant to paragraph 2, letter e), sanctions against those who breach the measures protecting the reporting person, as well as against those who make reports with wilful misconduct or gross negligence that prove to be unfounded”.

On the basis of this Disciplinary System, breaches of the Model and of the related Protocols committed by persons in a “senior” position, as holders of representation, administration or management functions in the Company, as well as breaches committed by persons subject to the direction or supervision of others or acting in the name and/or on behalf of the Company, are subject to sanction.

In compliance with the Confindustria Guidelines, the initiation of disciplinary proceedings, and the application of the related sanctions, are independent of the possible commencement and/or outcome of any criminal proceedings concerning the same conduct relevant for the purposes of the Disciplinary System. On this point, reference is made to the Company's Disciplinary System (“Coordination between contractual disciplinary proceedings and disciplinary proceedings under Model 231”).

4.2 La struttura del Sistema Disciplinare

The Disciplinary System adopted by the Company is summarised below.

For the full regulation of this system, reference is made to the document annexed to this Model, which forms an integral part of it.

The Disciplinary System is made available to all Recipients, so that full knowledge of its provisions is guaranteed.

The Company's Disciplinary System is divided into the following sections:

- Introduction;
- Persons subject to the system;
- Relevant conduct;
- The sanctions;
- The procedure for imposing sanctions;
- Communication.

PART FIVE – THE SUPERVISORY BODY

Among the conditions exempting the Company from liability, the Decree requires that the task of supervising the operation of and compliance with the Models has been entrusted to an internal body endowed with autonomous powers of initiative and control.

The Company's Administrative Body has approved the document entitled “Statute of the Supervisory Body”, which forms an integral part of the Model itself. That document regulates the matters of primary interest to this Body, including:

- Functions and powers;
- Obligations and responsibilities;
- Requirements of the members of the Supervisory Body;
- Composition and appointment;
- Term of office, removal, cessation and replacement of members;
- Confidentiality obligations;
- Information flows towards the Body;
- Reporting by the Body to the corporate bodies and top management;
- Convening of meetings, voting and resolutions;
- Remuneration of the members of the Body;
- Amendments to the SB Statute.

While referring to the Statute for the specific treatment of each aspect, some aspects relating to the Supervisory Body are set out below.

5.1 The composition of the Supervisory Body and its requirements

The Company's Administrative Body has appointed the Supervisory Body provided for in the Decree, in compliance with the provisions of the Confindustria Guidelines.

The SB must report to the Administrative Body according to the types of reporting expressly provided for in the Statute, to which reference is made.

In accordance with the Confindustria Guidelines, the Company's SB is characterised by the following requirements:

- autonomy and independence: these requirements refer to the Body as such and characterise its action. In this regard, it should be noted that the SB has no operational tasks which, as they could involve participation in the Company's decisions or activities, could undermine its objectivity of judgement. Moreover, the Body is placed in a staff position at the top, reporting and answerable directly to the

Company's Administrative Body;

- professionalism: understood as the set of tools and techniques necessary for carrying out the assigned activity, both inspection and advisory. It should also be noted that professionalism is ensured by the power granted to the Body to make use of, for the performance of its mandate and with complete budgetary autonomy, the specific expertise of the heads of various functions as well as of external consultants;
- continuity of action: to guarantee effective and constant implementation of the Model, the SB's structure is provided with an adequate budget and adequate resources. Continuity of action is also ensured by the fact that the Body operates on a permanent basis within the Company to carry out the mandate assigned to it, as well as by the fact that it receives constant information from the structures identified as potential risk areas;
- integrity and absence of conflicts of interest: these requirements are understood in the same terms as provided by law with reference to directors and members of the supervisory body.

5.2 The tasks and powers of the Supervisory Body

In accordance with Article 6, paragraph 1, of the Decree, the Company's SB is entrusted with the task of supervising the operation of and compliance with the Model, and of cooperating in its constant updating.

In general terms, the SB's tasks therefore include:

1) verification and supervision of the Model, which involve:

- verifying the adequacy of the Model, that is, verifying its suitability for preventing the occurrence of unlawful conduct;
- verifying the effectiveness of the Model, that is, the correspondence between actual conduct and that formally provided for by the Model itself;
- monitoring the activity carried out by the Company, by carrying out periodic checks and related follow-ups. In particular, the mapping of activities is aimed at identifying any new areas at risk of offence under the Decree in addition to those already identified by the Model;
- activating the competent structures to draw up organisational practices/operating and control procedures that adequately govern the performance of activities;
- updating the Model, proposing to the Administrative Body, where necessary, its adaptation in order to improve its effectiveness, also in view of any subsequent legislative changes and/or changes in the Company's organisational structure or activities and/or of significant breaches of the Model that have been identified;

2) information and training on the Model, namely:

- promoting and monitoring initiatives aimed at encouraging the dissemination of the Model among all persons required to comply with its provisions (that is, towards the so-called Recipients);
- promoting and monitoring initiatives, including courses and communications, aimed at encouraging adequate knowledge of the Model by all Recipients;

- promptly responding, including by issuing opinions where appropriate, to requests for clarification and/or advice coming from functions, personnel or administrative bodies concerning the correct interpretation and/or practical operation of the activities described through specific procedures within the Model;

3) management of information flows from and to the SB, namely:

- ensuring the timely fulfilment, by all persons concerned, of the reporting activities relating to compliance with and the effective implementation of the Model;
- informing the competent bodies about the activities carried out, the results obtained and the planned activities;
- reporting to the competent bodies, for the adoption of such measures as they deem appropriate, any breaches of the Model and the persons deemed responsible, where appropriate proposing the sanctions considered most suitable;
- providing the necessary support to inspection bodies in the event of checks carried out by institutional bodies, including the Public Authority.

For the performance of its assigned tasks, the SB is granted all the powers necessary to ensure a timely and efficient supervision of the operation of and compliance with the Model.

The SB, also through the resources at its disposal, has the power to:

- carry out, including without prior notice, all checks and inspections considered appropriate for the proper performance of its tasks;
- freely access all functions, archives and documents of the Company without any prior consent or need for authorisation, in order to obtain any information, data or documents deemed necessary;
- where deemed necessary, arrange for the hearing of persons who may provide useful information or indications regarding the Company's activities or any malfunctions or breaches of the Model;
- avail itself, under its direct supervision, of the assistance of all Company structures or of external consultants;
- use, for any need connected with the proper performance of its tasks, the financial resources allocated to it by the Administrative Body.

5.3 Regulation of the Supervisory Body

In addition to the provisions of the document entitled “Statute of the Supervisory Body of the Company”, approved by the Administrative Body, the SB, once appointed, draws up its own internal regulation, designed to govern the practical arrangements under which it carries out its activities.

In particular, the following aspects are governed by this internal regulation:

- Convening of the SB;
- Meetings of the SB;
- Methods of keeping and accessing documentation;
- Functions of the Chair of the SB;
- Activities connected with the performance of verification and supervision tasks;
- Activities connected with the performance of Model updating tasks;

- Activities connected with the performance of Information and Training tasks for the Recipients of the Model;
- Activities connected with the performance of information flow management tasks;
- Management of reports of breaches of the Model;
- Activity of verifying and assessing the adequacy of the disciplinary system;
- The advisory function.

5.4 Information flows concerning the Supervisory Body

5.4.1 Information flows towards the Supervisory Body

Article 6, paragraph 2, letter d), of the Decree requires the Model of Organisation, Management and Control to provide for information obligations towards the body responsible for supervising the operation of and compliance with the Model.

The structured information flow obligation is conceived as a tool to ensure supervision of the effectiveness and efficacy of the Model, and for the subsequent ascertainment of the causes that led to the commission of the offences provided for by the Decree.

The information obligation is directed first and foremost at the structures considered to be at risk of offence. In order to create a complete and constant information management system towards the SB, for each process in which “sensitive activities” are identified, the Company has appointed a Key Officer, who is required to send the SB standardised reports, whose content is determined in the “Information Flows to the Supervisory Body” Procedure, to which reference is made.

The Key Officer ensures the collection of information, its first review, its systematisation according to the criteria set out in the report, and finally its transmission to the SB.

More generally, the reporting obligation applies to the Administrative Body, to employees and to those who receive professional appointments from the Company, and covers any information relating to the commission of offences, conduct contrary to the rules of conduct set out in the Company's Model, and any shortcomings in the organisational structure or in the procedures in force.

The SB must in any case be promptly informed by all persons within the Company, as well as by Third Parties bound to comply with the provisions of the Model, of any information relating to the existence of possible breaches of the Model. In particular, in compliance with the requirements of the aforementioned Law 179/2017, the Company has equipped itself with a dedicated IT tool for receiving reports under the “Management of Reports” Procedure, from both employees and third parties.

Breach of this information obligation constitutes a disciplinary offence, sanctioned in accordance with the Disciplinary System set out in the Model, by law and by the applicable contracts.

In any case, the following information must be transmitted to the SB immediately and mandatorily:

a) a) that may relate to actual or potential breaches of the Model, including, by way of non-exhaustive example:

- any orders received from a superior that are considered to be in conflict with the law, internal regulations and/or the Organisation, Management and Control Model;
- any requests for, or offers of, gifts (exceeding modest value) or other benefits from public officials or persons in charge of a public service;
- any omissions, negligence or falsifications in keeping the accounts or in preserving the documentation on which accounting entries are based;
- measures and/or information from criminal police bodies or from any other authority from which it appears that investigations are under way that also indirectly concern the Company, its employees or members of its corporate bodies;
- requests for legal assistance submitted to the Company by employees, in the event that criminal proceedings are initiated against them;
- information relating to disciplinary proceedings in progress and to any sanctions imposed, or the reasons for their dismissal;
    b) b) relating to the Company's activities that may be relevant to the SB's performance of its assigned tasks, including, by way of non-exhaustive example:
- the reports prepared in the course of their activities by the appointed Key Officers, with the content and frequency set out in the “Information Flows to the Supervisory Body” Procedure;
- information relating to organisational changes;
- updates to the system of powers and delegations;
- decisions relating to the request, grant and use of any public funding.

During the investigation following a report, the SB must act in such a way as to ensure that the persons involved are not subject to retaliation, discrimination or penalties, guaranteeing the confidentiality of the person making the report.

In order to facilitate reports to the SB by persons who become aware of actual or potential breaches of the Model, the Company activates appropriate dedicated communication channels, such as a dedicated e-mail mailbox and a dedicated IT tool.

Every item of information, report or document provided for by the Model is kept by the SB in a dedicated archive. Access to the archive is allowed only to members of the SB. Access by persons other than members of the Body must be authorised in advance by the Body and take place in the manner it establishes.

For further details on information flows directed to the SB, reference is made to the “Information Flows to the Supervisory Body” Procedure.

5.4.2 Reporting by the Supervisory Body

The SB reports on the implementation of the Model and on the emergence of any related critical issues.

The following information obligations towards the Administrative Body apply to the Body:

– on a continuous basis, whenever it considers it necessary and/or appropriate for the fulfilment of the obligations under the Decree, providing any

relevant and/or useful information for the proper performance of its functions, and reporting any breach of the Model that is considered well founded and of which it has become aware, or

that it has itself ascertained;

- by means of a written report to the Administrative Body, on a half-yearly basis, on the activities carried out, the reports received, the disciplinary sanctions proposed, and suggestions on the corrective measures to be adopted to remove any anomalies found that limit the actual capacity of the Model to prevent the commission of the offences referred to in the Decree, and on the implementation status of improvement measures resolved by the Administrative Body;

In addition, information obligations towards the shareholders are provided for in cases where the need arises, such as any breaches committed by the Administrative Body.

Each year, the SB submits to the Administrative Body its activity plan for the following year.

The reporting activity in any case covers:

- the overall activity carried out during the period, with particular reference to verification activities;
- any critical issues that have emerged, both in terms of conduct or events within the Company and in terms of the effectiveness of the Model;
- the necessary and/or appropriate corrective and improvement measures to the Model and their implementation status;
- the ascertainment of conduct not in line with the Model or the Code of Ethics;
- the identification of organisational or procedural shortcomings such as to expose the Company to the risk that offences relevant for the purposes of the Decree may be committed;
- any failure or
- inadequate cooperation by the functions in carrying out their tasks, or by the Key Officer in forwarding the reporting within their remit;
- the statement of expenses incurred;
- any regulatory changes requiring the Model to be updated;
- any information considered useful for taking urgent decisions;
- activities that could not be carried out for reasons of time and resources.

Meetings with the corporate bodies to which the SB reports must be recorded in minutes, and a copy of the minutes is kept by the Supervisory Body itself.

As already noted, the main aspects relating to the functioning of the Supervisory Body are governed by the Statute approved by the Administrative Body of the Company.

PART SIX – AMENDMENTS AND UPDATING OF THE MODEL

The Model must always be promptly amended or supplemented, by resolution of the Administrative Body, also on the proposal of the Supervisory Body, when:

- significant changes have occurred in the regulatory framework, in the organisation or in the activities of the Company;
- breaches or circumventions of the provisions contained in it have occurred, which have demonstrated its ineffectiveness for the prevention of offences.

For these purposes, the SB receives information and reports on changes to the organisational framework, procedures and organisational and management methods of the Company.

Where amendments of a purely formal nature, such as clarifications or precisions of the text, become necessary, the Administrative Body may make them independently, after obtaining the opinion of the Supervisory Body.

In any case, any events that make it necessary to amend or update the Model must be reported in writing by the Supervisory Body to the Administrative Body, so that the latter can adopt the resolutions within its competence.

Amendments to the procedures necessary for implementing the Model are made by the functions concerned. The Administrative Body accordingly updates, where necessary, the Special Part of the Model. The Supervisory Body is kept constantly informed of the updating and implementation of new operating procedures and is entitled to express its opinion on the amendments made.

PART SEVEN – COMMUNICATION AND TRAINING ON THE MODEL

7.1 Information on the Model and related Protocols

The Company promotes the widest possible dissemination, inside and outside the organisation, of the principles and provisions contained in the Model and in the related Protocols.

The Model is formally communicated by the SB to each member of the corporate bodies.

The Model is also formally communicated to all employees and collaborators of the Company by delivery of a complete copy, possibly also on electronic media.

Particular and specific attention is given to the dissemination of the Code of Ethics which, in addition to being communicated in the manner already indicated for the Model, will be suitably made available to third parties required to comply with its provisions.

In order to formalise the commitment to comply with the principles of the Model and of the Code of Ethics by third parties having contractual relations with the Company, a specific clause is provided for inclusion in the relevant contract or, for contracts already in force, the signing of a specific supplementary agreement to that effect.

Within such clauses and agreements, specific contractual sanctions are also provided for in the event of breach of the Model.

The SB also plans and implements any further information activities it considers necessary and/or appropriate.

7.2 Training on the Model and related Protocols

In addition to the activities relating to informing the Recipients, the SB is responsible for ensuring their periodic and constant training, or for promoting, monitoring and implementing initiatives designed to encourage adequate knowledge and awareness of the Model and of the related Protocols.

In particular, it is provided that the principles of the Model and those of the Code of Ethics will be explained to Company personnel through specific training activities, the methods of which are planned by the SB through the approval of specific plans.

The training process on the Model adopted by the Company varies according to the role and responsibilities of the persons concerned: a training with a greater level of depth is provided for persons qualifying as “senior” under the Decree, as well as for those operating in the areas qualifying as “at risk” under the Model.

More specifically, the following are provided:

- a general training activity addressed to all the Company's employees and senior persons, concerning the rationale of the “231 regulations”, the function of the Model, the Code of Ethics, and the role of the Supervisory Body.
- a second specific training activity addressed to senior persons and/or those operating in areas at risk of commission of offences relevant for 231 purposes, concerning in particular the predicate offences, the mapping of the 231 offence-risk areas, and the control system.

The results achieved through training will be verified by means of specific learning tests.

Participation in the above training activities by all personnel concerned represents a specific commitment on the part of the Company and is monitored by the SB.

Participation in training sessions is formalised by requesting an attendance signature.

7.3 Communication of updates to the Model and/or the Code of Ethics

The SB is responsible for promoting the necessary continuous updating and adaptation of the Model and of the related Protocols, including the Code of Ethics, suggesting to the Administrative Body or to the functions competent from time to time the corrections and adjustments considered necessary or even merely appropriate.

The Administrative Body is responsible, together with the functions concerned, for updating the Model and adapting it as a result of a change in organisational structures or operating processes, of significant breaches of the Model itself, or of legislative additions.

Updates and adjustments to the Model, or to the related Protocols, are communicated by the SB to the Administrative Body and to senior persons and employees,

- by means of specific communications and, where necessary, through meetings on the most significant updates and adjustments.