



Organisation, Management and
Control Model pursuant to Legislative
Decree 231/01
Euricom S.p.A.

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General Part

1. LEGISLATION

1.1 LEGISLATIVE DECREE NO.231 8 JUNE 2001

Legislative Decree no.231/2001 in accordance with article 11 of Law no.300 of the 29 September 2000, concerns the administrative responsibility of legal entities, companies and associations, even without legal personality and outlines the general principles and attribution criteria.

This decree intends to adapt internal regulations regarding the liability of legal persons to some international conventions:

- 1) The Brussels Convention of 26/07/95 regarding the protection of the financial interests of the European Community;
- 2) The Convention of 26/05/97 on the fight against corruption involving officials of the European Communities or officials of Member States;
- 3) The OECD Convention of 17/12/97 on combating bribery of foreign public officials in international business transactions.

The Decree introduced an administrative liability regime into the Italian legal system (substantially similar to criminal liability) for entities (to be understood as companies, associations, consortia, etc.) for the crimes listed in the Decree and committed in their interest or to their advantage. The liability of the entity is added to that of the natural person, who materially committed the crime.

Article 5 of the aforementioned Decree holds the entity responsible for crimes committed in their interest or to their advantage:

- a) by individuals who are representatives, directors or managers of the company or of one of its organisational units that has financial and functional independence, as well as those responsible for managing or controlling the company¹;
- b) by individuals who are managed or supervised by one of the subjects mentioned above².

Elements considered in the interest and to the advantage of the entity listed in article 5, such as the criteria for assigning an administrative offence resulting from a crime have alternative values and different meanings. Interest expresses the finalised direction of the criminal conduct of the natural person, verifiable in an *ex-ante* perspective ("before" the event): interest relates to the type of activity that is carried out and must, therefore find perfect incidence in the suitability of the conduct to cause a benefit for the entity without the benefit being actually achieved. Advantage is the material

¹ This includes subjects in management positions such as the Chair, Directors, General Managers, branch or division Directors, as well as the de facto administrator or the sole shareholder in charge of management.

² Those considered "subordinate" to top management are all those subjects who have a functional relationship with the entity. Therefore, in addition to employed workers this category also includes subjects who have an agency or commercial representation relationship with the Company or other coordinated and continuous collaboration relationships predominantly personal and without the constraint of subordination (project work, temporary work, placement, summer orientation internship), or any other relationships provided for by article 409 of the Italian Code of Civil procedure, as well as casual workers.

result of the criminal action and therefore takes on objective connotations and can be achieved by the entity even when the natural person has not acted in his or her best interest and is therefore only verifiable *ex post*.

Inclusion in the predicate crimes of those relating to health and safety at work (article 5 *septies* of Decree 231) and environmental crimes (article 25 *undecies*), posed a problem of logical compatibility between the unwillingness of the event, typical of negligent offences, and the finalism underlying the concept of "interest" of the entity.

On this point the Joint Sitzings of the Supreme Court of Cassation on sentence no. 38343 of 24.4.2014 issued *"as part of the trial for the tragic events of Thyssen fire"*, affirmed that *"in negligent event crimes the concepts of interest and advantage must necessarily refer to the conduct and not to the illegal outcome"*. It also clarified that this solution *"does not cause any logical difficulty: it is very possible that conduct characterised by a violation of precautionary regulations and therefore negligent is implemented in the interest of the entity or otherwise leads to the achievement of an advantage. [...] This interpretative solution [...] limits itself to adapting the original attribution criterion to the changed reference framework, without altering the assignment criteria. The adjustment concerns only the object of the evaluation which no longer focuses on the event but only the conduct in accordance with the different form of the offence. [...] It is quite possible that the agent knowingly violates the caution, or even predicts the event that may result from it, even without wanting to, to correspond to requests functional to the entity's strategies"*.

The entity is not responsible if the people indicated acted in the exclusive interest of themselves or third parties.

Provision of administrative liability when punishing wrongdoing materially involves the assets of entities and therefore the economic interests of shareholders. Among the sanctions, certainly disciplinary measures are the most burdensome for entities such as the suspension or revocation of licenses or concessions, a ban on being able to enter into contracts with the public administration, a ban on conducting company business, exclusion or withdrawal of funds and contributions and a ban on advertising goods and services.

1.2 CRIMES

The regulation in question applies currently to the following types of crimes: (a) crimes committed in relations with the public administration and against state assets or another Public Body or the European Union, (b) crimes relating to counterfeiting money, legal tender, revenue stamps and signs and trademarks, (c) corporate crimes (including corruption crimes between private individuals and incitement to corruption between private individuals), (d) offences committed for the purpose of terrorism and subversion of the democratic order, (e) practices of female genital mutilation, (f) offences against the individual, (g) offences of abuse or illegal communication of inside information. Recommendation or inducement of others to commit insider trading and market manipulation, (h) offences committed in breach of the rules on accident prevention and protection of hygiene and health at work, (i) handling stolen goods, money laundering, use of money, goods or benefits of unlawful origin as well as selflaundering, (j) offences relating to non-cash means of payment and fraudulent transfer of values (k) transnational offences, (kl) computer crimes and unlawful processing of data, (m) offences relating to violation of copyright, (n) offences against industry and trade, (o) organised crime offences, (p) offences against the administration of justice, (q) environmental offences, (r) offences relating to immigration and the status of foreigners, (s) racism and

xenophobia offences (t) offences of fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices, (u) tax offences, (v) smuggling offences, (w) offences against cultural heritage, (x) laundering of cultural goods and devastation and looting of cultural and landscape heritage.

More specifically the sanctions applied to the crimes listed in attachment 1 are as follows:

a) CRIMES COMMITTED IN RELATIONS WITH THE PUBLIC ADMINISTRATION AND AGAINST STATE ASSETS OR ANOTHER PUBLIC BODY OR THE EUROPEAN UNION (ARTICLES 24 AND 25):

- 1) embezzlement of public funds of the State or of another public body or of the European Union
- 2) misappropriation of public funds of the State or of another public body or of the European Union
- 3) disruption of freedom of tenders;
- 4) disruption of the freedom to choose a contractor;
- 5) fraud in public procurement to the detriment of the State or other public body or the European Union
- 6) fraud to the detriment of the State or other public body or the European Union;
- 7) aggravated fraud to obtain public funds to the detriment of the State or other public body or the European Union
- 8) computer fraud to the detriment of the State or other public body or the European Union
- 9) fraud against the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development;
- 10) embezzlement to the detriment of the financial interests of the European Union
- 11) embezzlement by profiting from the error of others to the detriment of the financial interests of the European Union;
- 12) extortion;
- 13) bribery in the exercise of a function;
- 14) bribery for an act contrary to official duties;
- 15) bribery in judicial proceedings;
- 16) undue induction to give or promise benefits;
- 17) bribery of a person entrusted with a public service;
- 18) incitement to corruption;
- 19) embezzlement, extortion, undue induction to give or promise benefits, bribery and incitement to bribery, abuse of office of members of international courts or bodies of the European Communities or of international parliamentary assemblies or international organisations and of officials of the European Communities and of foreign States;
- 20) abuse of office to the detriment of the financial interests of the European Union;
- 21) trafficking in unlawful influence.

b) COUNTERFEITING MONEY, LEGAL TENDER, REVENUE STAMPS AND SIGNS AND TRADEMARKS (ARTICLE 25-BIS):

- 1) complicit counterfeiting of money, spending and introducing counterfeited money into the Italian State;
- 2) alteration of coins;
- 3) non-complicit spending and introducing counterfeit coins into the country;
- 4) spending counterfeit coins received in good faith;
- 5) counterfeiting revenue stamps, introducing into the country, purchase, possession or circulation of counterfeit revenue stamps;
- 6) counterfeiting filigreed paper to be used to make legal tender or revenue stamps;
- 7) producing or possessing filigrees or instruments for use in counterfeiting coins, revenue stamps or watermarked paper;
- 8) use of counterfeit or altered revenue stamps;
- 9) counterfeiting, alteration or use of trademarks or distinguishing features or to be more precise of patents, models and designs;
- 10) introducing and selling counterfeit goods in the Italian state.

c) CORPORATE CRIMES (ARTICLE 25-*TER*):

- 1) false corporate reporting;
- 2) false corporate reporting of listed companies;
- 3) false corporate reporting of a minor nature;
- 4) false statements in a prospectus³;
- 5) impeding control⁴;
- 6) fictitious paid-up capital;
- 7) unlawful return of capital contributions;
- 8) illegal distribution of profits and reserves;
- 9) illicit transactions on shares or company stock or of the parent company;
- 10) transactions to the detriment of creditors;
- 11) unlawful distribution of company assets by liquidators;
- 12) unlawful influence on meetings;
- 13) agiotage;
- 14) hindering functions of public supervisory authorities;
- 15) failure to disclose conflict of interest;
- 16) corruption between private individuals;

³ Article 34 of Law no. 262 of 28 December 2005 (containing provisions for the protection of savings and financial market regulations also known as the "Savings Law") included the case of false statements in a prospectus among the crimes envisaged by Legislative Decree 58/98 (TUF - the Consolidated Law on Finance), in detail in article 173-*bis*, repealing, at the same time article 2623 of the Italian Civil Code.

The consequence of this repeal would seem to coincide with the crime of false statements in a prospectus being excluded from the list of so-called predicate crimes and therefore with the consequent exclusion of administrative responsibility of the entity.

This seems to be the thesis accepted by prevailing doctrine; however, we believe it is appropriate to give relevance to this crime, on the basis of orientation, albeit a minority, who believe that, despite the transposition of the case into TUF - the Consolidated Law on Finance, the crime of false statements should continue to be detected for the purpose of ascertaining the liability of the entity.

⁴ Article 37, paragraph 35 of Legislative Decree no.39 of the 27 January 2010, modified article 2625, paragraph one of the Italian Civil Code excluding auditing from the list of activities referred to in the law sanctioning impediment by administrators; impeding control by auditors is now sanctioned by article 29 of Legislative Decree 39/2010, which stipulates that "1. Members of the Board who, by concealing documents or by other means, prevent or otherwise impede the carrying out of the statutory audit shall be punishable by a penalty of up to 75,000 euro. 2. If the conduct referred to in paragraph 1 has caused damage to partners or third parties, the offence is subject to a penalty of up to 75,000 euro and up to 18 months imprisonment, 3. In the case of a statutory audit of public interest entities or entities subject to intermediate regime, the penalties referred to in paragraphs 1 and 2 shall be doubled. 4. These offences are officially prosecutable".

- 17) incitement to corruption between private individuals;
- 18) false or omitted statements for the issue of the preliminary certificate.

As regards the crime of false reporting in reports or communications from auditing firms it is pointed out that article 37, paragraph 34 of Legislative Decree no. 30 of the 27 January 2010, repealed article 2624 of the Italian Civil Code (false reporting in communications from auditing firms). Legislative Decree no.39 of the 27 January 2010 also introduced article 27, which provides for the case of "false reports or communications from those responsible for the statutory audit"; the new case has wider application than the previous one since it also regulates the possibility of a crime being committed by the auditor of a public interest entity. However, based on what was established by the Joint Sitzings of the Supreme Court of Cassation in sentence no. 34476/2011, the crime of false reports or communications from those responsible for the statutory audit does not fall within the category of crimes referred to in Legislative Decree 231/01 as this expressly refers to article 2624 of the Italian Civil Code which was formally repealed. Therefore, in compliance with the principle of legality established by the same article 2 of Legislative Decree 231/01, given that article 25-ter of the Decree was not modified in the reference expressed in article 2624 of the Italian Civil Code, based on what was decided by the Court it must be considered that there are no grounds for the administrative responsibility of companies in the crime of false reports or communications from those responsible for the statutory audit.

- d) CRIMES PERTAINING TO TERRORISM OR SUBVERSION OF THE DEMOCRATIC ORDER (ARTICLE 25-QUATER)
- e) PRACTICES RELATING TO FEMALE GENITAL MUTILATION (ARTICLE 25 QUATER.1)
- f) CRIMES AGAINST PERSONS AND INDIVIDUAL FREEDOM (ARTICLE 25-QUINQUIES):
 - 1) enslavement, slavery or servitude;
 - 2) child prostitution;
 - 3) child pornography;
 - 4) possession of pornographic material;
 - 5) virtual pornography;
 - 6) child sex tourism;
 - 7) human trafficking;
 - 8) slave trade;
 - 9) unlawful brokering and exploitation of labour;
 - 10) grooming of minors.
- g) OFFENCES OF ABUSE OR ILLICIT COMMUNICATION OF PRIVATE INFORMATION AND MARKET MANIPULATION (ART. 25-SEXIES)
 - 1) Abuse or unlawful disclosure of inside information. Recommending or inducing others to commit insider dealing.
 - 2) market manipulation.
- h) INVOLUNTARY MANSLAUGHTER AND SERIOUS OR GREIVIOUS BODILY HARM

COMMITTED BY INFRINGING WORKPLACE HEALTH AND SAFETY REGULATIONS
(ARTICLE 25-*SEPTIES*)

- i) RECEIPT OF STOLEN GOODS, MONEY LAUNDERING, USE OF MONEY, GOODS OR ASSETS OF AN ILLEGAL ORIGIN, AS WELL AS TRANSNATIONAL MONEY-LAUNDERING (ARTICLE 25-*OCTIES*)
- j) OFFENCES RELATING TO PAYMENT INSTRUMENTS OTHER THAN CASH AND FRAUDULENT TRANSFER OF VALUABLES (ART. 25-*OCTIES*1)
 - 1) misuse and falsification of non-cash payment instruments;
 - 2) possession and distribution of computer equipment, devices or programmes aimed at committing offences involving non-cash payment instruments;
 - 3) computer fraud aggravated by the carrying out of a transfer of money, monetary value or virtual currency;
 - 4) fraudulent transfer of valuables.
- k) TRANSNATIONAL CRIMES (LAW 146/2006, ARTICLE 10):
 - 1) criminal association;
 - 2) mafia-type association;
 - 3) criminal association aimed at the smuggling of tobacco processed abroad;
 - 4) association aimed at the illicit trafficking of narcotic or psychotropic substances;
 - 5) provisions against illegal immigration;
 - 6) induction to not make statements or to make false statements to the judicial authorities;
 - 7) aiding and abetting.

It is specified that committing a so-called "transnational" crime is only relevant if the crime is punished with a maximum prison sentence of no less than four years and an organised criminal group is involved, as well as

- it is committed in more than one State;
- or it is committed in one State but a substantial part of its preparation, planning, management or control takes place in another State;
- or it is committed in one State but an organised criminal group is implicated in it that is involved in criminal activity in more than one State;
- or it is committed in one State but has a substantial effect in another State.

l) CYBERCRIMES AND ILLICIT DATA PROCESSING (ARTICLE 24-*BIS*):

- 1) unauthorised access to a computer or telematic system
- 2) unlawful interception, hindering or interruption of computer or telematic communications;
- 3) unlawful possession, dissemination and installation of equipment and other means of intercepting, impeding or interrupting computer or telematic communications
- 4) damaging computer information, data and programmes;

- 5) damaging computer information, data and programmes used by the State or another public body or in any case of public utility;
- 6) damaging computer and telecommunications systems;
- 7) damaging computer or telematic systems of public utility;
- 8) unlawful possession, dissemination and installation of equipment, codes and other means of accessing computer or telematic systems
- 9) unlawful possession, dissemination and installation of computer equipment, devices or programmes intended to damage or interrupt a computer or telecommunications system
- 10) forgery of computer documents
- 11) computer fraud of the person providing electronic signature certification services;
- 12) omission or untrue communication of information, data, facts relevant to the national cyber security perimeter.

m) CRIMES RELATED TO THE COPYRIGHT LAW (ARTICLE 25 – *NOVIES*):

- 1) copyright infringement and other related rights.

n) CRIMES AGAINST INDUSTRY AND TRADE (ARTICLE 25 – *BIS. 1*):

- 1) interference with the freedom of industry and trade;
- 2) unlawful competition using threats or violence;
- 3) fraud against national industries;
- 4) fraudulent trading;
- 5) sale on non-genuine foodstuffs as genuine;
- 6) sale of industrial products with false or misleading marks;
- 7) manufacture and sale of goods made by misappropriating industrial property rights;
- 8) counterfeiting geographical indications or designations of origin of agricultural and food products.

o) ORGANISED CRIME OFFENCES (ARTICLE 24 – *TER*):

- 1) *criminal association* (even aimed at enslavement or slavery, human trafficking, *trafficking in organs taken from a living person*, the slave trade and crimes relating to violations of the provisions on illegal immigration and regarding the removal and transplantation of organs and tissues);
- 2) mafia-type associations, including foreign ones;
- 3) political and mafia-related vote rigging;
- 4) kidnapping for ransom or extortion;
- 5) criminal association to traffic in mood-altering or psychotropic drugs;
- 6) illegal manufacture and trafficking of weapons of war, or military weapons or parts of the same, of explosives, illegal weapons as well as common firearms.

p) CRIMES AGAINST THE JUDICIAL AUTHORITIES (ARTICLE 25 – *DECIES*):

- 1) induction to not make statements or to make false statements to the judicial authorities.

q) ENVIRONMENTAL CRIMES (ARTICLE 25 – *UNDECIES*):

- 1) killing or possession of specimens of protected wild animal or plant species;
- 2) damaging habitats inside a protected area;
- 3) environmental pollution;
- 4) environmental disaster;
- 5) negligent crimes against the environment;
- 6) trafficking and abandonment of highly radioactive material;
- 7) aggravating circumstances (criminal association also mafia-type and foreign in environmental matters);
- 8) illicit discharge of wastewater;
- 9) unauthorised waste management activity;
- 10) violations on matters relating to site reclamation;
- 11) violations on matters relating to reporting, keeping mandatory registers and environmental forms;
- 12) illegal waste trafficking;
- 13) activities organised for illegal waste trafficking;
- 14) exceeding emission and air quality limit values;
- 15) violations on matters relating to importing, exporting and trading protected animal and plant species;
- 16) violations on regulations to protect the stratospheric ozone and the environment;
- 17) intentional or negligent pollution caused by boats.

r) CRIMES RELATING TO IMMIGRATION AND THE CONDITION OF FOREIGNERS (ARTICLE 25 - *DUODECIES*):

- 1) employing subjects from other countries who are illegal immigrants;
- 2) aiding and abetting illegal entry and illegal immigration.

s) CRIMES OF RACISM AND XENOPHOBIA (ARTICLE 25 - *TERDECIES*):

- 1) propaganda and incitement to commit crimes on the grounds of racial, ethnic and religious discrimination.

t) FRAUD RELATING TO SPORTS COMPETITIONS, ABUSIVE GAMING AND BETTING PRACTICES AND GAMES OF CHANCE EXERCISED BY MEANS OF PROHIBITED EQUIPMENT (ARTICLE 25 - *QUATERDECIES*):

- 1) fraud in competitive sport;

2) abusive gaming and betting practices.

u) TAX OFFENCES (ARTICLE 25 – QUINQUIESDECIES):

- 1) fraudulent tax return based on false invoices or other false documents relating to non-existent transactions;
- 2) fraudulent tax return using other artifices;
- 3) inaccurate tax return *within the framework of cross-border fraudulent systems and for the purpose of VAT evasion amounting to no less than ten million euro*;
- 4) failure to file a tax return *within the framework of cross-border fraudulent systems and for the purpose of VAT evasion amounting to no less than ten million euro*;
- 5) issuing false invoices or other false documents relating to non-existent transactions;
- 6) concealing or destroying accounting records;
- 7) undue tax offsetting *within the framework of cross-border fraudulent systems and for the purpose of VAT evasion amounting to no less than ten million euro*;
- 8) fraudulent tax evasion.

v) SMUGGLING (ARTICLE 25 – SEXIESDECIES)⁵:

- 1) smuggling in the movement of goods across land borders and customs areas;
- 2) smuggling in the movement of goods on border lakes;
- 3) smuggling of goods by sea;
- 4) smuggling of goods by air;
- 5) smuggling in non-customs areas;
- 6) smuggling through improper use of goods imported with customs relief;
- 7) smuggling in customs warehouses;
- 8) smuggling and circulation of goods in violation of cabotage laws;
- 9) smuggling in the export of goods eligible for the refund of duties;
- 10) smuggling in temporary import and export;
- 11) other cases of smuggling;
- 12) aggravated smuggling;
- 13) smuggling of tobacco processed abroad;
- 14) aggravated smuggling of tobacco processed abroad;
- 15) criminal association involving the smuggling of tobacco processed abroad.
- 16) contraventions pursuant to articles 302 to 321 of Title VII Chapter II of the TULD (Testo Unico della Legge Doganale- Consolidated Customs Law).

w) CRIMES AGAINST CULTURAL HERITAGE (ART. 25 - SEPTIESDECIES)

⁵ For the aforementioned crimes (and contraventions), violations are crimes (also pursuant to Legislative Decree 231/01) when the amount of border duties due exceeds € 10,000 in accordance with article 1 paragraph 4, of Legislative Decree no.8 of the 15 January 2016, as well as in aggravated cases punishable with a prison sentence, considered as autonomous types of crime, pursuant to article 1, paragraph 2 of the aforementioned Legislative Decree).

- 1) Theft of cultural property;
 - 2) Misappropriation of cultural goods;
 - 3) Receiving stolen cultural goods;
 - 4) Forgery of a private contract relating to cultural goods;
 - 5) Violations concerning the alienation of cultural goods;
 - 6) Unlawful importation of cultural goods;
 - 7) Unlawful removal or export of cultural goods;
 - 8) Destruction, dispersal, deterioration, defacement, defacement and unlawful use of cultural property or landscape;
 - 9) Counterfeiting works of art;
- x) RECYCLING OF CULTURAL GOODS AND DEVACATION AND STORAGE OF CULTURAL AND LANDSCAPE PROPERTY (ART. 25 - DUODEVICIES):
- 1) Laundering of cultural property;
 - 2) Devastation and looting of cultural and landscape heritage.
- y) NON-COMPLIANCE WITH INTERDICTIONAL SANCTIONS (ARTICLE 23).

1.3 CRIMES COMMITTED ABROAD

According to article 4 of Legislative Decree 231/2001, entities are also liable in Italy in relation to crimes – provided for in the same Legislative Decree 231/2001 – committed abroad. The explanatory report to Legislative Decree 231/2001 emphasises the necessity not to leave a frequently occurring criminal situation without a sanction also in order to avoid easy circumvention of the entire regulatory system in question.

The assumptions (provided for by the law or deduced from the overall Legislative Decree 231/2001) which the entity's responsibility for crimes committed abroad is based on are:

- a) the crime must be committed abroad by a person functionally linked to the entity, in accordance with article 5, paragraph 1, of Legislative Decree 231/2001;
- b) the entity must have their head office in Italy;
- c) the entity can respond only in the cases and under the conditions provided for by articles 7, 8, 9, 10 of the Italian Penal Code. This referral must be coordinated with the provisions provided for in articles 24 to 25-sexiesdecies of Legislative Decree 231/2001, also in compliance with the principle of legality referred to in article 2 of Legislative Decree 231/2001 – in relation to a series of crimes mentioned in articles 7-10 of the Italian Penal Code, the company is only liable for those crimes for which their responsibility is provided for by in an ad hoc legislative provision;
- d) the entity is liable in cases where the State where the crime is committed has not taken action against them;
- e) in cases where the law provides that the guilty party is punished at the request of the Minister of Justice, action is only taken against the entity if the request is also made to the institution itself.

1.4. PENALTIES PROVIDED

Penalties provided for administrative offence resulting from a crime are:

- 1) financial penalties;
- 2) disciplinary sanctions;
- 3) confiscation;
- 4) publication of the judgment.

1) Financial penalties

Financial penalties are of an administrative nature and always apply even if the individual remedies the consequences resulting from the crime.

Penalties are imposed according to two sets of criteria:

- a) determination of quotas of no less than 100 and no more than 1,000;
- b) attributing each quota a total value between a minimum of € 258.00 and a maximum of € 1,549.00 (based on the economic and financial conditions of the entity).

In short, financial penalties can vary from a minimum of € 25,822.84 (reducible to half that pursuant to article 12 of the Decree) and a maximum of € 1,549,370.69. It is the judge that determines the number of quotas taking into account:

- a) the seriousness of the fact;
- b) the degree of responsibility of the entity;
- c) the activities carried out to eliminate or attenuate the consequences of the fact and to prevent further crimes from being committed.

2) Disciplinary sanctions

These sanctions are in addition to financial penalties and are aimed at preventing further crimes from being committed.

When applying these sanctions, the judge pays particular attention to the activity carried out by the entity in order to determine greater invasiveness on the business carried out by the same.

This category of sanctions includes the following measures:

- a) a ban on conducting company business;
- b) a ban on being able to enter into contracts with the public administration;
- c) the suspension or revocation of licenses or concessions functional to committing the crime;
- d) exclusion from benefits, funds, contributions and subsidies and/or the withdrawal of those already granted;
- e) a ban on advertising goods and services.

In the event of multiple crimes sanctions are applied for the most serious.

The duration of the ban is generally temporary (from a minimum of 3 months to a maximum of 7 years), with the exception of some mandatory cases in which the temporary nature of the ban is replaced by a definitive ban. For example:

- a) in the event the criminal act is repeated;
- b) in the event of a significant profit;
- c) in case of recurrence at least three times in the previous seven years.

3) Confiscation

It is a mandatory, main and general sanction to be imposed with a conviction (article 19 of the Decree) and consists of confiscating the amount or profit generated by the crime by the Judicial Authority with the exception of the part of it that can be returned to the injured party.

If it is not possible to confiscate products or profits of the crime sums of money, goods or other assets equivalent to the amount or profit of the crime are confiscated. In reality the Decree provides for other forms of asset forfeiture despite the absence of a conviction. The first case contemplated by article 6 paragraph 5 provides for mandatory confiscation of profits the entity gained from the crime even in the event the entity is not held responsible, by virtue of the disclaimer provided, from an administrative offence resulting from a crime committed by individuals in top positions; in this case confiscation serves as compensation necessary to re-establish the economic balance altered by the predicate crime and as a preventive nature, that is it neutralises any objective risk connected to the spillover of profit into the entity.

Article 15, paragraph 4 also provides for the confiscation of profits arising from the continuation of the company's activity when this is ordered by the judicial commissioner and instead of applying the disqualification sanction which results in an interruption of the entity's activity when the requirements are met (the entity carries out a public service or a service of public necessity an interruption of which could cause serious damage to the community or an interruption of the entity's activity may cause serious repercussions on employment).

Finally, article 23 provides for confiscation of profits from the entity derived from the continuation of the activity as the main sanction in violation of the obligations and prohibitions imposed on the same in violation of a sanction or a precautionary disciplinary measure.

4) Publication of the judgment

Publication of the judgment is ordered when disciplinary measures are imposed on the entity. The sentence is published (at the expense of the convicted legal person) only once, in extract or in full in one or more of the publications indicated by the judge in the sentence, as well as posted in the municipality where the entity has its headquarters.

1.5. ATTEMPTED CRIMES

Article 26 of Legislative Decree 231/2001 expressly provides for that in the event of the attempted crimes listed in Chapter I of Legislative Decree 231/2001, the financial penalties (in terms of amounts) and disciplinary sanctions (in terms of time) are reduced from a third to a half, while the imposition of sanctions is excluded in cases where the entity voluntarily prevents the action from being completed or the event taking place.

In reference to tax offences (pursuant to article 25-quinquiesdecies of Legislative Decree 231/2001), despite according to what was established by article 6 of Legislative Decree no. 74/2000, illicit conduct does not assume criminal relevance at the level of attempt alone, with the transposition of (EU) Directive 2017/1371 (the so-called "PIF Directive"), conduct

that reveals the criminal liability of the entity in accordance with articles 2, 3 and 4 of Legislative Decree no.74/2000, even if only attempted, is only applicable if the following four conditions are met:

- a) tax evasion must involve a substantial amount,
- b) evasion must concern value added tax only,
- c) they must be transnational events that affect several states in the European Union,
- d) the disputed fact must not involve the crime envisaged by article 8 of Legislative Decree no. 74 of 2000.

1.6. ENTITY LIABILITY

Articles 6 and 7 of Legislative Decree 231/2001 provide the criteria for subjective attribution of a crime to the entity. These criteria differ based on the function performed by the perpetrator of the crime. If it refers to people who hold representative, administrative or management roles at the entity or one of its organisational units with financial and functional autonomy as well as people who exercise, even de facto, management and control of the same, the entity's liability is presumed unless it demonstrates that:

- 1) before the crime was committed the governing body adopted and effectively implemented, **organisation, management and control models** suitable to prevent the type of crime that was committed;
- 2) the task of supervising and monitoring the effectiveness and compliance with the models, to ensure they are updated was entrusted to a **body with autonomous powers of initiative and control**;
- 3) the people who committed the crime did so by **fraudulently** evading organisation and management models;
- 4) there was no omission or insufficient **supervision** by the supervisory body.

The entity is presumed to be liable if the crime is committed by a person in a top position or with responsibilities; the burden consequently falls on the entity to demonstrate its non-involvement. Vice versa, the entity is responsible to demonstrate in the event that whoever committed the crime does not hold a top position within the company organisational structure; in this case the burden of proof falls on the accusatory body.

If the crime is committed by people subject to the management or supervision of one of the top management, the entity is liable if the prosecution can prove that the crime was committed due to failure to comply with management or supervisory obligations. These obligations are presumed to be observed if before the crime was committed the entity adopted and effectively implemented a Model suitable to prevent the type of crime that was committed.

In relation to the extension of delegated powers and the risk of crimes being committed models must meet the following requirements (article 6 paragraph 2 del Legislative Decree 231/2001):

- identify the areas where offences are likely to be committed;
- provide specific protocols aimed at planning training and implementation of the entity's decisions related to the crimes that must be prevented;
- identify a method of managing financial resources suitable to prevent crimes being committed;
- establish information obligations on the Supervisory Body that is entrusted to ensure that the models work and are complied with;
- introduce a disciplinary system, suitable for sanctioning failure to comply with the measures indicated in the Model.

Article 6 of the Decree also states that organisation and management models can be adopted on the basis of codes of conduct drawn up by representative trade associations communicated to the Ministry of Justice, which, in agreement with the competent Ministries will be able to make observations on the suitability of models aimed at preventing crimes.

1.7 CONFINDUSTRIA GUIDELINES

Following numerous legislative measures that extended the scope of application of administrative responsibility to other types of crime, Confindustria (the Italian Manufacturing Companies Association) updated its Guidelines for preparing organisation models. In June 2021, the updated version of the Guidelines (that replaced the previous versions approved in 2004, 2008 and 2014) was transmitted to the Ministry of Justice.

On the 28 June, the Ministry of Justice communicated that the examination procedure of the new version of the Guidelines was concluded and approved it.

The main points in the Guidelines identified in the preparation of models can be outlined as follows:

- activities to identify **risk areas**, aimed at highlighting the corporate functions where the offences outlined in the Decree could occur;
- implement a **control system** able to prevent risks through the adoption of specific protocols. The most relevant components of the control system identified by Confindustria are:
 - Group Code of Ethics;
 - the organisational system;
 - manuals and IT procedures;
 - authorisation and signatory powers;
 - integrated control and management systems;
 - communications to staff and training.

The components in the control system must be inspired by the following principles:

- every operation must be verifiable, documented, coherent and consistent,
- the principle of separation of is applied (no one person can autonomously manage an entire process);
- document control;
- an adequate sanction system must be provided for violations to the rules of the Group Code of Ethics and the procedures/protocols provided for in the model;
- the requirements of the supervisory body must be identified that can be summarised as:
 - autonomy and independence;
 - professionalism;
 - continuity of action.
- a financial resource management method is implemented;
- information obligations of the control body.

Failure to comply with the specific points listed in the aforementioned Guidelines does not affect the validity of the Model. In fact, the Model adopted by the Entity must be drawn up with specific reference to concrete information about the Company and therefore the same can also deviate from the Confindustria Guidelines, which are by nature general.

The dynamic nature of the Guidelines issued by Confindustria, which, over time, may undergo updates and revisions must be taken into account during analysis.

2. THE MODEL

2.1 PURPOSE OF THE MODEL

The purpose of the Organisation, Management and Control Model (hereafter also the "Model") is to compile a structured and organic system of procedures and control activities with the aim of preventing the crimes provided for in Legislative Decree 231/2001, by identifying activities exposed to the risk of crime and to define standard procedures for specific activities.

Adopting the Model, Euricom S.p.A. aims to pursue the following main objectives:

- to establish ethical values and respect for the law;
- to instil in the recipients of the Model awareness in the event of violation of the provisions indicated herein that by committing punishable offences they could incur criminal sanctions that can be imposed on them and administrative sanctions that can be imposed on the Company;
- to reiterate that such forms of illicit behaviour are strongly condemned by Euricom S.p.A., given that the same (even if the Company was apparently in a position to benefit from it) are in any case contrary to the provisions of the law as well as the ethical principles it intends to adhere to in carrying out its business activity;
- to allow the Company to intervene promptly to prevent or counteract the same crimes from being committed by monitoring the areas of activity at risk.

2.2 ACCEPTABLE RISK

A critical concept in preparing the Model is that of Acceptable risk. In fact, for the purposes of applying the provisions of the Decree it is important to define a threshold that makes it possible to set a limit on the quantity and quality of prevention tools to be introduced to stop crimes from being committed. In relation to the risk of crimes being committing provided for in Legislative Decree 231/2001, the acceptability threshold is represented by a preventive system that cannot be circumvented except intentionally, that is, for the purposes of excluding the Entity from administrative liability, the people who committed the crimes must have acted by fraudulently evading the Model and the controls adopted.

2.3 MODEL BUILDING PHASES

The process of defining the Model is divided into the phases described below:

1) Preliminary analysis of the business context

This phase focused on preventive examination, through documentary analysis and interviews with informed subjects within the company structure, the organisation and activities carried out by the various Functions, as well as the business processes the activities are divided into.

2) Identifying the areas of activity and company processes with a "risk of crime"

Using the above-mentioned preliminary analysis of the business context the following were identified:

- crime "sensitive" areas of activity, i.e. activities that could possibly create opportunities for the criminal activity provided for in the Decree,
- processes that are "instrumental" to committing crimes as provided for in the Decree, i.e. processes as a general rule that could create the conditions and/or tools to commit crimes.

The analysis shown in the "mapping of sensitive areas and instrumental processes", in attachment 2, refers to crime sensitive activities pursuant to articles 24 and 25 of the Decree (crimes against the public administration and against property committed to the detriment of the State or another Public Body or the European Union), some of the crimes in article 24-bis (cybercrime), and some of the organised crime offences in article 24-ter, counterfeiting signs and trademarks in article 25-bis, crimes against industry and trade in article 25-bis.1, some crimes described in 25-ter of the Decree (so-called corporate crimes, including the crime of "corruption – and incitement to corruption between private individuals"), crimes against persons and individual freedom in article 25-quinquies and 25-quater.1, involuntary manslaughter and serious or grievous bodily harm committed by infringing workplace health and safety regulations in article 25-septies, crimes relating to the receipt of stolen goods, money laundering, use of money, goods or assets of an illegal origin as well as transnational money laundering in article 25-octies, some crimes relating to the violation of copyright law in article 25-novies, crimes against the judicial authorities in article 25-decies, some environmental crimes in article 25-undecies, crimes relating to immigration and the condition of foreigners in article 25-duodecies, tax offences in article 25-quinquiesdecies, smuggling crimes in article 25-sexiesdecies and transnational crimes (article 10 Law no.146 16 March 2006).

Terrorism crimes in article 25-quater, crimes relating to racism and xenophobia in article 25-terdecies, crimes covering practices relating to female genital mutilation in article 25-quater.1, crimes relating to the misuse of privileged information and market rigging in article 25-sexies, fraud in competitive sport, abusive gaming and betting practices and games of

chance exercised by means of prohibited equipment in article 25-*quaterdecies*, and some of the crimes referred to in the categories of the previous paragraph not reported in Annex 02 were analysed as part of the mapping of activities and instrumental processes. However, after careful preliminary analysis supported by an extensive cycle of interviews and document verification in the company, no specific opportunities for committing these crimes were identified since, although their abstract verifiability cannot be completely excluded, the probability of them being committed is unlikely, both in consideration of the operational structure of the Company, and considering the elements necessary to commit the crimes in question (with particular reference for some of them to the psychological element of the crimes).

In terms of criminal association pursuant to article 416 of the Italian Penal Code, the analysis focused on the traceability profiles of these types of crimes that were taken into consideration in terms of mapping the activities and instrumental processes.

Essentially, although the possibility of criminal conspiracy cannot be completely excluded also for types of crime different from those covered by the mapping, the analysis carried out focused primarily on the profiles of typical activities in the Company's operational reality, in compliance with the principle of acceptable risk and cost-effectiveness of internal control processes.

Therefore, without prejudice to the types of crime identified in the mapping in terms of individual activities and sensitive processes and without prejudice to the control protocols identified herein this Model (developed in compliance with the principle of the mandatory nature of predicate crimes), the crime in article 416 of the Italian Penal Code is considered based on the presupposed "associative" nature of the crime in the specific cases identified in the mapping. In short, the fact is taken into consideration that the crime could hypothetically be committed or only planned by three or more subjects within the entity or outside the perimeter of the same (for example in relationships with suppliers or trade partners). Following the transposition of (EU) Directive 2017/1371 (the so-called "PIF Directive"), always limited to the types of crime already identified in the mapping, this definition is also considered to include cases of the pursuit of harmful illicit purpose detrimental to financial interests of the European Union.

As regards the crime of "transnational money laundering" introduced by Law 186/2014 sub article 25-octies of Legislative Decree 231/01, in light of rigorous compliance with the principles expressed in articles 2 and 3 of Legislative Decree 231/01, with particular reference to the peremptory nature of the prerequisite cases, analysis was conducted according to two profiles:

- considering the crime of transnational money laundering as a way in which money, goods or other benefits originating from non-negligent crimes which are already prerequisite cases pursuant to Legislative Decree 231/01 that were the focus of mapping in risk analysis could be used, replaced or transferred in the context of the economic-entrepreneurial activity of the Company. In short, the crime of transnational money laundering could be considered in this sense as an "instrumental" crime to the prerequisite non-culpable cases already identified in the mapping. In this case control protocols of the crime that is the "source" of the transnational money laundering, with exclusive reference to the categories of crime that fall within the list of prerequisite cases pursuant to Legislative Decree 231/01, are those established in the special part of this Model for each macro-category of crime;
- also considering transnational money laundering carefully at the time the crime is committed, with particular reference to the conditional clause of the norm that

emphasises that for the crime of transnational money laundering to occur it is necessary for conduct aimed at concretely hindering the possibility to identify the criminal origin of the money, goods or other benefits deriving from any non-negligent crime (even those that were not included in the mapping).

In this case the analysis focused on the traceability of financial and treasury flows given that these are the processes in which it is conceivable to suppose that conduct could hinder identification of the criminal origin with particular but not exclusive reference to flows connected to transactions of a non-ordinary nature such as mergers, acquisitions, sales of company branches, shareholder or intercompany financing, investments and asset and investment management etc. In this case further behavioural principles and specific protocols have been added to Chapter 4.2.4 in the special part.

For the sensitive areas of activities and instrumental processes the potential types of crime risk, possible ways of committing them, the Functions and the subjects (employees and others) who are usually involved were identified. An assessment of the level of potential risk associated with each sensitive activity/process was carried out according to a *risk assessment* method based on the following elements and reported in attachment 03:

1. identification and weighting up the two macro axes for risk analysis:
 - probability axis, indicative of the degree of possibility that the event at risk will occur;
 - impact axis, indicative of the consequences of the realisation of the risk event;
2. assignment and weighting up of specific evaluation parameters, for each of the macro axes according to the following scheme:
 - For the probability axis:
 - frequency of occurrence/performance of the activity described and other economic-quantitative indicators of relevance to the activity or the company process (e.g.: economic value of the operations or deeds carried out, number and type of subjects involved etc.);
 - probability of occurrence, in the operational context of the possible crime (e.g., presumed "ease" of carrying out the criminal behaviour compared to the reference context);
 - any history of committing crimes in the Company or more generally in the sector it operates in.
 - For the impact axis:
 - severity of the sanctions potentially associated with committing one or more crimes provided for in Legislative Decree 231/2001 while carrying out the activity;
 - potential benefit that would accrue to the Company following the alleged illegal offence and which could constitute leverage for the commission of illicit conduct by company staff;

3. assignment of a *score* to each evaluation parameter based on a qualitative scale (e.g., very low - low - medium-high - very high);
4. definition of a *final score* (of the axis and total) and assignment of a summary risk assessment based on the same, qualified in the following way: RED – high risk, YELLOW – medium risk, GREEN – low risk.

Please note that the above variables were used to define a grading system for the general risk associated with individual sensitive activities/processes.

With reference to the crimes in article 25 – *septies* of Legislative Decree 231/01 (involuntary manslaughter and serious or grievous bodily harm committed by infringing workplace health and safety regulations pursuant to articles 589 and 590 paragraph III of the Italian Penal Code), given the technical specificity of the individual obligations on matters relating to workplace health and safety required by Legislative Decree 81/08, the analysis variables set out above were not applied so for these areas please refer to the explicit risk assessments described in the Risk Assessment Document adopted pursuant to Legislative Decree 81/08.

With reference to the crimes in article 346 *bis* of the Italian Penal Code (influence peddling), considering that the Supreme Court of Cassation also clarified that *"the crime pursuant to article 346 bis of the Italian Penal Code punishes behaviour preparatory to the commission of possible corruption ... provided that the money, patrimonial benefit must be aimed at those called upon to exercise influence and not to the person holding the public function"* (see Supreme Court of Cassation ruling. Pen., Sec. VI, no. 4113/2016) and therefore this case is prodromal to the possible subsequent commission of the crimes covered by articles 319 and 319-ter of the Italian Penal Code, the maximum level *score* (/weighted average) was applied to the analysis variables set out above, as expected in relation to the crimes of corruption/incitement to corruption.

3) Structure of the Model

Following the above-described activities Euricom S.p.A. deemed it appropriate to define the operating principles and the reference "protocols" of the Model it intends to adopt, taking into account:

- the provisions of the Decree,
- the Group Code of Ethics (attachment 04);
- the Risk Assessment Document (DVR);
- the Guidelines drawn up on the matter by Confindustria;
- UNI EN ISO 9001:2015.

It is understood that any choice not to adapt the Model to some of the indications provided in the aforementioned Guidelines does not affect the validity of the Model. In fact, the Model adopted by the Entity must be drawn up with specific reference to concrete information about the Company and therefore the same can also deviate from the Confindustria Guidelines, which are by nature general.

2.4 ADOPTION AND RECIPIENTS OF THE MODEL

Euricom S.p.A. was founded by Francesco Sempio and is the reference company in the Group. The Company operates worldwide and is mainly active in the processing and distribution of rice and is the sector leader in Europe.

The vision that distinguishes the Group is the result of complete supply chain traceability where it manages to guarantee high quality standards in every step thanks to constant certification work. The certifications obtained, in fact confirm its complete compliance with legislative parameters established in all countries over the world in all manufacturing and transformation processes and prove it has achieved industrial excellence, also in matters relating to the environment and corporate responsibility.

Euricom S.p.A. is the *trading* entity of the Euricom Group, with a strategy based on triangulations with countries of interest. Over the years the Company has expanded its *trading* activities by broadening its interest in other sectors focusing on the production of primary goods, and the energy and engineering sectors.

Euricom S.p.A. buys raw materials all over the world, examines and selects products, guarantees quality to ensure the best value for money, organises the transport of its main commodities and finished products and manages trade logistics.

During 2023 the Company adopted the JD Edwards World Solution Company business management system or simply JD Edwards.

Among the organizational changes that have occurred in recent years, we highlight the acquisition by Mitsui & Co., Ltd. of a share of the shares of the Italian company Euricom S.p.A..

The relevant agreement was stipulated with this investor.

Mitsui is engaged in domestic and foreign wholesale trade of metals, energy resources, machinery and chemicals, and in June 2022 participated in the investment in "Rol-Ryz sp. z o.o.", an affiliate of Euricom, operating in the Eastern European market.

The Company is sensitive to the need to ensure conditions of correctness and transparency in conducting business and company activities, to protect its position and image, the expectations of its shareholders and the jobs of its employees and is aware of the importance of equipping itself with a suitable internal control system to prevent criminal acts being committed by its administrators, employees, collaborators, representatives and partners.

The Company is convinced that adopting the Model can be a valid tool for raising awareness and ethical training for all those operating in the name and on behalf of the Company, so that they behave correctly and honestly when carrying out its activities, to prevent the risk of committing the crimes envisaged by the Decree itself.

Euricom S.p.A. uses the consolidated group tax regime and as the consolidating party calculates the relevant IRES in a unified way for the companies that are part of the consolidated tax group.

Although adoption of the Model is foreseen by law as optional and not mandatory, Euricom S.p.A., pursuant to article 6, paragraph 1, letter a) of Legislative Decree 231/2001 that

requires the Model to be an " official document issued by the managing body", adopted this Model with the resolution of the Board of Directors on the 21/12/2021.

This update of the Model is approved by resolution of the Board of Directors. dated 12/18/2023.

Euricom S.p.A. set up a Supervisory Body with the task of supervising and monitoring the effectiveness of the Model and compliance with the same as well as to ensure it is updated.

With formal adoption this Model becomes an imperative rule for the Company, for members of corporate bodies (such as the Board of Directors and the Board of Statutory Auditors of the Company and their relative members), for employees and for anyone who operates in any capacity on behalf or in the interest of the same Company (collaborators, consultants, suppliers, partners, ...).

The adoption and effective implementation of this system allows the Company to benefit from exemption from liability provided by Legislative Decree 231/2001 and to reduce the risk of adverse events to acceptable levels by intervening directly on the probability that event occurs and the impact they will have.

2.5 ADOPTION OF THE MODEL WITHIN THE GROUP

Within the Group Euricom S.p.A., as the *group leader*, adopted its own Organisation, Management and Control Model pursuant to Legislative Decree 231/01.

The *group leader* Company promotes the adoption and effective implementation of its own organisation models by all companies in the Group.

Each company in the Group, in fact, independently carries out the activity of preparing and adopting its own Organisation, Management and Control Model *pursuant to* Legislative Decree 231/2001, also taking into account the principles of conduct adopted by the Group.

It is the responsibility of every individual company in the Group to implement the control principles set out in the Model, in relation to the activities actually carried out in the areas at potential risk relating to the categories of crimes envisaged by Legislative Decree 231/2001.

It is pointed out that by exercising its management and coordination powers the *group leader*:

- does not issue indications in preceptive and binding terms on the compilation and revision of the Models in the companies in the Group;
- provides consultancy support aimed at facilitating adoption, updating, implementation and monitoring activities relating to the Models of individual companies in the Group;
- outlines specific rules for correctness and transparency in relationships with individual companies in the Group through communications in official and traceable forms.

Every company in the Group:

- adopts specifically determined ethical-behavioural principles in relation to its operations and the types of crimes relevant to it;
- autonomously implements and integrates where necessary codes of conduct, a disciplinary system and protocols of the Group, based on the specific business and

actual exposure to the crime-risks-envisaged by Decree 231.

Communication channels have been established between all companies in the Group regarding the implementation status of the adopted system pursuant to Decree 231,

any violations of the Model/Decree and sanctions applied and updates to organisation models carried out following new relevant predicate crimes.

Finally, the possibility for centralised organisational solutions and the adoption of centralised procedures and/or activities *outsourced* to companies in the Group are subject to the following conditions:

- the intragroup *governance* system guarantees that they are inspired by the principles of transparency and accounting correctness;
- the powers of the top management bodies of the companies in the Group must be respected;
- respective financial and patrimonial autonomy must not be violated;
- separation of the top management of the holding company from those in the other companies in the Group must be guaranteed.

2.6 UPDATING THE MODEL

Subsequent modifications or additions of a substantial nature, even suggested by the Supervisory Body (meaning modifications to the rules and general principles contained in this Model), are left to the competence of the Board of Directors of the Company. To adopt changes other than substantial ones the Board of Directors delegates the Managing Director, who will periodically inform the Board about the nature of the changes that are made.

2.7 STRUCTURE AND FEATURES OF THE MODEL

This Model, compiled taking into account the Guidelines issued by Confindustria, is composed of:

- a "General Part", that describes the relevant legislation and the general operating rules of the Model and the Supervisory Body;
- a "Special Part", focusing on the areas of activity and the instrumental processes considered "sensitive", rules of conduct and other control tools deemed relevant in relation to the crimes to be prevented.

The Company undertakes to plan and compile the Model, to constantly adapt it to changes in the internal and external context and ensure that it is complied with and that it works using specific methods, by adopting the operating methods deemed most appropriate each time and respecting mandatory control principles.

The Model fits into the broader system of organisation and control that already exists in the Company and which it intends to integrate with the following qualifying elements:

- mapping of "sensitive" activities and company processes in relation to the crimes provided for in Legislative Decree 231/2001 to be subjected to periodic analysis and monitoring (Special Part- attachment 02);

- a code of conduct, also included in the Group Code of Ethics the Company has complied with, aimed at preventing the occurrence of the crimes foreseen in Legislative Decree 231/2001;
- the appointment of a Supervisory Body (hereafter the S.B.) of the Company with the task of supervising that the Model works correctly and effectively;
- information flows to the S.B.;
- a sanction system able to guarantee the effective implementation of the Model, containing the disciplinary provisions applicable in case of failure to comply with the measures indicated in the same Model;
- verification and documentation of all relevant activity;
- compliance with the principle of separation of functions ensured by the presence of a system of attribution of powers that defines precise limits to people's decision-making power and ensures separation between those who propose and those who authorise, between those who execute and those who monitor and, consequently, that there are no individuals in the company with absolute and unconditional power over an entire process;
- definition of authorisation powers consistent with assigned responsibilities;
- company resources of an adequate number and value are available to the S.B. and proportionate to expected and reasonably achievable results;
- rules and responsibilities for the adoption, implementation and subsequent changes or integrations to the Model (updating the model), as well as for continuous verification that the same Model works correctly and effectively;
- awareness, information and dissemination activities to all company levels and external recipients in relation to compliance with the principles provided for in the Decree, the code of conduct and established procedures.

2.8 THE MODEL AND GROUP CODE OF ETHICS

Euricom S.p.A. intends to shape the conduct of the activity, the pursuit of the social purpose and growth of the Company to comply not only with the laws and regulations in force but also with shared ethical principles. To this end Euricom S.p.A. has adopted a Group Code of Ethics, approved by the Board of Directors together with a first version of the Model, aimed at defining a set of principles of "corporate ethics" that the Company recognises as its own and requires compliance with from corporate Bodies, its employees and all those who cooperate in any capacity in the pursuit of company goals.

The Group Code of Ethics has a general scope and is a tool adopted autonomously by Euricom S.p.A., even if it refers to rules of conduct relevant to the Model.

3. COMPANY ACTIVITIES AND PROCESSES WITH A POTENTIAL "CRIME-RISK"

Following preliminary analysis of the business context the activities were identified within which, in principle, the crimes provided for by the Decree (so-called "sensitive" activities"),

could be committed, as well as the business processes within which, in principle, the conditions or the tools could be created to commit some types of crimes (so-called "instrumental" processes).

In particular, the analyses concerned a) offences against the Public Administration and against the assets of the State or other public body or of the European Union; b) computer crimes; c) organised crime offences; d) offences against industry and trade; e) corporate offences (including the offence of 'corruption and incitement to corruption between private individuals'); f) offences against the individual; g) culpable homicide and grievous or very grievous negligent injury, committed in violation of the rules on accident prevention and on the protection of hygiene and health at work h) offences of receiving stolen goods, money laundering, use of money, goods or other utilities of unlawful origin, as well as selflaundering; i) offences relating to the undue use of non-cash payment instruments and fraudulent transfer of valuables; l) some of the offences relating to violation of copyright; m) offences against the administration of justice; n) environmental offences; o) offences relating to immigration and the status of foreigners; p) tax offences; q) smuggling offences; r) transnational offences.

In consideration of the particular nature of the business activity carried out by Euricom S.p.A. and the internal structure, the "sensitive" activities" and "instrumental" processes identified are as follows:

- Sensitive Activity No. 01: Drafting of financial statements
- Sensitive Activity No. 02: Management of tax fulfilments and relations with the tax administration and tax police bodies, including during inspections and tax audits;
- Sensitive Activity No. 03: Management of fulfilments and operations in corporate matters;
- Sensitive Activity No. 04: Management of judicial and extrajudicial procedures (civil, criminal, administrative, labour law), appointment of lawyers and coordination of their activities;
- Sensitive Activity No. 05: Management of tax disputes;
- Sensitive Activity No. 06: Management of procurement of goods and services;
- Sensitive Activity No. 07: Assignment of consultancy and professional services;
- Sensitive Activity No. 08: Management of commercial relations and activities with customers or potential customers
- Sensitive Activity No. 09: Management of public tenders;
- Sensitive Activity No. 10: Management of mediation and brokerage contracts;
- Sensitive Activity No. 11: Management of returns and recalls of food products;
- Sensitive Activity No. 12: Activities relating to personnel management and selection;
- Sensitive Activity No. 13: Management of entertainment expenses and reimbursement of expenses to employees;
- Sensitive Activity No. 14: Management of relations with public/private entities to obtain certifications, declarations of conformity, authorisations, licences, concessions and permits
- Sensitive Activity No. 15: Management of loans granted by public bodies or credit institutions;

- Sensitive Activity No. 16: Management of gifts, sponsorships and donations;
- Sensitive Activity No. 17: Management of audits, inspections, controls carried out by the P.A;
- Sensitive Activity No. 18: Management of relations with the Supervisory Authorities;
- Sensitive Activity No. 19: Management of obligations relating to health and safety in the workplace and relations with Public Authorities for compliance with the precautions required by laws and regulations for the employment of employees assigned to particular tasks
- Sensitive Activity No. 20: Management of environmentally relevant processes and activities also in relations with third parties;
- Sensitive Activity No. 21: Use of computer or telematic resources and information or any other work of the inge
- Sensitive Activity No. 22: Management of intercompany relations;
- Sensitive Activity No. 23: Management of trading of foodstuffs and other goods;
- Sensitive Activity No. 24: Relations with customers/suppliers/partners for the management of negotiated agreements and related administrative, accounting and financial operations
- Sensitive Activity No. 25: Management of relations with third party interlocutors - public or private - in the performance of their work activities on behalf of and/or in the interest of the Company.
- Sensitive Activity No. 26: Management of financial resources
- Sensitive Activity No. 27: Management of import and export transactions

Detailed analysis of the potential crime risk associated with the "sensitive" activities" and "instrumental" processes identified is provided in "mapping of sensitive areas and instrumental processes", developed during the preliminary analysis activities and available in the Special Part of this document.

It is the responsibility of the top management with the support of the Supervisory Body, to ensure that "mapping of sensitive areas and instrumental processes" is continuously updated with particular attention to be paid in moments of corporate change (for example opening new offices, expanding business activities, acquisitions, reorganisations, etc.) and/or legislation updates.

4. THE GENERAL PRINCIPLES OF THE COMPANY ORGANISATION AND CONTROL SYSTEM

This Organisation, Management and Control Model, without prejudice to the specific purposes described in the previous paragraph 2.1 and Legislative Decree 231/2001, is part of the broader management and control system already in place in the company adopted to provide reasonable assurance regarding the achievement of corporate objectives in compliance with laws and regulations, the reliability of financial information and to safeguard assets, also against possible fraud.

In particular, as specific tools aimed at planning the formation and implementation of Company decisions and to guarantee adequate control over them even in relation to

crimes to be prevented, Euricom S.p.A. identified the following components:

Organisational system and separation of roles

An organisational system must comply with the following requirements: (i) clarity, formalisation and communication with particular reference to attributing responsibility, to defining hierarchical lines and assigning operational activities; (ii) separation of roles, that is, the organisational structure is designed to avoid functional overlaps and the concentration of activities that have a high degree of criticality or risk on one single person.

To guarantee these requirements, the Company has organisational tools (organisational charts, organisational communications, codified procedures, etc.) based on general principles of: (i) knowledge within the Company; (ii) clear reporting lines; (iii) clear and formal delimitations of roles with descriptions of task and responsibilities attributed to each function.

Delegation of power

Delegation of power relates to both internal authorisation powers on which Company decision-making processes regarding operations to be implemented depend on, as well as powers of representation for signing deeds or documents intended for external use and suitable for binding the Company (so-called special or general "powers of attorney"). Delegation of power must comply with the following conditions: a) the power of attorney must appear in a written document bearing a certain date; b) the delegate must possess all the professionalism and experience required by the specific nature of the delegated functions; c) the power of attorney must grant the delegate all powers of organisation, management and control required by the specific nature of the delegated functions; d) the power of attorney must grant the delegate the necessary spending autonomy to fulfil the delegated functions; e) the power of attorney must be accepted in writing by the delegate.

To this end the Company undertakes to ensure the timely updating of powers of attorney, establishing the cases where powers of attorney must be assigned, changed or withdrawn (assumption of new responsibilities, transfer to different tasks that are incompatible with those it was granted for, resignations, dismissals, etc.).

Procedure system

Codes, policies, manuals, procedures, handbooks and work instructions codified by Euricom S.p.A. aim to define precise Guidelines and operational indications to manage "sensitive" activities and processes. The Procedure system is a primary tool with which Function managers direct and control company management by delegating operational practices to be carried out in compliance with the principles established by the procedures and governance of individual "operations", meaning the "minimum work units" that make up an activity.

It is clear that by nature the procedure system is dynamic since it is subject to the changing operational and management needs of the company including, for example organisational changes, changes to business needs, changes to reference regulatory

systems, etc.

The dynamism of the procedure system implies it needs to be continuously updated. The overall level of formalisation of the procedure system, consisting of the existence, accessibility and clarity of a global reference framework that allows all relevant subjects to orient themselves in a unique way when managing company activities, is a significant indicator of the organisational management capacity of the Company.

Internal procedures formalised to support processes and operational activities have the following characteristics: (i) adequate dissemination within the company structures involved in the activities; (ii) regulation of the methods and timing of carrying out activities; (iii) clear definition of the responsibilities of the activities in accordance with the principle of separation between the subject who starts the decision/making process, the subject who executes it and concludes it, and the subject who controls; (iv) traceability of deeds, operations and transactions through adequate documentary support that certifies the characteristics and reasons for the operation and identify the subjects involved in the operation in various capacities (authorisation, execution, registration, verification of the operation); (v) objectification of decision-making processes by providing where possible, defined reference criteria and methods for making company decisions; (vi) the provision of specific control mechanisms (such as reconciliation, balancing, etc.) to guarantee the integrity and completeness of data managed and information exchanged within the entity.

Control and monitoring activities

They involve with different roles: the Board of Directors, the Board of Statutory Auditors, the Auditing Firm, the Supervisory Body, the Health and Safety Manager and more generally all company personnel and are an essential attribute of the daily activities carried by Euricom S.p.A..

The control tasks of these bodies are defined in accordance with the following types of control: (i) *surveillance activities* on the correct administration of the Company, on the adequacy of the organisational structures and on compliance with the law and the articles of association; (ii) *line controls*, aimed at ensuring the correct carrying out of operations and are carried out by the production facilities themselves or incorporated into procedures;

(iii) *internal audits*, aimed at detecting anomalies and violations of company procedures and to evaluate the functionality of the overall internal control system and are carried out by structures independent to the operational ones; (iv) *external audits*, aimed at verifying that accounting records are kept and that financial statements are prepared in accordance with applicable accounting standards;

(v) *management control*, in relation to the timeliness of reporting critical situations and defining appropriate risk indicators.

Traceability

Every operation must be properly recorded. The decision-making, authorisation and carrying out the activity must be verifiable *ex post*, also through specific documentary supports and, in any case the cases and methods of possible

cancellation or destruction of the records made or supporting documentation must be regulated in detail.

In compliance with the general principle of traceability of every operation, to prevent certain types of crime, including money laundering and transnational money laundering, particular emphasis is placed on the need for all financial flows of the Company to be adequately traced (both inbound and outbound), not only those referring to

normal business operations (receipts and payments), but also those relating to financial needs (financing, risk coverage, etc.) and extraordinary or capital transactions (mergers, acquisitions, sales, capital increases, liquidations, exchange of shares, etc.).

The principles described above appear coherent with indications supplied by the Guidelines issued by Confindustria and are considered by the Company to be reasonably suitable to prevent the crimes referred to in the Decree.

For this reason, the Company considers it essential to guarantee the correct and concrete application of the aforementioned control principles in all areas of Company activity/processes identified as potential crime-risks in the mapping phase and listed in Chapter 3.

The task of verifying that these principles are constantly applied as well as that they are adequate and updated is delegated by the Company to the Supervisory Body, the Board of Statutory Auditors and where applicable to company Function managers and from these to direct collaborators. To this end, these managers will have to interface continuously with the Supervisory Body, who must be constantly informed and may be requested to provide opinions and indications of principle and orientation.

For an analysis of the verification activities of the Model, please see Chapter 12.

5. Supervisory Body

5.1 IDENTIFICATION AND APPOINTMENT

The task of ensuring the Model works and is complied with and updated is entrusted to a body within the entity equipped with autonomous powers of initiative and control (article 6. 1, *b*) of Legislative Decree 231/2001), called the Supervisory Body (hereafter also the "S.B.").

The Supervisory Body must carry out specialised activities that require knowledge of ad hoc tools and techniques and must be characterised by continuity of action.

It cannot be the Board of Directors. In the case of small companies, the Supervisory Body function can be carried out directly by the governing body (paragraph 4, article 6 Legislative Decree 231/01).

The Board of Statutory Auditors can carry out the functions of the Supervisory Body in accordance with paragraph 4-bis article 6 of Legislative Decree 231/01 as integrated by paragraph 12 of article 14 of Law no. 183 of the 12.11.2011.

The Supervisory Body performs its functions outside the operational processes of the Company and is free from any hierarchical relationship within the company organisational chart.

The S.B. reports directly to the top management of the Company, both in terms of operations and controls, to guarantee its full autonomy and independence in carrying out the tasks entrusted to it.

Euricom S.p.A. decided to entrust the tasks of the Supervisory Body to a corporate body:

- whose members are appointed by the Board of Directors;
- composed of 3 members identified as particularly qualified and experts on matters relating to Legislative Decree 231/2001, to ensure the Body adequate expertise in legal and accounting matters, risk assessment and internal auditing, labour law, as well as endowed with the necessary requirements of integrity.

Members must be independent of the Euricom Group and therefore cannot hold positions that allow them to exercise control or significant influence over the Company.

A Chair of the Supervisory Body must be chosen and appointed from among the members.

External members can be supported by internal members, chosen from among the managers of those Functions who focus on control issues and, in any case, not belonging to company Business Areas.

- which reports directly to the Board of Directors;
- is equipped with autonomous powers of intervention in its areas of competence. To this end as well as to ensure continuity of action relating to the compliance and suitability of the Model, the Body uses internal staff and/or external collaborators;
- which operates with formal meetings and equipped with its own "operating regulations" drawn up by the same;
- is equipped with a spending budget for exclusive use for the period in which it remains in office decided by the Board of Directors. The S.B. autonomously and independently decides on the expenses to be made within the limits of the approved budget and refers to those with signing powers at Euricom S.p.A. to sign the relevant commitments. In the event of a request for expenses exceeding the approved budget the S.B. must be authorised by the Managing Director of Euricom S.p.A. within the limits of their powers or directly by the Board of Directors.

The Supervisory Body is appointed to office for a period of 3 years. Members of the Body can be re-appointed.

The Body meets at least on a quarterly basis.

For the purposes of better knowledge and correct monitoring of the corporate context the S.B. can ask for attendance at its meetings even in a permanent form, of subjects such as, for example, members of the Board of Statutory Auditors and those function managers (e.g.: Personnel, Legal, Quality etc.) relevant to control issues. They will participate in meetings exclusively as guests.

The following are reasons for ineligibility and incompatibility with the office of member of the Supervisory Body, even if they are endowed with the necessary requirements of integrity:

- being a member with operational delegations from the BOD of Euricom S.p.A. or of companies controlled by and/or subsidiaries of the Company;
- being an auditor of Euricom S.p.A. or of companies controlled by and/or subsidiaries of the same;
- be in relations of marriage, kinship or affinity up to the fourth degree with subjects in the previous points (without any limit of degree of kinship in the case of external members);
- been convicted with a sentence which may not be irrevocable to a prison sentence which entails disqualification, even temporary, from public office or disqualification from holding managerial offices of ordinary legal entities;
- been convicted with a sentence which may not be irrevocable and also following application of the penalty upon request pursuant to articles 444 and 447 of the Italian Penal Code for non-negligent crimes and for crimes punished by intent or negligence envisaged by Legislative Decree 231/2001.

5.2 WITHDRAWAL AND REPLACEMENT

To protect the autonomy and independence of the Body, any changes to its structure (withdrawals, etc), to its powers or and its functioning can only be implemented through resolutions adopted by the Board of Directors with a unanimous and adequately motivated vote.

Withdrawal of individual members of the S.B. can only happen for just cause. In this regard, just cause is understood as:

- a serious failure to fulfil one's duties, as defined in Chapter 8 of this Model;
- a conviction of the Company or plea-bargaining conviction in accordance with the Decree which shows "failure or insufficient supervision" by the S.B.;
- a breach of confidentiality obligations (also in reference to the provisions of article 6, paragraph 2-bis, letter d) of Legislative Decree 231/2001).

In all cases of the precautionary application of disqualifying sanctions as provided for by the Decree, the Board of Directors, once the appropriate information has been obtained can

revoke the powers of the S.B., if it detects the possibility the same omitted or provided insufficient supervision.

In the event that the requirements of autonomy, independence and professionalism are no longer met or in the event of the onset of one of the causes of ineligibility/incompatibility identified above the Board of Directors, having carried out the appropriate checks and heard the interested party, as well as the other members of the S.B., will establish a deadline of not less than thirty days within which time the incompatibility situation must be resolved. If this period ends without the aforementioned incompatibility being remedied the Board of Directors must declare the member be revoked.

Likewise, a serious illness that renders one of the members of the S.B. unsuitable to carry out their supervisory duties, or infirmity or other reasons of a personal nature that cause their absence from S.B. activities for a period of more than six months, or failure to attend more than three consecutive meetings without a justified reason will result in the revocation of the same in the aforementioned way.

In the event of resignations, withdrawals or revocations of one or more members of the Supervisory Body, the Board of Directors must appoint a substitute/s in a timely manner. In the meantime, the Body will remain with its full powers and functions albeit operating in a reduced formation and deliberating unanimously among the remaining members.

If, due to the events mentioned above the S.B. is temporarily composed of just one member that person may in any case adopt any measure they deem necessary to deal with emergency situations.

During the first meeting of the S.B. after the reconstitution of the plurisubjectivity of its members, the S.B. must validate the work of the member that acted as the S.B.

If the foregoing circumstances apply to the Chair of the S.B., they are succeeded by the most senior member who remains in office until the date on which the Board of Directors decides on the appointment of a new member.

5.3 REQUIREMENTS

These refer to:

- autonomy and independence: aimed at guaranteeing that the Supervisory Body is not directly involved in the management activities that constitute the object of its control activity and above all to carry out its activities without direct or indirect conditioning from controlled subjects: these requirements are ensured by the composition of the body, by the absence of any hierarchical reporting within the company organisation, by the absence of operational tasks and reporting directly to the Board of Directors;
- professionalism: it is a Body equipped with technical-professional and specialist skills appropriate to the functions it is called upon to perform (e.g.,

- interview techniques, flow charting, risk analysis techniques, etc.). These characteristics combined with independence guarantee objectivity of judgment;
- continuity of action: it is a Body inside the entity, adequate in terms of structure and dedicated resources, as well as without operational duties which can limit the commitment necessary to carry out the assigned functions.

The choice to establish a corporate body was dictated also by the need to strengthen the aforementioned requirements.

In order to give the Supervisory Body suitable information retrieval capabilities and therefore of effectiveness of action towards the company organisation, information flows to and from the same Body have been established through this Model and subsequently through specific internal organisational documents issued by the Board of Directors or the Supervisory Body.

5.4 FUNCTIONS AND POWERS

The Supervisory Body of Euricom S.p.A. is entrusted the task of supervising on a general level:

- a) compliance with the provisions of the Model by Employees and Corporate Bodies, Consultants and business partners to the extent required from each of them;
- b) the effectiveness and adequacy of the Model in relation to the company structure and the effective ability to prevent the crimes being committed provided for in Legislative Decree 231/2001 (Crimes);
- c) opportunities to update the Model where it is necessary to adapt the same in relation to changed company conditions and/or regulation changes;
- d) the adequacy, application and effectiveness of the sanctioning system.

On an operational level the Body will be entrusted the task of:

1. verifying the implementation of the planned control procedures provided for in the Model, through the execution of the Work Plan of the control activity of the S.B.;
2. constantly verifying the effectiveness and efficiency of current company procedures, resorting to the assistance of the competent Functions as well as the Health and Safety Manager on issues relating to the health, hygiene and safety of workers;
3. conducting reconnaissance on company activity for the purposes of updating the mapping of sensitive areas and instrumental processes;
4. periodically carrying out targeted assessments on certain operations or specific action implemented by Euricom S.p.A., above all in relation to sensitive or "instrumental" activities to implement the same;
5. informing the Chair of the BOD: or the Managing Director or delegated Functions about the necessity to implement staff training programmes;

6. monitoring initiatives for the dissemination of awareness and understanding of the Model and preparing the necessary internal documentation on how the Model works containing instructions, clarifications or updates;
7. collecting, processing and storing relevant information to comply with the Model, as well as updating the list of information that must be transmitted to it or kept at its disposal by building a "formal" archive of internal control activity;
8. coordinating with other company functions in carrying out monitoring activities within its competence and foreseen in the protocols;
9. verifying the adequacy of the internal control system in relation to existing regulations in compliance with Legislative Decree 231/2001;
10. verifying that the elements planned for the implementation of the Model (the adoption of standard clauses, completion of procedures, etc.) are adequate and responsive to the requirements to comply with the provisions of the Decree, by adopting or suggesting updates to the same elements where necessary;
11. verifying the need to update the Model;
12. reporting periodically to the Chair of the BOD and the Managing Director, and through the latter to the Board of Directors and the Board of Statutory Auditors, regarding the implementation of company policies to implement the Model;
13. checking the archive is actually maintained and the effectiveness of the same to support the activity pursuant to Legislative Decree 231/2001.

To carry out the tasks mentioned above the Body is granted the following powers:

- a) to issue provisions aimed at regulating the activity of the Body;
- b) to access any and all company documents that are relevant to perform the functions assigned to the Body pursuant to Legislative Decree 231/2001;
- c) to use external consultants of proven professionalism in cases it is necessary to carry out verification and control activities or update the Model;
- d) arrange for the various Function Managers to promptly provide the information and data and/or news requested by it to identify aspects connected to the various relevant corporate activities in the Model and to verify the effective implementation of the same by company organisational structures.

5.5 METHODS AND FREQUENCY OF REPORTING TO CORPORATE BODIES

The Euricom S.p.A. Supervisory Body operates according to two reporting lines:

- the first, on an ongoing basis, directly to the Chair of the Board of Directors and the Managing Director;
- on a semi-annual basis the S.B. will prepare a written report on its activity for the Board of Directors and the Board of Statutory Auditors.

The aforementioned functional relationships, even with bodies without operational tasks and therefore free from management activities, are to ensure that the activities carried out by the Supervisory Body are with guaranteed independence.

The Supervisory Body can be convened at any time by the Board of Directors or may in turn submit requests to this effect to report on how the Model is working or specific situations.

Moreover, the Supervisory Body can send communications to the Managing Director and/or the Chair of the BOD and/or the Board of Directors and/or the Board of Statutory Auditors whenever it deems the need or opportunity to do so and in any case they must send them the aforementioned semi-annual report with the following information:

1. the supervisory activity carried out by the Body in the period in question;
2. any critical areas that emerged both in terms of conduct or internal events in Euricom S.p.A., in terms of the effectiveness of the Model;
3. any suggested corrective and improvement action and the state of implementation of the same.

Meetings with the subjects and bodies indicated above must be recorded and copies of the minutes must be kept by the S.B. and by any other bodies involved from time to time.

5.6 OTHER ACTIVITIES

The S.B. must also coordinate with the competent functions within the Company with specific roles and more precisely with:

- the Managing Director or other delegated Functions to fulfil corporate obligations that may be relevant to any corporate crimes being committed and to analyse management dynamics with an economic and financial impact;
- the Managing Director or other delegated Functions and in relation to the dissemination of information regarding staff training and the disciplinary proceedings referred to in Legislative Decree 231/2001;
- with the Health and Safety Manager for compliance with all regulations imposed by law and internal company procedures on matters relating to health and safety in the workplace;
- the Managing Director or other delegated Functions for aspects related to the competence of the latter concerning controls on accounting, the financial cycle and the budget;
- the Control Area Manager to analyse management dynamics with an economic and financial impact;
- the Managing Director or other delegated Functions for contracts;
- the Administrative Director or other delegated Functions with reference to relations with supervisory Authorities and compliance with tax obligations;
- any other Function deemed relevant from time to time for the purposes of its activities.

6. FINANCIAL RESOURCE MANAGEMENT METHOD

The financial resources management system must ensure separation and independence between subjects who contribute to making decisions on the use of resources, those who implement these decisions and those who are entrusted with controls over their use. For the purposes of implementing operational decisions the Company uses financial and banking intermediaries who are subjected to transparency and stability regulations compliant with those adopted in EU Member States.

All transactions that involve the use or deployment of financial resources must have adequate reasons and be documented and registered with manual and computerised means, in compliance with the principles of professional correctness and accounting accuracy; the related decision-making process must be verifiable.

7. INFORMATION FLOWS TO BODIES RESPONSIBLE FOR CONTROL

7.1 INFORMATION OBLIGATIONS TO THE SUPERVISORY BODY

- To facilitate the supervisory activity on the effectiveness and correct working of the Model, the S.B. is the recipient of a flow of information useful and necessary for the performance of the supervisory tasks assigned to the SB.

In the corporate context Euricom S.p.A. Function managers must communicate the following to the Supervisory Body:

- on request of the same S.B. and with the method defined by them, information and control activities carried out in the operational area useful for the activity of the S.B. in terms of verifying the compliance, effectiveness and updates to the Model and from which facts, actions, events or omissions may emerge with critical profiles in terms of compliance with the rules of Legislative Decree 231/2001;
- on a periodic basis information identified in the Model, as well as any other information identified by the Body and requested by them to individual Euricom S.p.A. organisational and managerial structures through internal directives. This information must be transmitted in the times and ways defined by the same Body;
- any other information also coming from third parties and relevant to the implementation of the Model in "sensitive" activity areas and in compliance with the provisions of the Decree that can be considered useful to carry out the tasks of the Supervisory Body. In particular, including but not limited to the following information must be obligatorily and promptly transmitted to the Body:

- measures and/or news from judicial police bodies, financial administration bodies or any other authority carrying out investigations into the crimes envisaged by the Decree, also initiated against unknown persons;
- requests for legal assistance submitted by directors and/or employees in the event of legal proceedings being initiated against them for the crimes envisaged by the Decree;
- transactions on share capital, operations for the allocation of profits and reserves, transactions to purchase and sell shareholdings in Companies or its branches, merger, split and spin-off transactions, as well as all transactions within the Group which could potentially damage the integrity of the share capital;
- decisions relating to the request, disbursement and use of public funding, including European;
- news relating to the actual implementation, at all company levels, of the Model, with evidence of the disciplinary proceedings carried out and of any sanctions imposed or measures to dismiss such proceedings with the related reasons;
- the delegation of powers of administrators and any subsequent modifications and/or integrations, as well as the organisational structure;
- corporate signatory powers and any subsequent modifications and/or integrations;
- news relating to crimes committed in violation of health and safety regulations in the workplace;

other documents from which facts, actions, events or omissions with critical profiles may emerge in compliance with the provisions of Legislative Decree 231/2001.

It is pointed out that this information can also be collected directly by the S.B. during its periodic control activity as detailed in Chapter 11, using the methods the S.B. deems necessary (including but not limited to, the preparation and use of specific checklists).

7.2 METHODS OF TRANSMISSION OF INFORMATION AND REPORTS TO THE SUPERVISORY BODY

Information flows will be collected by the Supervisory Body in accordance with the modalities, periodicity and channels defined by the Supervisory Body and shared with the Company.

Furthermore, it is possible to communicate with the Supervisory Body in the event of requests for "information" regarding operational aspects on understanding and using the Model or to request a meeting to speak in person with the Supervisory Body.

These requests can be sent to the Supervisory Body to the following e-mail address: odv@euricom.it or to the following address:

Euricom S.p.A. Valle Lomellina (PV)
Via Stazione 119
POST CODE 27020

7.3 COLLECTION AND STORAGE OF INFORMATION

Any information/report sent to the Body is stored by the latter in a specific database (IT or paper) for a period of 10 years.

The Supervisory Body defines the rules and methods of access to the database in compliance with current legislation on confidentiality and data protection.

8. INTERNAL REPORTING OF VIOLATIONS OF THE MODEL AND OF RELEVANT ILLEGAL CONDUCT

For the purposes of reporting, conduct, acts or omissions consisting of unlawful conduct relevant under Legislative Decree 231/01 or violations of the Model are considered violations.

An internal report is defined as the written or oral communication of information on violations, acquired within the work context, submitted through a channel activated by the Company that guarantees the confidentiality of the reporter and the person involved (natural or legal person mentioned in the report as the person to whom the violation is attributed or implicated in the report), the content of the report and the relevant documentation.

Information on violations covers information, including well-founded suspicions, concerning violations committed or which, on the basis of concrete elements, could be committed in the organisation as well as elements concerning conduct aimed at concealing such violations.

The Company provides clear information on the channel, modalities and prerequisites for making internal reports in the 'Whistleblowing Procedure'. The internal reporting procedure is displayed and made visible in the workplace and published on the Company's official website.

In accordance with the terms of Legislative Decree 24/2023, the Company complies with the protective measures provided for by law, including the prohibition to engage in retaliatory acts, even by way of attempt or threat.

The adoption of discriminatory measures against whistleblowers may be reported by the whistleblower to the ANAC for measures within its competence.

All processing of personal data is carried out in accordance with Regulation (EU) 2016/679, Legislative Decree No 196 of 30 June 2003 and Legislative Decree No 51 of 18 May 2018.

8.1 PROCEDURE FOR THE TRANSMISSION OF REPORTS TO THE SUPERVATORY BODY

Reports are forwarded to the Body maintaining confidentiality obligations. The Supervisory Board evaluates the reports received and any consequential measures, and adopts any measures deemed necessary for the purposes of adapting the Model, taking the necessary communications for the application of any sanctions. Any consequent measures are applied

in accordance with the provisions of the sanctions system set out in Chapter 9 below.

8.2 COLLECTION AND STORAGE OF INFORMATION

Reports and related documentation are kept for as long as necessary to process the report and in any case no longer than five years from the date of the communication of the final outcome of the reporting procedure.

9. DISCIPLINARY SYSTEM

9.1 GENERAL PRINCIPLES

Pursuant to articles 6, paragraph 2, letter e), and 7, paragraph 4, lett. b) of Legislative Decree 231/2001, organisation, management and control models, whose adoption and implementation (together with other situations provided for in the aforementioned articles 6 and 7) constitute a *sine qua non* condition for the Company's exemption from liability in the event any of the crimes envisaged by the Decree are committed, which can only be considered effectively implemented if it provides a disciplinary system suitable for sanctioning failure to comply with the measures indicated therein.

This disciplinary system must be addressed to both employees and collaborators and third parties who operate on behalf of the Company, by providing appropriate disciplinary sanctions on one hand for employees and contractual/negotiation sanctions (termination of the contract, cancellation from the supplier list, etc.) on the other.

Disciplinary sanctions may be imposed regardless of whether criminal charges are started or the outcome of any criminal proceedings, as organisation models and internal procedures constitute binding rules for recipients, the violation of which must be sanctioned regardless of the actual commission of a crime or whether it is punishable, in order to comply with the dictates of the aforementioned Legislative Decree. Principles of timeliness and immediacy of the sanction make it not only unnecessary but also inadvisable to delay the application of the disciplinary sanction while awaiting criminal judgment.

9.2 SANCTIONS FOR EMPLOYEES AND MANAGERS

This Model is to all intents and purposes a company regulation as an expression of the employer's power to give instructions for the execution and discipline of work. This document is also a disciplinary code and, therefore, must be available in a place accessible to all.

The subjects this regulation is addressed to are therefore obliged to fulfil all obligations and requirements contained therein and to adapt their behaviour to the conduct described therein. Without prejudice to the right to compensation for damages, failure to comply with these obligations will be disciplinary sanctioned by respecting the proportionality between the sanction and the infringement and in compliance with the procedure provided for in article 7 of Law no. 300/1970 as well as the National Collective Bargaining Agreement applied. For example:

1. workers who commit minor infringements by disregarding the established internal procedures provided for in the Model (for example they do not observe the prescribed procedures, do not send the S.B. the required information, do not carry out their control activities, also on their subordinates etc.) who, in carrying out activities in crime sensitive risk areas, adopt a conduct which is not in compliance with the provisions of this Model, which causes a violation of the provisions communicated by the Company will incur a

VERBAL WARNING or A WRITTEN WARNING/REPRIMAND;

2. a **FINE** may be levied on workers who repeatedly disregard the internal procedures set out herein this Model or who, in carrying out activities in crime sensitive risk areas, repeatedly adopt a conduct which is not in compliance with the provisions of this Model, even before said deficiencies have been individually ascertained and contested, which causes repeated non-application of the requirements communicated by the Company;
3. workers who disregard internal procedures provided for by this Model or by carrying out activities in crime sensitive risk areas, adopt a conduct which is not in compliance with the provisions of this Model, commit acts that expose the Company to an objective situation of danger or act contrary to its interests that cause damage, and whose conduct damages or endangers the integrity of the company's assets or acts contrary to its interests likewise arising from failure to comply with the provisions communicated by the Company will incur **SUSPENSION FROM DUTIES AND SALARY**;
4. workers who when carrying out activities in crime sensitive risk areas, adopt a conduct which is not in compliance with the provisions of this Model and that leads to a crime being committed as envisaged by the Decree, whose conduct causes significant damage or creates a significantly prejudicial situation will incur **DISMISSAL WITH COMPENSATION IN LIEU OF NOTICE**;
5. workers who when carrying out activities in crime sensitive risk areas, adopt a conduct clearly in violation of the provisions of this Model and such as to determine the concrete application of the measures provided for by the Decree against the Company, whose conduct radically undermines the company's faith in them or causes one of the shortcomings listed in the preceding points which causes grave prejudice to the Company will incur **DISMISSAL WITHOUT NOTICE**.

Verification of the aforementioned infringements, possibly from reports to the Supervisory Body, management of disciplinary proceedings and the impositions of sanctions remain the responsibility of the relevant functions.

In particular, with regard to managerial staff, in the event of violations of the general principles of the organisational model or company procedures, the body responsible for detecting infringements and applying sanctions is the Board of Directors or a subject or body delegated by them who will take steps deemed appropriate against those responsible and proportionate according to the violations committed, taking into account that the same constitute failures to fulfil the obligations and requirements arising from the employment relationship.

The type and extent of each of the sanctions mentioned above will be applied by taking into account:

- the intentionality of the behaviour or the severity of the negligence, carelessness and incompetence with regard to the predictability of the event;

- the overall behaviour of the worker with particular attention to the existence of previous disciplinary measures of the same within the limits permitted by law;
- the worker's duties;
- the functional position of the people involved in the events that led to the shortcoming;
- the extent of the danger and/or the consequences of the infringement for the Company and for all employees and stakeholders of the same;
- the other particular circumstances involved in the disciplinary offence.

9.3 MEASURES FOR DIRECTORS

In the event of a violation of current legislation and the Model by one or more members of the BOD of the Company, the Supervisory Body will inform the entire Board of Directors and the Board of Statutory Auditors, who will have to take the appropriate steps in accordance with the law and convening the Shareholder's Meeting where necessary. Sanctions may consist in the revocation or suspension of powers of attorney; the curtailment of remuneration; liability action under the civil code, as the most serious measure.

9.4 MEASURES FOR STATUTORY AUDITORS

In the event of a violation of the Model by one or more members of the Board of Statutory Auditors, the Supervisory Body will inform the entire Board of Statutory Auditors and the Board of Directors, who will have to take the appropriate steps such as for example convening the Shareholder's Meeting to adopt the most suitable measures provided for by the Law.

9.5 MEASURES FOR CONSULTANTS, PARTNERS

Any conduct adopted by collaborators, consultants or by other parties connected to the Company with a non-employee contractual relationship, in violation of the provisions of Legislative Decree 231/2001, could lead to penalties being applied or, in the case of serious non-compliance, termination of the contractual relationship, without prejudice to any request for compensation if such behaviour causes damage to the Company, even regardless of termination of the contractual relationship.

To this end the inclusion of specific clauses in contracts that at least acknowledge awareness of the Decree by the third parties is foreseen with particular attention to "*outsourced*" activities entrusted to third parties, requiring a commitment from the third party and the employees and collaborators of the same to abstain from conduct that could lead to the crimes envisaged by the Decree and to adopt suitable control systems (regardless of whether an actual crime is committed or punishable) and that regulate the consequences in case of violation of the provisions of the clause; or a unilateral declaration of "certification" by the third party or their collaborators regarding knowledge of the Decree and their commitment to base their activity on compliance with the provisions of the law (in this regard, please refer to paragraph 10.2).

9.6 MEASURES IN THE EVENT OF VIOLATION OF WHISTLEBLOWER PROTECTION MEASURES AND THOSE WHO MAKE UNFOUNDED REPORTS WITH INTENTION OR GROSS NEGLIGENCE

The disciplinary system adopted pursuant to Article 6(2)(e) and (2-bis) of Legislative Decree No. 231/2001, provides for sanctions to be applied against those whom the Company determines to be responsible for offences relating to:

- acts of retaliation
- obstruction, even in the attempted form, of reporting;
- breach of the obligation of confidentiality;
- failure to set up reporting channels;
- failure to adopt procedures for making and handling reports, or adoption of non-compliant procedures;
- failure to verify and analyse the report;
- civil liability of the person making the report for defamation or slander in cases of wilful misconduct or gross negligence, unless the person has already been convicted, also at first instance, of the offences of defamation or slander;
- non-transmission or late transmission of the report to the competent person if the reporting person addresses the report to a person other than the one appointed to receive it.

In particular:

- against the members of the Supervisory Board, the sanction of revocation shall be applicable;
 - against other persons deemed liable, the sanctions set out in paragraphs 9.2, 9.3, 9.4 and 9.5 above shall apply.
- The process of assessment and the decision as to the sanction to be applied is in the hands of the BoD.

10. STAFF SELECTION, INFORMATION AND TRAINING

10.1 SELECTION

The S.B. in coordination with the Managing Director and the relevant Functions evaluates method through which a specific evaluation system is established and/or updated for selecting personnel, that takes the business needs into account in relation to the application of Legislative Decree 231/2001.

In particular, the selection process entails the compilation of a form called the "candidate evaluation sheet", which includes:

- the Curriculum Vitae or a summary of the candidate's academic or professional CV;
- express indication of the fact that they are believed to have the necessary skills and are able to provide the services they could be hired to perform;
- a series of information collected upon completing a specific questionnaire ("employee selection questionnaire pursuant to Legislative Decree 231/01") addressed to the potential candidate whose content must include, by way of example, the following questions:
 - 1) Is or has the proposed person ever been a public official or an employee of the P.A. or holds or has held public office? If the answer is yes, for how long? If the answer is yes, pursuant to paragraph 16-ter of article 53 of Legislative Decree no.165 of the 30 March, did the proposed person as a public employee exercise authoritative or negotiating powers in the last three years on behalf of the public administration pursuant to article 1 paragraph 2 of the same Decree? In this case was the Company a recipient of the public administration activity carried out with the same powers? How long ago did the public employment relationship end?
 - 2) Was the proposed person a candidate in political or administrative elections or related to someone who was a candidate in political or administrative elections?
 - 3) Is the proposed person related to a public official or related to an employee of the P.A. or related to people who hold public offices or who are in charge of public services?

The Managing Director will indicate the person responsible for ensuring the questionnaire is completed and keeping the outcome of the activity available for the S.B.

10.2 INFORMATION

For the purposes of the effectiveness of this Model, it is the objective of Euricom S.p.A. to ensure correct disclosure and awareness of the rules of conduct contained herein to existing personnel and those to be hired with different degrees of depth in relation to the different levels of involvement of the same personnel in risk activities. Through collaboration with the Managing Director and the managers of the Functions involved from time to time in applying the Model, the Supervisory Body,

based on the control activity carried out, can indicate the necessity to integrate the information and training system aimed at employees of the Company.
This Model is communicated to all personnel in the Company at the time of its adoption. To this end the Company undertakes to make available:

- all materials in paper format (e.g., 231 Model 231 and the relative attachments) on the topic in the updated version in the company *reception*
- all materials in electronic form on the Company *intranet*.

The Model is also available on the Company website.

The Model is the object of training in the paragraph below.

All Company personnel⁶ who have been given copies of the Model, Legislative Decree 231/01 and the Group Code of Ethics are required to fill in a formal "declaration of commitment", acquired in the written form reported below:

*I the undersigned _____ declare that:
I have been given a copy of the Group Code of Ethics, a copy of the Organisation, Management and Control Model (hereafter the "Model"), adopted by Euricom S.p.A. (hereafter the "Company"), as well as a copy of Legislative Decree no.231 of the 8 June 2001 (hereafter "Legislative Decree 231/2001");
I have carefully read the Group Code of Ethics, the Model and Legislative Decree 231/2001; I undertake to observe the provisions contained therein;
I participated in specific introductory training activity organised by the Company for employees.*

Having said this, I declare that I have understood the contents of the Group Code of Ethics, the Model and Legislative Decree 231/2001.

Signature

Date

10.3 TRAINING

Training activity aimed at spreading knowledge of the legislation governing Legislative Decree 231/2001, is differentiated in content and delivery methods depending on the qualifications of the recipients, the level of risk in the area they operate in and whether they perform representative functions for the Company.

⁶ Only employees assigned to operational duties which cannot in any way involve carrying out any of the sensitive activities for the purposes of Legislative Decree 231/2001 may be excluded from the list of employees required to make the declaration of commitment at the discretion of the Company. Even for these employees it is pointed out that this Model is to all intents and purposes a company regulation as an expression of the employer's power to issue instructions for the execution and discipline of work and as it is available in a place accessible to all it is also a disciplinary code.

It is the responsibility of the Managing Director and the Human Resources Manager (Group Services):

- to define an annual update programme to be shared with the Euricom S.p.A S.B., which provides a specific path for management staff and subordinate staff in accordance with the provisions in the Model;
- to prepare an annual calendar to be communicated, together with the summary content of the program to the Euricom S.p.A. S.B.

The control activity of the S.B. provides for the adoption of training activities when errors and/or deviations from the correct execution of "sensitive" procedures in relation to the crimes envisaged by Legislative Decree 231/01 are discovered.

In this case the S.B. will contact the relevant functions to organise and implement the planned training activities.

11. SUPPLIER SELECTION AND INFORMATION

In the case of contractual relationships with third parties the relative contracts/agreements contain specific clauses, with declarations and guarantees for the purposes of Legislative Decree 231/2001 to protect the Company from the risks and responsibilities involved. Contracts/agreements must:

- be defined in writing, with all conditions and terms;
- be signed by subjects with suitable powers and who are expressly delegated to do so according to the current system of powers and delegations;
- be subjected to an internal authorisation process aimed at respecting the principle of separation of functions (between those who propose the agreement, those who verify it and those who sign it) and correct verification of the contents and economic commitments;
- contain standard clauses to comply with Legislative Decree 231/2001 (or, if it is a foreign entity or one operating abroad, in compliance with relevant international and local regulations, in particular conduct relating to the possibility of corruption and fraud against public bodies);
- contain a specific declaration of the same attesting familiarity with the legislation governing Legislative Decree 231/2001 (or, if it is a foreign entity or one operating abroad, in compliance with relevant international and local regulations, in particular conduct relating to the possibility of corruption and fraud against public bodies) and to undertake to behave in accordance with the provisions of the law;
- contain a specific clause that regulates the consequences of violation by the same of legislation governing Legislative Decree 231/2001 (or, if it is a foreign entity or one operating abroad, in compliance with relevant international and local regulations, in particular conduct relating to the possibility of corruption and fraud against public bodies) (e.g., express termination clauses, penalties).

Two examples of standard clauses of this type are set out below for reference, with the warning that they must be adapted to the specific contractual relationship:

«The supplier/consultant/external collaborator declares to know the contents of Legislative Decree no. 231 of 8th of June 2001 and undertakes to refrain from conduct likely to

constitute a crime envisaged by the same Decree (regardless of whether a crime is committed or the punishability of the same). Failure of the Supplier to comply with this commitment is considered by the Parties to be a serious breach and cause for termination of the contract due to non-fulfilment pursuant to article 1453 of the Italian Civil Code and Euricom S.p.A. will have the right to resolve the same with immediate effect».

Or:

« The supplier/consultant/external collaborator undertakes to abide by existing legislation carefully and scrupulously and among these, in particular, the provisions of Legislative Decree 231/2001 as well as to adapt their conduct to the principles expressed in the Euricom S.p.A. Model (which is attached) as relevant to fulfil this contract. Failure to comply with the law or regulations outlined in the Model by is a serious breach of trust which, as well as damaging the relationship established between Euricom S.p.A. and, is a serious breach of this contract which gives Euricom S.p.A. the right to terminate this contract early and with immediate effect pursuant to article 1456 of the Italian Civil Code and to obtain, as a penalty, a sum equal to € , without prejudice to the possibility of compensation for further damages ».

12. PERIODIC MODEL REVIEW

The surveillance activity carried out continuously by the Body to: a) verify the effectiveness of the Model (that means the coherence between the actual conduct of the recipients and the Model itself), b) report the need to proceed with appropriate updates to the Model, is outlined first of all, in the **S.B. verification programme**, that is approved by the Supervisory Body.

The control system is designed to:

- ensure that the operating methods satisfy the requirements of the Model and current legal provisions;
- identify areas that need corrective action and/or improvements and verify the effectiveness of the corrective action;
- develop a control culture in the Company also in order to support any inspection visits by other delegated entities, in different capacities for verification activities.

To this end this control activity is carried out by the S.B. using:

- a) information flows;
- b) periodic targeted assessments on "sensitive activities" ("Work Plan");
- c) meetings with key personnel in the company or with partners, consultants, etc.

Internal verifications are managed by the Supervisory Body. To carry out planned verification activities the Supervisory Body may avail itself of the collaboration of personnel from other functions, not involved in the verified activities, with specific skills, or external consultants.

The Supervisory Body will have to take care of maintaining documentation, updating files and the consistency of the procedures followed over time using specific archives (paper or computerised, as well as the transmission

of relevant documentation to the other interested corporate bodies.

The "Work Plan" covers one year (the January - December period of each fiscal year) and indicates for every controlled activity:

- the frequency of the controls carried out;
- sample selection;
- information flows (the information flow of the operational staff to the S.B.) defined for every control carried out;
- the implementation of training activities (resolution activities of procedural and/or information deficiencies) for every anomaly detected.

The company areas to be assessed and the frequency of controls depend on a number of factors such as:

- risks pursuant to Legislative Decree 231/2001, in relation to the results of the mapping of sensitive activities;
- evaluation of existing operational controls;
- previous audit findings.

Extraordinary controls are planned in the event of substantial changes in the entity or of any processes, or in the event of suspicious activity or communications of non-compliance or any time the S.B. decides to carry out occasional ad hoc controls.

To facilitate periodic controls on the effectiveness and updates to the Model by the S.B., collaboration from the various company functions is required from time to time. All company functions will therefore have to fully support the efficient performance of control activities, including internal contacts who manage relationships with consultants and commercial partners and are in turn required to adequately document the activity carried out.

The results of the control activity are always recorded and transmitted according to the expected reporting method and frequency outlined in paragraph 5.5.

Euricom S.p.A. considers the results of these control activities as fundamental to improve its Model. Therefore, also in order to guarantee the effective implementation of the Model, findings from controls relating to adequacy and the effective implementation of the Model are discussed within the Supervisory Body framework and trigger where necessary, the Disciplinary System described in Chapter 8 (General Part) of this Model.