

Organization, Management and Control Model adopted by Almeco SpA and the companies belonging to the group.

(approved by resolution of the Board of Directors on December 22, 2015)

1. Legislative decree no. 231/2001

1.1 Introduction

According to Legislative Decree 231/2001 (partially implementing the Enabling Act 300/2000 transposing the OECD and EU legislation¹) as subsequently updated and amended, legal persons, companies and associations are also considered responsible for certain crimes committed for their benefit or in their interest by persons acting in the name and on behalf of these entities.

The Delegated Legislator, therefore, by putting an end to a heated doctrinal debate, has overcome the principle according to which "societas delinquere non potest"², introducing, at the expense of entities (entities with legal status, companies and associations even without legal status; hereinafter, also collectively referred to as 'Entities' and individually as 'Entity'; the State, territorial public bodies, non-economic public bodies and those that perform constitutional functions are excluded), a regime of administrative liability (indeed, from a practical point of view, comparable to a real criminal liability) in the event that some specific types of crime are committed, in the interest or to the advantage of the Entities themselves, by, as specified in art. 5 of the Decree:

- i) subjects who have functions of representation, administration or management of the Entity or one of its organizational units with financial and functional independence, as well as persons who exercise, even de facto, management and control of said entity (the so-called subjects in a top position);
- ii) subjects submitted to the management or supervision of one of the subjects referred to in point i) (the so-called subjects in subordinate position).

Not all crimes committed by the aforementioned subjects imply administrative liability attributable to the Entity, given that only specific types of crimes are considered relevant³.

The role played by Almeco SpA in the local, national and international economic situation requires the company to pay special attention to the requirements of the law; and in line with the company policy, aimed at promoting

¹ In particular: Brussels Convention of July 26, 1995 on the protection of financial interests; Brussels Convention of May 26, 1997 on the fight against bribery of public officials, both in the European Community and in the Member States; OECD Convention, issued on December 17, 1997, on the fight against bribery of foreign public officials in economic and international transactions. The Legislator sanctioned, with Law no. 146/2006, the United Nations Convention and Protocols against Transnational Organized Crime adopted by the General Assembly of November 15, 2000 and May 31, 2001.

² Before the Decree was enacted, a company could not assume the role of accused in a criminal trial. In fact, it was believed that art. 27 of the Constitution, which establishes the principle of personality of criminal responsibility, prevented the extension of the criminal charge to a company and, therefore, to a "non-personal" subject. The company, therefore, could be held liable, from a civil standpoint, for the damage caused by the employee, or, in accordance with Articles 196 and 197 of the Italian criminal code, in the event of insolvency of the condemned employee, for the payment of the fine or fine.

³ It must also be considered that the "list" of relevant predicate offenses pursuant to the Decree is constantly expanding. If, on the one hand, there is a strong push from the community bodies, on the other, also at the national level, numerous bills have been presented aimed at inserting further cases. For a certain period of time, the hypothesis of direct inclusion of the liability of Entities within the criminal code was also being studied (see, works by the Pisapia Commission), with a consequent change in the nature of the liability (which would become for all intents and purposes criminal and no longer – formally – administrative) as well as an extension of the relevant cases. More recently, proposals have been made to amend the Decree aimed at reaping the benefits of the application experience of the same and, ultimately, aimed at 'healing' some aspects that appeared to be excessively burdensome.

ethical action and the passion for excellence, Almeco SpA intends to adopt a code of ethics that complies with Legislative Decree 231/01. The main contents of the Decree are reported below.

1.2 Essential elements of the entity's liability

The first type of crimes which, according to the Decree, involves the administrative liability of the Entity includes crimes committed against the Public Administration, which are detailed in Articles 24 and 25 of the Decree, i.e.:

- undue receipt of contributions, loans or other disbursements by a public body (art. 316 ter of the Italian criminal code);
- fraud to the detriment of the State or other public body (art. 640, paragraph II, no. 1, of the Italian criminal code);
- aggravated fraud to obtain public funds (art. 640 bis of the Italian criminal code);
- computer fraud to the detriment of the State or other public body (art. 640 ter of the Italian criminal code);
- bribery in the performance of functions (articles 318 and 321 of the Italian criminal code);
- bribery for an act contrary to official duties (articles 319 and 321 of the Italian criminal code);
- bribery in legal proceedings (articles 319 ter and 321 of the Italian criminal code);
- undue inducement to give or promise benefits (art. 319 quater of the Italian criminal code)
- incitement to bribery (article 322 of the Italian criminal code);
- bribery of persons in charge of public service (articles 320 and 321 of the Italian criminal code);
- extortion (article 317 of the Italian criminal code);
- embezzlement to the detriment of the State or other Public Entity (art. 316 bis of the Italian criminal code);
- misappropriation, extortion, bribery or incitement to bribery of members of the bodies of the European Communities and foreign states (art. 322 bis of the Italian criminal code).

Art. 25 bis of the Decree – introduced by art. 6 of Law no. 409 issued on September 23, 2001, – also refers to crimes of counterfeiting money, public credit cards and revenue stamps:

- counterfeiting of money, spending and introduction into the State, after agreement, of counterfeit money (art. 453 of the Italian criminal code);
- alteration of coins (art. 454 of the Italian criminal code);
- spending and introduction into the State, without agreement, of counterfeit money (art. 455 of the Italian criminal code);
- spending of counterfeit money received in good faith (art. 457 of the Italian criminal code);
- forgery of revenue stamps, introduction into the State, purchase, possession or putting into circulation of counterfeit revenue stamps (art. 459 of the Italian criminal code);
- counterfeiting of watermarked paper used for the manufacture of public credit cards or revenue stamps (art. 460 of the Italian criminal code);
- manufacture or possession of watermarks or tools intended for counterfeiting money, revenue stamps or watermarked paper (art. 461 of the Italian criminal code);
- use of counterfeit or altered revenue stamps (art. 464, paragraphs 1 and 2, of the Italian criminal code).

A further and important type of crimes linked to the administrative liability of the Entity is represented by corporate crimes, a category governed by art. 25 ter of the Decree, provision introduced by Legislative Decree no. 61 of April 11, 2002, which identifies the following cases, as amended by Law no. 262:

- false corporate communications (art. 2621 of the Italian civil code);
- false corporate communications to the detriment of a company, shareholders or creditors (art. 2622 of the Italian civil code, in the new formulation provided for by Law no. 262/2005);
- false statement in a prospectus (art. 2623 of the Italian civil code, repealed by art. 34 of Law no. 262/2005, which nevertheless introduced art. 173 bis of Legislative Decree no. 58 of February 24, 1998)⁴;

⁴ Art. 2623 of the Italian civil code (False statement in a prospectus) was repealed by Law 262/2005, which replicated the same crime by introducing art. 173-bis of Legislative Decree no. 58 of February 24, 1998 (hereinafter also referred to as T.U.F). This new incriminating provision, at present, is not literally counted among the crimes referred to by Legislative Decree 231/2001. However, part of the legal theory believes that art. 173 bis TUF, although not referred to by Legislative Decree 231/2001, is relevant for the administrative liability of entities, since it must be considered in compliance with the previous art. 2623 of the Italian civil code. The case law, on the other hand, has ruled in the opposite direction, albeit on the different crime provided for by art. 2624 of the Italian Civil Code (False statements in the reports or communications of the auditing company) [see following note], as that crime is no longer considered a source of liability pursuant to Legislative

- false statements in the reports or communications of the auditing company (art. 2624 of the Italian civil code)⁵;
- prevented control (art. 2625 of the Italian civil code)⁶;
- undue return of contributions (art. 2626 of the Italian civil code);
- illegal distribution of profits and reserves (art. 2627 of the Italian civil code);
- unlawful operations on stocks or shares of the company or the parent company (art. 2628 of the Italian civil code);
- transactions to the detriment of creditors (art. 2629 of the Italian civil code);
- failure to communicate a conflict of interest (art. 2629 bis of the Italian civil code);
- fictitious capital formation (art. 2632 of the Italian civil code);
- undue distribution of company assets by the liquidators (art. 2633 of the Italian civil code);
- unlawful influence on the shareholders' meeting (art. 2636 of the Italian civil code);
- stock manipulation (art. 2637 of the Italian civil code, amended by Law no. 62 of April 18, 2005);
- obstruction of the exercise of the functions of public supervisory authorities (art. 2638 of the Italian civil code, amended by Law no. 62/2005 and Law no. 262/2005).

Art. 25 ter was subsequently amended by Law no. 190 of November 6, 2012 (the so-called anti-corruption law) which introduced the crime of bribery between individuals as per art. 2635, paragraph III of the Italian civil code. The reform procedure did not stop and, with Law no. 7 of January 14, 2003, enacted art. 25 quater, which further extends the operational scope of administrative liability for crimes having purposes of terrorism and subversion of the democratic order provided for by the criminal code and special laws.

Subsequently, Law no. 228 of August 11, 2003 introduced art. 25 quinquies, according to which the Entity is responsible for the commission of crimes against individuals:

- reduction to or maintenance in slavery (art. 600 of the Italian criminal code);
- slave trade (art. 601 of the Italian criminal code);
- sale and purchase of slaves (art. 602 of the Italian criminal code);
- child prostitution (art. 600-bis paragraphs 1 and 2 of the Italian criminal code);
- child pornography (art. 600-ter of the Italian criminal code);
- tourism initiatives aimed at exploiting child prostitution (art. 600-quinquies of the Italian criminal code);
- possession of pornographic material (art. 600-quater of the Italian criminal code).

Decree 231/2001 and relying on the principle of legality of the rules contained in the Decree. Given the lack of a specific ruling on art. 2623, similar to that which occurred for art. 2624, as a precaution, it was decided to abstractly consider that crime in the Model.

⁵ It should be noted that Legislative Decree no. 39 (Implementation of Directive 2006/43/EC, relating to statutory audits of annual and consolidated accounts, amending Directives 78/660/EEC and 83/349/EEC repealing Directive 84/253/EEC), which became effective on April 7, 2010, repealed art. 2624 of the Italian civil code – False statements in the reports or communications of the auditing companies – reinserting the same case within the same Legislative Decree 39/2010 (art. 27), which, however, is not referred to by Legislative Decree no. 231/2001. The United Sections of the Supreme Court of Appeal, with sentence no. 34776/2011, established that the case of false statements already revised by art. 2624 of the Italian civil code can no longer be considered a source of crime liability of Entities, given that the aforementioned article has been repealed by Legislative Decree 39/2010. The Court has in fact pointed out that the legislative amendment which reformed the audit matter was intentionally directed to remove the crimes of auditors from the scope of Legislative Decree 231/2001 and that, therefore, in the light of the principle of legality which governs it, can only be concluded by the substantial repeal of the crime of false statutory audit. Therefore, starting from the publication of the sentence, this crime was no longer considered for the purposes of risk assessment.

⁶ It should be noted that Legislative Decree no. 39 amended art. 2625 of the Italian civil code through the elimination of the reference to auditing activities and auditing companies, therefore the conduct referring to prevented control only concerns the obstruction or impediment of the performance of control activities legally assigned to shareholders or other corporate bodies.

Law no. 62/2005, the so-called Community Law, and Law no. 262/2005, better known as the Savings Law, have further increased the number of crimes referred to by the Decree. The aforementioned laws, in fact introduced art. 25 sexies, relating to crimes of market abuse:

- abuse of insider information (art. 184 of Legislative Decree No. 58/1998);
- market manipulation (art. 185 of Legislative Decree no. 58/1998).

Law no. 7 of January 9, 2006, has also introduced art. 25 quater of the Decree, which involves the administrative liability of the Entity for a crime in the event that the case of female genital mutilation practices is included (art. 583 bis of the Italian criminal code).

Subsequently, Law no. 146 of March 16, 2006, which sanctioned the United Nations Convention and Protocols against transnational organized crime, adopted by the General Shareholders' meeting on November 15, 2000 and May 31, 2001, introduced the liability of entities for certain crimes of a transnational nature.

A crime is considered such when an organized criminal group is involved and the application of a penalty of no less than 4 years of imprisonment is envisaged, as well as, with regard to territoriality: is committed in more than one state; is committed in one State but has substantial effects in another State; is committed even in a single state but a substantial part of its preparation or planning or direction and control takes place in another state; is committed in a State, but an organized criminal group which performed criminal activities in more than one State is involved.

The crimes relevant for this purpose are:

- criminal association (art. 416 of the Italian criminal code);
- Mafia-type criminal association (art. 416 bis of the Italian criminal code);
- criminal association aimed at smuggling foreign manufactured tobacco (art. 291 quater of Presidential Decree no. 43 of January 23, 1973);
- association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74 of Presidential Decree No. 309 of October 9, 1990);
- smuggling of migrants (art. 12, paragraphs 3, 3 bis, 3 ter and 5, Legislative Decree no. 286 of July 25, 1998);
- obstruction of justice, in the form of not making statements or making false statements to the legal authorities and personal aiding and abetting (Articles 377 bis and 378 of the Italian criminal code).

The Italian Legislator has amended the Decree by means of Law no. 123 of August 3, 2007, and, subsequently, through Legislative Decree no. 231 of November 21, 2007.

Art. 25 septies of the Decree was introduced with Law no. 123/2007, later replaced by Legislative Decree no. 81 of April 9, 2008, which involves the liability of Entities for crimes of manslaughter and serious or very serious negligent injury, committed in violation of the rules on protection of health and safety in the workplace:

- manslaughter (art. 589 of the Italian criminal code), with violation of accident regulations and provisions on protection of health and safety in the workplace;
- negligent personal injury (Article 590, paragraph 3 of the Italian Criminal Code), with violation of industrial accident regulations and provisions on protection of health and safety in the workplace.

Legislative Decree no. 231/2007 introduced art. 25 octies of the Decree, according to which the Entity is liable for the commission of crimes involving receiving stolen goods (article 648 of the Italian criminal code), money laundering (article 648 bis of the Italian criminal code) and use of money, goods or benefits of illicit origin (Article 648 ter of the Italian criminal code).

Finally, Law no. 48 of March 18, 2008, introduced art. 24 bis of the Decree, which also extends the liability of Entities to some so-called IT crimes:

- unauthorized access to an IT or electronic system (art. 615 ter of the Italian criminal code);
- illegal interception, impediment or interruption of IT or electronic communications (art. 617 quater of the Italian criminal code);
- installation of equipment designed to intercept, prevent or interrupt IT or electronic communications (Article 617 quinquies of the Italian criminal code);

- damage to information, data or IT programs (art. 635 bis of the Italian criminal code);
- damage to information, data or IT programs used by the State or by another public body or in any case of public utility (art. 635 ter of the Italian criminal code);
- damage to IT or electronic systems (art. 635 quater of the Italian criminal code);
- damage to IT or electronic systems of public utility (art. 635 quinquies of the Italian criminal code);
- unauthorized possession and dissemination of access codes to IT or electronic systems (art. 615 of the Italian criminal code);
- dissemination of equipment, devices or IT programs aimed at damaging or interrupting an IT or electronic system (art. 615 quinquies of the Italian criminal code);
- IT documents (art. 491 bis of the Italian criminal code.)

The aforementioned regulation ("if any of the false statements referred to in this chapter concerns a public or private IT document with evidential effectiveness, the provisions of the same chapter concerning public documents and private agreements, respectively, will be applied") extends the provisions on forgery in public documents or private agreements to false forgery regarding an IT document; the crimes mentioned are the following:

- material forgery committed by public officials in public documents (art. 476 of the Italian criminal code);
- material forgery committed by public officials in certificates or administrative authorizations (art. 477 of the Italian criminal code);
- material forgery committed by public officials in authentic copies of public or private documents and in certificates on the content of documents (art. 478 of the Italian criminal code);
- ideological forgery committed by a public official in public documents (art. 479 of the Italian criminal code);
- ideological forgery committed by a public official in certificates or administrative authorizations (art. 480 of the Italian criminal code);
- ideological forgery in certificates committed by persons carrying out an essential public service (art. 481 of the Italian criminal code);
- material forgery committed by an individual (art. 482 of the Italian criminal code);
- ideological forgery committed by an individual in a public document (art. 483 of the Italian criminal code);
- forgery of registers and notifications (art. 484 of the Italian criminal code);
- forgery in private agreement (art. 485 of the Italian criminal code)
- forgery in signed blank sheet. Private agreement (art. 486 of the Italian criminal code);
- forgery in signed blank sheet. Public document (art. 487 of the Italian criminal code);
- other forgery in signed blank sheet. Applicable provisions on material forgeries (art. 488 of the Italian criminal code);
- use of false documents (art. 489 of the Italian criminal code.);
- suppression, destruction and concealment of genuine documents (art. 490 of the Italian criminal code);
- authentic copies that take the place of missing originals (art. 492 of the Italian criminal code);
- forgery committed by public employees in charge of a public service (art. 493 of the Italian criminal code);
- computer fraud by the subject providing electronic signature certification services (art. 640 quinquies of the Italian criminal code)

Recently the legislator has again expanded the range of predicate offenses.

Law no. 94 of July 15, 2009, containing provisions on public safety, introduced art. 24 ter and, therefore, the liability of entities for the commission of organized crime⁷:

- criminal association aimed at enslavement, trafficking in persons or the purchase or sale of slaves (art. 416, paragraph 6 of the Italian criminal code);
- criminal association of a mafia type (art. 416 bis of the Italian criminal code);
- political-mafia electoral exchange (art. 416 ter of the Italian criminal code);

⁷ Organized crimes were previously relevant, for the purposes of the Decree, only if at a transnational level.

- kidnapping for the purpose of extortion (art. 630 of the Italian criminal code);
- crimes committed making use of conditions of subjugation and silence deriving from the existence of a mafia influence; association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74, Presidential Decree no. 309, 9.10.1990);
- crimes of illegal manufacture, introduction into the State, selling, transferring, holding and carrying in a public place or a place open to the public of war or war-like weapons or parts thereof, explosives, clandestine weapons and more common firearms (art. 407, co. 2, lett. a) no. 5 of the criminal procedure code)

Law no. 99 of July 23, 2009, containing provisions for the development and internationalization of companies, as well as in the field of energy, has expanded the cases of forgery crimes provided for by art. 25 bis of the decree, adding some crimes that protect industrial property, i.e.:

- counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (art. 473 of the Italian criminal code)
 - introduction into the State and trade of products with false signs (art. 474 of the Italian criminal code).
- The same legislative intervention introduced art. 25 bis 1, aimed at including the liability of entities for crimes against industry and trade, as well as art. 25 novies aimed at including the liability of entities for crimes relating to copyright infringement.

As for the former, the following crimes are relevant:

- Disturbed freedom of industry or trade (art. 513 of the Italian criminal code);
- Unlawful competition with threats or violence (art. 513 bis);
- Fraud against national industries (art. 514 of the Italian criminal code).
- Fraud in the exercise of trade (art. 515 of the Italian criminal code);
- Sale of non-genuine food substances as genuine (art. 516 of the Italian criminal code);
- Sale of industrial products with misleading signs (art. 517 of the Italian criminal code);
- Manufacture and trade of goods made by usurping industrial property rights (art. 517 ter of the Italian criminal code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (art. 517 quater of the Italian criminal code);

With reference to protection of copyright, the following crimes and points from arts. 171, first paragraph, letter a-bis), and third paragraph, 171-bis, 171-ter, 171-septies and 171-octies of the law of no. 633 April 22, 1941 are considered).

Furthermore, art. 4 of Law no. 116 of August 3, 2009, introduced article 25-decies, which establishes that the entity is held liable for the commission of the crime provided for by art. 377-bis of the Italian criminal code, i.e. inducement to not make statements or to make false statements to the legal authority.

Subsequently, Legislative Decree 121/2011 introduced in the Decree art. 25 undecies, which extended the administrative liability of entities to the so-called environmental crimes, i.e. two infringements recently introduced in the Italian criminal code (articles 727-bis of the Italian criminal code and 733-bis of the Italian criminal code) as well as a series of crimes already provided for by the so-called Environmental Code (Legislative Decree 152/2006) and other special regulations for protection of the environment (Law No. 150/1992, Law No. 549/1993, Legislative Decree No. 202/2007).

More specifically, with reference to the activities carried out by Almedco, the following crimes are relevant:

a) crimes provided for by the Environmental Code, such as:

- violations concerning waste water discharges referred to in art. 137;
- unauthorized waste management activities pursuant to art. 256;
- violation of provisions concerning the reclamation of sites pursuant to art. 257;
- violation of obligations of communication, keeping of mandatory registers or forms pursuant to art. 258;
- illicit trafficking of waste pursuant to art. 259;
- activities organized for the illegal trafficking of waste pursuant to art. 260;
- violation of SISTRI obligations pursuant to art. 260 bis co. 6, 7.8;
- violations concerning dangerous activities referred to in art. 279 co. 5 (exceeding of emission limits which leads to the exceeding of the air quality limit).

b) crimes provided for by Legislative Decree no. 549/1999 "Measures to protect stratospheric ozone and the environment": art. 3 co. 6: violations concerning termination and reduction of the use of harmful substances indicated in Table A of the decree itself.

Finally, in compliance with the Community Directive 2009/52/EC, Legislative Decree 109/2012 was issued which, among other things, sanctioned the insertion of article 25-duodecies with the following provision: "Employment

of illegally staying third-country nationals – in relation to the commission of the crime provided for by article 22, paragraph 12-bis, of legislative decree no. 286 – or an employer who employs foreign workers without a residence permit – a monetary sanction from 100 to 200 quotas is applied to the body, within the limit of 150,000 euros”. For the sake of completeness, it must also be remembered that art. 23 of the Decree punishes non-compliance with disqualification sanctions, which occurs if a sanction or an interdicting precautionary measure has been applied to the Entity pursuant to the Decree and, despite this, the aforementioned transgresses the relevant obligations or prohibitions inherent to them.

Legislative Decree 231/01 as subsequently updated and amended provides that entities are liable when:

- a) One of these crimes is committed, even if only as an attempt;
- b) The crime is committed by persons who are in charge of administration, representation and management of the entity or one of its independent organizational units or by persons subject to their management or supervision;
- c) The entity has an exclusive or competing interest or advantage with that of the offender.

1.3 Sanctions that can be imposed on the Entity

The entity can impose four types of sanctions by way of administrative liability:

a) monetary sanction: it applies whenever there is evidence of administrative liability of the entity. Monetary sanctions are applied by a number of “shares”, not less than 100 and not more than a thousand, while the amount of each share ranges from a minimum of € 258.23 to a maximum of € 1,549.37. The Judge will determine the number of shares according to the indices specified in the first paragraph of art. 11, while the share amount will be fixed on the basis of the economic and financial conditions of the Entity. For crimes that violate safety and accident prevention regulations (articles 589 and 590 of the Italian criminal code), a monetary sanction of not less than one thousand shares will be imposed (art. 25 septies of Legislative Decree 231/2001);

b) disqualification sanction: it can be temporary, final or precautionary, and it is applied only in the cases for which it is expressly provided for and under the conditions set out by Legislative Decree no. 231/2001. The sanction may consist in:

- disqualification from exercising the activity (which involves suspension or revocation of authorizations, licenses or concessions functional to the performance of the activity);
- suspension or revocation of authorizations, licenses or concessions by means of which the crime was committed;
- prohibition on contracting with the Public Administration, except for the cases provided for by law;
- exclusion or revocation of concessions, loans, contributions or subsidies;
- ban on advertising goods or services;

As for monetary sanctions, the type and duration of disqualification sanctions are fixed by the criminal judge who is aware of the trial for crimes committed by individuals, taking into account the factors better specified by art. 14 of the Decree. In any case, disqualification sanctions have a minimum duration of three months and a maximum of two years.

One of the most interesting aspects is that disqualification sanctions can be applied to the Entity both upon the outcome of the judgment and, therefore, having ascertained the guilt of the aforementioned, and as a precautionary measure, or when:

- a) there are serious indications to believe that the Entity is liable for an administrative crime resulting from a crime;
- b) there are well-founded and specific elements which indicate a concrete danger that crimes of the same kind as the case involved may be committed;
- c) the Entity made a significant profit.

c) confiscation: confiscation of the price or profit of the crime is always ordered against the entity or, alternatively, sums of money, goods or other benefits which have a value equivalent to the price or profit of the crime, except for the part that can be returned to the injured party;

d) publication of the sentence: it can be ordered when a disqualification sanction has been applied.

Finally, it must be noted that the Legal Authority, in accordance with the Decree, may also, order:

- a) preventive seizure of things for which confiscation is permitted (art.53);
- b) seizure of the Entity’s tangible and intangible assets if there is a well-founded reason to believe that the guarantees for paying the monetary sanction, the costs of the proceedings or other sums due to the State are missing or wasted (Article 54).

In general, it should be noted that the assessment of the Entity’s liability, as well as the determination of “an et quantum” of the sanction, are assigned to the criminal judge competent for proceedings regarding crimes linked to administrative liability. The Entity will be held liable for crimes specified by Articles 24 as subsequently amended

(with the exception of the cases referred to in art. 25 septies) even if these were committed in the forms of an attempt. In such cases, however, the monetary and disqualifying sanctions will be reduced by one third to one half. Pursuant to art. 26 of the Decree, the Entity will not be liable when it voluntarily prevents the action or the event.

1.4 Causes of exclusion of liability of the Entity

In the case of crimes committed by those who hold a top position, the entity will not be liable if:

- a)** has adopted and effectively implemented an Organization, Management and Control Model (the "Model" or "Compliance Program") suitable for preventing that kind of crimes before they are committed;
- b)** has established a Supervisory Body (which in small entities can coincide with the management body) with independent powers of initiative and control and in charge of supervising the functioning and observance of the Model and its updating (hereinafter also SB);
- c)** the persons in top positions committed the crime by evading the Organization and Management Model with fraud;
- d)** the Supervisory Body has carried out its duties diligently.

The content of the Model is specified in the same art. 6, which, in paragraph II, provides that the Entity must:

- I. identify the activities in which crimes may be committed;
- II. provide for specific protocols aimed at planning the development and implementation of the Entity's decisions regarding the crimes to be prevented;
- III. identify methods for managing financial resources suitable for preventing crimes;
- IV. establish obligations of information to the Supervisory Body;
- V. introduce a regulatory system suitable for sanctioning non-compliance with the measures indicated in the Model.

In the event of crimes committed by subjects submitted to the management of others, the entity will not be liable if the crime was not committed due to non-compliance with management or supervisory obligations and in particular if, before the crime was committed, an Organization, Management and Control Model suitable for preventing that specific type of crime has been adopted and effectively implemented. Therefore, in the case of subjects in a subordinate position, the adoption and effective implementation of the Model means that the Entity will be held responsible only in the event that the crime was possible due the failure to comply with the management and supervision obligations (joint in paragraphs I and II of article 7).

Considering these premises, it is clearly necessary to adopt a Model that specifically takes into account crime-risks which can actually occur and that thus allows the company to be exempt from liability.

The Model has two functions:

- Preventive function: general ethical principles and specific procedures are established in the performance of certain activities.

By following these procedures it becomes impossible to commit crimes potentially connected to the performance of these activities.

- *Ex post* control function: thanks to the control procedures that are an integral part of the Model, it is possible to find out if any crimes have been committed and to take timely measures against those responsible.

The Organization, Management and Control Model is therefore one of the essential elements of any corporate *governance* system, i.e. a system aimed at controlling and preventing risks.

To safeguard the company from sanctions, the measures taken should be:

- *suitable*, i.e. able to guarantee both the pursuit of the corporate purpose in compliance with the law, and a timely identification and elimination of risk situations;

- *effectively implemented*, i.e. not only scrupulously conceived in abstract terms and transcribed in the Model, but applied concretely and with the same scruples in the company's day-to-day activity. Therefore, the company must constantly verify that the measures adopted "on paper" are actually applied and must periodically review them (and possibly modify them) in the event of violations or changes in the law or in the company organization.

The Model must also include a regulatory system and/or contractual measures that sanction non-compliance with the established rules. In conclusion, in order for the entity to be exonerated from liability (in particular for crimes committed by persons in top positions) it is essential that the Model be adopted before one of the crimes referred to by Legislative Decree 231/2001 is committed.

In addition, with specific reference to the preventive effectiveness of the Model with regard to (culpable) crimes concerning health and safety in the workplace, art. 30 of the T.U. no. 81/2008 states that "the organization and management model suitable to exempt the administrative liability of legal persons, companies and associations even without legal status pursuant to legislative decree no. 231 June 8, 2001 must be adopted and effectively implemented, ensuring a company system for fulfilling all legal obligations regarding:

- a) compliance with technical-structural standards of the law relating to equipment, plants, workplaces, chemical, physical and biological agents;
- b) risk assessment activities and preparation of the consequent prevention and protection measures;
- c) organizational activities, such as emergencies, first aid, procurement management, periodic safety meetings, consultations with workers' representatives for safety;
- d) health surveillance activities;
- e) information and training activities for workers
- f) supervisory activities with reference to compliance by workers with safety work procedures and instructions;
- g) acquisition of documents and certifications required by law;
- h) periodic verification of the application and effectiveness of the procedures adopted".

From a formal point of view, the adoption and effective implementation of a Model does not constitute an obligation, but only a faculty for the Bodies, which could well decide to not comply with the provisions of the Decree without incurring, for this alone, any sanction. As a matter of fact, however, the adoption and effective implementation of a suitable Model is an indispensable requirement for Entities in order to be able to benefit from the exemption provided by the Legislator.

It is also important to keep in mind that the Model is not intended as a static instrument, but must be considered instead a dynamic tool that allows the Entity to eliminate, through a correct and targeted implementation over time, any shortcomings which could not be identified at the time of its creation.

2. Description of the company

Almeco SpA is a company incorporated under Italian law, established on May 12, 1965, with its registered office in San Giuliano Milanese, in via della Liberazione no. 15 and with Tax Code and VAT number 00772590154. The company is registered in the Milan Business and Trade Register with number 00772590154. The number of the Administrative Economic Directory is MI-687991.

The main corporate purpose of the company is the production of semi-finished metal products, especially in aluminum, subjected to galvanic treatment of electrolytic polishing and anodization, as well as mechanical processing of deep drawing, shearing and drilling in general and on street, industrial and civil floodlights.

The company operates in the factories of San Giuliano Milanese, in three local units:

1. Via della Liberazione n° 15
2. Via della Liberazione n° 40
3. Via Pavia n° 17

Almeco SpA has a set of subsidiaries (**Almeco Group**) currently represented by:

Almeco GmbH, based in Bernburg Saale (Germany) in Claude Breda Strasse n° 3

Almeco USA inc. based in Dover, Delaware, (US) and a local unit in Lawrenceville, Georgia

Almeco ASIA Ltda based in Honk Kong

Almeco Trading Internatinal inc, based in Shanghai (China)

2.1 Governance Model and Organizational Structure.

Almeco's governance model and, in general, its entire organizational system, is entirely structured in order to ensure that the company will implement the strategies and attain the objectives. In fact, the Almecco structure was created taking into account the need to equip the company with an organization capable of guaranteeing maximum efficiency and operational effectiveness.

2.2 Corporate "governance" system.

Almecco's governance is based on a model in which corporate management is entrusted to the Board of Directors, while the supervisory and control functions are assigned to the Board of Statutory Auditors and the Auditing Company.

The Board of Directors is composed of five members, including the Chairman and the Deputy Chairman with powers of ordinary and extraordinary administration, two Chief Executive Officers with powers in the functional areas regarding "Operations" and "Administration, Finance and Control", respectively, and a Director. The Chief

Executive Officers are vested with appropriate powers of attorney and consistent with the management functions and powers granted to the aforementioned through "delegation". The Chairman and the Deputy Chairman of the Board of Directors have legal representation of the company with powers that can be exercised separately, except for the acts and operations expressly reserved for the exclusive competence of the Board of Directors as a whole. The Board of Directors decides on all acts concerning company management, which are not reserved by law to the Shareholders' Meeting.

The Board of Statutory Auditors is composed of three effective members appointed by the Shareholders' Meeting, and two alternates; the Statutory Auditors remain in office for three years and can be re-elected.

The Board of Statutory Auditors oversees compliance with the law and the company By-Laws, compliance with the principles of correct administration and more specifically the adequacy of the organizational, administrative and accounting structure adopted by the company and its concrete operation.

The statutory auditors may at any time carry out, even individually, inspections and monitoring activities.

An Auditing Company has been appointed to carry out the statutory audit of the accounts.

2.3 Organizational structure

In order to implement this Model, the company organizational structure is particularly important for identifying the fundamental organizational structures, the respective areas of competence and the main tasks assigned to them. A description of the current organizational structure is reported in the company organization chart.

The system of delegations and powers of attorney, together with the other tools of this Model, contributes to prevent risks of crime in the context of the sensitive activities identified.

The system of delegations and powers of attorney establishes:

- a) A formal delimitation of roles, with a complete description of tasks of each function, related powers and responsibilities;
- b) A clear description of the reporting lines;
- c) Knowledge, transparency and publicity of the powers granted, within the company and towards third parties involved;

By "delegation" means any internal act directed to assign functions and tasks, reported in the organizational communications system. Power of attorney means the unilateral legal transaction through which the Company assigns to a single subject the power to act on its behalf. All subjects who have the power to bind the company externally are holders of the relevant power of attorney. Each delegation specifically and unequivocally defines the powers of the delegate, fixing their limits, as well as the subject (body or individual) to whom the delegate reports hierarchically. The function managers, in performing their tasks, are provided, if necessary, with an appropriate "functional general power of attorney" and consistent with the management functions and powers granted to them through "delegation". All powers of attorney granted expressly set the nature and/or the amount limits, as well as the extent of the powers of representation. The function managers, with regard to sensitive activities under their own responsibility, will be required to ensure that all those (Company Internal Recipients and possibly also External Parties) who act on behalf or in the interest of the company (and their function in particular), in managing relations with the Public Administration, other Public Institutions, or other third parties are provided with a suitable formal delegation and, where necessary, with a specific power of attorney. Each delegation specifically and unequivocally defines the powers of the delegate and the person to whom the delegate reports. The management powers granted and their implementation are consistent with the corporate objectives and the company organizational structure.

3. The organization, management and control model of Almeco SpA

3.1 Reasons of Almeco SpA for adopting the Model

The Guidelines drawn up by Confindustria as a reference scheme

Transparency and fairness in business management are two very important factors for Almeco SpA. An internal control system is a valuable tool for preventing crimes by its Directors, Employees, External Collaborators (i.e. with a project work contract or with a coordinated and continuous collaboration contract, temporary workers, agents, technical and commercial consultants) and Business Partners (subjects with whom Almeco SpA holds any form of *leadership*, such as *joint ventures*, temporary association of companies, consortium among companies, etc). For this reason, Almeco SpA, in accordance with its company policies, has deemed it appropriate to adopt an Organization, Management and Control Model (the "Model") and has established an Internal Supervisory Body ("Supervisory Body" or "SB") with the task of verifying its operation, effectiveness and compliance and updating

it. Almeco SpA strongly condemns the commission of crimes in pursuit of its corporate purpose, deeming it in any case contrary to the company's interests, and therefore intends to prevent it through continuous monitoring of its activities in the sectors at risk. The adoption of this Model therefore represents, first of all, the intention to continuously improve the *governance* system of Almeco SpA, in addition to the benefits provided for by Legislative Decree 231/2001 (i.e. exemption from liability for crimes committed despite the preventive measures adopted). The Model took into account the Guidelines drawn up by Confindustria, the first Association to draw up in 2002 a guideline document, which was partially updated in 2004, 2008 and 2014, for the preparation of models (hereinafter, also "Guidelines")⁸, both in the preparation process as a whole, and in the choice of specific procedures to be adopted to prevent individual crimes. Circular no. 68 of November 19, 2002 issued by Assonime was consulted. In conclusion, the purpose of this document is to equip Almeco SpA with a system of procedures and/or monitoring activities aimed at preventing (the so-called *ex ante* measures) and identifying (in order to allow for the adoption of the so-called *ex post* measures) any activities concretely exposed to risk of crime.

3.2 Model Structure

The Model, which brings together both the theoretical and practical aspects of the system described by Legislative Decree 231/2001 in a single act, has been divided into a General Part – dedicated to the "institutional" aspects of Legislative Decree 231/2001 and to the Code of Ethics (regarding the "basic" principles that inspire the corporate ethics of Almeco SpA) – and a Special Section which sets out specific procedures for preventing crimes that could abstractly be committed within Almeco SpA.

The key points of the Model are:

- mapping of the areas at risk, i.e. company activities in which the crimes provided for by Legislative Decree 231/2001 can be abstractly committed;
- setting of procedures for activities at risk;
- establishment of a Supervisory Body;
- arrangement of activities directed to raise awareness and disseminate the rules of conduct and procedures established at all company levels (based on the level of responsibility) and also to third parties;
- obligation to inform the Supervisory Body by all those who work in Almeco SpA;
- introduction of sanctions for non-compliance with the requirements indicated in the Model.

3.3 Amendments and updates of the Model

The Almeco SpA Model is an act issued by the Board of Directors, and was prepared trying to balance and complete the requirements of *governance* and those of the company administrative and production structure; its flexibility allows for any adjustments.

In drawing up the Model, the following requirements have been considered:

- guarantee continuous adjustment of the Model to changes in the company organizational structure and management structure;
- avoid excessive bureaucracy and burdens in company activities;
- enhance the *governance* measures and procedures already in place in the company organization and suitable for preventing the crimes considered;
- guarantee maximum dissemination and application of the Model through a clear formulation and appropriate promotion and training activities.

The Supervisory Body has the task of making any substantial changes and amendments to the Model when deemed necessary, including updating the procedures already adopted or extending them to new types of risks of committing crimes. To do this, the SB will be required to submit a report explaining the necessity and/or advisability to the Board of Directors, which will then be responsible for the formal adoption thereof.

In exceptional cases, the Supervisory Body may independently make urgent and non-postponable adjustments of the Model, which must in any case be approved by the Administrative Body.

⁸ All the versions of the Confindustria Guidelines were deemed adequate by the Ministry of Justice (with reference to the Guidelines of 2002, see the "Note of the Ministry of Justice" of December 4, 2003 and, with reference to the updates of 2004 and 2008, see the "Note of the Ministry of Justice" of June 28, 2004 and the "Note of the Ministry of Justice" of April 2, 2008).

The Board of Directors, in collaboration with the Supervisory Body, will verify the suitability of the Model and its possible update on an annual basis starting from the date of the first adoption resolution.

If no changes or amendments to the Model are necessary, the Supervisory Body will issue a justified certification to the Board of Directors within the fixed deadline; in the case that it is necessary to change or amend the Model, the Supervisory Body will have to start the updating procedure, cooperating with the Board of Directors with reasonable advance with respect to the fixed deadline.

4. Detection of processes at risk and identification of crimes that can be abstractly committed in Almeco SpA

The drafting of this document was preceded by a detailed analysis directed to identify areas "at risk", i.e. affected by potential crime cases, taking into account the activities actually carried out and the functions exercised by those who work in the company (the so-called risk mapping).

An examination of the company situation of Almeco SpA shows that in general the activities most exposed to the risk of committing crimes provided for by Legislative Decree 231/2001 regard:

- a)** relations with Italian (national and local) or foreign Public Administrations regarding requests for funding, disbursement of public contributions or subsidies (for example, contributions for staff training, contributions for product research, investments in the company and contributions for developing disadvantaged areas);
- b)** relations with Italian or foreign Public Administrations for the issue of concessions, authorizations, agreements and for the execution of building and urban planning requirements;
- c)** management of all administrative obligations with Public Administrations, including social security institutions and tax authorities;
- d)** management of judicial and extrajudicial disputes with the Public Administration;
- e)** management of the security system pursuant to Legislative Decree 81/2008 (Consolidated Security Law) and by Legislative Decree 196/03 on *privacy* policy;
- f)** preparation of the financial statements and other corporate communications required by law;
- g)** management and control of company assets and financial resources;
- h)** information flows to and from the Auditing Company;
- i)** relationship with the Shareholders regarding their control right and the activity of the Shareholders' Meeting;
- j)** monitoring of the activities carried out by the Board of Directors and the Executive Committee;
- k)** cash administration at directly managed points of sale;
- l)** relations with competitors, marketing of products through all sales channels with names, brands or distinctive signs that do not mislead the buyer regarding the origin or quality of the work, identification, registration and use of patents, models, trademarks or distinctive signs, use of goods subject to industrial property, competition relations;
- m)** trade in counterfeit products, illegal duplication, reproduction and public dissemination of works protected by intellectual property, use of IT systems provided by the Company, download of copyrighted software, promotion of brand rights and models when using works protected by intellectual property;
- n)** waste management, traceability and disposal activities;
- o)** management of legal disputes and related problems.

This mapping phase showed that the crimes provided for by Legislative Decree 231/2001 which could be abstractly committed in Almeco SpA and were considered in drawing up the Model are:

- a)** crimes against the Public Administration;
- b)** corporate crimes;
- c)** crimes committed with the use of IT tools;
- d)** crimes committed in violation of safety and accident prevention regulations;
- f)** crimes involving receiving of stolen goods, money laundering and use of money, goods or benefits of illicit origin, as well as crimes of counterfeit money, public credit cards, revenue stamps and identification tools and signs;
- g)** crimes against industry and trade
- h)** environmental crimes;
- i)** crimes related to violation of copyright;
- l)** inducement to not make statements or to make false statements.

Considering the Company's statutory activities and purposes, the risk of crimes of creating false coins or revenue stamps, terrorism or subversion of the democratic order, injury to the individual person, against life and individual safety and transnational crimes is not relevant.

The Model, as already pointed out, may in any case be updated accordingly if the Supervisory Body identifies further areas of risk and related measures to be adopted, also in light of the legislative and concrete development of Almeco SpA's organization and activity. This will ensure completeness, adequacy and efficiency at all times to combat the commission of crimes in general and in particular those specified by Legislative Decree 231/2001.

5. Governance system

5.1 Code of Ethics

"Recipients" of the Model are all those who act within Almeco SpA: Corporate Bodies, Managers, Employees, External Collaborators and Partners (as for the latter two categories, within the limits provided for by the specific clauses included in the relevant agreements). Everyone must comply with the set principles and rules of conduct, and follow the procedures indicated in the Model. Compared to the Code of Ethics, which reports the same commitments and responsibilities, the Model has different scope and purposes. The Code of Ethics describes the commitments and ethical responsibilities of the Directors, Employees and Collaborators of Almeco SpA in conducting business and company activities; the Model is directed to prevent the commission of particular types of crime, and its Special Section will establish specific procedures referring to the individual crimes to be prevented. The Supervisory Body has the task of amending the principles already set out in the case of legislative and/or company organizational changes.

5.2 Formalization of the internal organizational system

To ensure an effective internal control system, it is necessary to outline a clear and formalized organizational chart that highlights hierarchical lines and the assignment of tasks. The organizational tools (organizational charts, delegations of functions and powers of attorney) of Almeco SpA comply with the following general principles:

- a)** clear and formal structure of the internal decision-making levels with description of the functions;
- b)** knowledge, transparency and publicity of the powers granted (within the company and towards third parties involved);
- c)** clear description of the reporting lines.

The current internal organizational structure of Almeco SpA is reported in the company organizational chart.

As required by good company practice and also specified in the Confindustria Guidelines, in the most recent version of March 31, 2008, the Board of Directors of Almeco is the body in charge of formally conferring and approving delegation and signature powers, assigned in line with the organizational and management responsibilities defined, with precise indication of the expense approval thresholds.

The level of independence, the power of representation and the spending limits assigned to the various holders of delegations and powers of attorney within the Company are always identified. They are established in line with the hierarchical level of the recipient of the delegation or power of attorney within the limits of what is strictly necessary for performing the tasks and duties to be delegated.

In granting delegations and powers of attorney, Almeco SpA complies with the following essential principles:

- all those who have relations with a national or foreign Public Administration on behalf of the company must act by virtue of formal delegation;
- each power of attorney involving the power of representation of the company with third parties must imply an internal delegation describing the related management power;
- the power conferred by the delegations must be consistent with the related task and appropriate to the position in the organizational chart;
- each delegation must clearly define the powers of the delegate, specifying limits, subject (body or individual) to which the delegate reports hierarchically and the related procedures;
- the delegate must be granted spending powers appropriate to the functions assigned;
- the power of attorney must explicitly provide for cases of forfeiture of the powers granted;
- the delegations and powers of attorney must be promptly updated.

The powers thus granted are periodically updated according to the organizational changes occurring in the Company structure.

The Supervisory Body, with the support of the other competent functions, has the task of verifying the system of delegations and powers of attorney in force, suggesting any changes in the event that the management power

and/or the position does not correspond to the powers of representation granted to the delegate or in case other anomalies have been identified.

With regard to health and safety in the workplace, the Company has an organizational structure which complies with the accident-prevention legislation in force, with the purpose of eliminating or, where this is not possible, reducing – and, therefore, managing – occupational risks for workers.

Almecogroup considers environmental protection and sustainable development a strategic and priority objective of its business. For this reason, an organizational structure (HSE function) was created with the purpose of protecting not only the health and safety of personnel, but also the environment, in order to improve the quality of the ecosystem and prevent harmful effects for the environment. The task of this function (HSE) is to ensure that the company activity is carried out in compliance with current legislation and the procedures concerning HSE, which compose the HSE Management System.

5.3 Establishment of a system for reporting violations of the Model to the Supervisory Body

The Supervisory Body has the task of receiving all information and reports regarding non-compliance with the Model. After assessing them – listening, if deemed appropriate, to the author of the report and/or the person responsible for the alleged violation – the SB will adopt any measures and will justify in writing the adoption or failure to adopt measures or any refusal to proceed with an internal investigation. The reports to the Supervisory Body may concern any violation, even suspected, of the Model, and will be made in writing, even anonymously: in this case they must be deposited in a special box inside the company headquarters, (in a place communicated to all internal recipients of the Model) or sent by e-mail to the address organismo.vigilanza@almecogroup.com. or by regular mail to the address:

Organismo di Vigilanza di Almecogroup SpA

C/O Almecogroup SpA

Via della Liberazione n° 15

20098 San Giuliano Milanese (MI)

The Supervisory Body must retain the documentation regarding written reports or draw up a report of those received in verbal form; the reports, the adoption of measures, the disciplinary measures imposed will be contained and in a specific chronological register (the "Register"), divided into standard sections. The Board of Directors may consult the register at any time for evaluations and the adoption of measures falling within its competence. The Supervisory Body must protect the whistleblowers from any form of retaliation, discrimination or penalization, and must ensure confidentiality of the whistleblower's identity, without prejudice to legal obligations and the protection of rights of the company or the persons wrongly accused and/or in bad faith.

6. Establishment of the Supervisory Body (SB)

6.1 Identification and appointment method

Legislative Decree 231/2001 prescribes that the Supervisory Body, which is responsible for supervising the functioning, effectiveness and observance of the Model and for updating it, must be an internal company body (art. 6. 1, b). The requirements for members of the Supervisory Body are autonomy, independence, professionalism and business continuity: considering this and the specific tasks assigned to this Body, Almecogroup SpA has set up a committee composed of two or three members, at least one of which is external.

In this way we intend to guarantee the requirements of the Supervisory Body provided for by law:

- with regard to autonomy: the Supervisory Body must be vested with the necessary powers of initiative, control and sanctions;
- with regard to independence: the Supervisory Body must be placed in a high hierarchical position and not have operational tasks regarding the management of the entity;
- with regard to professionalism: the Supervisory Body must ensure adequate performance of inspections and consultancy activities by subjects with the necessary legal technical preparation;
- with regard to business continuity: the Supervisory Body must ensure continuous monitoring, in line with its duties.

The Supervisory Body is appointed and revoked by the Administrative Body with a written document and signed for acceptance by the appointed members. Powers are granted for an indefinite period and will cease in the event of: interruption of the collaboration with Almecogroup SpA; justified resignation from the position, subject to evaluation by the Board of Directors; impossibility of carrying out the assignment; justified revocation by the Board of Directors; failure to fulfill the duties established by law and by the Model.

In the event of termination of office of a member of the Supervisory Body constituted in a corporate form, the other member or members will remain in office and the Board of Directors must designate the new member as soon as possible.

6.2 Functions and powers

The tasks of the Supervisory Body are:

a) monitor compliance with the Model by the Recipients, its adequacy to the company structure and its effectiveness in preventing the commission of crimes provided for by Legislative Decree 231/2001, as subsequently amended.

In the event of non-compliance with the Model, the Supervisory Body will apply the disciplinary measures contained in chapter 7;

b) update the Model by adjusting it to changed corporate conditions or the introduction of new crimes in the system of Legislative Decree 231/2001 (see paragraph 2.3). More specifically, the Supervisory Body will be in charge of carrying out assessments of company activities with the purpose of updating the mapping of activities which may involve the commission of crimes;

c) implement the control procedures prescribed by the Model, in particular in the Special Section. By way of example, and in addition to the other functions provided for in this Model, the Supervisory Body will be required to:

- carry out periodic targeted checks without notice and on a sample basis in the context of activities at risk, report the results to the Board of Directors and the Board of Statutory Auditors, in accordance with the provisions of letter e) below;

- draw up a report of the verification activities carried out, countersigned by the office or by the subject submitted to controls or disciplinary measures. The relevant minutes must be retained in the chronological register of the activity of the Supervisory Body, to be set up by the aforementioned pursuant to the following letter f);

d) arrange a periodic training for the internal Recipients of the Model, in particular pursuant to the following chapter 6, and prepare the internal documentation necessary for the functioning of the Model and that containing instructions, clarifications or updates;

e) periodically report to the corporate bodies of Almecco SpA as better specified in paragraph 5.3 below;

f) manage a chronological register of the activity carried out, divided into standard sections, in which to record the circumstances relevant to the application of the Model, according to the provisions contained in this document;

g) cooperate with the other company functions for the best monitoring of activities with regard to the procedures established in the Model;

h) retain the documentation regarding the information received and the activities carried out in relation to the control, monitoring and inspection activities provided for by the Model.

This list of tasks for the Supervisory Body is not exhaustive and can be completed with other tasks provided for by the Model. To carry out its activity, the Supervisory Body will have free access to all relevant company documentation. More specifically, some information must still be made available to the Supervisory Body by the competent functions:

1. decisions regarding the request, disbursement and use of public funding;

2. measures and/or news from police bodies, or from any other authority, showing ongoing investigations, including against unknown persons, for crimes provided for by Legislative Decree 231/2001 committed in the context of Almecco SpA;

3. information regarding the actual implementation of the Model at all company levels;

4. reports prepared by the managers of other company functions as part of their verification activities and which may reveal relevant profiles with respect to compliance with the provisions of Legislative Decree 231/2001;

5. delegations and powers of attorney granted within Almecco SpA.

The Supervisory Body may propose any changes in this list to the Board of Directors.

The competent corporate bodies must provide all the relevant elements to the Supervisory Body.

The Supervisory Body has in any case the power and duty to request information on all aspects of the business which may expose the company to the risk of committing one of the crimes provided for by Legislative Decree 231/2001.

The members of the Supervisory Body, if set up in a corporate form, may exercise their functions even separately.

6.3 Verification and reporting to other corporate bodies

To ensure the update and effectiveness of the Model, the Supervisory Body will carry out two types of verification activities:

a) verification of documents: at least once a year the main corporate documents and the most significant contracts concluded by the company in risk activity areas will be examined in order to verify that they have been drawn up and executed in accordance with procedures and rules of conduct established by the Model;

b) verification of the Model: a periodic random verification will be carried out without notice on the actual compliance with conduct procedures established by the Recipients, in particular on internal Recipients.

At the discretion of the Supervisory Body, specific in-depth analyses and checks on compliance with the principles and procedures of the Model may be carried out. In the event that violations of the Model are found, the Supervisory Body will impose sanctions indicated in chapter 7. The outcome of the verification activities and sanctions adopted will be reported by the Supervisory Body to the company top management bodies through specific reporting. The other corporate bodies therefore can also take all necessary measures to ensure the effectiveness and purposes of the Model.

The *reporting* will especially focus on:

- activity carried out by the Supervisory Body;
- findings that emerged and all the measures adopted, including sanctions;
- adequacy of the Model to prevent or reduce the risk of committing crimes.

The Supervisory Body of Almecco SpA has the Board of Directors as its primary and ordinary contact body and the Board of Statutory Auditors in special cases. The *reporting* activity must take place on a regular basis, directly to the Chairman and, on an annual basis, to the Board of Directors. The *reporting* meetings will be recorded and copies of the minutes will be kept by the Supervisory Body (which will include them in a suitable section of the chronological register of its activities) and by the corporate bodies involved from time to time. On an annual basis, the Supervisory Body will send to the Board of Directors and the Board of Statutory Auditors a written report on the most relevant aspects of the activity carried out. In the event that the Supervisory Body finds particularly serious violations or the commission of a crime, the aforementioned must inform the Board of Directors and the Board of Statutory Auditors no later than the day following the finding of the violation of the Model or other suspicious behavior, so as to allow them to adopt measures falling within their area of competence.

7. Training for internal Recipients and dissemination of the Model.

7.1 Communication within Almecco SpA and training activities for Employees

For the Model to be effective, its content must be disclosed to all Recipients, who will be required to adopt it. It is also essential to train the internal Recipients on rules and procedures to be respected: the degree of detail will depend on the different level of involvement of the Recipients in risk activity areas, in relation to the actual activity carried out and the tasks assigned. Therefore, the rules of conduct and the procedures and control systems adopted in compliance with the reference principles of the Model will be communicated to all Recipients, in particular company personnel. When the Model is adopted, the Board of Directors will organize a training session: all those who work within Almecco SpA will be informed of the adoption of the Model and its content, in particular as regards criminal regulations that potentially apply to the activities carried out in the various sectors, procedures to prevent crimes from being committed and the conduct that must be followed by anyone who becomes aware of the commission of a crime within the company. Other training sessions will be organized on the occasion of changes or amendments to the Model and in order to provide indications of conduct in doubtful cases. The contents of the training will be differentiated according to the qualification of the Recipients, the level of risk of committing crimes in the area in which they operate and any company representation functions. Managers and Employees in general will be required to sign a specific declaration of adherence to the Code of Ethics and commitment to comply with the procedures adopted in the Model. The same declaration must also be signed by the members of the Board of Directors and the Board of Statutory Auditors. The Model may be disseminated within the company electronically or on paper: a copy will be deposited with the personnel office in order to allow internal Recipients to consult it at any time.

7.2 Information and selection of external collaborators and partners

Almecco SpA will also communicate the adoption and contents of the Model to its external Collaborators and Partners, who will be required to comply with them: any cases of non-compliance will seriously damage the relationship of trust and, in the most serious cases, may compromise the continuation of the relationship. At the

proposal of the Supervisory Body, specific evaluation systems for selecting external Collaborators and Partners may be set up within the company, by decision of the Board of Directors.

7.3 Information to suppliers

The Supervisory Body will assess the possibility for Almecco SpA to communicate the adoption of the Model to its suppliers, requesting compliance with it: any cases of non-compliance will constitute a serious damage to the relationship of trust and, in the most serious cases, may compromise the continuation of business relationships. The SB will also assess the possibility that Almecco SpA may request that suppliers self-certify that they have not been convicted and/or that they have no pending trials in relation to the crimes covered by Legislative Decree 231/2001.

7.4 Information to third parties

The Supervisory Body will assess the possibility of publishing the Model on the Almecco SpA *website* to provide adequate information to third parties on its corporate ethics.

8. Disciplinary measures for non-compliance with the Model

8.1 General principles

An adequate system of sanctions will be adopted in the event of non-compliance with the provisions of the Model and the principles and prescriptions established in the Code of Ethics: depending on the seriousness of the infringement, the Supervisory Body will apply measures illustrated in the next paragraph. The application of sanctions in case of violation of the Code of Ethics and company procedures is independent of the outcome of any criminal judgment: these regulations in fact represent rules of conduct and company policy, and must be respected even if their violation does not constitute a crime.

8.2 Sanctions against Employees

The conduct of Employees in violation of the rules of this Model constitutes a disciplinary crime. To this end, the part of the Model that includes the Code of Ethics, procedures of the Special Section and sanction rules, in compliance with the regulatory provisions referred to in art. 7 of the Workers' Statute of Rights, must be disclosed to the Employees by posting it in a place accessible to all.

The following disciplinary measures are envisaged:

- a)** verbal warning;
- b)** written warning;
- c)** fine not exceeding three hours of ordinary pay;
- d)** suspension from work and from ordinary pay up to a maximum of three days;
- e)** dismissal without notice and with severance pay.

The type and extent of each of the sanctions listed above will be determined in relation to:

- seriousness of the violations committed and proportionate to the same;
- function and tasks of the Employee;
- predictability of the event;
- wilfulness of the conduct or degree of negligence, imprudence or inexperience;
- to the overall conduct of the Employee, with special regard to the existence of any previous disciplinary measures;
- other specific circumstances accompanying the disciplinary violation.

The Supervisory Body may not adopt any disciplinary measures against the Employee without having previously notified the charge and without having heard him/her in his/her defense. Except for the verbal warning, the notification must be made in writing to the Employee in the manner provided for by the legislation on disciplinary measures or, failing that, by registered letter with acknowledgment of receipt or with equivalent means that guarantee proof of receipt. The Employee will be able to express his/her justifications, even verbally with the possible assistance of trade union representatives, within five days following receipt of the notification. Once this term has elapsed, disciplinary measures may be imposed within the following ten days, under penalty of forfeiture. The imposition of the disciplinary measure must be justified and communicated in writing to the employee. The disciplinary measures referred to in letters b), c) and d) above may be challenged by the worker through the trade union, according to the contractual rules regarding labor disputes. The dismissal for non-compliance referred to in the previous letter e) may be challenged according to the procedures provided for by art. 7 of law no. 604 of July 15, 1966 confirmed by article 18 of law no. 300 of May 20th, 1970. Disciplinary measures will not be taken

into account for any effect after two years from their imposition. To this end, the Supervisory Body will be in charge of recording the disciplinary measures imposed in a special section of the chronological register of its activities. The sanctions that can be imposed on subordinate workers for the violation of this Model are in line with those provided for by the "National Collective Labor Agreement for Employees of the Metalworking Industry" which will be adopted by Almecco SpA, in compliance with the procedures provided for by article 7 of Law no. 300 issued on May 30th, 1970, (Workers' Statute of Rights) and any applicable special rules. Failure to comply with the Code of Ethics and the procedures indicated in the Model by Managers whose employment relationship is governed by the "National Collective Labor Agreement for Managers of Manufacturing and Services Companies" dated November 24th, 2004 as subsequently amended, will involve the application of the most suitable measures in compliance with the provisions of the Labor Agreement itself. Pursuant to and in compliance with the provisions of the law and the collective agreement in force, all rights of Almecco SpA regarding any claims for damages caused by the Employees, following the violation of the Model by the aforementioned, will remain unaffected, as in the case of application by the judge of the measures provided for by Legislative Decree 231/2001.

8.3 Measures against the Board of Directors, Statutory Auditors and the Auditing Company

In case of violation of the Model by one or more members of the Board of Directors, the Board of Statutory Auditors or the Auditing Company, the Supervisory Body will inform both the entire Board of Statutory Auditors and the entire Board of Directors, who will take the appropriate steps provided for by current legislation.

8.4 Measures against external Collaborators and Partners

The sanctions against external Collaborators or Partners who violate the rules of the Model exposing themselves to the risk of committing one of the crimes provided for by Legislative Decree 231/2001 will be described in specific clauses included in the relevant agreements. These agreements must provide for suitable sanction mechanisms in case of violation of the Code of Ethics and the procedures of the Model: measures (termination due to non-fulfillment, express termination clause, penalty clause, etc.) will be assessed on a case-by-case basis depending on the identity of the counterparty. All this without prejudice to any request for compensation if this violation causes damage to the company.

9. Function of the Special Section. Set up of specific procedures

This Part, after a brief introduction on the crimes that could abstractly be committed within Almecco SpA, describes the specific rules of conduct and procedures to be used in carrying out company activities in risk areas. The principles that led to the choice of internal procedures and controls of processes at risk, and which constitute the guidelines for the possible implementation of new procedures and their concrete application, are:

- a)** clear and precise definition of the company organizational chart, as well as areas and responsibilities of the company functions;
- b)** compliance with the principle of distinction between who makes the decision (decision-making impulse), who executes this decision and who is required to control the process (the so-called "*segregation of functions*") within each process or activity at risk;
- c)** possibility of verifying and substantiating each operation, transaction, action that is part of the process, as well as their consistency and congruity with respect to the entity's structure (the so-called "*traceability*");
- d)** possibility of verifying and transparency of financial management;
- e)** documentation supporting audits carried out.

For this purpose, the company has drawn up specific *policies* and operating procedures which also govern the processes for selecting and qualify the main company suppliers, the processes for assigning tasks to external Collaborators based on specific evaluation criteria, the management of commercial activities with public clients and the management of institutional or occasional relationships with subjects of the Public Administration. Furthermore, all operations concerning company management must be carried out in compliance not only with provisions set by law but also with rules of the company's administrative, accounting, financial and management control system. The Supervisory Body will clarify any doubts about the lawfulness of any conduct.

10. Relations with the Public Administration

10.1 Crimes concerning fraud against the State and public funds

10.1.1. Legal cases and examples of conduct which constitutes a crime in relation to the activities of Almecco SpA

The crimes considered in drawing up the specific procedures of this Special Section are:

- Embezzlement to the detriment of the State: art. 316 *bis* of the Italian Criminal Code punishes anyone, unrelated to the Public Administration, who allocates to other purposes contributions, subsidies or loans received from the State, from public bodies or the European Community to foster the realization of works or the performance of activities of public interest.
- Undue receipt of funds to the detriment of the State: art. 316 *ter* of the Italian Criminal Code punishes anyone who receives for themselves or for other contributions, loans, soft loans or other disbursements of the same type granted by the State, other public bodies or the European Community by using false declarations or documents or certifying things that are not true, or by omitting the necessary information, even when it is not a scam.
- Fraud against the State: art. 640, paragraph 2, 1 of the Italian Criminal Code condemns anyone who obtains, or procures for others, an unfair profit by using artifices and deceptions, causing damage to the State or a public body.
- Aggravated fraud to obtain public funds: art. 640 bis condemns anyone who obtains, or procures for others, an unjust profit by using artifices and deceptions, causing damage to the State or to a public body as far as regards contributions, loans, soft loans or other disbursements granted by the State, public bodies or the European Community.

Although these crimes can be committed in any company environment, the financial sector, investments in environmental protection, production investments, research and technological and product innovation and staff training are exposed the most.

A recurring example of aggravated fraud against the State is the presentation to the Public Administration of false documents certifying the existence of essential conditions for participating in a tender with the purpose of obtaining licenses, authorizations, etc.

In brief, we are talking about crimes concerning public funds when these are obtained in a "fraudulent" manner and without having the right thereof or when, even if received legally, they are then used for purposes other than those for which they were obtained.

10.1.2. Specific preventive procedures

The procedures to be implemented to prevent the commission of the crimes described in paragraph 9.1.1. are:

- disseminate the Model and carry out periodic information and training activities for Employees;
- empower the competent company functions, in line with the company organizational chart, when entrusting individual tasks;
- appoint a manager who will carry out specific audits on the documentation to be submitted for the disbursement of contributions or loans (for example, on the project documentation and on the documentation certifying the technical, economic and professional requirements of the entity);
- separate the activity carried out by those who prepare and submit the necessary progress documentation from that carried out by those who manage the financed activities;
- verify that the powers of attorney in relations with third parties are consistent with the internal delegation system;
- publicize the powers of attorney to external parties;
- exclude from the powers of attorney for relations with third parties the possibility of asking them for money or other benefits, in accordance with the Code of Ethics.

10.2 CORRUPTION

10.2.1 Legal cases and examples of conduct which constitutes a crime in relation to the activities of Almecc SpA

The crimes taken into consideration in drawing up the specific procedures of this Special Section are the following:

- Bribery for an official act: art. 318 of the Italian criminal code punishes a public official who, in order to perform an act of his office or for an official act he/she has already performed, receives, for himself/herself or for a third party, in the form of money or other benefits, a remuneration which is not due to him, or accepts the promise for it.
- Bribery for an act contrary to official duties: art. 319 of the Italian criminal code punishes the public official who, to omit or delay or for having omitted or delayed an act of his office, or to perform or for having performed an act contrary to the duties of his office, receives, for himself or for a third party, money or other benefits, or accept the promise for it.

- Bribery of a person in charge of a public service: art. 320 of the Italian criminal code extends the application of the provisions of art. 319 also to the person in charge of a public service and the provisions referred to in art. 318 also to the person in charge of a public service, if he/she holds the position of public employee.
- Penalties for the briber: art. 321 of the Italian criminal code also extends the punishment for bribery to whoever gives or promises money or other benefits to the public official or person in charge of a public service.
- Incitement to corruption: art. 322 of the Italian criminal code considers cases of bribery also even if the offer or promise is not accepted.

- Undue inducement to give or promise benefits: art. 319 quater introduced the independent aspect of the crime of extortion by induction. The fact constituting a crime is represented by the coercion of an individual's will, which occurs when a public official, abusing his/her position and his/her powers, induces the individual to submit to his/her requests. The new wording therefore also establishes the punishment for an individual who completes the payment of a debt.

Briefly, art. 318 as subsequently amended of the Italian criminal code incriminates both the conduct of a public official who receives for himself/herself or for a third party an undue remuneration in the form of money or other benefits, or accepts the promise of it in order to perform an office duty, or for an office duty already carried out, or in order to carry out an act contrary to office duties, and the conduct of the briber and whoever instigates bribery. In addition, the aforementioned article punishes the conduct of the public official or the person in charge of a public service who, abusing his/her position or his/her powers, induces the individual to submit to his/her requests, also involving the punishment of an individual who completes the undue payment.

The conduct described could be implemented in various company sectors and at all organizational levels, in particular in the sectors of procurement management and in the financial management sector. Corruptive practices could in fact be put in place to obtain licenses, concessions and authorizations from the Public Administration or to obtain favorable treatments or establish contractual relationships with the Public Administration.

The crimes introduced with publication in the Official Gazette of Law No. 69 of May 27, 2015 containing "*Provisions on crimes against the public administration, mafia-type associations and false accounting*" were also taken into consideration. This provision, which has the purpose of tightening the sanctioning treatment for the crimes of corruption, extortion and embezzlement, at the same time involves a series of amendments to the Italian civil code consisting in the increase of penalties for the crime of false accounting, in the case of listed and unlisted companies.

10.2.2 Specific preventive procedures

The procedures to be adopted in order to prevent the commission of the crimes described in paragraph 9.2.1 above are the following:

- disseminate the Model and implementation of information and periodic training activities for Employees;
- set up a system directed to monitor corporate financial flows and payable invoices in order to avoid the constitution of hidden funds aimed at bribery and/or the contribution of gifts and presents to public officials and their families for this purpose;
- grant powers for managing relations with the Public Administration consistent with the entity's organizational and management tasks and with possible setting of authorization thresholds for expenses;
- verify the activity carried out by External Collaborators and adequacy of fees or commissions paid compared to those charged in the geographical area of reference.

11. Corporate crimes

11.1 Types of corporate crimes and examples of conduct which constitutes a crime in relation to the activities of Almecco SpA

The type of corporate crimes that could abstractly occur in Almecco SpA and for which the Model has been drawn up are:

- **False corporate communications:** art. 2621 of the Italian Civil Code punishes, without prejudice to the provisions of art. 2622 of the Italian Civil Code, the Directors, General Managers, Statutory Auditors and Liquidators who, to deceive the shareholders or the public and to obtain an unfair profit for themselves or others, expose in the financial statements, reports or other corporate communications required by law and directed to the shareholders or to the public, material facts which do not correspond to the truth (even if subject to evaluations) or omit information that must be disclosed by law on the economic, equity or financial situation of the company

or group to which it belongs, in order to provide the recipients have a wrong impression of the situation. The aforementioned crimes are punished with imprisonment for up to one year and six months.

- **False corporate communications to the detriment of the shareholders or creditors:** art. 2622 of the Italian Civil Code punishes the Directors, General Managers, Statutory Auditors and Liquidators who, in order to deceive the shareholders or the public and to obtain an unfair profit for themselves or others, display in the financial statements, in reports or in other corporate communications required by law and directed to the shareholders or to the public material facts that do not correspond to the truth (even if subject to assessments). In addition, the aforementioned can be punished in the case of omitted information that must be disclosed by law on the economic, equity or financial situation of the company or group to which it belongs, in order to provide the recipients an incorrect impression of the situation and cause financial damage to shareholders or creditors. Upon complaint of the injured party, they are punished with imprisonment from six months to three years.

- **False statements in the reports or communications of the Auditing Company:** art. 2624 of the Italian Civil Code punishes auditors who, in order to obtain an unjust profit for themselves or others, in their reports or other communications, knowingly and intentionally certify false data or conceal information on the economic, equity or financial situation of the company, entity or subject being audited, in order to mislead the recipients of the communications and the aforementioned situation.

- **Prevented control:** art. 2625 of the Italian Civil Code punishes directors who, by concealing documents or with other suitable devices, prevent or otherwise obstruct the performance of control or auditing activities, which are legally assigned to the shareholders, other corporate bodies or auditing companies.

- **Undue return of contributions:** art. 2626 of the Italian Civil Code punishes the Directors who, except in the cases of legitimate reduction of the share capital, return, even simultaneously, the contributions to the shareholders or release them from the obligation to carry them out.

- **Illegal distribution of profits and reserves:** art. 2627 of the Italian Civil Code punishes, unless the fact constitutes a more serious crime, the Directors who distribute profits or advances on profits not actually earned or allocated by law to reserves, or distribute reserves, even if not composed of profits, which may be distributed by law.

- **Illegal operations on stocks or shares of the company or the parent company:** art. 2628 of the Italian Civil Code punishes Directors who, except for cases permitted by law, purchase or subscribe stocks or shares, damaging the integrity of the share capital or reserves which cannot be distributed by law.

- **Transactions to the detriment of creditors:** art. 2629 of the Italian Civil Code punishes the Directors who, in violation of the provisions of the law protecting creditors, carry out reductions in the share capital or mergers with another company or spin-offs, causing damage to creditors.

- **Fictitious capital formation:** art. 2632 of the Italian Civil Code punishes the Directors and the contributing Shareholders who, even in part, fictitiously form the corporate capital of the company by assigning stocks or shares for an amount lower than their nominal value, reciprocal subscription of stocks or shares, significant overvaluation of the contributions of goods in kind or credits or the company's assets in the event of a transformation.

- **Undue distribution of company assets by the liquidators:** art. 2633 of the Italian Civil Code punishes liquidators who, by distributing the corporate assets to the shareholders before paying the corporate creditors or allocating the sums necessary to satisfy them, cause damage to the creditors.

- **Bribery between individuals:** the new formulation of art. 2635, of the Italian Civil Code reports the crime of "bribery between individuals" to replace that of "Infidelity following a bestowal or promise of benefit" thus explicitly introducing the reference to corruption between individuals and subordinating its possible application to the fact that conduct is no more a serious crime.

- **Unlawful influence on the shareholders' meeting:** art. 2636 of the Italian Civil Code punishes anyone who, with simulated or fraudulent acts, determines the majority in the shareholders' meeting, in order to obtain an unfair profit for themselves or others.

- **Stock manipulation:** art. 2637 of the Italian Civil Code punishes anyone who spreads false information or carries out simulated transactions or other artifices that could cause a significant alteration in the price of listed or unlisted financial instruments.

In most cases, the cases described constitute "actual crimes" or crimes that exist only if committed by subjects who have the subjective qualification required by law: Directors, General Managers, Statutory Auditors and Liquidators and, in the case referred to in the new art. 2635 of the Italian Civil Code, also subjects subordinated to them or employees, para-subordinates, agents and any other subject submitted to the management or supervision of qualified subjects. The amendments to art. 2635 of the Italian Civil Code regard both subjective

and objective aspects. As a matter of fact, compared to the previous formulation, active subjects – in addition to directors, general managers, managers responsible for preparing corporate accounting documents, auditors and liquidators – also subjects subordinated to them or employees, para-subordinates, agents and any other subject submitted to the management or supervision of qualified persons, albeit with reduced penalties. Furthermore, a bestowal or promise of money or other benefits refers not only to active parties, but also to third parties.

A conduct constitutes a crime not only when carrying or omitting an act in breach of the “obligations concerning one’s office” but also when violating a general obligation of loyalty, thus expanding the range of conduct described in art. 2635 of the Italian Civil Code. This latter circumstance confirms that the reason for this rule is the need to punish those forms of mismanagement that have an impact on the good corporate performance, this being a criminal event which can be classified as such only if a “harm” is caused to the company.

11.2 General rules of conduct

All operations relating to company management must be carried out in compliance with the rules contained in the Code of Ethics, as well as with the general rules and specific procedures that will be described below. When carrying out one of the activities for which there is a risk of committing corporate crimes, the recipients must comply with these general rules of conduct:

- a)** avoid conduct that may constitute a corporate crime according to current legislation or which, even if it is not in itself one of the types of crime considered, could potentially become so due to the conduct of third parties;
- b)** behave correctly and transparently in carrying out all activities aimed at preparing the financial statements, interim accounting statements and other corporate communications, in full compliance with the law and regulations and with internal company procedures, in order to provide to the shareholders and the parties involved truthful and appropriate information on the economic, equity and financial situation of the company.

In particular, it is forbidden to:

- prepare or communicate false or incomplete data or data that may show an incorrect description of the economic, equity and financial situation of Almeco SpA;
- fail to communicate data and information required by the legislation and procedures in force on the economic, equity and financial situation of Almeco SpA;
- c)** scrupulously observe all the laws that protect the integrity and effectiveness of the share capital and always act in compliance with internal company procedures based on these rules, in order to not damage the guarantees of creditors and third parties in general.

In particular, it is forbidden to:

- return contributions to the shareholders or release them from the obligation to make them outside the cases permitted by law;
- distribute profits (or advances on profits) not actually earned or allocated by law to reserves, and distribute reserves (even if not constituted with profits) that cannot be distributed by law (reserves in suspension of taxes and reserves not otherwise bound are excluded from this provision but are considered for the purposes of art.109, paragraph 4, letter b) of Presidential Decree 917/1986);
- purchase or subscribe Almeco SpA shares except for the cases permitted by law, damaging the integrity of the share capital or reserves which cannot be distributed by law;
- carry out reductions in share capital, mergers or spin offs in violation of the provisions of the law protecting creditors;
- carry out fictitious formations or increases in the share capital;
- allocate the corporate assets to the shareholders – in the liquidation phase – before paying the corporate creditors or allocating the sums necessary to satisfy them;
- ensure the regular functioning of Almeco SpA and the corporate bodies, guaranteeing and facilitating all forms of internal control on corporate management provided for by law, as well as the free and correct formation of the shareholders’ meeting’s will;
- prevent or hinder, by concealing documents or in any other fraudulent way, the monitoring or auditing activity on corporate management carried out by the Board of Statutory Auditors or the Auditing Company;
- carry out, on the occasion of meetings, simulated or fraudulent acts aimed at altering the regular procedure for implementing the decisions of the shareholders’ meeting;

- d)** carry out all communications required by law and regulations in a timely, correct and complete manner with a view to maximum collaboration with the Public Administration and the Financial Administration.

In particular, it is forbidden to:

- not carry out all the communications required by law to the bodies of the Public Administration or to Public Authorities with due clarity, completeness and timeliness;
- disclose incomplete or untrue facts in these communications and in the documentation transmitted, in particular on the economic, equity or financial situation of Almecco SpA;
- hinder, with one's conduct, the exercise of functions by Public Administrations or Public Authorities, even during inspections (expressed opposition, spurious refusals, obstructive conduct or non-cooperation, such as delays in communications or in providing documents).

11.3 Specific preventive procedures

This paragraph describes the specific procedures that must be followed by all Recipients in addition to the other already existing company procedures and the principles of conduct established in the Code of Ethics.

11.3.1. False corporate communications

To prevent crimes relating to false corporate communications from being committed, the communications addressed to the shareholders and to third parties in general – in particular with the purpose of preparing the financial statements and other interim accounting statements – will be drawn up by following procedures which must guarantee:

- delivery to all members of the Board of Directors of the draft financial statements and the report on the financial statements well in advance of the Board of Directors meeting for approval of these documents;
- preparation of the list of data and information that must be provided, in writing, by the Administrative Function Managers;
- set up of a registry and agenda system for the various corporate communications, with an indication of timing and managers;

Procedures:

a) the Administrative Manager, with reference to the data contained in the draft financial statements or other accounting documents that will form the draft of the corporate communications, will issue a declaration to the Administrative Body certifying:

- the truthfulness, correctness, precision and completeness of the data and information ordinarily and directly owned by the Administrative Function and on which the Administrative Department can easily carry out an intrinsic truthfulness verification;
- the consistency of the data received from other company functions with the data reported to the Board of Directors;
- the absence of elements which may imply that the declarations and data collected and provided by the Managers of other company functions contain incomplete or inaccurate elements;

b) if there are procedures for verifying the intrinsic truthfulness of the data transmitted to the Administrative Function by other company functions or if the Administrative Manager requests it, the Head of these other company functions must issue a declaration certifying the truthfulness, correctness, precision and completeness of the data and information transmitted;

c) the Administrative Manager must send the statements referred to in letters c) and d) above to all members of the Administrative Body at the time of the resolution approving the draft budget;

d) the Administrative Manager of Almecco SpA will prepare

- training and/or information on the main elements and problems in the preparation of accounting documents, addressed to all the Managers and Employees of the functions involved in the drawing up of the financial statements and other corporate communications, and in particular to the newly hired employees in the administrative function;
- a periodic operational note that defines the contents and timing of the preparation of the draft financial statements and other accounting documents, so that all those involved in the preparation of the financial statements or in the drawing up of other communications to which the rules relating to corporate crimes refer behave correctly (by way of example: completeness and clarity of the information provided, accuracy of data and processing, reporting of conflicts of interest);

e) planning of meetings between the Supervisory Body and the Administrative Manager on the financial statements and any further in-depth analysis of documents regarding special cases, drafting the relevant minutes signed by both parties;

f) at least once a year, the Supervisory Body and the Board of Statutory Auditors call a meeting on the financial statements, drafting the relevant minutes signed by both parties;

- g) periodic meetings are scheduled between the Board of Statutory Auditors and the Supervisory Body in order to verify the implementation of *governance* rules;
- h) the Supervisory Body is required to report the data emerging from checks and inspections to the Board of Directors; in the event that crimes committed by the latter are identified, the SB will be obliged to report them to the Board of Statutory Auditors.

11.3.2. Stock manipulation

The procedures that will be implemented for preventing this crime are:

- a) periodic information-training program for Directors and Employees on *governance* regulations and administrative crimes in corporate matters;
- b) periodic meetings between the Board of Statutory Auditors and the Supervisory Body directed to verify compliance with corporate and *governance* regulations and assess the conduct of the Directors which may affect the price of financial instruments;
- c) authorization procedures for verifying the content of information/communications to third parties that may affect the determination of financial instruments;
- d) authorization procedures for the purchase and sale of proprietary shares or shares of other companies.

11.3.3. Operations on the share capital or on shares. Extraordinary operations

In the management of operations involving contributions, distribution of profits or reserves, subscription or purchase of company shares, operations on share capital, mergers and spin-offs, distribution of assets during liquidation, the following procedures must be followed:

- a) in the event of establishment of new companies, the acquisition or sale of company shareholdings, any contributions, the distribution of profits or reserves, operations on share capital, mergers and spin-offs and the allocation of assets during liquidation, every activity must be submitted to the evaluation of the entire Board of Directors of Almecco SpA and to the Supervisory Body;
- b) the documentation regarding the operations listed in point a) must be made available to the Supervisory Body, which must verify actual compliance with current legislation;
- c) periodic meetings will be held between the Board of Statutory Auditors and the Supervisory Body with the purpose of verifying compliance with corporate and *governance* regulations and assessing the conduct of the Board of Directors with regard to operations on share capital, shares and extraordinary operations;
- d) authorization procedures will be established for the purchase and sale of proprietary shares and shares of other companies;
- e) the internal decision-making process regarding share capital reduction operations and extraordinary operations will be governed and formalized thanks to clear and comprehensive procedures.

11.3.4. Bribery between individuals

With reference to the risk of committing this crime, the following preventive procedures must be implemented:

- a) set up of procedures aimed at involving the key company functions, also by filling out specific questionnaires, in order to allow the Supervisory Body to prepare a risk analysis document related to the risks associated with the so-called anticorruption that identifies company areas in which there are risks of corruption and the corrective actions to be taken;
- b) set up of a periodic control system directed to verify compliance with anti-corruption legislation;
- c) adoption of an Anti-Corruption Code, aimed at completing the provisions of the Code of Ethics, which provides a systematic reference framework for the regulatory instruments on anti-corruption matters, accompanied by a specific procedure for reporting cases of suspected fraud.
- d) dissemination of the Anti-Corruption Code and information program – periodic training of Directors, General Managers, Statutory Auditors and Liquidators and their subordinates, employees, para-subordinates, agents and any other subject submitted to the management or supervision of qualified parties – on the anti-corruption legislation.

11.4 Relations with the Auditing Company, the Board of Statutory Auditors, the Shareholders' Meeting and the individual Shareholders

In the management of relations with the Auditing Company, the provisions consist of:

- a) identification of the personnel of the administrative department responsible for transmitting the documentation to the Auditing Company;

- b)** possibility for the Auditing Company to jointly verify with the Supervisory Body any situations that may present critical aspects in relation to the crimes considered;
- c)** prohibition to assign consultancy tasks to the Auditing Company;
- d)** prior information to the Supervisory Body on any appointment proposed to the Auditing Company permitted by current law.

With regard to relations with the Board of Statutory Auditors and the crimes related to prevented control by the Board of Statutory Auditors and the shareholders and illegal influence on the Shareholders' Meeting, the procedures consist of:

- 1)** periodic training sessions for the Recipients of the Model on the legislation concerning the activities of the Board of Statutory Auditors and control rights of the shareholders;
- 2)** periodic meetings between the Board of Statutory Auditors and the Supervisory Body directed to verify the regular functioning of the shareholders' meeting and compliance with company legislation and *governance* in general, and in particular with the legislation on controls by the Board of Statutory Auditors and the shareholders;
- 3)** prohibition to assign consultancy tasks to the Board of Statutory Auditors.

11.5 Specific preventive activity carried out by the Supervisory Body

In addition to the tasks already described, with regard to corporate crimes illustrated in paragraph 10.3, the Supervisory Board must:

- a)** take care of the issuing and updating of standardized instructions on the conduct to be followed while carrying out activities at risk of commission of corporate crimes. The instructions must be written and kept on paper or electronic database.
- b)** with reference to the financial statements, reports and other corporate communications required by law, the Supervisory Body must:
 - continuously monitor the effectiveness of internal procedures for preventing the crime of false corporate communications;
 - carry out in-depth analyses in the event of specific reports which do not appear clearly unfounded;
 - verify that there are conditions to guarantee concrete autonomy to the Auditing Company in carrying out its audit functions on company activities.

12. Crimes related to the use of the IT system

11.1 The cases in point – Examples of conduct which constitutes a crime in relation to the activity of Almeco SpA

The following types of crimes have been considered:

- a) Computer fraud to the detriment of the State or a public body:** art. 640 *ter* incriminates the conduct of anyone who, by altering the functioning of an IT or electronic system in any way or intervening without right in any way on data, information or programs contained in an IT or electronic system, procures an unfair profit for himself/herself or others with damage to others. An example of computer fraud against the State is the alteration of the IT registers of the Public Administration to build essential conditions for participation in tenders, to produce documents attesting non-existent facts and circumstances or to modify tax or social security data of interest to the company already transmitted to the Public Administration.
- b) Other so-called "free form" crimes:** through a distorted use of the company IT system it is possible to commit some of the crimes against individual persons, such as those described in articles 600 *bis* and 600 *ter*, 600 *quater*, 600 *quinquies* concerning exploitation of child prostitution. Even if the probability that one of these crimes is committed within Almeco SpA is very low, in line with the "ethical principles" that inspire its company policy, Almeco SpA dictates rules to prevent crimes of this type from being committed with company IT tools, even for purely personal purposes.

12.2 Preventive measures

To prevent the commission of the crimes indicated in paragraph 11.1., the following rules have been established:

- a)** the Board of Directors, the Employees and External Collaborators must be inspired by a general principle of diligence and fairness in the use of IT and electronic resources and the IT assets of Almeco SpA. Any use of the company's IT system other than strictly business purposes is expressly prohibited;
- b)** all those who use a computer owned by Almeco SpA to carry out their activities are required to not leave it unattended and accessible during a processing session;

c) *online* services (any way of using the *internet*) must only be used to carry out work activities and to find useful information for the company. It is not allowed to use the *internet* for reasons other than work or personal activity, except in special cases and with the express authorization of the supervisor;

d) in particular, the use of *chat* rooms, electronic bulletin boards and, in general, any use of *internet* services not strictly related to the company activity is prohibited;

e) it is forbidden to "download" *software* programs, even free, except for strictly business requirements and in any case with explicit authorization;

f) the e-mail service is used to communicate with third parties, both inside and outside the company, for the purposes of the company and in close connection with the actual activity and tasks of those who use it. It cannot therefore be used for purposes in conflict with those of the company, not relevant to work or personal activity;

g) the Supervisory Body will periodically verify compliance with company directives on IT, with random checks, in line with current legislation on labor law and the *privacy* policy.

To verify the correct use of IT tools, Almeco SpA, through the appointment of a personal Data Processor, has taken steps to adopt all the procedures and documents required by personal data protection policies, including internal regulations on the use of company IT tools, signed for acceptance by the internal Recipients. The regulations limit the use of these tools to business purposes only, contain rules for the protection of security in terms of access (*password*) and involves possible verification of compliance with company directives on IT controls.

13. Crimes involving the violation of safety and accident prevention regulations

12.1 Legal cases

The following types of crimes have been considered:

1. Manslaughter: art. 589 of the Italian criminal code punishes anyone guilty of causing the death of a person by violating the rules for prevention of accidents in the workplace.

2. Negligent personal injury: art. 590 of the Italian criminal code punishes anyone who causes serious or very serious personal injury to others through negligence, violating the rules for prevention of accidents in the workplace.

The two crimes have been included in Legislative Decree 231/2001 in order to address the so-called "production risks".

13.2 Preventive measures

To prevent conditions that allow for the commission or risk of commission of the crimes described in lett. a), Almeco SpA has conformed to the requirements of Legislative Decree 81/2008 and subsequent changes, amendments and implementations regarding health and safety in the workplace.

In particular, in order to effectively control and assess risks for health and safety in the workplace, Almeco SpA has established a procedure that guarantees:

- an internal prevention and protection service within the company, with a manager and specifically designated employees.

- preparation by the manager of the company or production unit, in collaboration with the head of the prevention and protection service, of the "Risk Assessment Document" which contains:

1. a report on the risk assessment for health and safety in the workplace, specifying the criteria adopted for the assessment itself;

2. prevention and protection measures and personal protective equipment selected on the basis of the assessment referred to in point 1;

3. program of measures deemed appropriate to ensure improvement of safety levels over time.

- adoption of the necessary measures for health and safety in the workplace according to the criteria and methods prescribed by Legislative Decree 81/2008, as subsequently updated and amended, providing workers with the information referred to in art. 18 of Legislative Decree 81/2008;

- periodic verification of compliance with company procedures on health and safety in the workplace by the Supervisory Body, assisted by industry experts;

- monitoring of the actual implementation of the control system described in the risk assessment document by appointing the heads of the prevention and safety protection service, as well as the verification carried out by the Supervisory Body on compliance with company procedures on health and safety in the workplace.

14. Crimes involving receiving stolen goods, money laundering and use of money, goods or benefits of illicit origin, as well as crimes of counterfeiting money, public credit cards and revenue stamps

14.1 Types of crime

The following types of crimes have been considered:

- a) Receiving of stolen goods: art. 648 of the Italian criminal code punishes anyone, except in the cases of complicity in a crime, who, in order to obtain a profit for themselves or others, purchases, receives or conceals money or things deriving from any crime, or in any case intervenes in making them buy, receive or conceal them;
- b) Money laundering: art. 648-bis of the Italian criminal code punishes anyone, except in the cases of complicity in a crime, who replaces or transfers money, goods or other benefits deriving from a non-culpable crime, or carries out operations in relation to them, in such a way as to hinder the identification of their criminal origin;
- c) Use of money, goods or benefits of illicit origin: art. 648-ter of the Italian criminal code punishes anyone, except in the cases of complicity in a crime and the cases provided for by art. 648 and 648-bis of the Italian criminal code, who uses money, goods or other benefits deriving from a crime in economic and financial activities;
- d) Spending and introduction of counterfeit money into the State without complicity: art. 455 of the Italian criminal code punishes anyone, except in the cases provided for by art. 453 and 454 of the Italian criminal code, who introduces into the territory of the State, buys or holds counterfeit or altered coins, in order to put them into circulation, i.e. spends them or otherwise puts them into circulation;
- e) Spending of counterfeit money received in good faith: art. 457 of the Italian criminal code punishes anyone who spends, or otherwise puts into circulation counterfeit or altered money, received by him/her in good faith.

14.2 Control system and preventive measures

The Model reports principles of conduct required to be adopted by all company personnel when establishing financial relationships with third parties or the procurement of goods and/or services. These rules of conduct are aimed at limiting the occurrence of these types of crimes as much as possible. The principles of conduct apply directly to Company directors, managers and employees, while they apply to consultants and partners in accordance with specific contractual clauses.

It is therefore mandatory to:

- operate in compliance with current legislation, the rules established by the Organizational Model, the Code of Ethics and other internal company rules, keeping up to date on the evolution of the law;
- be inspired by criteria of transparency in the exercise of company activities and in the choice of financial partners, paying the utmost attention to information regarding third parties with which the Company has financial or corporate relationships that can even generate a suspicion of commission of one of the crimes referred to in this paragraph;
- thoroughly verify customers and counterparties, also taking into account their registered offices, the credit institutions used and any corporate schemes and trust structures used for any extraordinary operations;
- settle exclusively through the banking channel all collections and payments deriving from collaborative relationships with distributors, customers, third party suppliers, purchase or sale of shareholdings, loans to subsidiaries and associates and other intercompany relationships, capital increases, dividend collection;
- verify the regularity of payments, with reference to the full correspondence between recipients/orderers of payments and counterparties actually involved in the transactions;
- ensure traceability of the phases of the decision-making process regarding financial and corporate relations with third parties;
- keep the documentation supporting financial and corporate transactions, adopting all the necessary security measures;
- monitor all transactions made with countries that threaten international peace and security (countries included in sanction lists).

In order to implement the above conduct, all commercial, financial and corporate transactions deriving from ongoing and occasional relationships with third parties (excluding Financial Intermediaries) must be preceded by an adequate verification activity aimed at ascertaining the absence of the risk of being involved in the commission of crimes of money laundering, receiving stolen goods and use of money, goods or benefits of illicit origin, through a clear identification of:

- counterparties;
- where this is possible, verification of the origin of the goods or assets received;
- purpose, nature and structure of the transaction;

- value of the transaction.

Those who perform a control and supervision function on obligations related to the performance of the aforementioned activities must pay special attention to the implementation of the obligations themselves and immediately report any irregular situations to the Supervisory Body.

15. Environmental crimes

15.1 Types of environmental crimes

The following types of crimes have been considered:

- a) Destruction or deterioration of habitats within a protected site: art. 733 bis of the Italian criminal code punishes anyone who, except for permitted cases, destroys or deteriorates a habitat within a protected site compromising the state of conservation;
- b) Unauthorized waste management activities: art. 256 of Legislative Decree 152/2006 punishes anyone who carries out an activity of collection, transport, recovery, disposal, trade and intermediation of non-hazardous waste without required authorization, registration or communication;
- c) Site remediation: art. 257 of Legislative Decree 152/2006 punishes anyone who, having caused pollution of the soil, subsoil, surface or groundwater by exceeding the risk threshold concentrations, fails to remediate in accordance with the project approved by the competent authority;
- d) Violation of the obligations of communication, keeping of mandatory registers and forms referred to in art. 258 of Legislative Decree 152/2006 in preparing a waste analysis certificate, provide false information on the nature, composition and chemical-physical characteristics of the waste, make use of a false certificate during transport;
- e) IT system for control of waste traceability: art. 260 bis of Legislative Decree 152/2006 punishes anyone who, in preparing a waste analysis certificate used as part of the waste traceability control system, provides false information on the nature, composition and chemical-physical characteristics of the waste, or inserts a false certificate in the data to be provided for waste traceability purposes;
- f) Measures to protect stratospheric ozone and the environment pursuant to law no. 549/1993: violation of the provisions that require termination and reduction of the use of harmful substances.

The inclusion of environmental crimes among the crimes classified as administrative crimes by Legislative Decree 231/01 requires companies to thoroughly analyze risks to which they are exposed and to identify measures aimed at preventing the occurrence of events that may involve an administrative liability, imposing financial penalties and, in some cases, disqualifications, with serious impacts on company business and reputation.

In addition, the cases approved with Bill 1345/b dated May 19, 2015 on eco-crimes, were considered:

- a) Environmental pollution (art. 452-bis of the Italian criminal code)
- b) Environmental disaster (art. 452-quater of the Italian criminal code):
- c) Crimes of culpable nature against the environment (452-bis, 452-quater, 452-quinquies of the Italian criminal code):
- d) Associative crimes aggravated by being aimed at the commission of environmental crimes:
- e) Traffic and abandonment of highly radioactive material (452-sexies of the Italian criminal code):

15.2 Control system

The control system is based on the key factor of traceability of the process phases:

- traceability of individual activities (supporting documentation, reporting of decisions in relevant minutes, header/formalization of documents and filing methods/timing);
- verification of correspondence of the declarations/certifications presented with the supporting technical documentation;
- filing of document flows between the Company departments involved and the bodies of the Public Administration responsible for issuing authorizations and/or certifications of compliance with the provisions of the law, or in charge of carrying out inspections and audits.

15.3 Rules of conduct

ALMECO considers environmental protection an essential value on which its activities must be based. For this reason, ALMECO has drawn up and disseminated a specific Environmental Policy which is based on the following fundamental principles:

- a) comply with regulations on Safety, Health and the Environment (EHS);

- b) apply Almeco standards and guidelines freely adopted, also through participation in associations or common initiatives;
- c) implement the EHS Management System as an operational tool to fulfill the commitments relating to environmental, safety and health performance undertaken;
- d) examine the possibility of reducing the use of dangerous chemicals by replacing them, where possible, with less dangerous chemical agents;
- e) prevent pollution and reduce the consumption of natural resources (energy and materials);
- f) assess in advance the risk for the environment and people, minimizing any negative impact due to the introduction of new processes, modifications, developments or termination of activities in the factory, using the procedures provided for by the EHS Management System;
- g) carry out environmental monitoring to assess the presence of chemical and/or biological agents in the workplace and to assess emissions (in air, water, soil);
- h) reduce the waste produced and collect them separately to facilitate their recycling and recovery;
- i) thoroughly follow scientific and technological developments in order to apply the best protection techniques and technologies available in terms of safety, health and the environment;
- j) guarantee information and training for all personnel on safety, health and environmental protection issues;
- k) develop, disseminate and verify the application of safety and environmental protection procedures both for normal activities and for emergency and anomalous situations, identifying suitable performance indicators;
- l) design products in such a way as to minimize impacts during their entire life cycle, developing in particular an environmentally compatible packaging;
- m) involve all workers, also through their representatives, in the management of safety, health and the environment;
- n) make public, in the most appropriate way, the results of the actions undertaken;
- o) promote cooperation and communication with public authorities and local communities;
- p) inform and evaluate suppliers/contractors so that they operate with equal attention to safety, health and the environment;
- q) provide the human resources, specialist and technological skills, as well as financial resources necessary to implement and control the EHS Management System.

The process consists of the activities necessary to ensure compliance with environmental protection regulations and to certify the implementation of the related obligations to the public bodies in charge of controls. In all phases of the process, and in particular in the following activities, it is forbidden to engage in conduct that:

- during formal and informal meetings, may induce the representatives of the Public Administration to unduly encourage the issuance of certifications/authorizations;
- when preparing the necessary documentation, may influence the choice of issuing certifications/authorizations;
- during inspections and audits, they may unduly influence, in the interest of the Company, the judgment/opinion of the control bodies.

Companies which, like Almeco, adopt an environmental management scheme according to ISO 14001 and/or Emas as a reference and have an advantage because they keep their significant environmental aspects continuously and systematically monitored and controlled, reducing the possibility of incurring related crimes.

16. Crimes against industry and trade

16.1 Types of crimes against industry and trade

The following types of crimes have been considered:

- a) Disturbed freedom of industry or trade: art. 513 of the Italian criminal code punishes anyone who uses violence on property or fraudulent means to prevent or disturb the exercise of industry or trade, upon complaint of the injured person, if the fact does not constitute a more serious crime;
- b) Unlawful competition with threats or violence: art. 513 bis of the Italian criminal code punishes anyone who, in the exercise of a commercial, industrial or otherwise productive activity, engages in acts of competition with violence or threats;

- c) Fraud against national industries: art. 514 of the Italian criminal code punishes anyone who, by placing for sale or otherwise putting into circulation, on domestic or foreign markets, industrial products, with counterfeit or altered names, trademarks or distinctive signs, causes harm to national industry;
- d) Fraud in the exercise of trade: art. 515 of the Italian criminal code punishes anyone who, in the exercise of a commercial activity, or in a shop open to the public, delivers to the buyer a movable thing for another, or a movable thing, by origin, provenance, quality or quantity, other than that declared or agreed, if the fact does not constitute a more serious crime;
- e) Sale of non-genuine food substances as genuine (art 516 of the Italian criminal code);
- f) Sale of industrial products with misleading signs: art. 517 of the Italian criminal code punishes anyone who sells or otherwise puts into circulation intellectual works or industrial products, with national or foreign names, trademarks or distinctive signs, capable of misleading the buyer on the origin, provenance and quality of the work or product, if the fact is not considered as a crime by another provision of the law;
- g) Manufacture and trade of goods made by usurping industrial property rights: art. 517 ter of the Italian criminal code punishes anyone who, being able to know the existence of an industrial property right, manufactures or industrially uses objects or other goods by usurping an industrial property right or in violation of it or who, in order to profit from it, introduces into the territory of the State, holds for the sale, puts up for sale with a direct offer to consumers or puts such objects or goods into circulation;
- h) Counterfeiting of geographical indications or designations of origin of agro-food products: art. 517 quater of the Italian criminal code punishes anyone who counterfeits or in any case alters geographical indications or designations of origin of agro-food products or who, in order to profit from them, introduces into the territory of the State, holds for sale, puts up for sale with a direct offer to consumers or puts them into circulation products with counterfeit indications or names.

16.2 Rules of conduct

All the general principles of conduct already provided for and expressed for all the other special parts referred to in this Organizational Model, must necessarily be applied, insofar as they are compatible. More specifically, the provisions contained in the Code of Ethics must be observed as far as regards relations with third parties (customers-suppliers):

- Defined roles and responsibilities;
- Segregation of tasks;
- Control activities;
- Traceability of the process both in terms of information system and as far as regards the documents, so that the reasons supporting a specific organizational and/or operational choice emerge clearly.

For sales activities, also with the use of intellectual property rights, the appointed company personnel must define the requirements of the item to be sold and verify its correspondence to the characteristics agreed upon with customers. For operations concerning the management of relationships with contractors and suppliers of goods and services, the company employees must operate in compliance with the laws and regulations in force, as well as with fair commercial practice and protection of competition. In carrying out the activities, the general principles of conduct provided for by the Code of Ethics must always be respected.

17. Crimes relating to violation of copyright

17.1 Types of crimes relating to the violation of copyright

The following types of crimes have been considered:

a) Protection of copyright and other rights related to its exercise: art. 171 of law no. 633/1941 punishes anyone who, without having the right, for any purpose and in any form: a) ... (omitted) ...; a-bis) makes available to the public, by placing it in an electronic network system, through connections of any kind, a protected intellectual work, or part of it; except for the provisions of art. 171-bis and article 171-ter:

- Art. 171-bis of law no. 633/1941 sanctions anyone who illegally duplicates computer programs to make a profit or with the same aim imports, distributes, sells, holds for commercial or business purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE). The same penalty applies if the fact concerns any means intended solely to allow for or facilitate the arbitrary removal or functional avoidance of devices applied to protect a computer program. The aforementioned article also sanctions anyone who, in order to make a profit, reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the contents of a database in violation of the provisions of articles 64-quinquies and 64-sexies, or extracts

or reuses the database in violation of the provisions of articles 102-bis and 102-ter, or distributes, sells or leases a database.

- art. 171-ter of law no. 633/1941 includes multiple criminal cases that punish anyone who, for profit:

a) illegally duplicates, reproduces, transmits or disseminates in public using any procedure, in whole or in part, an intellectual work intended for the television, cinema, sale or rental circuit, discs, tapes or similar devices or any other medium containing phonograms or video grams of similar musical, cinematographic or audiovisual works or sequences of moving images;

b) illegally reproduces, transmits or disseminates in public, using any procedure, works or parts of literary, dramatic, scientific or educational, musical or dramatic-musical works, or multimedia, even if included in collective or composite works or databases;

c) despite not having participated in duplication or reproduction, introduces into the territory of the State, holds for sale or distribution, or distributes, markets, leases or otherwise transfers for any reason, projects in public, broadcasts by means of television with any procedure, broadcast by radio, plays the duplications or abusive reproductions referred to in letters a) and b) in public;

d) holds for sale or distribution, markets, sells, rents, transfers for any reason, projects in public, broadcasts by radio or television by any procedure, video cassettes, music cassettes, any medium containing phonograms or video grams of musical works, cinematographic or audiovisual or sequences of moving images, or other device for which the affixing of the mark by the Italian Society of Authors and Publishers (S.I.A.E.), without the same mark or with counterfeit or altered mark is prescribed;

Furthermore, the law punishes anyone who:

a) illegally reproduces, duplicates, transmits or disseminates, sells or otherwise places on the market, transfers in any capacity or illegally imports over fifty copies or specimens of works protected by copyright and related rights; a-bis) in violation of art. 16 (exclusive right of communication to the public by wire or wireless means), for profit, communicates to the public by placing it in an electronic network system, through connections of any kind, an intellectual work protected by copyright, or part of it;

b) exercising in an entrepreneurial form the activities of reproduction, distribution, sale or marketing, importation of works protected by copyright and related rights, is guilty of the facts referred to in paragraph 1;

c) promotes or organizes the illegal activities referred to in paragraph 1.

17.2 Rules of conduct

For operations concerning the purchase and management of IT systems and software licenses and in general the purchase and management of intellectual property, the rules of conduct establish the following:

- Ban on the download and use of unlicensed software;

- System authentication requirements for accessing data and for assigning remote access to data by third parties such as consultants and suppliers;

- Accesses made by users to the systems and the network must be verified on a regular basis;

- Applications must keep track of changes to data and systems made by users;

- Criteria and procedures for assigning, modifying and deleting user profiles have been defined

- In the case of outsourced services, the company communicates this Organizational Model and Code of Ethics to the service provider, which are required to comply with the principles based on appropriate contractual clauses.

18. Crime of inducement to not make statements or to make false statements to the legal authorities

Art. 377 bis of the Italian criminal code punishes whoever induces, through violence or threats or with the offer or the promise of money or other benefits, to not make statements or to make false statements, the person called to make statements that can be used in a criminal proceeding, when such person has the right to not answer. The conduct of inducement to not make statements, i.e. to make use of the right to not respond or to make false statements, must be carried out in a typical way, through violence or threats, or with the offer of money or any other benefits. The company has already implemented control measures guaranteed by the provisions of the Code of Ethics and company procedures for these crimes; therefore we have only briefly described the relevant cases and the articles of the law.

19. Methods for managing economic and financial resources

To prevent the risk of committing the crimes included in the Model, the management systems of the economic and financial resources (both incoming and outgoing) of Almecco SpA are based on:

- a system of powers of attorney/delegations assigned to the highest corporate levels, described in paragraph 4.2.;
- a system of procedures that regulate both accounts payable – from the issuance of purchase requests to the payment of invoices – and accounts receivable – from purchase orders received from customers or clients to the collection of sales payments;
- a business organization based on the principle of separation of tasks;
- a *budget* process that provides for appropriate preventive or authorization assessments on investments and company costs based on specific control mechanisms on variances.

The Supervisory Body will propose directly to the competent Functions any changes and amendments to the management systems in order to better control any anomalous financial flows and with greater margins of discretion with respect to the legislation. These changes will be adopted by the competent Functions and, if necessary, the Executive Committee will be involved for appropriate measures.

Code of ethics

I. INTRODUCTION

This document, called the "Code of Ethics" (hereinafter, briefly, the Code), expresses the commitments and ethical responsibilities in the conduct of business and company activities undertaken by the company's collaborators, whether they are directors or collaborators and/or its employees. In business management Almecco intends to act transparently, paying the utmost attention to economic, social and environmental sustainability. To act transparently, it is necessary to ensure, outside and inside the company, a spontaneous communication to third parties of situations in which there may be a position of advantage for the company as well as of potential damage. It is fundamental for Almecco to guarantee a fair remuneration to its employees, fair and transparent sales conditions to its customers and a fair profit to its suppliers. Almecco will also promote the adoption of the code of ethics by the subsidiaries.