ALMECO S.P.A.

ORGANIZATION, MANAGEMENT AND CONTROL MODEL

pursuant to Italian Legislative Decree No. 231 of 8 June 2001

on the "Administrative Liability of Companies"

GENERAL PART

TABLE OF CONTENTS

1. ADMINISTRATIVE LIABILITY OF ENTITIES

1.1. Introduction

Italian Legislative Decree No. 231 of 8 June 2001 (hereinafter the "Decree") introduced into the Italian legal system the administrative liability of legal entities arising from the commission of specific offences, in addition to the criminal liability of the natural person who materially committed the act.

The entities to which the Decree applies include all companies, associations with or without legal personality, public economic entities and private entities entrusted with the operation of a public service. The State, local public authorities, non-economic public entities and entities performing functions of constitutional significance (e.g. political parties and trade unions) are excluded.

Subject to the conditions laid down in the Decree, entities may be held liable for certain offences, including attempted offences, committed by company personnel, whether senior persons or persons subject to their direction or supervision, in the course of their work activities. Failure to comply with the provisions of the Decree may result in the imposition on the entity of financial and disqualification sanctions, which may also have a significant impact on the conduct of its business activities.

1.2. Predicate offences

An entity may be held liable only in relation to certain offences (so-called predicate offences), identified in Articles 24 et seq. of the Decree, as well as in laws that expressly refer to the provisions of the Decree.

Over the years, the range of predicate offences has been significantly expanded and currently includes the following:

- offences against the Public Administration (Articles 24 and 25);
- computer-related offences (Article 24-bis);
- organised crime offences (Article 24-ter);
- offences relating to counterfeiting currency, public credit instruments and revenue stamps (Article 25-bis);
- offences against industry and trade (Article 25-bis.1);
- corporate offences (Article 25-ter);
- offences for the purposes of terrorism or subversion of the democratic order (Article 25-quater);
- offences against life and personal integrity (Article 25-quater.1);
- offences against the individual (Article 25-quinquies);
- market abuse offences (Article 25-sexies);
- offences relating to occupational health and safety (Article 25-septies);

- receiving stolen goods, money laundering and use of money, assets or other benefits of unlawful origin (Article 25-octies);
- offences relating to payment instruments other than cash (Article 25-octies.1);
- copyright infringement offences (Article 25-nonies);
- inducing a person not to make statements, or to make false statements, to the judicial authorities (Article 25-decies);
- environmental offences (Article 25-undecies);
- employment of third-country nationals whose stay is irregular (Article 25-duodecies);
- racism and xenophobia (Article 25-terdecies);
- fraud in sports competitions, unlawful gaming or betting activities and gambling carried out by means of prohibited devices (Article 25-quaterdecies);
- tax offences (Article 25-quinquiesdecies);
- smuggling offences (Article 25-sexiesdecies);
- offences against cultural heritage (Article 25-septiesdecies);
- laundering of cultural property and devastation and looting of cultural and landscape heritage (Article 25-octiesdecies);
- transnational offences (Article 10 of Law No. 146/06).

For further details on each category of offence provided for by the Decree, reference is made to the attached document (Annex No. 1).

1.3. Criteria for attributing liability to the entity

In addition to the commission of a predicate offence, the Decree provides for further conditions for attributing the offence to the entity. Depending on their nature, these may be divided into objective and subjective attribution criteria.

The objective criteria require that:

- the offence was committed by a person functionally connected with the entity;
- the offence was committed in the interest or to the benefit of the entity.

The persons whose conduct may give rise to the entity's liability may be:

- senior persons: persons performing representative, administrative or management functions within the entity or one of its organisational units having financial and functional autonomy, as well as persons who exercise, even de facto, the management and control of the entity. This category may include directors, general managers and legal representatives, as well as, for example, persons in charge of branch offices, division managers or project managers with financial and functional autonomy;
- persons subject to the direction or supervision of senior persons: persons who are subject to the direction or control of senior persons. This category includes all those who are subject to the direction and supervision of senior persons and who, in substance, implement the decisions taken by senior management in the interest of the

entity or otherwise operate under their direction or supervision. This category may include all employees of the entity, as well as all persons acting in the name, on behalf or in the interest of the entity, such as external collaborators or consultants.

A further requirement for attributing liability arising from an offence to the entity is the existence of an interest or benefit of the entity connected with the commission of the offence.

This means that the entity will not be liable where the offence was committed exclusively in the interest of the offender or of third parties.

The subjective attribution criteria concern the entity's culpability. The entity is liable where required standards of sound management and control relating to its organisation and the conduct of its activities have not been adopted or complied with. The entity's fault, and therefore the possibility of attributing blame to it, depends on establishing an improper corporate policy or structural deficiencies in the company's organisation that failed to prevent the commission of one of the predicate offences.

The Decree excludes the entity's liability where, prior to the commission of the offence, the entity had adopted and effectively implemented an "Organization, Management and Control Model" (hereinafter the "Model") suitable for preventing offences of the type that occurred.

The Model may constitute a defence whether the predicate offence was committed by a senior person or by a person subject to their direction or supervision. However, for offences committed by senior persons, the Decree introduces a form of presumption of liability of the entity, since liability is excluded only if the entity proves that:

- before the offence was committed, the governing body had adopted and effectively implemented a Model suitable for preventing offences of the type that occurred;
- the task of supervising the operation of and compliance with the Model, and of ensuring that it is updated, was entrusted to a body of the entity vested with autonomous powers of initiative and control (the so-called Supervisory Body, hereinafter also "SB");
- the persons committed the offence by fraudulently circumventing the Model;
- there was no omission or inadequate supervision by the SB.

For offences committed by persons subject to the direction or supervision of senior persons, the entity is liable only if it is proven that "the commission of the offence was made possible by failure to comply with the obligations of direction or supervision" typically incumbent upon senior management.

In this case as well, however, the adoption and effective implementation of the Model before the offence was committed excludes any failure to comply with the obligations of direction or supervision and exempts the entity from liability.

Although the adoption and effective implementation of the Model does not constitute a legal obligation, it is therefore an important tool available to the entity to demonstrate that it was not involved in the criminal conduct and, ultimately, to be exempted from the liability established by the Decree.

1.4. The Organization, Management and Control Model

Accordingly, the Model operates as a defence against the entity's liability only if it is suitable for preventing offences of the type that occurred and only if it is effectively implemented.

However, the Decree does not set out in detail the characteristics and contents of the Model, but merely establishes certain general principles and essential content requirements.

In general, according to the Decree, having regard to the nature and size of the organisation and the type of activity carried out, the Model must provide for measures suitable to ensure that activities are carried out in compliance with the law and to promptly identify and eliminate situations involving the risk of specific offences being committed.

In particular, the Model must:

- identify the activities in the context of which offences may be committed (so-called sensitive activities);
- provide for specific control measures and protocols aimed at governing the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- identify methods for managing financial resources that are suitable for preventing the commission of offences;
- provide for information obligations towards the body responsible for supervising the operation of and compliance with the Models;
- introduce a disciplinary system suitable for sanctioning failure to comply with the measures set out in the Model.

With regard to the effective implementation of the Model, the Decree also requires periodic reviews and amendments where significant breaches of its provisions are identified, or where changes occur in the entity's organisation or activities, or in applicable legislation.

1.5. Offences committed abroad

Pursuant to Article 4 of the Decree, an entity may also be held liable in Italy in relation to predicate offences committed abroad, provided that the objective and subjective attribution criteria established by the Decree are met.

However, the Decree makes the possibility of prosecuting an entity for offences committed abroad subject to the following additional conditions:

- the State in which the offence was committed is not already taking proceedings against the entity;
- the entity has its principal place of business in Italy;

- the offence was committed abroad, in the interest or to the benefit of the entity, by a senior person or by a person subject to their direction or supervision, pursuant to Article 5(1) of the Decree;
- the conditions for prosecution under Articles 7, 8, 9 and 10 of the Italian Criminal Code are met.

These rules concern offences committed entirely abroad by senior persons or by persons subject to their direction or supervision.

For criminal conduct occurring even partly in Italy, the territoriality principle under Article 6 of the Italian Criminal Code applies, pursuant to which "an offence is deemed to have been committed within the territory of the State when the action or omission constituting it took place there, in whole or in part, or when the event resulting from the action or omission occurred there".

1.6. Sanctions

The sanctions that may potentially be imposed on the entity in the event of conviction are:

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

These sanctions are classified as administrative, although they are imposed by a criminal court.

In the event of the entity's conviction, a financial sanction is always imposed. The financial sanction is determined by the court through a system based on "units". The number of units depends on the seriousness of the offence, the degree of responsibility of the entity, the measures taken to eliminate or mitigate the consequences of the act or to prevent further offences. In determining the value of each unit, the court takes into account the entity's economic and financial circumstances in order to ensure the effectiveness of the sanction.

Cases in which the financial sanction may be reduced are provided for. In particular, the financial sanction is reduced by half if the offender committed the act primarily in their own interest or in the interest of third parties and the entity obtained no or only minimal benefit from it, or if the financial damage resulting from the offence is particularly minor.

The financial sanction is instead reduced by one third to one half if, before the commencement of the first-instance trial, the entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offence, or if a Model suitable for preventing the commission of further offences has been adopted and made operational.

Disqualification sanctions apply in addition to the financial sanction, but only where expressly provided for in relation to the administrative offence at issue and provided that at least one of the following conditions is met:

- the entity obtained a substantial profit from the offence and the offence was committed by a senior person, or by a person subject to their direction or supervision, provided in the latter case that the commission of the offence was facilitated by serious organisational deficiencies;
- in the event of repeated offences.

The disqualification sanctions provided for by the Decree are:

- disqualification from carrying on business activities;
- suspension or revocation of authorisations, licences or concessions instrumental to the commission of the offence;
- prohibition from entering into contracts with the Public Administration, except for the purpose of obtaining
- public services;
- exclusion from benefits, financing, grants or subsidies and possible revocation of those already granted;
- prohibition from advertising goods or services.

Disqualification sanctions are normally temporary but, in the most serious cases, may exceptionally be imposed on a permanent basis.

These sanctions may also be applied as precautionary measures, i.e. before conviction, where there are serious indications of the entity's liability and well-founded and specific elements indicating a concrete risk that offences of the same kind as the one under investigation may be committed.

However, disqualification sanctions do not apply where, before the commencement of the first-instance trial, the entity:

- has compensated the damage and eliminated the harmful or dangerous consequences of the offence (or, at least, has effectively taken steps to do so);
- has made the proceeds of the offence available to the judicial authorities;
- has remedied the organisational deficiencies that led to the offence by adopting and making operational organisational models suitable for preventing the commission of further offences of the type that occurred.

The Decree also provides for two further sanctions: confiscation, which is always ordered upon conviction and consists in the State acquiring the price or proceeds of the offence, or sums of money, assets or other benefits of equivalent value to the price or proceeds of the offence; and publication of the judgment of conviction on the website of the Italian Ministry of Justice, as well as by posting it in the municipality in which the entity has its principal place of business.

The Decree also provides for the application of precautionary measures affecting the entity's assets. In particular, pursuant to Article 53 of the Decree, the Court may order preventive seizure of assets that may be confiscated under Article 19 of the Decree. Pursuant to Article 54 of the Decree, at any stage and level of the proceedings on the merits, the Court may order the protective seizure of the entity's movable and immovable assets, or of sums or assets owed to it, where there are reasonable grounds to believe that the guarantees for payment of the financial sanction, the costs of the proceedings and any other sums due to the State Treasury are lacking or may be dissipated.

1.7. Corporate changes and liability of the entity

The Decree also governs the entity's liability in the event of corporate changes such as transformation, merger, demerger and transfer of a business.

The Decree establishes the rule that, in the event of "transformation of the entity, liability for offences committed before the date on which the transformation took effect remains unaffected". The new entity will therefore be subject to the sanctions applicable to the original entity for acts committed prior to the transformation.

In the event of a merger, the Decree provides that the entity resulting from the merger, including a merger by incorporation, is liable for the offences for which the entities participating in the merger were liable.

In the event of a partial demerger, the Decree provides that the liability of the demerged entity for offences committed prior to the demerger remains unaffected. However, the beneficiary entities of a partial or total demerger are jointly and severally liable for payment of the financial sanctions owed by the demerged entity for offences committed before the demerger. Such liability is limited to the value of the assets transferred.

If the merger or demerger occurred before the conclusion of the proceedings for determining the entity's liability, in determining the financial sanction the court will take into account the economic circumstances of the original entity and not those of the entity resulting from the merger.

In all cases, disqualification sanctions apply to the entities that retain, or to which has been transferred, even in part, the business unit within which the offence was committed.

In the event of the sale or contribution of the business within which the offence was committed, the Decree provides that, subject to the prior enforcement against the transferring entity, the transferee is jointly and severally liable with the transferring entity for payment of the financial sanction, within the limits of the value of the transferred business and of the financial sanctions shown in the mandatory accounting records or of which the transferee was otherwise aware.

2. THE ALMECO S.P.A. MODEL

2.1. Almeco S.p.A.'s mission

Almeco S.p.A. (hereinafter also "Almeco" or the "Company") is a company incorporated under Italian law on 12 May 1965, with registered office and operational headquarters at Via della Liberazione No. 15, San Giuliano Milanese, Italy.

Almeco controls the following companies, which together constitute the "Almeco Group":

- Almeco GmbH, with registered office in Bernburg Saale (Germany)
- Almeco USA Inc., with registered office in Dover, Delaware (United States)
- Almeco ASIA Ltda, with registered office in Hong Kong
- Almeco Trading International Inc., with registered office in Shanghai (China)

The Almeco Group operates in the production of metal components and rolled metal products, particularly aluminium, used in the lighting, solar and decorative sectors. In particular, the Group has historically been active in the continuous anodising of aluminium and in the production of aluminium reflectors for public and private lighting.

The Company's mission is to contribute to the development of its customers through the innovation and competitiveness of its products and timely, reliable customer service.

2.2. Purpose of the Model

This Model, adopted pursuant to Articles 6 and 7 of the Decree, constitutes for all purposes an internal regulation of the Company.

The primary objective of the Model is to establish a structured and integrated system of management and control protocols aimed at preventing the commission of the offences provided for by the Decree and at increasing the effectiveness of the management and organisational system adopted by the Company.

More generally, the Model is intended to serve as a key awareness-raising tool for directors, managers, employees and stakeholders (suppliers, customers, business partners, etc.), who are expected to act correctly and transparently, in line with the ethical values that inspire the Company in pursuing its corporate purpose.

The provisions of this Model therefore seek to establish and promote a corporate culture based on legality, as an essential prerequisite for sustainable economic success: no unlawful conduct, even if carried out in the mistaken belief that it serves the Company's interest or provides it with a benefit, may be regarded as consistent with the policies adopted by the Company.

The Model is also intended to promote a culture of control that must govern all decision-making and operational stages of the Company's activities, with full awareness of the risks arising from the possible commission of offences.

These objectives are pursued through the adoption of measures designed to improve efficiency in the conduct of business activities and to ensure continuous compliance with the law and applicable rules, by promptly identifying and eliminating risk situations. In particular, the objective of an efficient and balanced corporate organisation capable of preventing the commission of offences is pursued primarily by acting on the processes for the formation and implementation of Company decisions, on preventive and subsequent controls, and on both internal and external information flows.

2.3. Guidelines for the preparation of the Model

In preparing this Model, the Company took into account the requirements and recommendations contained in the Confindustria Guidelines for the construction of organisational models.

In June 2021, Confindustria updated its "Guidelines for the construction of organization, management and control models pursuant to Legislative Decree 231/2001", originally approved in 2002 and amended in March 2014.

Any deviations from specific points of the Guidelines reflect the need to tailor organisational and management measures to the activities actually carried out by the Company and to the context in which it operates. This may require certain departures from the recommendations contained in industry association guidelines, which by their nature are general and are not legally binding.

As part of the continuous updating and review of the Model, the Company also takes into account developments in relevant best practices and leading international experience.

2.4. Guiding principles of the Model

The preparation of this Model is based on certain fundamental principles:

- mapping of risk areas/activities (so-called "sensitive activities"), namely those activities within which the offences provided for by the Decree may be committed, as an essential condition for an adequate preventive organisation;
- allocation of powers consistent with the organisational responsibilities assigned to the persons involved in the formation and implementation of the Company's decisions;
- transparency and traceability of every significant transaction within sensitive activities and the resulting possibility of carrying out ex post verification of corporate conduct;

- assignment to an autonomous and independent control body (the Supervisory Body) of specific duties to supervise the effective implementation of and compliance with the Model;
- dissemination throughout the Company of rules of conduct, procedures and corporate policies consistent with the principles established in the Model, and involvement of the Model Recipients in their implementation;
- the need to verify in practice the proper operation of the Model and to update it periodically on the basis of the findings emerging from its application.

2.5. Structure of the Model

The Model consists of a General Part, which describes and governs the overall operation of the organization, management and control system adopted to prevent the commission of predicate offences; eight Special Parts supplementing its content in relation to specific groups of predicate offences; and an Annex containing the list of predicate offences giving rise to the administrative liability of the entity.

Where deemed necessary to facilitate more effective coordination among the various organisational rules, the provisions contained in the Model are expressly incorporated into the relevant Company procedures.

2.6. Relationship between the Model and the Group Code of Ethics

The Almeco Group Code of Ethics sets out the principles and values that guide and inspire the Group's business activities.

The Recipients of the Code of Ethics are the directors and members of the corporate bodies of all Group companies, all employees and all persons who, directly or indirectly, on a permanent or temporary basis, establish relationships with the Almeco Group or otherwise act to pursue its objectives, in all countries in which the Group operates.

This Model, whose provisions are in all cases consistent with and compliant with the principles of the Code of Ethics, more specifically addresses the requirements of the Decree and is therefore aimed at preventing the commission of the offences falling within the scope of Legislative Decree 231/2001.

The Code of Ethics is to be regarded as a complementary element of the Model, since the provisions of the latter presuppose compliance with the former. Together, they form a systematic body of internal rules aimed at promoting a culture of corporate ethics and transparency.

Almeco has also adopted a whistleblowing reporting system compliant with Legislative Decree 24/2023, which enables its stakeholders to report not only the breaches expressly identified in Legislative Decree 24/2023, but also conduct that does not comply with this Organization, Management and Control Model and with Company requirements, under conditions of confidentiality and protection against retaliation as provided for by the applicable national and international legislation.

2.7. Organisational structure

For the purposes of implementing this Model, identifying Almeco's organisational structure is of fundamental importance. The Company's management is entrusted to a Board of Directors ("BoD") consisting of five members: the Chair, the Deputy Chair and a Chief Executive Officer ("CEO"), all vested with powers of legal representation of the Company, and two other Directors.

The BoD resolves on all matters concerning the management of the Company that are not reserved by law to the Shareholders' Meeting.

The Board of Statutory Auditors consists of three standing members appointed by the Shareholders' Meeting and two alternate members. The Board of Statutory Auditors supervises compliance with the law and the Articles of Association, compliance with the principles of proper management and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its actual functioning.

A statutory audit firm has been specifically appointed to carry out the statutory audit of the financial statements.

In addition to the management, supervisory and control bodies referred to above, the Company's organisation chart includes the following functions:

- *Managing Director (MD)*
- *Chief Financial Officer (CFO)*
- *Administration & Finance (A&F)*
- *Sales (SAL)*
- *Procurement (PROC)*
- *Human Resources (HR)*
- *Information Technology (IT)*
- *Operations (OPS)*
- *Quality (QUAL)*

2.8. Almeco's internal control and risk management system

The Company's Internal Control and Risk Management System consists of the set of rules, procedures and organisational structures designed to enable the Company, through an appropriate process for identifying, measuring, managing and monitoring key risks, to conduct its business consistently with the corporate objectives defined by the governing body.

The sources and core principles of the Company's Internal Control and Risk Management System are represented by:

- ISO 9001 certification;
- ISO 14001 certification;
- Group Code of Ethics;
- Organization, Management and Control Model pursuant to Legislative Decree 231/01;
- additional internal regulations, namely the set of Company protocols and procedures defining roles and responsibilities within the organisation, including the allocation of responsibilities for corporate risk management;
- the system of delegated authorities and powers, structured so as to assign authorisation and signing powers consistent with the organisational and management responsibilities allocated.

2.9. Protocol system for the prevention of offences

The protocol system for the prevention of offences - developed by the Company on the basis of the Confindustria Guidelines, case law and international best practices - has been implemented by applying the following to each sensitive activity:

- Principles of Conduct;
- Control Principles;
- Analysis of individual sensitive activities.

2.9.1. General Principles of Conduct

With reference to the sensitive activities identified for each category of offence, the General Prevention Principles are first translated into General Principles of Conduct, which require that:

- all transactions and the formation and implementation of Company decisions comply with the principles and requirements contained in applicable laws, the Company's constitutional documents, the Code of Ethics and Company procedures;
- Company provisions suitable for setting out principles of conduct, decision-making rules and operating methods for carrying out sensitive activities, as well as methods for filing relevant documentation, are defined and adequately communicated;
- for all transactions:
    - management, coordination and control responsibilities within the Company, as well as hierarchical reporting levels and the description of the related responsibilities, are formalised;
    - the stages involved in preparing documents and decisions are always capable of being documented and reconstructed;

- the authorisation levels applicable to the preparation of documents and decisions are always formalised and capable of being documented, in order to ensure transparency in the choices made;
- the Company adopts tools for communicating the signing powers granted so as to ensure that they are known within the Company;
- the allocation and exercise of powers within a decision-making process are consistent with positions of responsibility and with the significance and/or criticality of the underlying economic transactions;
- there is no identity of persons between those who make or implement decisions, those who are required to record the relevant transactions in the accounts, and those who are required to perform the controls on such transactions provided for by law and by the procedures forming part of the internal control system;
- access to Company data complies with applicable data protection and privacy legislation;
- access to and intervention on Company data is permitted exclusively to authorised persons;
- confidentiality in the transmission of information is ensured;
- documents relating to the formation and implementation of decisions are filed and retained by the competent function in such a manner as to prevent subsequent alteration except where such alteration is specifically evidenced. Access to archived documents is permitted only to persons authorised under internal rules, as well as to the Board of Statutory Auditors, the statutory auditor and the SB;
- monitoring activities are carried out to ensure the periodic/timely updating of powers of attorney, delegated functions and the control system, consistently with the decision-making system and the overall organisational structure.

2.9.2. Control Principles

The Control Principles are the principles on which the prevention and procedural regulation of the sensitive activities identified in the Model are based.

In particular, they include:

- **segregation of duties**: identification of the Company personnel involved in the process, in order to ensure the independence and objectivity of processes;
- **traceability of activities**, i.e. provision for methods of filing relevant documentation so that the process through which the relevant sensitive activity was carried out can be verified ex post;
- **formalisation of delegated authorities/powers of attorney** and, therefore, of a system of signing and representation powers that is consistent with the assigned organisational and management responsibilities and is clearly defined and known within the Company;

- **existence of specific procedures/guidelines/operating practices**, i.e. formalised Company provisions or operating practices suitable for providing principles of conduct and operating methods for carrying out sensitive activities;
- **additional safeguards** specifically adopted by the Company to supplement and implement those listed above.

2.9.3. Analysis of individual sensitive activities

Within the Special Parts of the Model, the General Principles of Conduct and Control Principles are tailored to each sensitive activity by reference to the existing Company practices and procedures and to the control safeguards adopted by the Company to reduce the risks of unlawful conduct.

2.10. Criteria for adopting the Model

The adoption and subsequent updates of the Model, in accordance with the provisions of the Decree and taking into account the Confindustria Guidelines approved by the Italian Ministry of Justice, involved the development of specific analyses to identify Company areas exposed to the risk of commission of the offences concerned.

In particular, these analyses were carried out as follows:

- analysis of the Company's organisational structure, as represented in the organisation chart showing roles and hierarchical and functional reporting lines;
- analysis of Company activities on the basis of information collected from the heads of the principal Company functions, who have the broadest and most in-depth knowledge of the operations of their respective areas of responsibility;
- sharing with management of the findings emerging from the interviews conducted;
- analysis of the Company's body of internal rules and of the control system in general;
- analysis of the system of powers and delegated authorities.

2.11. Offences relevant to the Company

The adoption of the Model, as a tool capable of guiding the conduct of persons operating within the Company and promoting conduct based on legality and integrity at all levels of the organisation, has a positive impact on the prevention of any offence or unlawful act provided for by the legal system.

However, in order to comply with the specific provisions of the Decree and taking into account the analysis of the Company's context and sensitive activities, the offences for which specific Special Parts have been prepared, as set out in Annex 1 to this General Part, are considered relevant and are therefore specifically addressed in the Model. Reference is made to that Annex for their precise identification.

For all offences not expressly referred to in the Special Parts of this Model, the risk analysis has shown that they are not applicable to the Company in light of the type of activities carried out and the organisational structure in place. With regard to those categories of offences, the safeguards defined by the Company's Control System as a whole, together with the rules of conduct contained in the Code of Ethics, nevertheless operate as preventive measures.

2.12. Recipients of the Model

The rules contained in this Model apply first and foremost to persons performing representative, administrative or management functions within the Company or one of its organisational units having financial and functional autonomy, as well as to all Company employees, including those working abroad.

The general principles of the Model also apply, to the extent relevant within the limits of the existing relationship, to persons who, although not belonging to the Company, act under mandate or on behalf of the Company or are otherwise linked to the Company by legal relationships relevant to the prevention of offences.

The Recipients of the Model are required to comply with the utmost integrity and diligence with all provisions and protocols contained therein, as well as with all procedures implementing them.

2.13. Adoption, amendments and additions to the Model

The BoD has exclusive authority to adopt, amend and supplement the Model. Within the powers granted to it pursuant to Article 6(1)(b) and Article 7(4)(a) of the Decree, the SB may submit proposals to the BoD for updating and adapting this Model and must promptly report in writing, or at least in the six-monthly report referred to in Section 3.6.1 - "Reporting to corporate bodies (Information flows to and from the Supervisory Body)", any facts, circumstances or organisational deficiencies identified during its supervisory activities that indicate the need or advisability of amending or supplementing the Model.

In all cases, the Model must be promptly amended or supplemented by the BoD, including upon proposal and in any event after consulting the SB, where any of the following occur:

- breaches or circumvention of the provisions of the Model demonstrating its ineffectiveness or inconsistency for the purposes of preventing offences;
- significant changes to the Company's internal structure and/or to the manner in which business activities are carried out;
- changes in legislation.

Amendments, updates or additions to the Model are promptly communicated to the SB.

The operating procedures adopted to implement this Model are amended by the competent Company functions where they prove ineffective for the proper implementation of the provisions of the Model. The competent Company functions are also responsible for making any amendments or additions to operating procedures necessary to implement any revisions to this Model.

The SB is promptly informed of the updating and implementation of new operating procedures.

3. THE SUPERVISORY BODY

3.1. Function

In compliance with Article 6(1)(b) of the Decree, a specific body (the SB) is established with the task of continuously supervising the effective operation of and compliance with the Model and ensuring that it is updated, by proposing amendments and/or additions to the CEO whenever necessary pursuant to Section 2.14 - "Adoption, amendments and additions to the Model".

3.2. Requirements

The members of the SB must meet the integrity, professionalism, autonomy and independence requirements set out in this Model. The SB must perform the functions assigned to it while ensuring the necessary continuity of action.

3.2.1. Integrity

The members of the SB are selected from among persons meeting the integrity requirements laid down by Ministerial Decree No. 162 of 30 March 2000 for members of the Board of Statutory Auditors of listed companies, adopted pursuant to Article 148(4) of the Italian Consolidated Law on Finance (TUF).

3.2.2. Professionalism

The SB must be composed of persons with specific expertise in inspection activities, control system analysis and legal matters (in particular criminal law), so as to ensure the presence of professional skills appropriate to the performance of its functions. Where necessary, the SB may also make use of external expertise and support in order to obtain specific specialist knowledge.

3.2.3. Autonomy and independence

In performing its functions, the SB operates with autonomy and independence.

The SB has autonomous spending powers on the basis of an annual budget approved by the CEO upon proposal of the SB itself. In any event, the SB may request an increase in the funds allocated where they are insufficient for the effective performance of its duties, and may independently extend its spending authority in exceptional or urgent circumstances, which will subsequently be reported to the CEO.

The activities carried out by the SB may not be subject to review or interference by any other Company body or organisational unit.

In performing their functions, the members of the SB must not be in any actual or potential conflict of interest arising for any personal, family or professional reason. In such circumstances, they must immediately inform the other members of the SB and abstain from participating in the relevant decisions. Such circumstances are reported in the report referred to in Section 3.6.1 - "Reporting to corporate bodies (Information flows to and from the Supervisory Body)".

3.2.4. Continuity of action

The Supervisory Body is required to continuously supervise, using its investigative powers, compliance with the Model by the Recipients and to oversee its implementation and updating.

3.3. Composition, appointment and term of office

The SB is a collegial body composed of two members.

The SB is appointed by the Company's BoD by means of a reasoned resolution confirming that the integrity, professionalism, autonomy and independence requirements are met.

Upon accepting their appointment, after reviewing the Model and formally adhering to the Code of Ethics, the members of the SB undertake to perform the functions assigned to them while ensuring the necessary continuity of action and to immediately notify the BoD of any event that may affect their continued satisfaction of the above requirements.

Following appointment of the SB, at least once a year the Company's BoD verifies that the individual requirements applicable to the members of the SB and to the SB as a whole continue to be met.

If a member of the SB ceases to meet the individual requirements, that member immediately ceases to hold office. In the event of disqualification, death, resignation or removal, the BoD promptly replaces the member who has ceased to hold office.

In order to ensure its full autonomy and independence, the powers of the SB are granted for an indefinite term and cease in the event of: termination of the working or professional relationship with Almeco; reasoned resignation from office, subject to assessment by the BoD; subsequent inability to perform the appointment; reasoned removal by the BoD; or failure to fulfil the duties established by law and by the Model.

If a member of a collegial Supervisory Body ceases to hold office, the remaining member or members remain in office and the BoD must appoint a new member as soon as possible.

3.4. Disqualification and removal

In the event of disqualification, death, resignation or removal of a member of the SB, the BoD promptly replaces the member who has ceased to hold office.

A person who is legally disqualified, incapacitated, bankrupt, or who has been convicted, even by a judgment that is not final, of an offence carrying disqualification, including temporary disqualification, from public office or incapacity to hold management positions may not be appointed as a member of the Supervisory Body and, if appointed, ceases to hold office. The same applies to any person who has been convicted, including by a non-final judgment or by a judgment applying a sentence upon request of the parties pursuant to Article 444 of the Italian Code of Criminal Procedure (so-called plea-bargaining judgment), for having committed one of the Offences provided for by the Decree.

A member of the SB may be removed only for just cause, by resolution of the BoD after obtaining the opinion of the Board of Statutory Auditors. "Just cause" means serious negligence in the performance of the duties associated with the appointment, including, among other things:

- failure to notify the BoD of a conflict of interest that prevents the person from continuing to serve as a member of the SB;
- breach of confidentiality obligations concerning facts and information acquired in the performance of the functions of the Supervisory Body.

If removal occurs without just cause, the removed member may request immediate reinstatement in office.

The following, on the other hand, constitute grounds for disqualification of the Supervisory Body:

- a finding of serious failure by the Supervisory Body to perform its verification and control duties;
- a judgment of conviction (or plea-bargaining judgment), even if not final, for one of the predicate offences provided for by the Decree or, in any event, a judgment of conviction (or plea-bargaining judgment), even if not final, imposing a sentence entailing disqualification, including temporary disqualification, from management positions in legal entities or businesses;

- the imposition of a sanction by CONSOB for one of the administrative market abuse violations referred to in the Italian Consolidated Law on Finance (TUF).

Any subsequent reversal of a non-final judgment of conviction (or plea-bargaining judgment) removes the ground of ineligibility but does not affect the disqualification from office that has already occurred.

A member may resign from the appointment at any time by giving at least 30 days' written notice to the BoD by registered letter with return receipt.

3.5. Duties and powers

The SB has autonomous powers of initiative and control within the Company sufficient to enable the effective performance of the duties provided for in the Model. To this end, the SB adopts its own operating rules through specific Rules of Procedure (the "SB Rules of Procedure"), which are communicated to the BoD.

The SB has no management or decision-making powers in relation to the conduct of the Company's activities, no organisational powers or powers to modify the corporate structure, and no sanctioning powers.

The SB is responsible for supervising the operation of and compliance with the Model and for ensuring that it is updated. For these purposes, the SB is assigned the following duties and powers:

- verify the efficiency, effectiveness and adequacy of the Model in preventing the commission of the offences provided for by the Decree and promptly propose any necessary updates to the BoD in accordance with Section 2.14 - "Adoption, amendments and additions to the Model";
- verify, on the basis of the analysis of information flows and reports received pursuant to Sections 3.6.2 - "Reporting to the Supervisory Body" and 3.6.3 - "Information between Supervisory Bodies within the Group (Information flows to and from the Supervisory Body and reports)", compliance with the rules of conduct, prevention protocols and procedures provided for by the Model, identifying any deviations in conduct;
- carry out periodic inspection activities in accordance with the methods and deadlines specified in the SB Rules of Procedure and detailed in the SB Audit Plan, which is communicated to the BoD;
- promptly propose to the body or function vested with disciplinary authority the application of the sanctions referred to in Section 4 - "Sanctioning system";
- monitor the development of staff training programmes concerning the Almeco Model, as referred to in Section 5.2 - "Training (Communication and training)";
- report to the corporate bodies in accordance with Section 3.6.1 - "Reporting to corporate bodies (Information flows to and from the Supervisory Body and reports)";

- freely access any organisational unit, without prior notice, to request and obtain information, documentation and data deemed necessary for the performance of the duties provided for by the Model;
- access all information concerning sensitive activities, as more fully listed in the Special Parts of the Model;
- request information or the production of documents concerning sensitive activities, where necessary, from the Directors, the Board of Statutory Auditors and the Statutory Audit Firm;
- request information or the production of documents concerning sensitive activities from collaborators, consultants, agents and external representatives of the Company and, more generally, from all persons required to comply with the Model, provided that such power is expressly set out in the contracts or mandates governing the relationship between the external party and the Company;
- receive, for the purpose of performing its supervisory duties regarding the operation and implementation of the Model, the information provided for in accordance with Section 3.6.2 - "Reporting to the Supervisory Body";
- make use of the assistance and support of external consultants for particularly complex matters or matters requiring specific expertise.

The SB performs its functions in coordination, where deemed appropriate, with the relevant Company functions in relation to the interpretation and monitoring of the regulatory framework and specific matters governed by sector legislation. The SB also coordinates with the Company functions involved in sensitive activities in relation to all aspects concerning the implementation of the operating procedures giving effect to the Model.

With reference to the Company's operating units, the SB:

- verifies the effective implementation of and compliance with the Model in accordance with a periodic audit plan approved by the SB itself;
- supervises the dissemination of the Model to any Almeco employees on secondment.

The members of the SB, as well as any persons whose services the SB uses in any capacity, are required to maintain confidentiality with respect to all information of which they become aware in the performance of their functions.

The SB performs its functions in compliance with applicable laws and with the individual rights of employees.

3.6. Information flows to and from the Supervisory Body and reports

3.6.1. Reporting to corporate bodies

The SB reports to the BoD unless otherwise provided in this Model.

Whenever it deems appropriate, and in accordance with the procedures set out in its Rules of Procedure, the SB informs the Chair of the BoD of significant circumstances and matters relating to its office or of any urgent critical issues concerning the Model that emerge during supervisory activities.

The SB prepares an annual written report to the BoD and the Board of Statutory Auditors containing at least the following information:

- a summary of the activities carried out by the SB during the six-month period;
- a description of any issues that have arisen in relation to the operating procedures implementing the provisions of the Model;
- a description of any newly identified sensitive activities;
- a summary of reports received from internal and external parties, including matters directly identified by the SB, concerning alleged breaches of the provisions of this Model, the prevention protocols and the related implementing procedures, together with the outcome of the resulting checks. In the event of breaches of the Model by a member of the BoD or the Board of Statutory Auditors, the SB makes the notifications referred to in Section 4.1 - "General Principles (Sanctioning system)";
- information concerning any commission of offences relevant for the purposes of the Decree;
- disciplinary measures and sanctions, if any, applied by the Company in relation to breaches of the provisions of this Model, the prevention protocols and the related implementing procedures;
- an overall assessment of the operation and effectiveness of the Model, including any proposals for additions, corrections or amendments;
- reporting of any changes in the regulatory framework and/or significant changes in the Company's internal structure and/or the manner in which its business activities are carried out that require an update of the Model;
- reporting of any actual or potential conflict of interest referred to in Section 3.2.3 - "Autonomy and independence (Supervisory Body - Requirements)";
- an account of expenses incurred.

3.6.2. Reporting to the Supervisory Body

All Recipients of the Model provide the SB with any information useful for facilitating checks on the proper implementation of the Model. In particular:

- where Recipients of the Model identify areas for improvement in the definition and/or application of the prevention protocols set out in this Model, they promptly prepare and submit to the SB a memorandum describing the reasons underlying the identified areas for improvement;

- all employees and members of the Company’s corporate bodies may request clarification from the SB regarding the correct interpretation/application of this Model, the prevention protocols and the related implementing procedures.

In order to ensure full compliance with the provisions above, the email address organismo.vigilanza@almecogroup.com has been established for communications to the SB by employees, members of the Company’s corporate bodies and external collaborators.

Reports relating to the actual or alleged commission of offences under the Decree, as well as any actual or alleged breach of the Model or of the procedures established to implement it, are instead governed by the Whistleblowing Procedure described in the following section.

3.6.3. Whistleblowing Procedure

In compliance with European legislation on whistleblowing and the protection of reporting persons (EU Directive 2019/1937), as well as the national legislation introduced by Legislative Decree 24/2023, Almeco has adopted a whistleblowing reporting system in order to prevent and address potential unlawful conduct in the workplace and, in particular, to provide specific protection to any person wishing to report wrongdoing (hereinafter the “Reporting Person”), so that such person may act without fear of suffering adverse consequences.

Unlawful conduct may be reported using the internal channel identified by the Company, namely the dedicated “VarWhistle” online platform, accessible through the Company website and at the following link: VarWhistle (varhub.it).

Management of the internal reporting channel is entrusted to the members of the Supervisory Body (SB), hereinafter the “Report Managers”, as persons authorised by the Data Controller to become aware of the reported unlawful conduct for the purpose of taking any actions required to strengthen measures for the prevention of wrongdoing.

Alternatively, where use of the VarWhistle platform is not possible, the second internal reporting channel made available by the Company may be used by sending a written communication by ordinary mail for the attention of the Report Managers at […].

In this case, the documentation must be placed in two sealed envelopes, with no indication of the sender, marked “CONFIDENTIAL - FOR THE ATTENTION OF THE REPORT MANAGER”.

The Reporting Person may also submit a Report anonymously.

The Company has implemented technical and organisational security measures designed to ensure the highest level of confidentiality, integrity and availability of personal data. Accordingly, the identity of the Reporting Person, the content of the report and the related documentation will be kept confidential at every stage of the report-handling process, so that the Reporting Person is not subject to any direct or indirect discrimination or pressure, as specifically provided for by the applicable legislation.

Through its internal communication channels, the platform enables the Report Managers to communicate with the Reporting Person and to provide updates on the progress of any investigation that has been initiated, while ensuring the confidentiality of the Reporting Person's identity at all times.

The report must concern exclusively unlawful conduct governed by this 231 Model and may therefore not be used by the Reporting Person to submit, for example, personal grievances relating to the employment relationship.

In addition to protection of the confidentiality of their identity, the Reporting Person is also protected against any retaliatory or discriminatory conduct, act or omission, including attempted or threatened conduct, carried out as a result of the report.

It should be noted that these protections do not apply where the Reporting Person's criminal liability for defamation or false accusation, or civil liability on the same grounds in cases of wilful misconduct or gross negligence, has been established. In such cases, the Reporting Person may be subject to disciplinary action.

The Reporting Person is entitled to use the external reporting channel made available by ANAC in the following cases:

- where mandatory activation of an internal reporting channel is not required in the relevant work context, or where such channel, although mandatory, has not been activated or, if activated, is not compliant;
- the report submitted through the internal channel has not been followed up;
- the internal reporting channel may not be effective or may expose the Reporting Person to a risk of retaliation;
- the Reporting Person has reasonable grounds to believe that the breach may constitute an imminent or manifest danger to the public interest (for example, protection of people's health and safety, environmental protection, etc.).

4. SANCTIONING SYSTEM

4.1. General principles

The sanctioning system described below is an autonomous system of measures designed to ensure compliance with and effective implementation of the Model, reflecting the Company's firm intention to pursue any breach of the rules established for the proper conduct of its business activities. The application of the sanctions established by the Model neither replaces nor presupposes the imposition of any additional sanctions of a different nature (criminal, administrative or tax-related) that may arise from the same conduct. However, where the breach also constitutes an alleged criminal offence under investigation by the Judicial Authority and the Company is unable, using the investigative tools available to it, to reach a clear reconstruction of the facts, it may await the outcome of the judicial investigation before adopting a disciplinary measure.

Compliance with the provisions of the Model applies within employment contracts of any type and nature, including those with managers, project-based contracts, part-time contracts, etc., as well as collaboration agreements falling within the category of quasi-subordinate employment relationships.

Disciplinary proceedings are initiated at the request of the SB, which also performs an advisory role throughout the proceedings.

In particular, upon becoming aware of an actual or alleged breach of the Model, the SB immediately initiates the necessary investigations while ensuring the confidentiality of the person concerned by the proceedings.

If a breach by a Company employee (meaning any person employed by the Company under an employment relationship) is established, the SB immediately informs the person or function vested with disciplinary authority.

If the breach concerns a senior person of the Company, the SB must notify both the person or function vested with disciplinary authority and the CEO.

If the breach concerns the CEO, the SB must immediately notify the Chair of the Board of Statutory Auditors by written report.

In the event of a breach by a member of the Board of Statutory Auditors, the SB must immediately notify the CEO and the Board of Statutory Auditors, through its Chair if the Chair is not directly involved, by written report.

If a breach is committed by collaborators or external parties acting under mandate from the Company, the SB informs the CEO by written report.

The bodies or functions vested with disciplinary authority initiate the proceedings within their respective remit for the purpose of raising the relevant charges and, where appropriate, applying sanctions.

Sanctions for breaches of the provisions of this Model are adopted by the bodies having authority under the powers and responsibilities assigned to them by the Company’s Articles of Association or internal regulations.

4.2. Breach of the Model

Any breach, including by omission and whether committed alone or jointly with others, of the provisions of this Model, the Prevention Principles and Protocols and the related implementing procedures, as well as any breach of the provisions of the Code of Ethics, constitutes a violation.

The following are examples, without limitation, of conduct constituting a violation:

- preparing documentation required by this Model, the General Principles of Conduct, the Prevention Protocols and the related implementing procedures in an incomplete or untruthful manner;
- facilitating the preparation by others, in an incomplete or untruthful manner, of documentation required by this Model, the Prevention Protocols and the related implementing procedures;
- failure to prepare the documentation required by this Model, the Prevention Protocols and the implementing procedures;
- breach or circumvention of the control system provided for by the Model, by any means whatsoever, including, for example, removal, destruction or alteration of documentation produced, obstruction of controls, or preventing persons responsible for reviewing procedures and decisions from accessing information and documentation;
- failure to provide the SB with the required information;
- breach or circumvention by senior persons of their supervisory obligations in relation to the activities of persons subject to their direction or supervision;
- breach of the obligations relating to participation in training programmes referred to in Section 5.2 - "Training (Communication and training)".

4.3. Sanctions and disciplinary measures

4.3.1. Sanctions applicable to employees

The Model constitutes a body of rules with which Company employees must comply, also pursuant to Articles 2104 and 2106 of the Italian Civil Code and the applicable National Collective Bargaining Agreements (hereinafter "NCBAs") governing standards of conduct and disciplinary sanctions. Accordingly, any conduct by employees in breach of the provisions of the Model and its implementing procedures constitutes a breach of the primary obligations arising from the employment relationship and therefore a disciplinary violation, potentially resulting in the initiation of disciplinary proceedings and the application of the relevant sanctions.

With respect to employees classified as blue-collar workers, white-collar employees and middle managers, the measures provided for by the respectively applicable NCBAs apply, in compliance with the procedures set out in Article 7 of Law No. 300 of 20 May 1970 (the Italian Workers' Statute).

For the purposes of this Section, employment relationships with employees working abroad, including on secondment, are governed, within EU Member States, by the provisions of the Convention on the law applicable to contractual obligations, opened for signature in Rome on 19 June 1980 and, for contracts concluded after 17 December 2009, by EC Regulation No.

593/08 on the law applicable to contractual obligations, and, outside that scope, by the applicable local laws.

In accordance with the principles of graduality and proportionality, the type and severity of the sanctions that may be imposed will be determined on the basis of the following criteria:

- seriousness of the breaches committed;
- duties and functional position of the persons involved in the events;
- intentional nature of the conduct or degree of negligence, imprudence or lack of skill;
- the employee’s overall conduct, with particular regard to whether there are any previous disciplinary sanctions, within the limits permitted by law and by the applicable NCBA;
- any other specific circumstances accompanying the disciplinary violation.

On the basis of the above principles and criteria:

- verbal warnings, written warnings, fines and suspension from work and pay will apply where an employee breaches the provisions of the Model or otherwise engages, in carrying out their activities, in conduct that does not comply with the requirements of the Model and/or breaches Article 2104 of the Italian Civil Code. In particular, a fine not exceeding the equivalent of four hours’ pay will normally apply. In more serious cases, or in the event of repeated breaches of the type described above that do not justify dismissal, suspension from work and pay for up to ten days may be imposed, while in less serious cases a verbal or written warning may be issued;
- dismissal with notice (for justified reason) will apply where, in carrying out their activities, an employee engages in conduct that does not comply with the requirements of this Model or the Code of Ethics and that constitutes a significant breach of contractual obligations or conduct seriously detrimental to production activities, work organisation and their proper functioning;
- dismissal without notice (for just cause) will apply to the same breaches referred to in the preceding point where, however, they are particularly serious or involve repeated misconduct by the person concerned;
- a reduction, in whole or in part, of the variable component of remuneration, where awarded to an employee upon achievement of specified performance targets, may be applied in the event of serious breaches of the Model or Code of Ethics committed in the course of activities whose outcome determines the amount of the variable remuneration component (i.e. sales activities on which sales personnel remuneration depends).

4.3.2. Sanctions applicable to managers

The management employment relationship is characterised by a particularly strong element of trust. A manager’s conduct not only has repercussions within the Company, where it serves as a model and example for all those who work there, but also affects the Company’s external image. Compliance by Company managers with the requirements of the Model and the related implementing procedures is therefore an essential element of the management employment relationship.

Where a manager has breached the Model or the procedures established to implement it, the function vested with disciplinary authority initiates the relevant proceedings to raise the applicable charges and apply the most appropriate sanctions, in accordance with the applicable managers' NCBA and, where necessary, in compliance with the procedures under Article 7 of Law No. 300 of 30 May 1970.

Sanctions must be applied in accordance with the principles of graduality and proportionality having regard to the seriousness of the conduct and the degree of fault or any wilful misconduct. When the charges are raised, any powers of attorney granted to the person concerned may be revoked as a precautionary measure, up to and including termination of the relationship where the breaches are so serious as to undermine the relationship of trust with the Company.

As a further sanction that may be imposed on a manager whose remuneration includes a variable component linked to achievement of specified performance targets, the variable remuneration component may be reduced, in whole or in part, in the event of serious breaches of the Model or Code of Ethics committed in the course of activities whose outcome determines the amount of that variable component.

4.3.3. Sanctions applicable to directors

The Company assesses with the utmost rigor any breach of this Model committed by persons holding senior positions within the Company, who, by reason of their roles, are particularly able to influence the Company's ethical culture and to guide the conduct of those working within the Company towards the values of integrity, legality and transparency.

Where directors have breached the Model or the procedures established to implement it, the Shareholders' Meeting may, in accordance with the principles of graduality and proportionality having regard to the seriousness of the conduct and the degree of fault or any wilful misconduct, adopt any appropriate measure permitted by law, including the following sanctions:

- formal written warning;
- financial sanction equal to two to five times the monthly remuneration;
- total or partial revocation of any powers of attorney.

As a further sanction that may be imposed on a director whose remuneration includes a variable component linked to achievement of specified performance targets, the variable remuneration component may be reduced, in whole or in part, in the event of serious breaches of the Model or Code of Ethics committed in the course of activities whose outcome determines the amount of that variable component.

In the most serious cases and, in any event, where the breach is such as to undermine the Company's trust in the person responsible, the Shareholders' Meeting considers removal from office.

4.3.4. Sanctions applicable to statutory auditors

Where the breach is committed by one or more statutory auditors, the SB must immediately notify the CEO and the Board of Statutory Auditors, through its Chair if the Chair is not directly involved, by written report.

The recipients of the SB's report may take the appropriate measures in accordance with the Articles of Association, including, for example, convening the Shareholders' Meeting in order to adopt the most appropriate measures provided for by law.

Where the breaches constitute just cause for removal, the CEO proposes that the Shareholders' Meeting adopt the measures within its authority and carries out any further requirements provided for by law.

4.3.5. Sanctions applicable to third parties

With regard to collaborators or external parties acting under mandate from the Company, as referred to in Section 2.13 - "Recipients of the Model", the Company has established specific safeguard clauses applicable in the event of breaches by such parties of the Code of Ethics and the general principles of the Model, to the extent applicable.

For more serious breaches, and in any event where the breach is such as to undermine the Company's trust in the responsible party, such clauses may provide for termination of the relationship.

5. COMMUNICATION AND TRAINING

5.1. Communication

The Company ensures that all employees and all persons performing management, administration, direction and control functions have appropriate knowledge of this Model and that it is adequately disseminated.

The Model is communicated to all Company personnel and to all members of the corporate bodies through the communication channels deemed most appropriate.

Appropriate methods are also established to provide evidence that Company personnel have received the Model.

Specific methods of communicating the Model are provided for external parties who are Recipients of the Model pursuant to Section 2.13 - "Recipients of the Model". Contracts governing relationships with such parties must clearly allocate responsibilities concerning compliance with the Company's corporate policies and acceptance of the general principles of the Model.

5.2. Training

The Company undertakes to implement training programmes designed to ensure effective knowledge of the Model by employees and members of the corporate bodies.

The training programmes cover the Decree and the relevant regulatory framework, the Code of Ethics and this Model. The level of training is tailored, with different degrees of detail, according to the position of the Recipients and their different levels of involvement in sensitive activities.

Training initiatives may also be delivered remotely using IT systems (e.g. videoconferencing, e-learning).

The SB verifies the adequacy of the training programmes, the methods of implementation and the results.

Participation in the training programmes referred to in this Section is mandatory. Failure to comply with these obligations constitutes a breach of the Model and is therefore subject to the provisions of Section 4 - "Sanctioning system".