DEKO S.R.L.

Registered office in Milan
(MI) Via Carducci Giosuè, 26
Chamber of Commerce of Milan, R.E.A. no. 1992102
Tax Code and Companies Register no.04291320960

MODEL OF ORGANIZATION, MANAGEMENT AND CONTROL

pursuant to Article 6, paragraph 3, of Legislative Decree of 8 June 2001, no. 231
"Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality"

Model of Organization, Management and Control pursuant to Legislative Decree No. 231/01
General Part

LIST OF REVISIONS			
REV	**DATE**	**NATURE OF CHANGES**	**APPROVAL**
01		**Adoption**	**Management Body**

COPYRIGHT AND CONFIDENTIALITY

Any amendments to this document are linked to the circumstances specified hereinafter and are subject to the necessary approval of the Management Body.

Prepared by:
CERVED Legal Services

TABLE OF CONTENTS

1 INTRODUCTION

1.1 Reasons for the Adoption of the Model

DEKO S.r.l. *(hereinafter "DEKO" or the "Company"),* mindful of the need to promote and consolidate a culture of transparency and integrity, and aware of the importance of ensuring conditions of fairness in the conduct of business and in corporate activities in order to safeguard its own position and image as well as the expectations of its Shareholders, has adopted a "Model of Organization, Management and Control" *(hereinafter the "Model" or "MOGC")* in line with the provisions of Legislative Decree of 8 June 2001, no. 231, as subsequently amended and supplemented *(hereinafter the "Decree" or the "Law").*

The Company believes that the adoption of this Model, together with the simultaneous issuance of the Code of Ethics[1], represents, beyond the requirements of the law, a further effective tool for raising awareness among all employees and all those who, in various capacities, collaborate with DEKO, in order to ensure that, in the performance of their activities, they adopt correct and transparent conduct consistent with the ethical and social values that inspire the Company in pursuing its corporate purpose, and in any case such as to prevent the risk of commission of the offences contemplated by the Decree.

1.2 Company Profile

Deko S.r.l. is a company founded in 2004 by Pierino Brunelli, a chemical expert with experience in the field of non-stick coatings for cookware and other industrial applications.

In 2004, Pierino Brunelli founded Deko S.r.l. and, driven by strong entrepreneurial passion and drawing on the know-how and refined expertise in the cookware field acquired over time, within a few years enabled Deko S.r.l. to establish itself among the world's leading companies in the production of non-stick coatings for cookware and for other industrial applications.

Deko S.r.l. represents a fine example of Italian entrepreneurship that grows through talent, passion and the quality of the finished product.

The Company specializes in the study and development of non-stick coatings, both for the cookware sector and for other industrial applications.

Deko S.r.l. stands out for its innovative approach, technical know-how and ability to offer customized solutions, focusing on quality and customer service.

The Company is engaged in the development, production and marketing of innovative solvent-based and water-based coatings, applied to the internal and external surfaces of cookware in order to provide various properties, including non-stick performance, thermal resistance and abrasion resistance. All Deko products comply with the most stringent international regulations on Food Contact and environmental protection and exceed customers' quality controls and standards; therefore, Deko confirms itself among the most important cookware producers worldwide.

The Company invests in research and development, focusing on new technologies and innovative solutions for its products.

1 Cfr. Allegato nr. 1 del presente MOGC.

Deko S.r.l. boasts a highly qualified technical team and specific know-how in the field of non-stick coatings.
Each product manufactured by the Company is distinguished by its own technical characteristics; moreover, all production is oriented toward environmental protection and workplace safety.
The distinguishing features of the Company are therefore innovation and eco-sustainability, principles that consistently guide every stage of processing.
Deko S.r.l. stands out for its ability to offer customized products, ensuring quality, fast delivery times and customer service attentive to client needs; thanks to its expertise and quality, Deko S.r.l. operates both in Italy and abroad.

1.3 The Company's *Governance* Model

The Company has adopted a traditional governance system consisting of a **Sole Director**, in the person of Dr. **Chiara Brunelli**.
The Sole Director is responsible for the ordinary and extraordinary management of the Company and may therefore undertake any action deemed appropriate in order to pursue the Company's corporate purpose, with the exception of matters that, under the Law or the current Articles of Association, are expressly reserved to the exclusive competence of the Shareholders' Meeting and/or the Majority and/or Minority Shareholder.
The Sole Director is vested with the power of legal representation of the Company (both extrajudicial and judicial) vis-à-vis third parties and in court, with the related power of signature.
Supervision over management and statutory auditing of the accounts are entrusted respectively to the Board of Statutory Auditors and to an external Audit Firm.
The share capital of Deko S.r.l. amounts to €1,000,000.00 and is owned by Equilybra S.p.A. and Cordusio Società Fiduciaria S.p.A., according to the value of their respective shareholdings as resulting from the Chamber of Commerce register extract.

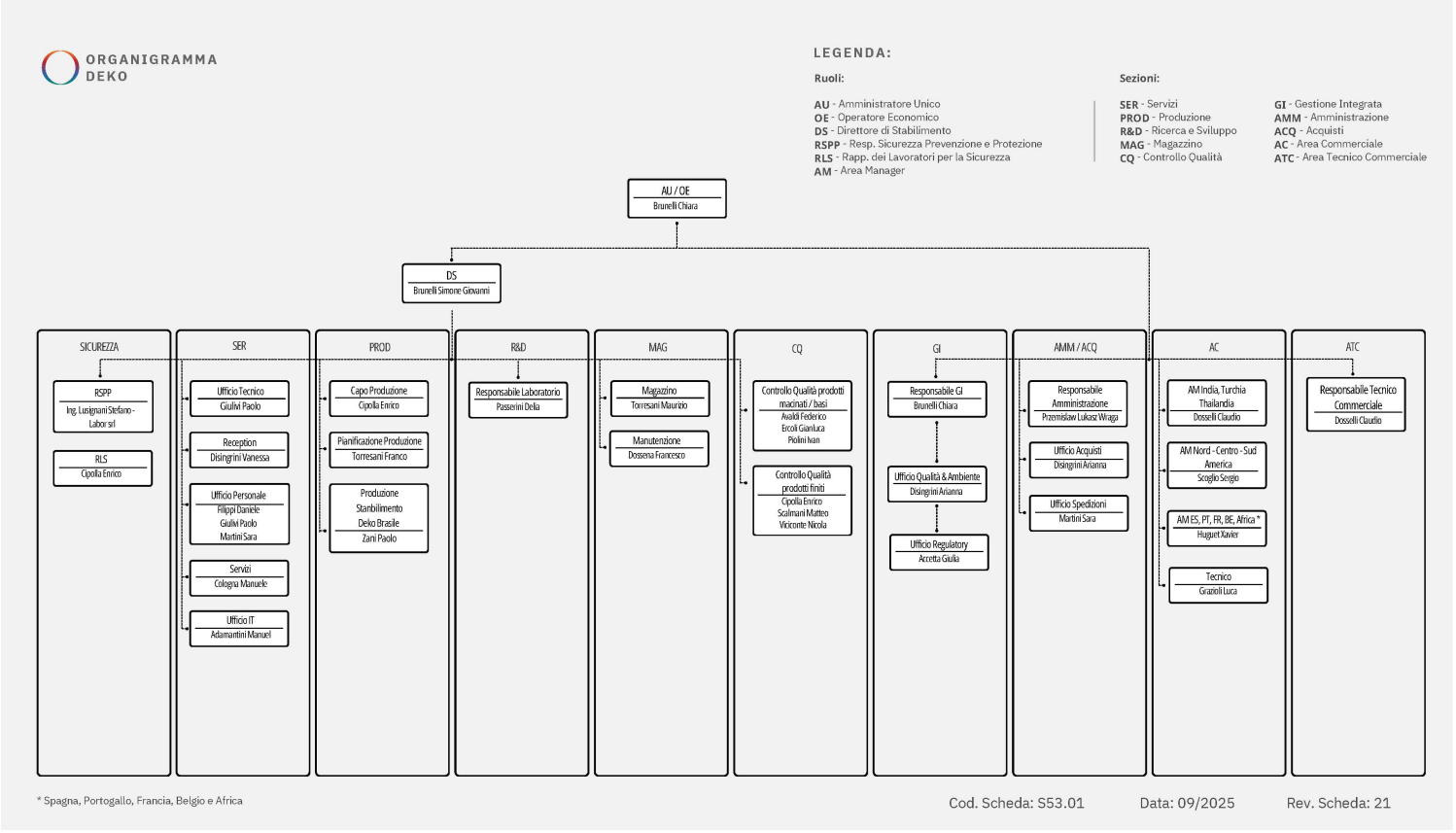
1.4 Organizational Structure

The organizational structure of Deko S.r.l. is characterized by the presence of the following corporate areas and operational functions, which report hierarchically to the Management Body:

- Governance;
- Plant Manager;
- Safety;
- Services;
- Production;
- Research and Development;
- Warehouse;
- Quality Control;
- Integrated Management;
- Administration;
- Purchasing;
- Commercial Area;

- Technical Commercial Area.

The Company's structure described above is represented in the corporate organization chart[2], which is attached to this General Part.



1.5 Certifications

As part of the improvement of its processes, the Company has obtained the following certifications:

1) UNI EN ISO 9001:2015 "Quality Management System", aimed at certifying the compliance of the Company's processes with internationally recognized Quality standards for the scope
"Research and development, production (through grinding and mixing phases), marketing and technical assistance of special coatings and other decorative coatings in the cookware and industrial sectors",
such system being functional for the purposes of preventing the offences referred to in Legislative Decree No. 231/2001;

[2] Cfr. Allegato nr. 2 del presente MOGC.

2) UNI EN ISO 14001:2015 "Environmental Management System", aimed at certifying the compliance of the Company's processes with internationally recognized standards for environmental protection for the scope
"Research and development, production (through grinding and mixing phases), marketing and technical assistance of special coatings and other decorative coatings in the cookware and industrial sectors",
such system being functional for the purposes of preventing the offences referred to in Legislative Decree No. 231/2001.

1.6 Guidelines

For the purposes of drafting this Model, Deko S.r.l. has applied the provisions of the Decree and the *"Guidelines for the construction of models of organization, management and control"* drawn up by *Confindustria* and submitted to the Ministry of Justice, which received final approval from the Steering Committee on 21 July 2014, as they were deemed suitable for achieving the purpose set out in Article 6, paragraph 3, of Legislative Decree No. 231/2001.
Furthermore, in drafting this Model, the Company – as will be further explained below – took into account Circular No. 83607/2012, vol. III, issued by the Guardia di Finanza, as well as all other relevant documentation.
Lastly, in preparing this Model, consideration was also given to the international principles developed within the framework of the so-called *Global Compact Network Italia (GCNI)*, fully compliant with Legislative Decree No. 231/2001.
In particular, the *Global Compact* encourages companies worldwide to create an economic, social and environmental framework capable of promoting a sound and sustainable global economy that ensures everyone the opportunity to share in its benefits.
To this end, the Global Compact requires companies and organizations that adhere to it to share, support and apply, within their sphere of influence, a set of fundamental principles relating to human rights, labor standards, environmental protection and the fight against corruption.
These principles are universally shared, as they derive from the Universal Declaration of Human Rights, the ILO Declaration, the Rio Declaration and the United Nations Convention against Corruption.

Human Rights	***Principle I***	Businesses are required to support and respect the protection of internationally proclaimed human rights within their respective spheres of influence.
	Principle II	Ensure that they are not, even indirectly, complicit in human rights abuses.
Labour	***Principle III***	Businesses are required to uphold the freedom of association of workers and recognize the right to collective bargaining.
	Principle IV	The elimination of all forms of forced and compulsory labour.

	Principle V	The effective abolition of child labour.
	Principle VI	The elimination of discrimination in respect of employment and occupation.
Environment	***Principle VII***	Businesses are required to support a precautionary approach to environmental challenges;
	Principle VIII	Undertake initiatives to promote greater environmental responsibility; and
	Principle IX	Encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	***Principle X***	Businesses commit to combating corruption in all its forms, including extortion and bribery.

2. THE ADMINISTRATIVE LIABILITY OF THE ENTITY PURSUANT TO LEGISLATIVE DECREE NO. 231/01

2.1 The Legal Framework of Administrative Liability

Legislative Decree of 8 June 2001, no. 231, implementing Delegating Law of 29 September 2000, no. 300, introduced in Italy the *"Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality"* (hereinafter, for brevity, also "**Legislative Decree No. 231/2001**" or the "**Decree**"), which forms part of a broader legislative process aimed at combating corruption and aligns Italian legislation on the liability of legal persons with certain International Conventions previously signed by Italy.

Legislative Decree No. 231/2001 therefore establishes a system of administrative liability for legal persons[3] (**hereinafter, for brevity, the "Entity"**), which is added to the liability of the natural person (better identified below) who is the material perpetrator of the offence, and which seeks to involve, in the punishment thereof, the entities in whose interest or to whose advantage such offence was committed. Such administrative liability exists solely in relation to the offences exhaustively listed in Legislative Decree No. 231/2001.

The new legislation has introduced into the Italian legal system a peculiar form of liability, nominally administrative but substantially punitive-criminal in nature, borne by companies, associations and entities in general for specific offences committed in their interest or to their advantage by a natural person who holds, within them, a senior or subordinate position.

In extremely concise terms, the conditions for the application of the Law may be summarized as follows:

- inclusion of the entity among the subjects to whom criminal law applies;
- commission of an offence included among those listed by the law, in the interest or to the advantage of the entity;
- the offender being a person vested with senior or subordinate functions within the entity;
- failure by the entity to adopt or implement an organizational model capable of preventing the commission of offences of the type that occurred;
- alternatively to the foregoing, solely in the case of an offence committed by a senior person, failure to entrust autonomous powers of initiative and control to a specific body of the entity (or insufficient supervision by such body) and non-fraudulent circumvention by the senior person of the prevention model adopted by the entity itself.

[3] Article 1 of Legislative Decree No. 231/2001 has delimited the scope of the subjects to whom the legislation applies to "entities with legal personality, companies and associations, including those without legal personality." In light of this, the legislation applies to:

- entities with private legal personality, i.e., entities endowed with legal personality and associations "even without" legal personality;
- entities with public legal personality, i.e., entities endowed with public legal status but lacking public powers (so-called "public economic entities");
- entities with mixed public/private legal personality (so-called "mixed companies").

Excluded from the scope of application are: the State, territorial public entities (Regions, Provinces, Municipalities and Mountain Communities), non-economic public entities and, in general, all entities that perform functions of constitutional relevance (Chamber of Deputies, Senate of the Republic, Constitutional Court, General Secretariat of the Presidency of the Republic, High Council of the Judiciary, etc.).

In the event of an offence committed by a subordinate person, the existence of each of the aforementioned circumstances is subject to a specific burden of proof, which rests with the Public Prosecutor; conversely, in the event of an offence committed by a senior person, failure to adopt the Model is subject to a simple presumption (*juris tantum*), without prejudice to the entity's right to provide evidence to the contrary (so-called reversal of the burden of proof).

From the concurrence of all these conditions derives the entity's exposure to sanctions of various kinds, characterized by their particularly onerous nature, among which the most significant are the pecuniary sanction (up to a maximum of Euro 1,549,000) and disqualifying sanctions, graduated in various ways, up to the forced closure of the business for extended periods of time.

The procedure for the imposition of sanctions mirrors, in its fundamental features, the current criminal trial.

2.2 The Positive Elements of the Offence

The offence structure to which the Law links the emergence of the peculiar form of liability it provides for presupposes the simultaneous presence of a series of positive elements (whose concurrence is therefore necessary) and the concurrent absence of certain negative elements (whose possible existence instead constitutes an exemption).

With regard to the positive elements, it must first be specified that the Law applies to *every company or association, even without legal personality, as well as to any other entity endowed with legal personality* (hereinafter, for brevity, the "entity"), with the exception of the State and entities performing constitutional functions, territorial public entities and other non-economic public entities.

That being said, the liability provided for by the Law arises where an offence has been committed that:

- is included among those listed by the law in the specific catalogue (predicate offence);
- has been committed, even exclusively, *in the interest or to the advantage of the entity*, unless, in the latter case, the offence was committed in the exclusive interest of the offender or of third parties;
- has been committed by a *natural person*:
    - *in a senior position*, i.e., exercising functions of representation, administration or management of the entity or of one of its organizational units with financial and functional autonomy, or who exercises, even de facto, the management and control thereof (hereinafter, for brevity, "senior person"), or
    - *subject to the direction or supervision of a senior person* (hereinafter, for brevity, "subordinate person").

In this regard, it should be noted that it is not necessary for the Subordinate Subjects to have an employment relationship with the Entity, as this notion also includes "*those workers who, although not being 'employees' of the entity, have a relationship with it such as to justify the existence of a duty of supervision by the top management of the entity itself: for example, partners in joint-venture operations, so-called quasi-subordinate workers in general, distributors, suppliers, consultants, collaborators*."

Indeed, the prevailing doctrinal view tends to extend the mandatory scope of the Model of Organization, Management and Control (hereinafter, for brevity, the "Model") also to external

workers, different from employees and quasi-subordinate workers, who are required to perform an assignment under the direction or control of Senior Persons.
It is in any event appropriate to reiterate that the Entity is not liable, by express legislative provision (Article 5, paragraph 2, of the Decree), if the aforementioned persons acted in their own exclusive interest or in the interest of third parties. In any case, their conduct must be attributable to that "organic" relationship by virtue of which the acts of the natural person may be imputed to the Entity.

2.3 List of Offences

Pursuant to Legislative Decree No. 231/2001, the Entity may be held liable only for the offences expressly referred to in Articles 24 et seq., up to Article 25-duodecies of Legislative Decree No. 231/2001, as well as for those referred to in special laws, if committed in its interest or to its advantage by the persons qualified pursuant to Article 5, paragraph 1, of the Decree itself, or in the case of specific legal provisions that refer back to the Decree, as in the case of Article 10 of Law No. 146/2006 (hereinafter, for brevity, the "**Predicate Offences**").
For ease of presentation, the offences may be grouped into the following categories:

- **Offences in relations with the Public Administration:** this is the first group of offences originally identified by Legislative Decree No. 231/2001, pursuant to Articles **24 and 25**, in particular:
  - Misappropriation of public funds (Art. 316-bis Italian Criminal Code)
  - Improper receipt of public funds (Art. 316-ter Italian Criminal Code)
  - Fraud to the detriment of the State or another public body or the European Communities (Art. 640, paragraph 2, no. 1, Italian Criminal Code)
  - Aggravated fraud for obtaining public funds
  - Computer fraud to the detriment of the State or another public body (Art. 640-ter Italian Criminal Code)
  - Fraud in public supplies (Art. 356 Italian Criminal Code)
  - Fraud to the detriment of the European Agricultural Fund (Art. 2, Law 23/12/1986, no. 898)
  - Disruption of freedom of auctions (Art. 353 Italian Criminal Code)
  - Disruption of the freedom of the procedure for selecting the contracting party (Art. 353-bis)
  - Extortion by a public official (concussione) (Art. 317 Italian Criminal Code)
  - Bribery for the exercise of a function (Art. 318 Italian Criminal Code)
  - Bribery for an act contrary to official duties (Art. 319 Italian Criminal Code)
  - Aggravating circumstances (Art. 319-bis Italian Criminal Code)
  - Bribery in judicial acts (Art. 319-ter Italian Criminal Code)
  - Undue inducement to give or promise benefits (Art. 319-quater Italian Criminal Code)
  - Bribery of a person entrusted with a public service (Art. 320 Italian Criminal Code)
  - Penalties for the briber (Art. 321 Italian Criminal Code)
  - Incitement to bribery (Art. 322 Italian Criminal Code)

- Embezzlement, extortion by a public official, undue inducement to give or promise benefits, bribery and incitement to bribery, abuse of office by members of international courts or of bodies of the European Communities or of international parliamentary assemblies or of international organizations and by officials of the European Communities and of foreign States (Art. 322-bis Italian Criminal Code)
- Trading in influence (Art. 346-bis Italian Criminal Code)
- Embezzlement (Art. 314 Italian Criminal Code, limited to paragraph 1)
- Embezzlement by exploiting another's error (Art. 316 Italian Criminal Code)
- Improper allocation of money or movable property (Art. 314-bis Italian Criminal Code)

➢ **Computer offences and unlawful processing of data**, pursuant to Article **24-*bis*** of the Decree (as amended by Legislative Decrees No. 7 and 8 of 2016, by Decree-Law No. 105/2019 and, most recently, by Law No. 90/2024), which provides for new administrative offences dependent on certain computer crimes and unlawful processing of data, in particular:

- Electronic documents (Art. 491-bis Italian Criminal Code)
- Unlawful access to a computer or telematic system (Art. 615-ter Italian Criminal Code)
- Possession, dissemination and unlawful installation of equipment, codes and other means suitable for accessing computer or telematic systems (Art. 615-quater Italian Criminal Code)
- Unlawful interception, prevention or interruption of computer or telematic communications (Art. 617-quater Italian Criminal Code)
- Possession, dissemination and unlawful installation of equipment and other means suitable for intercepting, preventing or interrupting computer or telematic communications (Art. 617-quinquies Italian Criminal Code)
- Damage to information, data and computer programs (Art. 635-bis Italian Criminal Code)
- Damage to information, data and computer programs used by the State or another public body or in any case of public utility (Art. 635-ter Italian Criminal Code)Damage to computer or telematic systems (Art. 635-quater Italian Criminal Code)
- Possession, dissemination and unlawful installation of equipment, devices or computer programs aimed at damaging or interrupting a computer or telematic system (Art. 635-quater.1 Italian Criminal Code)
- Damage to computer or telematic systems of public interest (Art. 635-quinquies Italian Criminal Code)
- Computer fraud by the certifier of electronic signatures (Art. 640-quinquies Italian Criminal Code)
- Violation of rules on the National Cybersecurity Perimeter (Art. 1, paragraph 11, Decree-Law 21 September 2019, no. 105)
- Extortion (Art. 629, paragraph 3, Italian Criminal Code)

➢ **Organized crime offences**, referred to by **Article 24-*ter*** of the Decree, in particular:

- Criminal association (Art. 416 Italian Criminal Code)
- Mafia-type association, including foreign ones (Art. 416-bis Italian Criminal Code)

- Mafia-political electoral exchange (Art. 416-ter Italian Criminal Code)
- Kidnapping for the purpose of extortion (Art. 630 Italian Criminal Code)
- Association aimed at illicit trafficking of narcotic or psychotropic substances (Art. 74, Presidential Decree 9 October 1990, no. 309)
- All offences committed by taking advantage of the conditions set out in Art. 416-bis of the Italian Criminal Code in order to facilitate the activity of the associations provided for by the same article (Law 203/91)
- Illegal manufacture, introduction into the State, offering for sale, transfer, possession and carrying in a public place or a place open to the public of weapons of war or war-type weapons or parts thereof, explosives, clandestine weapons, as well as of more than one common firearm excluding those provided for by Art. 2, paragraph 3, Law 110/1975 (Art. 407, para. 2, letter a), no. 5), Italian Code of Criminal Procedure)

➢ **Offences against public faith**, namely "Counterfeiting of currency, public credit instruments, revenue stamps and instruments or distinctive signs" provided for by Article **25-bis** of the Decree, introduced by Article 6 of Decree-Law No. 350/2001, converted into law, with amendments, by Article 1 of Law 23 November 2001, no. 409, containing "Urgent provisions in view of the introduction of the Euro", as amended by Law No. 99/2009 and by Legislative Decree No. 125/2016, in particular:

- Counterfeiting of currency, spending and introduction into the State, by prior agreement, of counterfeit currency (Art. 453 Italian Criminal Code)
- Alteration of currency (Art. 454 Italian Criminal Code)
- Spending and introduction into the State, without prior agreement, of counterfeit currency (Art. 455 Italian Criminal Code)
- Spending of counterfeit currency received in good faith (Art. 457 Italian Criminal Code)
- Counterfeiting of revenue stamps, introduction into the State, purchase, possession or circulation of counterfeit revenue stamps (Art. 459 Italian Criminal Code)
- Counterfeiting of watermarked paper used for the manufacture of public credit instruments or revenue stamps (Art. 460 Italian Criminal Code)
- Manufacture or possession of watermarks or instruments intended for the counterfeiting of currency, revenue stamps or watermarked paper (Art. 461 Italian Criminal Code)
- Use of counterfeit or altered revenue stamps (Art. 464 Italian Criminal Code)
- Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Art. 473 Italian Criminal Code)
- Introduction into the State and trade of products with false signs (Art. 474 Italian Criminal Code)

➢ **Offences against industry and trade**, referred to by **Article 25-bis**.1 of the Decree, in particular:

- Disruption of freedom of industry or trade (Art. 513 Italian Criminal Code)
- Unlawful competition with threats or violence (Art. 513-bis Italian Criminal Code)
- Fraud against national industries (Art. 514 Italian Criminal Code)
- Fraud in the exercise of trade (Art. 515 Italian Criminal Code)

- Sale of non-genuine foodstuffs as genuine (Art. 516 Italian Criminal Code)
- Sale of industrial products with misleading signs (Art. 517 Italian Criminal Code)
- Manufacture and trade of goods made by usurping industrial property titles (Art. 517-ter Italian Criminal Code)
- Counterfeiting of geographical indications or designations of origin of agri-food products (Art. 517-quater Italian Criminal Code)

➢ **Corporate offences: Article 25-ter** was introduced into Legislative Decree No. 231/2001 by Article 3 of Legislative Decree 11 April 2002, no. 61 (as amended by Law No. 190/2012, Law No. 69/2015, Law No. 38/2017 and lastly by Legislative Decree No. 19/2013) which, within the corporate law reform, extended the administrative liability regime of companies also to certain corporate offences, in particular:

- False corporate communications (Art. 2621 Italian Civil Code)
- Facts of minor gravity (Art. 2621-bis Italian Civil Code)
- False corporate communications by listed companies (Art. 2622 Italian Civil Code)
- Obstructed control (Art. 2625, paragraph 2, Italian Civil Code)
- Undue return of contributions (Art. 2626 Italian Civil Code)
- Unlawful distribution of profits and reserves (Art. 2627 Italian Civil Code)
- Unlawful transactions involving shares or quotas or of the controlling company (Art. 2628 Italian Civil Code)
- Transactions to the detriment of creditors (Art. 2629 Italian Civil Code)
- Failure to disclose conflict of interest (Art. 2629-bis Italian Civil Code)
- Formazione fittizia del capitale (art. 2632 c.c.)
- Fictitious formation of capital (Art. 2632 Italian Civil Code)
- Undue distribution of corporate assets by liquidators (Art. 2633 Italian Civil Code)
- Corruption between private parties (Art. 2635 Italian Civil Code)
- Incitement to corruption between private parties (Art. 2635-bis Italian Civil Code)
- Unlawful influence on the shareholders' meeting (Art. 2636 Italian Civil Code)
- Market manipulation (aggiotaggio) (Art. 2637 Italian Civil Code)
- Obstruction of the exercise of the functions of the public supervisory authorities (Art. 2638, paragraphs 1 and 2, Italian Civil Code)
- False or omitted statements for the issuance of a preliminary certificate (Art. 54, Legislative Decree No. 19/2023)

➢ **Offences with the purpose of terrorism or subversion of the democratic order**, referred to by **Article 25-*quater*** of Legislative Decree No. 231/2001, introduced by Article 3 of Law 14 January 2003, no. 7. These are the "offences with the purpose of terrorism or subversion of the democratic order provided for by the Italian Criminal Code and special laws", as well as offences, different from those indicated above, "which have in any case been committed in violation of Article 2 of the International Convention for the Suppression of the Financing of Terrorism adopted in New York on 9 December 1999", in particular:

- Subversive associations (Art. 270 Italian Criminal Code)

- Associations with terrorist purposes, including international terrorism, or for subversion of the democratic order (Art. 270-bis Italian Criminal Code)
- Aggravating and mitigating circumstances (Art. 270-bis.1 Italian Criminal Code)
- Assistance to members (Art. 270-ter Italian Criminal Code)
- Enlistment for terrorist purposes, including international terrorism (Art. 270-quater Italian Criminal Code)
- Organization of transfer for terrorist purposes (Art. 270-quater.1 Italian Criminal Code)
- Training for activities with terrorist purposes, including international terrorism (Art. 270-quinquies Italian Criminal Code)

- Financing of conduct with terrorist purposes (Law No. 153/2016, Art. 270-quinquies.1 Italian Criminal Code)
- Removal of goods or money subject to seizure (Art. 270-quinquies.2 Italian Criminal Code)
- Conduct with terrorist purposes (Art. 270-sexies Italian Criminal Code)
- Attack for terrorist or subversive purposes (Art. 280 Italian Criminal Code)
- Act of terrorism with deadly or explosive devices (Art. 280-bis Italian Criminal Code)
- Act of nuclear terrorism (Art. 280-ter Italian Criminal Code)
- Kidnapping for the purpose of terrorism or subversion (Art. 289-bis Italian Criminal Code)
- Kidnapping for coercion (Art. 289-ter Italian Criminal Code)
- Incitement to commit any of the offences provided for in Chapters One and Two (Art. 302 Italian Criminal Code)
- Political conspiracy by agreement (Art. 304 Italian Criminal Code)
- Political conspiracy by association (Art. 305 Italian Criminal Code)
- Armed band: formation and participation (Art. 306 Italian Criminal Code)
- Assistance to participants in a conspiracy or armed band (Art. 307 Italian Criminal Code)
- Seizure, hijacking and destruction of an aircraft (Art. 1, Law No. 342/1976)
- Damage to ground installations (Art. 2, Law No. 342/1976)
- Sanctions (Art. 3, Law No. 422/1989)
- Voluntary repentance (Art. 5, Legislative Decree No. 625/1979)
- New York Convention of 9 December 1999 (Art. 2)

➢ **Practices of female genital mutilation**, referred to by **Article 25-*quater*.1** of Legislative Decree No. 231/2001, article added by Law No. 7/2006, namely:
  - Practices of female genital mutilation (Art. 583-bis Italian Criminal Code)

➢ **Offences against individual personality**, referred to by **Article 25-*quinquies*** of Legislative Decree No. 231/2001, article added by Law No. 228/2003 and amended by Law No. 199/2016, in particular:
  - Reduction to or maintenance in slavery or servitude (Art. 600 Italian Criminal Code)
  - Child prostitution (Art. 600-bis Italian Criminal Code)
  - Child pornography (Art. 600-ter Italian Criminal Code)
  - Possession of or access to pornographic material (Art. 600-quater Italian Criminal Code)

- Virtual pornography (Art. 600-quater.1 Italian Criminal Code)
- Tourist initiatives aimed at the exploitation of child prostitution (Art. 600-quinquies Italian Criminal Code)
- Trafficking in persons (Art. 601 Italian Criminal Code)
- Purchase and sale of slaves (Art. 602 Italian Criminal Code)
- Unlawful intermediation and exploitation of labor (Art. 603-bis Italian Criminal Code)
- Grooming of minors (Art. 609-undecies Italian Criminal Code)

➢ **Market abuse offences**, referred to by **Article 25-*sexies*** of the Decree, in particular:

- Market manipulation (Art. 185, Legislative Decree No. 58/1998)
- Abuse of inside information or unlawful disclosure of inside information, recommendation or inducement of others to commit insider dealing (Art. 184, Legislative Decree No. 58/1998)
- Prohibition of insider dealing and unlawful disclosure of inside information (Art. 187-quinquies TUF)
- Prohibition of market manipulation (Art. 187-quinquies TUF)

➢ **Offences of manslaughter and serious or very serious negligent bodily injury**, committed in breach of rules protecting health and safety at work, pursuant to **Article 25-*septies*** of the Decree, in particular:

- Negligent homicide (Art. 589 Italian Criminal Code)
- Negligent personal injury (Art. 590 Italian Criminal Code)

➢ **Receiving, money laundering and use of money, goods or other assets of illicit origin, as well as self-laundering**, pursuant to **Article 25-*octies*** of the Decree, in particular:

- Receiving stolen goods (Art. 648 Italian Criminal Code)
- Money laundering (Art. 648-bis Italian Criminal Code)
- Use of money, goods or other assets of illicit origin (Art. 648-ter Italian Criminal Code)
- Self-laundering (Art. 648-ter.1 Italian Criminal Code)

➢ **Offences concerning non-cash means of payment and fraudulent transfer of values**, provided for by **Article 25-*octies*.1**, introduced into the Decree by Legislative Decree No. 184/2021 and amended by Law No. 137/2023, and by Article 25-octies.1, paragraph 2, added to the Decree by Legislative Decree No. 184/2021. In particular:

- Unlawful use and counterfeiting of non-cash means of payment (Art. 493-ter Italian Criminal Code)
- Possession and dissemination of equipment, devices or computer programs aimed at committing offences relating to non-cash means of payment (Art. 493-quater Italian Criminal Code)
- Computer fraud aggravated by the execution of a transfer of money, monetary value or virtual currency (Art. 640-ter Italian Criminal Code)
- Fraudulent transfer of values (Art. 512-bis)
- Other offences concerning non-cash means of payment (Art. 25-octies.1, paragraph 2)

- **Offences concerning infringement of copyright**, referred to by **Article 25-*novies*** of the Decree, in particular:

- Making available to the public, in a telematic network system, through connections of any kind, a protected work or part thereof (Art. 171, Law No. 633/1941, paragraph 1, letter a-bis)

Offences referred to in the preceding point committed on works of others not intended for

- publication where the honor or reputation of the author is thereby harmed (Art. 171, Law No. 633/1941, paragraph 3)
- Unlawful duplication, for profit, of computer programs; importation, distribution, sale or possession for commercial or business purposes or leasing of programs contained in media not bearing the SIAE mark; preparation of means to remove or circumvent protection devices for computer programs (Art. 171-bis, Law No. 633/1941, paragraph 1)
- Reproduction, transfer onto another medium, distribution, communication, public presentation or demonstration of the contents of a database; extraction or re-use of the database; distribution, sale or leasing of databases (Art. 171-bis, Law No. 633/1941, paragraph 2)
- Unlawful duplication, reproduction, transmission or public dissemination by any means, in whole or in part, of works intended for television, cinema, sale or rental of records, tapes or similar media or any other medium containing phonograms or videograms of musical, cinematographic or comparable audiovisual works or sequences of moving images; literary, dramatic, scientific or educational works, musical or dramatic-musical works, multimedia works, even if included in collective or composite works or databases; unlawful reproduction, duplication, transmission or dissemination, sale or trade, transfer in any form or unlawful importation of more than fifty copies or specimens of works protected by copyright and related rights; introduction into a telematic network system, through connections of any kind, of a work protected by copyright, or part thereof (Art. 171-ter, Law No. 633/1941)
- Failure to communicate to SIAE the identification data of media not subject to marking, or false declaration (Art. 171-septies, Law No. 633/1941)
- Fraudulent production, sale, importation, promotion, installation, modification, use for public and private use of devices or parts of devices capable of decoding conditional access audiovisual transmissions broadcast by terrestrial, satellite or cable means, in both analog and digital form (Art. 171-octies, Law No. 633/1941)

- **Inducement not to make statements or to make false statements to the judicial authority**, added by Law No. 116/2009 and referred to by **Article 25-*decies*** of the Decree, in particular:

- Inducement not to make statements or to make false statements to the judicial authority (Art. 377-bis Italian Criminal Code)

- **Environmental offences**, referred to by **Article 25-*undecies*** of the Decree, introduced by Legislative Decree No. 121/2011 and amended by Law No. 68/2015, Legislative Decree No. 21/2018 and Law No. 137/2023, in particular:

- Environmental pollution (Art. 452-bis Italian Criminal Code)

- Environmental disaster (Art. 452-quater Italian Criminal Code)
- Negligent offences against the environment (Art. 452-quinquies Italian Criminal Code)
- Trafficking and abandonment of highly radioactive material (Art. 452-sexies Italian Criminal Code)

- Aggravating circumstances (Art. 452-octies Italian Criminal Code)
- Killing, destruction, capture, taking, possession of specimens of protected wild animal or plant species (Art. 727-bis Italian Criminal Code)
- Destruction or deterioration of habitat within a protected site (Art. 733-bis Italian Criminal Code)
- Import, export, possession, use for profit, purchase, sale, display or possession for sale or commercial purposes of protected species (Law No. 150/1992, Art. 1, Art. 2, Art. 3-bis and Art. 6)
- Discharges of industrial wastewater containing hazardous substances; discharges onto the ground, subsoil and groundwater; discharge into the sea by ships or aircraft (Legislative Decree No. 152/2006, Art. 137)
- Unauthorized waste management activities (Legislative Decree No. 152/2006, Art. 256)
- Pollution of soil, subsoil, surface waters or groundwater (Legislative Decree No. 152/2006, Art. 257)
- Illegal waste trafficking (Legislative Decree No. 152/2006, Art. 259)
- Violation of obligations relating to communications, keeping mandatory registers and forms (Legislative Decree No. 152/2006, Art. 258)
- Organized activities for the illegal trafficking of waste (Art. 452-quaterdecies Italian Criminal Code)
- False indications regarding the nature, composition and chemical-physical characteristics of waste in the preparation of a waste analysis certificate; inclusion in SISTRI of a false waste analysis certificate; omission or fraudulent alteration of the hard copy of the SISTRI form – movement area in the transport of waste (Legislative Decree No. 152/2006, Art. 260-bis)
- Sanctions (Legislative Decree No. 152/2006, Art. 279)
- Intentional pollution caused by ships (Legislative Decree No. 202/2007, Art. 8)
- Negligent pollution caused by ships (Legislative Decree No. 202/2007, Art. 9)
- Cessation and reduction of the use of harmful substances (Law No. 549/1993, Art. 3)

➢ **Employment of third-country nationals whose stay is irregular,** referred to by **Article 25-*duodecies*** of the Decree, in particular:

- Provisions against illegal immigration (Art. 12, paragraph 3, 3-bis, 3-ter and paragraph 5, Legislative Decree No. 286/1998)
- Employment of third-country nationals whose stay is irregular (Art. 22, paragraph 12-bis, Legislative Decree No. 286/1998)

➢ **Racism and xenophobia**, referred to by **Article 25-*terdecies*** of the Decree, namely:

- Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious

discrimination (Art. 604-bis Italian Criminal Code)

- **Fraud in sports competitions, unlawful exercise of gaming or betting and gambling carried out by means of prohibited devices**, referred to by **Article 25-*quaterdecies*** of the Decree, introduced by Law No. 39/2019 and amended by Legislative Decree No. 75/2020. In particular:

- Fraud in sports competitions (art. 1, L. n. 401/1989)
- Unlawful exercise of gaming or betting activities (Art. 4, Law No. 401/1989)

- **Tax offences**, provided for by **Article 25-*quinquiesdecies*** of the Decree, introduced by Decree-Law No. 124/2019 and amended by Legislative Decree No. 75/2020, in particular:

- Fraudulent tax return through the use of invoices or other documents for non-existent transactions (Art. 2, Legislative Decree No. 74/2000)
- Fraudulent tax return through other artifices (Art. 3, Legislative Decree No. 74/2000)
- Issuance of invoices or other documents for non-existent transactions (Art. 8, Legislative Decree No. 74/2000)
- Concealment or destruction of accounting records (Art. 10, Legislative Decree No. 74/2000)
- Fraudulent evasion of payment of taxes (Art. 11, Legislative Decree No. 74/2000)
- Unfaithful tax return (Art. 4, Legislative Decree No. 74/2000)
- Failure to file a tax return (Art. 5, Legislative Decree No. 74/2000)
- Undue compensation (Art. 10-quater, Legislative Decree No. 74/2000)

- **Smuggling offences**, provided for by **Article 25-*sexiesdecies*** of the Decree, introduced by Legislative Decree No. 75/2020, in particular:

- Smuggling by failure to declare (Art. 78, Legislative Decree No. 141/2024)
- Smuggling by false declaration (Art. 79, Legislative Decree No. 141/2024)
- Smuggling in the movement of goods by sea, air and in border lakes (Art. 80, Legislative Decree No. 141/2024)
- Smuggling by improper use of imported goods with total or partial reduction of duties (Art. 81, Legislative Decree No. 141/2024)
- Smuggling in the export of goods admitted to duty drawback (Art. 82, Legislative Decree No. 141/2024)
- Smuggling in temporary export and in special-use and processing regimes (Art. 83, Legislative Decree No. 141/2024
- Smuggling of manufactured tobacco (Art. 84, Legislative Decree No. 141/2024)
- Aggravating circumstances for the offence of smuggling of manufactured tobacco (Art. 85, Legislative Decree No. 141/2024)
- Criminal association aimed at smuggling of manufactured tobacco (Art. 86, Legislative Decree No. 141/2024)
- Equating attempt with completed offence (Art. 87, Legislative Decree No. 141/2024)
- Aggravating circumstances of smuggling (Art. 88, Legislative Decree No. 141/2024)
- Evasion of assessment or payment of excise duty on energy products (Art. 40, Legislative

Decree No. 504/1995)
- Evasion of assessment or payment of excise duty on manufactured tobacco (Art. 40-bis, Legislative Decree No. 504/1995)
- Clandestine manufacture of alcohol and alcoholic beverages (Art. 41, Legislative Decree No. 504/1995)
- Association aimed at clandestine manufacture of alcohol and alcoholic beverages (Art. 42, Legislative Decree No. 504/1995)
- Evasion of assessment and payment of excise duty on alcohol and alcoholic beverages (Art. 43, Legislative Decree No. 504/1995)

- Aggravating circumstances (Art. 45, Legislative Decree No. 504/1995)
- Alteration of devices, imprints and marks (Art. 46, Legislative Decree No. 504/1995)

➢ **Offences against cultural heritage**, provided for by **Article 25-*septiesdecies*** of the Decree, in particular:
- Theft of cultural property (Art. 518-bis Italian Criminal Code)
- Misappropriation of cultural property (Art. 518-ter Italian Criminal Code)
- Receiving of cultural property (Art. 518-quater Italian Criminal Code)
- Forgery in a private deed relating to cultural property (Art. 518-octies Italian Criminal Code)
- Violations concerning the disposal of cultural property (Art. 518-novies Italian Criminal Code)
- Unlawful importation of cultural property (Art. 518-decies Italian Criminal Code)
- Unlawful removal or export of cultural property (Art. 518-undecies Italian Criminal Code)
- Destruction, dispersal, deterioration, defacement, soiling and unlawful use of cultural or landscape property (Art. 518-duodecies Italian Criminal Code)
- Counterfeiting of works of art (Art. 518-quaterdecies Italian Criminal Code)

➢ **Offences relating to laundering of cultural property and devastation and looting of cultural and landscape property**, provided for by **Article 25-*duodevicies*** of the Decree, in particular:
- Laundering of cultural property (Art. 518-sexies Italian Criminal Code)
- Devastation and looting of cultural and landscape property (Art. 518-terdecies Italian Criminal Code)

➢ **Liability of entities for administrative offences dependent on crime (constituting a predicate for entities operating within the supply chain of virgin olive oils) (Art. 12, Law No. 9/2013),** in particular:
- Adulteration and counterfeiting of foodstuffs (Art. 440 Italian Criminal Code)
- Trade in adulterated or counterfeit foodstuffs (Art. 442 Italian Criminal Code)
- Trade in harmful foodstuffs (Art. 444 Italian Criminal Code)
- Counterfeiting, alteration or use of distinctive signs of works of the intellect or industrial

products (Art. 473 Italian Criminal Code)
- Introduction into the State and trade of products with false signs (Art. 474 Italian Criminal Code)
- Fraud in the exercise of trade (Art. 515 Italian Criminal Code)
- Sale of non-genuine foodstuffs as genuine (Art. 516 Italian Criminal Code)
- Sale of industrial products with misleading signs (Art. 517 Italian Criminal Code)
- Counterfeiting of geographical indications or designations of origin of agri-food products (Art. 517-quater Italian Criminal Code)

➢ **Transnational offences: Article 10 of Law 16 March 2006** no. 146 provides for the administrative liability of the Entity also with reference to the offences specified by the same law that have the characteristic of transnationality:
- Provisions against illegal immigration (Art. 12, paragraphs 3, 3-bis, 3-ter and 5, of the consolidated text under Legislative Decree 25 July 1998, no. 286)
- Association aimed at illicit trafficking of narcotic or psychotropic substances (Art. 74 of the consolidated text under Presidential Decree 9 October 1990, no. 309)
- Criminal association aimed at smuggling foreign manufactured tobacco (Art. 291-quater of the consolidated text under Presidential Decree 23 January 1973, no. 43)
- Inducement not to make statements or to make false statements to the judicial authority (Art. 377-bis Italian Criminal Code)
- Aiding and abetting (Art. 378 Italian Criminal Code)
- Criminal association (Art. 416 Italian Criminal Code)
- Mafia-type association, including foreign ones (Art. 416-bis Italian Criminal Code).

It is noted from the outset that, due to the manner in which each Predicate Offence may be committed and the typical activities carried out by the Company, not all Predicate Offences indicated by the Decree were considered relevant and therefore specifically examined in the Model, but only those indicated in the Special Parts thereof, to which reference is made for their exact identification.

2.4 The Negative Elements of the Offences

Even where all the positive elements referred to above have been met, the liability provided for by the law on the part of the entity does not arise if the offence was committed:

- ***by a senior person, if the entity proves that:***
  - the governing body adopted and effectively implemented, before the commission of the act, ***a model of organization, management and control*** suitable to prevent offences of the type that occurred;
  - the task of supervising the functioning of and compliance with the model and of ensuring its updating was entrusted to a ***supervisory body*** of the entity endowed with autonomous powers of initiative and control. In small entities, these tasks may be carried out directly by the governing body;
  - the persons committed the offence by ***fraudulently*** circumventing the models of organization, management and control;
  - there was no omitted or insufficient supervision by the ***supervisory body.***
- ***by a subordinate person, if the Public Prosecutor does not prove that:***
  - the commission of the offence was made possible by the ***breach of obligations of direction or supervision.***

In any event, a breach of obligations of direction or supervision is excluded if the entity, before the commission of the offence, adopted and effectively implemented a model of organization, management and control.

2.5 The Model as an Exemption in the Event of an Offence

The Decree (Art. 6, paragraph 1) introduces a ***specific form of exemption*** from the liability in question where the entity proves:

- that it adopted and effectively implemented, through the governing body, before the commission of the act, models of organization and management suitable to prevent offences of the type that occurred;
- that it entrusted to an internal body, endowed with autonomous powers of initiative and control, the task of supervising the functioning of and compliance with the models, as well as ensuring their updating;
- that the persons who committed the offence acted by fraudulently circumventing the aforementioned models of organization and management;
- that there was no omitted or insufficient supervision by the body entrusted with control.

The Decree further provides that, in relation to the extent of the delegated powers and the risk of commission of offences, the models of organization, management and control must meet the following requirements:

- identify the areas at risk of commission of the offences provided for by the Decree;
- establish specific protocols in order to plan the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- provide methods for identifying and managing financial resources suitable to prevent the commission of such offences;
- prescribe information obligations vis-à-vis the body responsible for supervising the functioning of and compliance with the model;
- establish an internal disciplinary system suitable to sanction non-compliance with the measures indicated in the model.

2.6 Sanctions

The sanctions provided for by Legislative Decree No. 231/2001 against the Entity are:
a) the pecuniary sanction;
b) disqualifying sanctions;
c) the placing of the Entity under receivership;
d) publication of the conviction judgment;
e) confiscation.

The above sanctions are applied at the end of a complex administrative proceeding. Disqualifying sanctions may also be applied as a precautionary measure, although never jointly with one another, upon request to the Judge by the Public Prosecutor, when both of the following conditions are met:

- there are serious indications to believe that the Entity's liability exists pursuant to the law;
- there are well-founded and specific elements that indicate a concrete risk that unlawful acts of the same nature as the one under investigation may be committed.

In ordering precautionary measures, the Judge takes into account the specific suitability of each measure in relation to the nature and degree of the precautionary needs to be satisfied in the concrete case and the necessary proportionality between the seriousness of the act and the sanction that may ultimately be applied to the Entity.

a) The Pecuniary Sanction

When the Judge finds the Entity liable, the pecuniary sanction is always applied.

The pecuniary sanction is determined by the Judge through a quota-based system, according to a mechanism requiring a dual assessment, in order to tailor the sanction not only to the seriousness of the act, but also to the economic conditions of the Entity.

Indeed, the amount of the pecuniary sanction depends on the seriousness of the offence, the degree of the Entity's responsibility, and the activity carried out to eliminate or mitigate the consequences of the offence or to prevent the commission of further unlawful acts.

In other words, the sanction is determined in two stages:

- determination of the number of quotas, which may not be fewer than one hundred nor more than one thousand. Within this range, the individual offences provide, depending on the Predicate Offence, the minimum and maximum limits applicable. In this first stage, the assessment must be carried out having regard to factors such as the seriousness of the offence, the degree of the Entity's responsibility, as well as the conduct adopted by the Entity in order to eliminate or mitigate the consequences of the act or to prevent the commission of further unlawful acts;
- determination of the amount of each individual quota, which must be between a minimum of euro 258.23 and a maximum of euro 1,549.00. In this case, the choice must be made having regard to the economic and financial conditions of the Entity, in order to ensure the effectiveness of the sanction.

The amount of the pecuniary sanction is obtained by multiplying the total number of quotas by the value attributed to each of them. This mechanism ensures a more equitable, transparent determination of the sanction and one consistent with the principles of substantive equality set out in Article 3 of the Constitution. The system thus outlined makes it possible first to assess the seriousness of the offence according to a commensurative logic, leading to the determination of the overall number of quotas, and subsequently to calibrate the effectiveness of the sanction to the actual economic and financial conditions of the Entity, arriving at the amount of the individual quota.

The choice of this mechanism stems from the need to ensure fairness and efficiency of the sanction in a complex economic context, characterized by very different business realities, in which small and medium-sized enterprises coexist alongside larger groups.

b) Disqualifying Sanctions

Disqualifying sanctions consist of:

- disqualification, permanent or temporary, from carrying out the activity;
- suspension or revocation of authorizations, licenses or concessions instrumental to the commission of the unlawful act;
- temporary or permanent ban on contracting with the Public Administration (*also limited to certain types of contracts or certain administrations*), except for obtaining the services of a public service;
- exclusion from benefits, financing, contributions or subsidies and possible revocation of

those already granted;
- temporary or permanent ban on advertising goods or services.

Disqualifying sanctions are applied, even jointly with one another, exclusively in relation to the offences for which they are expressly provided for by law, when at least one of the following conditions applies:
- the Entity derived from the offence a profit of significant amount and the offence was committed by a Senior Person or by a Subordinate Person where, in the latter case, the commission of the offence was determined or facilitated by serious organizational shortcomings;
- in the event of repetition of unlawful acts.

Even where one or both of the above conditions exist, disqualifying sanctions do not apply if even one of the following circumstances also exists:
- the offender committed the act predominantly in his/her own interest or in the interest of third parties and the Entity did not derive any benefit from it or derived only a minimal benefit;
- the pecuniary damage caused is of particular slightness;
- before the declaration opening the trial at first instance, all of the following conditions preventing the application of a disqualifying sanction are met:

  ✓ the Entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the offence, or in any case has effectively acted to that end;

  ✓ the Entity has eliminated the organizational shortcomings that led to the offence by adopting and implementing an Organizational Model;

  ✓ the Entity has made available the profit obtained for the purposes of confiscation.

The temporary nature of disqualifying sanctions is moreover derogated from when the rule provides that the disqualification from carrying out the activity, the ban on contracting with the Public Administration and the ban on advertising goods or services may be applied permanently where the Entity has already been sentenced to the same sanction at least three times in the last seven years. In such a case, the repetition of the unlawful act by the Entity, by frustrating the preventive aims pursued by the rule, makes a more stringent sanctioning intervention necessary.

c) Placing the Entity under Receivership

The rules governing the judicial commissioner are inspired by the protection of interests of an eminently public nature.

In particular, the provision contemplates the case in which a disqualifying sanction is applied against an Entity that performs a public service or a service of public necessity.

Article 15 of Legislative Decree No. 231/2001 provides that, where the conditions for applying a disqualifying sanction that would result in interruption of the activity exist, the Judge may order – in lieu of applying the sanction – the continuation of the Entity's activity by a commissioner for a period corresponding to the duration of the sanction that could be imposed, where at least one of the following two conditions exists:
- the Entity performs a public service or a service of public necessity, the interruption of which may cause serious prejudice to the community;
- considering the size of the Entity and the economic conditions of the area in which it is located, interruption of its activity may lead to significant repercussions on employment.

The powers and duties of the commissioner must be indicated by the Judge in the judgment

ordering the continuation of the Entity's activity, taking into account the specific activity in which the unlawful act was committed.
Within the framework of such indications, the commissioner shall ensure the adoption and effective implementation, within the Entity, of Organizational Models suitable to prevent offences of the type that occurred.
The commissioner, moreover, may not carry out acts of extraordinary administration without the consent of the Judge.
The foregoing suggests that the functions attributed to the commissioner are mostly executive, since all decision-making powers are reserved to the Judge, both as regards defining the commissioner's duties and as regards the adoption of the Models, which is merely "ensured" by the commissioner, and lastly with reference to the need for authorization to perform acts exceeding ordinary administration.
The provision finally orders the confiscation of the profit deriving from the continuation of the activity. This provision reflects the punitive nature of the measure adopted by the Judge.
The continuation of the activity in any case replaces a sanction: for this reason, the Entity must not be put in such a position as to obtain a profit from the carrying out of an activity that, if it had not concerned a public service, would have been interrupted.

d) Publication of the Conviction Judgment

Publication of the conviction judgment consists of the publication of the judgment once only, in extract or in full, by the clerk of the court, at the Entity's expense, in one or more newspapers indicated by the Judge in the judgment, as well as by posting in the Municipality where the Entity has its principal registered office.
Publication of the conviction judgment may be ordered when a disqualifying sanction is applied against the Entity.
The application of the sanction is discretionary and the related decision is entrusted to the Judge; this is because the measure may entail serious consequences for the undertaking, whose image may be irreparably damaged, even where it is not listed on a regulated market.
Therefore, such sanction may be ordered only where a disqualifying sanction is applied against the Entity, i.e., in the most serious cases: in that event, the interest of third parties in knowing the conviction imposed on the Entity is fully justified.

e) Confiscation

Confiscation consists of:

- the forced acquisition by the State of the price or profit of the offence, save for the portion that may be returned to the injured party and in any case without prejudice to rights acquired by third parties in good faith;
- where confiscation in kind is not possible, it may concern sums of money, assets or other benefits of value equivalent to the price or profit of the offence.

Where material recovery of the price or profit is not possible, the rule provides for so-called "equivalent" confiscation, concerning sums of money, assets or other benefits of value equivalent to the price or profit of the offence.
In this latter case, the purpose of the sanction is to penalize the Entity from an economic standpoint, depriving it of an amount equivalent to the economic advantage obtained.

2.7 Corporate Changes

The Decree provides that, in the event of the Company's transformation, the liability of the transformed Company for offences committed prior to the date on which the transformation took effect shall remain unaffected.
In the event of a merger of the Company, including by incorporation, the resulting Company is liable for the offences for which the Companies participating in the merger were responsible, and the pecuniary and disqualifying sanctions for the administrative offences dependent on such crimes shall be applied to it. In the event of a partial demerger, the demerged Company remains liable for offences committed prior to the date on which the demerger took effect, and the joint and several liability of the beneficiary companies is added to that of the demerged Company.
In the event of a total demerger, the companies or entities benefiting from the demerger are liable (jointly and severally among themselves) for the pecuniary sanction for administrative offences committed, prior to the demerger, by the demerged Company.
In both total and partial demergers, each company or entity benefiting from the demerger is liable within the limits of the net assets transferred to it. The company or entity to which the business branch within which the offence was committed has been transferred, even only in part, is liable for the pecuniary obligation beyond such limit, if necessary.
Disqualifying sanctions relating to offences committed prior to the date on which the demerger took effect apply only to the entities to which the business branch within which the offence was committed has remained (a case applicable only to partial demerger) or has been transferred (in all cases of demerger), even only in part.
In the case of a business lease, Legislative Decree No. 231/2001 contains no express provision in this regard. On this point, two different theories have developed: the first provides that, in the case of a lease of the business of a company under investigation pursuant to Legislative Decree No. 231/2001, disqualifying precautionary measures may be applied to the lessee's activity, whereas pecuniary sanctions and confiscation of the profit would remain borne by the owner company. The principles set out in Article 33 on the transfer of a business would not apply. Conversely, the second theory provides that disqualifying sanctions may not be imposed on the lessee, but the same principle provided for by Article 33 in the case of a transfer of the business would apply.

2.8 Offences Committed Abroad

Pursuant to Article 4 of the Decree, the entity may be held liable, in Italy, for the commission abroad of certain offences.
In particular, Article 4 of the Decree provides that entities having their principal seat within the territory of the State shall also be liable in relation to offences committed abroad in the cases and under the conditions set forth in Articles 7 to 10 of the Italian Criminal Code, provided that the State in whose territory the act was committed is not prosecuting them.
Accordingly, the entity may be prosecuted when:

- it has its principal seat in Italy, i.e., the effective seat where administrative and management activities are carried out, possibly different from that in which the entity is located or from the

registered office (for entities with legal personality), or the place where the activity is carried out on a continuous basis (for entities without legal personality);
- the State of the place where the act was committed is not prosecuting the entity;
- any request by the Minister of Justice, upon which punishability may depend, also refers to the entity itself.

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

2.9 Representation of the Entity in Court

Article 39 of Legislative Decree No. 231/2001, entitled "Representation of the entity," sets out the rules governing the participation of the entity in the proceedings and/or trial. Since the entity cannot take part in proceedings other than through a natural person, the legislator has laid down specific rules concerning its representation.
The above-mentioned provision defines the representative relationship, i.e., the relationship that must link the entity to a legal representative, not necessarily corresponding to that of organic identification, such as the one chosen by the Company.
Article 39 of Legislative Decree No. 231/2001 reads as follows:

"1. The entity participates in the criminal proceedings through its legal representative, unless the latter is charged with the offence from which the administrative offence depends.
2. The entity that intends to participate in the proceedings shall appear by filing with the registry of the judicial authority conducting the proceedings a declaration containing, on pain of inadmissibility:
a) the name of the entity and the personal details of its legal representative;
b) the name and surname of the defense counsel and an indication of the power of attorney;
c) the signature of the defense counsel;
d) the declaration or election of domicile.
3. The power of attorney, granted in the forms provided for by Article 100, paragraph 1, of the Code of Criminal Procedure, shall be filed with the Public Prosecutor's office or with the court registry or shall be produced at the hearing together with the declaration referred to in paragraph 4. When the legal representative does not appear, the constituted entity shall be represented by its defense counsel."

The legislator has therefore established that the exercise of the entity's right of defense, at any stage of the proceedings brought against it, is subject to the formal act of appearance through counsel of choice appointed by the entity's legal representative, who may validly grant a specific power of attorney provided that he or she is not also under investigation and/or charged with a predicate offence giving rise to the administrative offence attributed to the entity.
Indeed, where the entity's legal representative is also under investigation and/or charged, he or she

will be in a situation of conflict of interest *ex lege*, and therefore may not validly proceed—due to such condition of incompatibility—to appoint defense counsel for the entity, by virtue of the general and absolute prohibition of representation enshrined in Article 39 of Legislative Decree No. 231/2001.

As suggested by the case law of the Supreme Court, organizational models adopted by the entity, being intended to prevent the offences in respect of which the entity's administrative liability may arise, in order to be adequate must take into account the hypothesis in which the legal representative is himself under investigation for a predicate offence underlying the administrative offence charged against the entity and therefore finds himself in a situation of conflict of interest with the entity. The model must therefore enable the entity to safeguard its rights of defense by providing for the appointment of counsel by a subject specifically delegated to that task in cases of potential conflict with criminal investigations against the legal representative.[4]

On the basis of this statutory provision, Deko S.r.l., with the adoption of this Model, has identified the Shareholders' Meeting as the body entrusted with granting the mandate to the entity's defense counsel in cases where the legal representative of the entity is in a situation of incompatibility *ex lege*, as described by Article 39, paragraph 1, of Legislative Decree No. 231/2001.

In any event, as established by law pursuant to Article 40 of Legislative Decree No. 231/2001, if the entity has not appointed a defense counsel of its own choosing or remains without one, it shall be assisted by court-appointed counsel.

It should also be noted that the legislator, in Article 39 of Legislative Decree No. 231/2001, has set out an unavoidable procedural path that the entity must follow if it wishes to appear in court, requiring the entity, pursuant to the second paragraph of Article 39, to file with the registry of the competent judicial authority a declaration aimed at "presenting" the entity, i.e., at bringing to light elements that are the result of the entity's contractual autonomy and which, for this reason, the legislator requires to be formalized already during the proceedings.

Specifically, this consists of a declaration that must be signed by the entity's defense counsel, through which the entity appears in the proceedings, thus becoming an active participant in all the powers, prerogatives and rights pertaining to it.

It follows that, for the entity to validly appear in court, it is necessary that it clearly define its powers of representation, also providing, through the adoption of the Model, for the subject entrusted with appointing defense counsel in cases of incompatibility due to conflict of interest as established *ex lege* by the legislator.

4 Cfr. Cass. Pen., Sez. III, 13.05.2022, n. 35387

3. THE ADOPTED ORGANIZATIONAL MODEL

3.1 Adoption and Approval of the Model

In compliance with the provisions of the Decree, Deko S.r.l., by formal resolution of the Management Body, has adopted its own Model of Organization, Management and Control pursuant to Legislative Decree No. 231/2001 (this "Model").
The Model was drawn up taking into account the structure and the activities actually carried out by the Company, as well as the nature and size of its organization.
Deko S.r.l. first carried out a preliminary analysis of its corporate context and subsequently an analysis of the areas of activity that present potential risk profiles in relation to the commission of the offences indicated by the Decree.
In particular, the following were examined:

- the Company's history;
- the corporate context;
- the sector of operation;
- the corporate organization chart;
- the existing *Corporate Governance* system;
- the system of powers of attorney and delegations;
- the existing legal relationships with third parties;
- the Company's operational reality;
- the practices and procedures formalized and disseminated within the Company for the performance of operations.

The Model was developed taking into account the activities actually carried out by Deko S.r.l., as well as the nature and size of its organization.
In particular, in addition to setting out the core principles of its structure, the Model illustrates, for each type of offence deemed potentially relevant for Deko S.r.l. pursuant to the Decree, the Processes and Sensitive Activities, as well as the related rules of conduct that the Addressees are required to observe.
Within the framework of constructing the Model, each type of offence that currently constitutes a basis for the administrative liability of entities under the Decree was assigned a level of risk, considering the possibility of the offence actually being committed within the Processes.
Moreover, it is considered appropriate to specify that the Model, affecting activities deemed sensitive also from an ESG perspective, may contribute to the overall pursuit of many sustainability objectives. In this perspective, the Company's Model represents a significant starting point for governance that supports the company in terms of sustainability and, at the same time, a compliance tool useful for strengthening the implementation of corporate procedures in an ESG-oriented manner.

For the purposes of preparing this Model, Deko S.r.l. also proceeded with:

- identification of sensitive activities: through a review of the activities carried out by the Company by means of interviews with the managers of the corporate departments, analysis of the corporate organization charts and the system for allocating responsibilities, the areas in which the predicate offences indicated in the Decree may be committed were identified;
- identification of existing control procedures: through interviews with the managers of the corporate departments, supplemented by self-assessment questionnaires, the control procedures already in place in the previously identified sensitive areas were identified;
- identification of prevention principles and rules: in light of the results of the two previous phases, the principles and rules of prevention to be implemented in order to prevent, to the extent reasonably possible, the commission of the predicate offences relevant to the Company were identified. To this end, Deko S.r.l. took into account the control and prevention tools already in place, aimed at regulating corporate governance, such as the company by-laws, the system of delegations and powers of attorney, as well as the operating procedures drawn up by the individual corporate departments.

With regard to the possible commission of offences against the person (Art. 25-*septies* of the Decree), the Company analyzed its corporate context and all the specific activities carried out therein, as well as the related risks, on the basis of the findings of the checks carried out in compliance with the provisions of Legislative Decree No. 81/2008, as amended and supplemented, and the special legislation in force on accident prevention, safety and health in the workplace.
As regards the analysis of the risk of commission of corporate and tax offences (respectively Arts. *25-ter and 25-quinquiesdecies* of the Decree), i.e., those offences relevant to management activities and accounting, the following were taken into account: COSO *Report* I (Internal Control Framework), COSO *Report* II (ERM), and COSO *Report* III (Internal Control over *Financial Reporting*), Accounting Principles, certain Auditing Standards, ISA (International Standards on Auditing), as well as professional auditing practice referred to in COSO I and the Guardia di Finanza Circular already mentioned.

3.2 Purposes of the Model and of the Code of Ethics Compared

By adopting this Model, Deko S.r.l. intends to fully comply with the provisions of the law and, in particular, to conform to the guiding principles of the Decree, as well as to make the existing internal control and Corporate *Governance systems* more effective.
The primary objective of the Model is to establish a structured and organic system of organizational and control principles and procedures suitable to prevent, to the extent possible and reasonably required, the commission of the offences contemplated by the Decree.
The Model integrates with the system of controls and *Corporate Governance* already in place at Deko S.r.l. and forms part of the process of disseminating a corporate culture based on fairness, transparency and legality.

The Model also pursues the following purposes:

- to provide adequate information to employees and to those acting on behalf of Deko S.r.l., or who are linked to the Company by relationships relevant under the Decree, regarding activities that entail the risk of commission of offences;
- to disseminate a corporate culture based on legality, as Deko S.r.l. condemns any conduct contrary to the law or to internal provisions and, in particular, to the provisions of this Model;
- to promote a culture of control;
- to ensure an efficient and balanced organization of the enterprise, with particular regard to decision-making processes and their transparency, the provision of preventive and subsequent controls, as well as the management of internal and external information;
- to implement measures suitable to promptly eliminate, to the extent possible, any situations of risk of commission of offences.

Deko S.r.l. has also approved its own Code of Ethics by resolution of the Management Body.
The Code of Ethics is, by its nature, function and content, a different instrument from this Model; it has general scope and lacks procedural implementation.
The Code of Ethics sets out the principles of conduct and ethical-social values that must inspire the Company in pursuing its corporate purpose and objectives and is consistent with the provisions of this Model.
The Model presupposes compliance with the Code of Ethics and, together with it, forms a body of internal rules aimed at disseminating a culture of ethics and corporate transparency. The Company's Code of Ethics constitutes the essential foundation of this Model, and the provisions contained in the Model integrate with those set forth therein.
Compliance with the rules of the Code of Ethics must be considered an essential part of the contractual obligations of the Management Body and, in any case, of all those who hold functions of representation, administration and management or control within the Company, of employees without exception, of collaborators subject to the direction or supervision of senior corporate figures and—more generally—of anyone, including third parties (e.g., consultants, suppliers, partners, stakeholders, etc.), who maintains business relations with the Company or performs activities in its favor.
Training in the principles set forth in the Code of Ethics is mandatory for all newly hired personnel and—at varying intervals—for all Company personnel.
Ultimately, the Code of Ethics of Deko S.r.l. lays down the rules of conduct that all those who, directly or indirectly, permanently or temporarily, establish collaborative relationships of any kind or operate in its interest must apply in the conduct of business and in the management of corporate activities.
The Code of Ethics, which is hereby fully incorporated by reference, is attached to this Model.

3.3 Addressees of the Model

This Model applies to:

a) those who, even de facto, perform management, administration, direction or control functions within the Company or within one of its autonomous organizational units;
b) employees of Deko S.r.l., including those "seconded" to other locations for the performance of activities;
c) all those who collaborate with the Company under any employment relationship;
d) those who, although not belonging to the Company, operate on its behalf or for its account (such as, for example, consultants);
e) those who act in the interest of the Company by virtue of contractual legal relationships or other agreements (such as, for example, *joint venture partners* or shareholders for the implementation or acquisition of a *business* project).

With regard to the subjects referred to in points ***d)*** and ***e)***, the Supervisory Body, after consulting the Management Body, the Senior Officer and the Head of the Department to which the contract or relationship relates, determines the types of legal relationships with external parties to which it is appropriate to apply, in view of the nature of the activity carried out, the provisions of the Model. For this purpose, the Supervisory Body also determines, after consulting the Senior Officer and the Head of the Department to which the contract or relationship relates, the methods for communicating the Model to the external parties concerned and the procedures necessary to ensure compliance with its provisions, without prejudice to what is expressly prescribed in the context of relations with the Public Administration in the specific section of the Special Part of this Model.
For sanctioning measures in the event of violations of the Model by external parties, reference is made to the provisions set out below concerning the disciplinary-sanctioning system.
All addressees of the Model are required to comply with the utmost diligence with the provisions contained in the Model and its implementing procedures.

3.4. Amendments and Updates

Pursuant to Article 6, paragraph 1, letter a) of Legislative Decree No. 231/2001, the adoption of a valid Model of Organization and Management, as well as subsequent amendments and additions, falls within the competence of the Management Body.
Accordingly, this document shall be subject to periodic review by the Company, also at the initiative of the Supervisory Body, which shall make use of the support of the Head of the relevant corporate function in order to submit proposals for revision and integration of the Model to the Management Body.
Consequently, the Management Body may implement amendments and additions to the Model and provide for its approval.

The Model may be amended for the following reasons:

✓ changes in corporate needs, without altering its essential function as established in the relevant legislation;

✓ new legislative provisions;

✓ violations of the provisions contained in the Model (or in the procedures referred to therein) such as to reveal, even indirectly, a vulnerability with respect to the risk of commission of a specific offence.

Amendments to corporate procedures necessary for the implementation of the Model are carried out by the relevant departments, subject to approval by the Management Body.

The Supervisory Body is constantly informed of updates and the implementation of new operating procedures and may express its opinion on proposed amendments.

4. THE SUPERVISORY BODY

4.1 Premise

Among the requirements set out in Legislative Decree No. 231/2001 (see Art. 6, paragraph 1, letters b) and d)) that allow the entity, where the other conditions provided for are met, to benefit from exemption from liability, is the establishment and appointment of the Supervisory Body (hereinafter "OdV"), to which delicate tasks, powers and responsibilities are entrusted. In particular, the OdV, which is endowed with autonomous powers of initiative and control, is entrusted with the task of supervising the functioning of and compliance with the Model and of ensuring its updating (Art. 6, paragraph 1, letter b), of Legislative Decree No. 231/2001). In the explanatory report to the Decree, it is specified that: *"the entity [...] must also supervise the actual operation of the models, and therefore compliance with them: to this end, in order to ensure the maximum effectiveness of the system, it is provided that the company shall make use of a structure that must be established within it (in order to avoid easy maneuvers aimed at preconstituting a badge of legitimacy for the company's conduct through recourse to compliant bodies, and above all to ground a true fault of the entity), endowed with autonomous powers and specifically appointed to these tasks [...] of particular importance is the provision of an obligation to provide information to the aforementioned internal control body, functional to ensuring the same operational capacity".* The object of supervision is the Model as actually adopted in all its expressions, including the Code of Ethics, the assessment of organizational criticalities, i.e., vulnerability with respect to the risk of commission of a predicate offence, the behavioral protocols adopted for the purpose of adequately preventing the risks of commission of an offence, and the existing sanctioning system.

4.2. Identification of the Internal Supervisory Body ("OdV")

In implementation of the provisions of the Decree, the OdV may alternatively have:

- a sole-member structure;
- a collegial structure;

and will therefore consist of one or more members chosen from external parties or also from internal subjects within the Company structure, endowed with the specific skills necessary for the best performance of the assignment as well as the specific requirements set out in the Decree and in the guidelines.

Moreover, as members of the Supervisory Body, as provided for by Art. 6, paragraph 4, of Legislative Decree No. 231/2001, in small-sized entities the tasks indicated in letter b) of paragraph 1 may be performed directly by the governing body.

However, it should be noted that case law has recommended that the OdV be composed of subjects without active management tasks (which would prejudice the required autonomy), to be identified, where appropriate, among external collaborators, possessing the necessary professionalism and competence in inspection matters and consulting in the specific sector. Furthermore, the same case law has reiterated the need to choose the type of composition, single-member or multi-member, also in relation to the size of the company. In small-sized realities that do not make use of the option under paragraph 4 of Article 6, a sole-member structure could well

ensure the functions entrusted to the OdV. In medium-large entities, a collegial composition would be preferable, which is the favored one, with recourse to external professionals of a certain "standing", supported by qualified internal, non-operational personnel, so as to ensure autonomy and professionalism.

4.3 The Subjective Requirements of the Supervisory Body

The main requirements that the OdV must possess, as also identified in case law, may be summarized as follows:
• autonomy, independence, professionalism and continuity of action—qualities that are achieved by placing the OdV as a staff unit in the highest possible hierarchical position;
• autonomy must be understood not merely formally, in the sense that it is necessary that the OdV:
– be endowed with effective inspection and control powers;
– have the possibility of access to relevant corporate information;
– be endowed with adequate resources (including financial);
– be able to avail itself of tools, support and experts in carrying out its monitoring activity;
• independence: the members of the internal control body must not be in a position, even potentially, of conflict of interest with the entity nor hold executive functions within it which, by involving them in decisions and operational activities, would undermine their objectivity of judgment at the time of checks on conduct and on the model;
• professionalism: a feature referring to the set of tools and techniques that the body must possess in order to be able to effectively carry out the assigned activity;
• continuity of action: in order to satisfy the provision of Art. 6, paragraph 1, letter d), and therefore to be able to guarantee the effective and constant implementation of a model as articulated and complex as the one outlined, especially in large and medium-sized companies, it is necessary to have an internal structure dedicated exclusively and full-time to the supervision of the organizational model, devoid, as stated, of operational duties that could lead it to take decisions with economic-financial effects.

4.4. Appointment Procedure and Term of Office, Suspension, Revocation and Resignation of the OdV

The appointment of the Supervisory Body and, in the case of a collegial composition, of its Chair, falls within the competence of the Management Body. Where the Chair, in the case of a collegial OdV, is not appointed by the Management Body, the appointment is made by the Supervisory Body itself upon taking office. The composition and functions of the Supervisory Body must be formally disclosed to the entire Company.
The Supervisory Body remains in office for three years from the date of appointment and may be reappointed. The Management Body may resolve to suspend the Supervisory Body if it is served with a notice of investigation for one of the offences referred to in Articles 24 et seq. of Legislative Decree No. 231/2001, without prejudice to its full reinstatement in the event of no committal for trial.
In the event of suspension of the Supervisory Body, the Management Body shall immediately appoint a temporary replacement.

Revocation of the powers of the Supervisory Body and the assignment of such powers to another subject may take place only for just cause, also linked to organizational restructuring interventions of the company, by means of a specific resolution of the Management Body.
In this regard, "just cause" for revocation of the powers connected with the office of member of the Supervisory Body may include, by way of example:
• serious negligence in performing the tasks connected with the office such as (by way of example): failure to draw up the annual summary report on the activity carried out for the Management Body and the corporate Control Body, where present; failure to draw up the supervision program;
• "omitted or insufficient supervision" by the Supervisory Body—pursuant to Art. 6, paragraph 1, letter d), Legislative Decree No. 231/2001—resulting from a conviction judgment, even if not final, issued against the company pursuant to Legislative Decree No. 231/2001, or from a judgment applying the penalty upon request (so-called plea bargaining);
• the assignment of operational functions and responsibilities within the corporate organization incompatible with the requirements of "autonomy and independence" and "continuity of action" of the Supervisory Body.
Revocation of the Supervisory Body or of one of its members falls within the competence of the Management Body, which provides for its replacement.
In the event of resignation of the Supervisory Body, the Management Body provides for replacement without delay.
Resigning members remain in office until the resolution appointing the new member.

4.5. Functions and Powers

The Supervisory Body is entrusted with the task of supervising:

- the ***effectiveness*** of the Model: i.e., ensuring that the conduct carried out within the Company corresponds to the Model adopted;
- the ***efficacy*** of the Model: i.e., verifying that the Model adopted is actually suitable to prevent the occurrence of the offences provided for by the Law and subsequent measures amending its scope of application;
- the ***opportunity to update*** the Model in order to adapt it to regulatory and environmental changes and to changes in the corporate structure.

On a more operational level, the Supervisory Body is entrusted with the task of:

- periodically verifying the map of areas at risk of offence (or "sensitive activities"), in order to adapt it to changes in the activity and/or corporate structure. To this end, senior persons, heads of departments and those assigned to control activities within individual departments must report any situations that may expose the Company to risk of offence. All communications must be exclusively in written form;
- periodically carrying out, also using external professionals, checks aimed at ascertaining what is provided for by the Model; in particular, ensuring that the procedures and controls provided for are implemented and documented in a compliant manner and that ethical principles are respected. It is noted, however, that control activities are entrusted primarily to the responsibility of department heads and are considered an integral part of every corporate process (so-called "line control"), hence the importance of a personnel training process;

- verifying the adequacy and effectiveness of the Model in preventing the offences under the Decree;
- periodically performing targeted checks on certain operations or specific acts carried out, especially within the sensitive activities, the results of which will be summarized in a specific report whose content will be presented during communications to the corporate bodies;
- coordinating with other corporate departments (also through specific meetings) for an exchange of information in order to update the offence-risk/sensitive areas, in order to:

  ✓ keep their evolution under control so as to carry out continuous monitoring;

  ✓ verify the various aspects relating to implementation of the Model (definition of standard clauses, personnel training, regulatory and organizational changes, etc.);

  ✓ ensure that corrective actions necessary to make the Model adequate and effective are undertaken promptly;

  ✓ collect, process and retain all relevant information received in compliance with the Model, as well as update the list of information that must be transmitted to it.

For this purpose, the Supervisory Body has free access to all documentation of the entity and must be constantly informed by management:

- on aspects of the Company's activity that may expose the Entity to the risk resulting from the commission of one of the offences provided for by the Decree;
- on relations with Consultants and Consortium Members.

It must also actively:

- promote initiatives for training and communication on the Model and prepare the documentation necessary for this purpose, coordinating with the Senior Person;
- interpret the relevant regulations and verify the adequacy of the internal control system in relation to such regulatory requirements;
- report periodically to the Management Body and to the corporate Control Body regarding corporate implementation activities for the implementation of the Model.

The structure thus identified must be able to act in compliance with the need to adopt, verify and implement the models required by Article 6 of the Decree, but also, necessarily, with the need for constant monitoring of the state of implementation and the actual correspondence of the models to the prevention needs required by the law.

Such continuous verification activity must be directed in two directions:

✓ where it emerges that the state of implementation of the required operational standards is deficient, it is the duty of the Supervisory Body to adopt all initiatives necessary to correct this "pathological" condition. Depending on the cases and circumstances, this will involve:

- urging the heads of corporate departments to comply with and ensure compliance with the Model;
- indicating directly what corrections and modifications must be made to ordinary operating practices;
- reporting the most serious cases of failure to implement the model to those responsible and to those assigned to controls within individual departments.

✓ where, on the other hand, monitoring of the model's implementation shows the need for appropriate adjustments, or shows that it has been fully and correctly implemented but proves unsuitable for the purpose of avoiding the risk of occurrence of any of the offences provided for by

the Decree, the Supervisory Body will have to act to ensure the updating, timing and methods of such adjustment.
To this end, as anticipated, the Supervisory Body must have free access to persons and to all documentation and the possibility to acquire relevant data and information from responsible persons. Finally, all information as specified below must be reported to the Supervisory Body.
The activities carried out by the Supervisory Body may not be reviewed by any other body or structure of the Company, without prejudice to the fact that the Management Body is in any case required to carry out a supervisory activity on the adequacy of its actions, since ultimate responsibility for the functioning and effectiveness of the Model lies with it.

4.6. *Reporting* dell'Organismo di Vigilanza agli Organi Statutari

The Supervisory Body has responsibility vis-à-vis the Management Body to communicate:

- at the beginning of each financial year: the plan of activities it intends to carry out to perform the tasks assigned to it;
- at least on an annual basis: an informative and summary report on the activity carried out during the year, in which any criticalities and non-conformities identified will also be indicated, together with the related preventive and/or corrective actions to be implemented, also in order to pursue the principle of "continuous improvement" of the integrated management system;
- immediately: any significant issues arising from activities (for example, significant violations of the principles contained in the model, legislative innovations on the administrative liability of entities, significant changes in the Company's organizational structure, etc.).

The Supervisory Body may be invited to report, also with different frequency, to the corporate Control Body and to the Management Body on its activities.
The Supervisory Body may also communicate, by assessing the individual circumstances:

1. the results of its checks to the heads of departments and/or processes, where activities reveal aspects susceptible to improvement. In this case, it will be necessary for the Supervisory Body to obtain from the heads of departments and/or processes an action plan, with the related timeline, for the activities susceptible to improvement, as well as the specifics of the operating changes necessary to implement them;
2. report any conduct/actions not in line with the Code of Ethics and with corporate procedures, in order to: (i) acquire all elements to make any communications to the bodies responsible for assessing and applying disciplinary sanctions; (ii) avoid repetition of the event by providing indications for removing shortcomings.

The activities referred to in point 2) must be communicated by the Supervisory Body to the Management Body as soon as possible, also requesting the support of other corporate structures, which may collaborate in the verification activity and in identifying actions aimed at preventing the recurrence of such circumstances.
The OdV has the obligation to immediately inform the corporate Control Body where the violation concerns the Company's top management and/or the Management Body. Copies of the relevant minutes shall be kept by the Supervisory Body.
In other words, the OdV shall provide the Management Body and the Control Body with information, on the basis of the above, relating to the overall functioning of the Model, the level of implementation, its updating, as well as any actual shortcomings identified in assessing the practical implementation of the 231 Organizational Model, for example within checks on processes sensitive to tax risks, those

relating to risks of corrupt conduct, the commission of corporate offences, health and safety at work, and in the environmental field. The Control Body shall also receive immediate information from the OdV whenever facts or events occur that are not in line with corporate procedures and such as to expose the company to liability risks.
Such information will also concern all those facts and behaviors directly involving the corporate bodies and/or delays or inertia of top management in response to reports received by the OdV.

4.7. *Reporting*: General Provisions and Mandatory Specific Provisions

The Supervisory Body must be informed, by means of appropriate reports from the subjects required to comply with the Model, regarding events that could give rise to Company liability pursuant to the Decree.

General provisions

The following general provisions are set out:

- each Head of Department must collect any reports relating to the commission, or the reasonable risk of commission, of the offences contemplated by the Decree or, in any event, to conduct generally not in line with the rules of conduct under the Model;
- each addressee of the Model must report the violation (or alleged violation) of the Model by contacting his/her direct hierarchical superior and/or the Supervisory Body (by resolution of the Supervisory Body, "dedicated information channels" are established to facilitate the flow of informal reports and information);
- each employee of Deko S.r.l. must report the violation (or even alleged violation) of this Model by making the report directly to the Supervisory Body through "dedicated information channels" that in any case ensure the confidentiality of the report;
- consultants, collaborators and commercial partners, as regards their activity carried out for the Company, make the report directly to the Supervisory Body through "dedicated information channels" to be defined contractually;
- in particular, employees of Deko S.r.l., consultants, collaborators and commercial partners may report violations or suspected violations of the Model and the Code of Ethics or otherwise in written form to the email address odv@dekosrl.com, or by letter to the address Deko S.r.l. – SP126, 7, Senna Lodigiana (LO), 26856 – CONFIDENTIAL – to the attention of the Supervisory Body;
- the Supervisory Body shall examine the reports received, assessing whether they are detailed and based on precise and consistent factual elements, possibly hearing the author of the report and/or the person responsible for the alleged violation, and providing written reasons for any refusal to proceed with an internal investigation;
- the Supervisory Body evaluates the reports received and the activities to be carried out, and any consequent measures are defined and applied in accordance with the provisions set out below regarding the disciplinary system.

Whistleblowers acting in good faith are guaranteed against any form of retaliation, discrimination or penalization and, in any case, the confidentiality of the whistleblower's identity shall be ensured, without prejudice to legal obligations and the protection of the rights of the Company or of persons wrongly accused or acting in bad faith.

Mandatory specific provisions

In addition to reports relating to general violations described above, the following information must be forwarded to the Supervisory Body:

- measures and/or information from judicial police bodies, or from any other authority, indicating that investigations are being carried out, including against unknown persons, for the offences and unlawful acts provided for by the Decree; requests for legal assistance submitted by managers and/or employees in the event of the commencement of judicial or administrative proceedings for the offences and unlawful acts provided for by the Decree;
- disciplinary proceedings initiated in relation to a report of a violation of the Model;
- sanctions imposed (including measures taken against employees), or measures to dismiss such proceedings, with the related reasons.

4.8. *Reporting* by Corporate Representatives or Third Parties

Within the Company, the Supervisory Body must be made aware, in addition to the documentation required in the individual Special Parts of the Model according to the procedures contemplated therein, of any other information, of any type, also originating from third parties and relating to the implementation of the Model in the areas of activity at risk.
The following provisions apply:

- any reports relating to the commission of offences provided for by the Decree in relation to corporate activities or, in any event, to conduct not in line with the lines of conduct adopted by the Company must be collected;
- the flow of reports, including informal ones, must be channeled to the Supervisory Body, which will assess the reports received and any consequent measures at its reasonable discretion and responsibility, possibly hearing the author of the report and/or the person responsible for the alleged violation and providing written reasons for any refusal to proceed with an internal investigation;
- reports, in line with the Code of Ethics, may be in written form and may concern any violation or suspected violation of the Model. The Supervisory Body will act so as to guarantee whistleblowers against any form of retaliation, discrimination or penalization, also ensuring the confidentiality of the whistleblower's identity, without prejudice to legal obligations and the protection of the rights of the companies or of persons wrongly accused and/or acting in bad faith.

4.9. Provision of Services by Other Companies or to Other Entities

Where the Company receives from other companies or entities services that may concern the sensitive activities referred to in the subsequent Special Part, each service must be governed by a written contract, which must be communicated to the Company's Supervisory Body.

The contract must provide for the following clauses:

- the obligation on the part of the company/entity providing the service in favor of the Company to attest the truthfulness and completeness of the documentation produced or the information communicated to the Company for the purposes of providing the requested services;
- the obligation on the part of the company/entity providing the service in favor of the Company to comply, in performing the requested service, with its own Code of Ethics and with what is provided for by its own Model and by the procedures established for its implementation. Where the company/entity providing the service does not have its own Model of organization, management and control or where the services provided fall within sensitive activities not contemplated by its own Model, the company/entity providing the service undertakes to adopt rules and procedures adequate and suitable to prevent the commission of the Offences;
- the power of the Company's Supervisory Body to request information from the Supervisory Body of the company/entity providing the service, or, in the absence of a Supervisory Body, directly from the functions of the company/entity competent to provide the service, for the proper performance of its supervisory function.

4.10. Reporting Violations under "Whistleblowing" Regulations

Reports of violations in matters of *Whistleblowing* must be made through the channels duly identified by the procedure "Violation Reporting System" (so-called *Whistleblowing*) adopted by Deko S.r.l. and available on the Company's website (https://dekosrl.com/) in the specifically dedicated section.
Legislative Decree No. 24 of 10 March 2023, which implements EU Directive 1937/2019, considerably broadens the scope of the obligation to establish channels (and procedures) for reporting unlawful acts (*whistleblowing*), with the related protections for the whistleblower.
Addressees of the Model who become aware of any situations of risk of commission of offences in the corporate context, or in any event of conduct in breach of the provisions of the Model carried out by other addressees, are required to report them promptly to the Supervisory Body.
Indeed, all addressees of the Model are required to cooperate with the Company in ensuring the effectiveness and binding nature of the Model, by making known, without delay, situations of risk (possibly before they result in criminally relevant offences) and also criminal offences already committed (in order to avoid that damage already caused has permanent or in any case repeated consequences over time).
To this end, the Company adopts a virtuous management system for so-called reports of unlawful

acts in compliance with Art. 6, paragraph 2-bis of the Decree.
Such *whistleblowing* system, on the one hand, helps to identify and counter possible unlawful acts, and on the other hand serves to create a climate of transparency in which each addressee is encouraged to contribute to the culture of ethics and corporate legality, without fear of retaliation by corporate bodies, hierarchical superiors or colleagues who may be the subject of reports.

4.11. Preconditions and Subject Matter of Reports

The reporting obligation applies whenever an addressee of the Model has a reasonable and legitimate suspicion or awareness, both based on precise and consistent factual elements, of criminally unlawful conduct or in any case aimed at circumventing the provisions of the Model carried out by other addressees (senior or non-senior).
In particular, the relevant report concerns two types of conduct:

1. unlawful conduct pursuant to Legislative Decree No. 231/01, i.e., criminally relevant conduct capable of constituting "predicate offences" referred to by Legislative Decree No. 231/01, also in the form of a mere attempt;
2. violations of the Model, of which the whistleblowers have become aware by reason of the functions performed: in this case, the report concerns conduct that, even if not directly criminally relevant, in any case contravenes the crime-prevention system put in place by the Company, as it violates control principles (general or specific), safeguards or corporate procedures referred to in the organizational Model.

Under the new regulatory framework pursuant to Legislative Decree No. 24/2003, the objective scope of application has been expanded.
Indeed, the list of unlawful acts that may be the subject of a report is no longer limited to predicate offences provided for by Legislative Decree No. 231/2001, but extends to a broad catalogue of violations of which the whistleblower became aware in the working context.
The unlawful acts that may be reported are those relating to:
• public procurement, services, financial products and markets and prevention of money laundering and terrorist financing;
• product safety and compliance;
• transport safety;
• environmental protection; radiological protection and nuclear safety;
• food and feed safety and animal health and welfare;
• public health;
• consumer protection;
• protection of privacy and personal data and security of networks and information systems;
• acts or omissions affecting the EU's financial interests;
• acts or omissions relating to the internal market, including violations of EU rules on competition and State aid;
• unlawful conduct relevant under Legislative Decree No. 231 of 8 June 2001 or violations of the 231 Model;
• violations of rules on corporate income tax.
Lastly, whistleblowing regulations also apply to administrative, accounting, civil or criminal unlawful acts that do not fall within the points above.

As stated above, whistleblowing does not concern complaints, claims or requests linked to an interest of a personal nature of the whistleblower or of the complainant, which relate exclusively to his/her individual employment relationship or to his/her relationships with hierarchical superiors.
The regulations provide for the establishment of a communication channel that is easily accessible and known to all, designed so as to ensure confidentiality of the identity of the reporting person, of the content and of the related documentation.
In this regard, Article 12 of Legislative Decree No. 24/2023 adopts multiple measures to protect the confidentiality of the whistleblower, in the perspective—evident from paragraphs 1 and 5—that he or she may be identified.
Reports concern information, including well-founded suspicions, regarding violations committed or that, based on concrete elements, could be committed within the organization with which the reporting person or the person who files a complaint with the judicial or accounting authority has a legal relationship (Art. 2, paragraph 1, letter b), Legislative Decree No. 24/2023). To this end, the *whistleblower* must provide all elements useful to allow the necessary and appropriate checks and verifications to assess the merits of the facts reported.
More specifically, the report must contain the following elements:

➢ a clear and complete description of the facts being reported;

➢ if known, the circumstances of time and place in which they were committed;

➢ if known, the personal details or other elements (such as the role and the department in which the activity is carried out) that make it possible to identify the person(s) who carried out the reported facts;

➢ the indication of any other persons who may provide information on the facts being reported;

➢ the indication of any documents that may confirm the truthfulness of such facts;

➢ any other information that may provide useful confirmation as to the existence of the reported facts.

Anonymous reports, i.e., those lacking elements enabling identification of the author, will be taken into consideration where they are adequately detailed, i.e., such as to reveal facts and situations by relating them to specific contexts (e.g., indications of names or particular roles, particular events, etc.).
Reports must always be adequately detailed in order to allow the necessary checks on the facts highlighted, even irrespective of identification of the responsible person.
A report is detailed when the author's narration of facts, events or circumstances that constitute the underlying elements of the alleged unlawful act is made with a degree of detail sufficient to allow identification of elements useful or decisive for verifying the report's truthfulness (for example, type of unlawful act committed, reference period, causes and purpose of the unlawful act, areas and persons concerned or involved).
Where available, it is appropriate to include documents/evidence useful to support what is stated.
Reports lacking any substantial supporting element, excessively vague or insufficiently detailed are therefore not taken into consideration.
Abuse or bad-faith use of the instrument, for example to report events already known to be unfounded to the whistleblower, purely personal matters, or reports with evidently defamatory or slanderous content, entails application of the Company's sanctioning system.

4.12. Reporting Channels

In order to ensure the confidentiality of the information thus acquired and the protection of the personal data of whistleblowers and reported persons, Deko is required to manage reports through an external IT platform through which, in compliance with privacy and individual rights, all those who become aware of possible cases of unlawful acts relevant under Legislative Decree No. 231/2001 or violations of the Model and the Code of Ethics may report freely and confidentially. Access to the information uploaded on the portal is granted, through unique authentication credentials, only to the members of the Supervisory Body. Moreover, pursuant to Article 6 of the aforementioned legislative decree, the reporting person, where the conditions set out therein are met, may make an external report to the National Anti-Corruption Authority (ANAC). If an employee receives, outside the prescribed channels, a report from other subjects (e.g., employees/third parties), he/she forwards it immediately and exclusively, always using the IT channel, complete with any supporting documentation received, retaining no copy and refraining from undertaking any autonomous initiative of analysis and/or further inquiry. Failure to communicate a report received constitutes a violation of this Model (as well as of the Code of Ethics) and, where bad faith is ascertained, the consequent disciplinary sanctions apply. The Company informs the whistleblower: a) that the report has been taken in charge; b) of the possibility of being contacted to acquire any elements useful to the investigation phase; and c) of the possibility of submitting further information or elements of which he/she becomes aware, in order to supplement or update the facts that are the subject of the initial report. It is Deko's responsibility to ensure that no one in the workplace may suffer retaliation, wrongdoing, conditioning or discrimination of any kind for having reported a violation of the contents of the Model. Deko S.r.l. guarantees protection of any reporting subject against any form of retaliation, discrimination or penalization, pursuant to Articles 2, paragraph 1, letter m) and 17 of Legislative Decree No. 24/2023.

4.13. Handling of Reports

The Supervisory Body adopts its own protocol for handling "protected" reports, autonomous and distinct from that for managing periodic information flows required of corporate departments.
The Supervisory Body assesses the reports received in order to decide whether to:

- process the report, promoting the appropriate inquiries;

- forward the report to the competent departments, in a manner suitable to ensure confidentiality of the whistleblower and the reported person, requesting feedback on the actions taken;

- proceed to archive the report (rejection), providing adequate reasons for the choice made in line with the criteria referred to in paragraph 4.11 "Preconditions and subject matter of reports".

Where it deems it appropriate and the reporting method allows, it may contact both the whistleblower to obtain further information and the alleged author of the violation, and may also carry out all checks and investigations necessary to ascertain the merits of the report.

If, following the checks carried out, the Supervisory Body finds a relevant violation according to the criteria set out in paragraph 7.1, it forwards the report to the Company for the appropriate decisions based on what is defined in the disciplinary system attached to the Model.
In all cases, where the checks carried out show that a violation of criminal law provisions has occurred, the Supervisory Body informs the company so that it may promote the consequent initiatives, including filing a report with the competent Judicial Authority.
The Supervisory Body documents and archives the reports, the decisions taken and the supporting documentation of the checks carried out, in compliance with the principle of confidentiality of the data and information contained therein, as well as the provisions of the applicable legislation on the processing of personal data (EU Reg. 2016/679; Legislative Decree No. 231/2001).

4.14. Protection of the Whistleblower and the Reported Person

The Supervisory Body and the other subjects/bodies involved in any investigation consequent to the report have the obligation, sanctioned by the specific disciplinary system attached to this Model, to handle the report confidentially pending the ascertainment of any responsibilities. In particular, the personal data of the subjects involved in the report (primarily, the names of the whistleblower and the reported person) must not be disclosed without the consent of the interested parties—unless the law expressly requires it for criminal justice needs—in order to protect such subjects from possible retaliation by colleagues or hierarchical superiors.
In compliance with the reference principles of the Model, the author of the report may not suffer any prejudice for a report made in good faith, even where, following subsequent investigative inquiries, it proves unfounded.
In particular, the Company has the obligation to protect the whistleblower from any discriminatory or retaliatory action consequent to the report, such as, by way of example, demotion, mobbing and dismissal.
Conversely, it shall be the Company's task to activate internal procedures to assess the applicability of disciplinary sanctions against the whistleblower who, with intent or gross negligence, makes reports that prove unfounded.
Similarly, the Company has the obligation to safeguard the confidentiality of the identity of the reported persons, without prejudice to legal obligations, as well as to sanction anyone who violates the measures put in place to protect the confidentiality of the whistleblower or the reported person during the phase of ascertaining responsibilities. To these ends, the disciplinary system attached to this Model provides for a section specifically dedicated to the sanctions applied by the Company against violators of the reporting system under this Model, to which reference is made for the description of the various cases of violation formalized therein.

4.15. Collection, Retention and Archiving of Information

Any information, reports and communications provided for in this Model are retained by the Supervisory Body in a specific IT and/or paper database.
The data and information stored in the database may be made available to external subjects upon authorization by the Supervisory Body itself.
The latter defines, by means of a specific internal provision, criteria and conditions for access to the database. The OdV assesses the relevance under Legislative Decree No. 231/2001 of the reports received, carrying out any activity deemed necessary for this purpose and, where necessary, using the collaboration of the competent corporate structures; the OdV, where it identifies violations of the Model or relevant profiles from a 231 perspective, notifies the Management Body within the reporting process.
The outcomes of the assessments shall also be communicated to the whistleblower.
The Supervisory Body retains, for a maximum period of five years from the date of communication of the final outcome of the procedure, the paper and/or electronic copy of the reports received.

5. THE DISCIPLINARY SYSTEM

5.1 General principles

Pursuant to Articles 6, paragraph 2, letter e), and 7, paragraph 4, letter b) of the Law, the Model may be deemed to be effectively implemented only if it provides for a disciplinary system suitable to sanction non-compliance with the measures indicated therein.
This disciplinary system applies to employees and managers, providing for appropriate disciplinary sanctions.
Any violation of the rules of the Code of Ethics and of the measures provided for by the Model by the Company's employees and/or managers constitutes a breach of the obligations arising from the employment relationship, pursuant to Article 2104 of the Italian Civil Code and Article 2106 of the Italian Civil Code.
The breaches of the principles set out in the Code of Ethics and of the measures provided for by the Model, the related applicable sanctions and the disciplinary procedure are described in the Annex to the Manual, approved by resolution of the Management Body.
The application of disciplinary sanctions is independent of the outcome of any criminal proceedings, since the rules of conduct and internal procedures are binding for the addressees, regardless of the actual commission of an offence as a consequence of the conduct carried out.

5.2 The disciplinary system

The Disciplinary System constitutes an annex and an integral part of this MOGC; therefore, full reference is made to what is set out and prescribed therein.

[5] Cfr. Allegato nr. 3 del presente MOGC.

6. INFORMATION, TRAINING AND DISSEMINATION ACTIVITIES OF THE MODEL

6.1 Training and dissemination of the Model

Deko S.r.l. undertakes to ensure the dissemination and effective knowledge of the Model to all employees and to subjects with management, administrative and control functions, present and future.
The Model is communicated to the Company's personnel by the Management Body, through the means deemed most appropriate, provided that they are suitable to attest the receipt of the Model.
The Supervisory Body determines, after consulting the Management Body and the Head of the Department to which the contract or relationship refers, the methods for communicating the Model to external subjects to the Company.
Deko undertakes to implement training programs, with the aim of ensuring effective knowledge of the Decree, the Code of Ethics and the Model by all employees and the corporate bodies of the Company.
Training is structured in relation to the role of the subjects concerned and to the degree of their involvement in the sensitive activities indicated in the Model.
Training initiatives may also be carried out remotely or through the use of IT systems.
Personnel training for the purposes of implementing the Model is managed by the Management Body or by a person delegated by it, in close cooperation with the Supervisory Body.

6.2 Training of employees

For the purposes of the effectiveness of this Model, the Company's objective is to ensure correct knowledge and dissemination of the rules of conduct contained therein both to employees and to so-called "external parties".
This objective concerns all corporate resources falling within the two aforementioned categories, whether they are resources already present in the entity or those to be added.
The level of training and information is implemented with a different degree of detail in relation to the different level of involvement of the resources in the "sensitive activities".
Personnel training for the purposes of implementing the Model is managed by the Management Body or by a person delegated by it in close cooperation with the Supervisory Body and will be structured on the levels indicated below:

staff in the category:

- initial seminar; annual refresher seminar; occasional update emails and information in the hiring letter for new hires, by the Senior Person;

other staff:

- internal information notice; information in the hiring letter for new hires; update emails by the Senior Person or by a person delegated by the Senior Person.

6.3 External collaborators and partners

By decision of the Management Body and with the opinion of the Supervisory Body, specific evaluation systems may be established within the entity for the selection of representatives, consultants and similar ("*external Collaborators*"), as well as third parties ("*Partner*") with whom the entity intends to enter into any form of partnership (e.g., a joint venture, also in the form of an ATI, a Consortium, etc.) and intended to cooperate with the Company in carrying out risk-related activities.
Specific information notices on the policies and procedures adopted on the basis of this organizational Model, as well as the texts of the contractual clauses usually used in this regard, may also be provided to external subjects to the Company (*for example, Consultants and Partners*).