CHEMI S.P.A.

ORGANISATION, MANAGEMENT AND CONTROL MODEL

PURSUANT TO LEGISLATIVE DECREE NO. 231/2001

Updated to 24 September 2025

GLOSSARY

SENSITIVE ACTIVITIES: any operation or action that may expose the COMPANY to the risk of committing one of the offences referred to in the DECREE;

C.D.A.: Board of Directors;

CODE OF ETHICS: the internal Code of conduct drawn up and approved by the Board of Directors, containing the set of ethical principles of conduct that the persons working for the Company are required to adopt, also in relation to the activities in which the cases may be integrated of crime provided for by Legislative Decree no. 231/200;

DECREE: Legislative Decree No. 231/2001 of 8 June 2001[1];

RECIPIENTS: the persons to whom the provisions of this MODEL apply;

CORPORATE EXPONENTS: the President and the members of the Board of Directors, of the Board of Auditors, the General Managers, the members of the other corporate bodies of the COMPANY that may have been established pursuant to Article 2380 of the Civil Code or of special laws, as well as any other person in a senior position pursuant to the DECREE, by which is meant any person who holds representative, administrative or management positions of the COMPANY or of a unit or division thereof, endowed with financial and functional autonomy;

EMPLOYEES: persons having a subordinate employment relationship with the COMPANY of any degree or nature, including temporary workers

[1] And subsequent additions and amendments: this clarification applies to any law, regulation or set of rules, which are referred to in the MODEL

including those with insertion or apprenticeship contracts or part-time contracts, as well as workers on secondment or under para-subordinate employment contracts (labour supply);

COLLABORATORS: those persons who have with the COMPANY (i) project work relationships; (ii) agency relationships and other relationships that result in the performance of coordinated and continuous work, mainly personal, of a non-subordinate nature;
(iii) occasional collaborative relationships (e.g. consultancy), as well as persons subject to the direction or supervision of a COMPANY EXPONENT, even if they are not EMPLOYEES;

SUPPLIERS: any of the suppliers of goods and services to the COMPANY;

INFORMATION DOCUMENT: any digital medium containing data or information having evidential value, or programmes specifically designed to process them;

ADMINISTRATIVE OFFENCES: the administrative offences referred to in Article 187 - *quinquies of* the Consolidated Law on Finance;

GUIDELINES: *Guidelines* set by *CONFINDUSTRIA.*

MODEL: this Organisation, Management and Control Model, as provided for *in* Legislative Decree 231/2001, approved by the Board of Directors on 28 June 2012 and subsequent amendments;

COMPANY BODIES: Board of Directors, Chief Executive Officer, Board of Auditors;

BODY: the Supervisory Body provided for by Legislative Decree

231/2001; P.A.: Public Administration;

OFFENCES: the offences referred to in Articles 24, 24-bis, 24-ter, 25, 25-bis, 25-bis1, 25-ter, 25-quater, 25-quater1, 25-quinquies, 25-sexies, 25-septies, 25-octies, 25-octies.1, 25-novies, 25-decies, 25-undecies, 25-duodecies, 25-terdecies, 25-quaterdecies, 25-quinquesdecies, 25-sexiedecies, 25-septiesdecies ,25-duodevicies and 25-undevicies of Legislative Decree No 231 of 8 June 2001 and the offences provided for by Law No 146 of 16 March 2006 ratifying and implementing the United Nations Convention and Protocols against Transnational Organised Crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001;

DISCIPLINARY SYSTEM: set of sanctions applicable in case of violation of the MODEL;

COMPANY: CHEMI S.P.A;

PERSONS IN SENIOR POSITION: Persons holding representative, administrative or managerial positions in the COMPANY or in any of its entities with financial and functional autonomy, as well as persons exercising de facto management or control

CHAPTER I

THE LEGISLATIVE DECREE. LGS. 231/2001: SUMMARY OF THE LEGISLATION

1. Legislative Decree No. 231/2001 and the relevant legislation

On 4 July 2001, Legislative Decree no. 231/2001 came into force[2], with the aim of bringing Italian legislation on the liability of legal persons into line with certain international conventions to which Italy has long been a party.[3] The Decree provides for the "administrative liability of legal persons, companies and associations, including legal entities".[3]

Legislative Decree 231/2001 lays down the rules governing the "administrative liability of legal persons, companies and associations, including those without legal personality". The Decree introduces and regulates the liability of 'entities' for administrative offences: a direct liability – an administrative one - of the entity as a result of certain offences committed by persons functionally linked to it, providing for the applicability of administrative sanctions against the entity itself.

1.1. Nature and type of the liability of legal entities

The administrative liability of the entity for the commission of one of the offences for which it is provided is in addition to, and not in place of, the liability (criminal or administrative) of the individual who is the perpetrator of the offence.

The liability of the legal entity exists even if the perpetrator of the offence has not been identified or if the offence against the perpetrator is extinguished for another reason

[2] Issued pursuant to the delegation of powers provided for in Article 11 of Law No 300 of 29 September 2000, published in GURI No 140 of 19 June 2001.

[3] Such as the Brussels Convention of 26 July 1995 on the Protection of the European Communities' Financial Interests, the Convention of 26 May 1997 on Combating Bribery of Officials of the European Community and Member States, also signed in Brussels, and the OECD Convention of 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions.

Administrative sanctions against the entity are statute-barred within five years from the date of the offence. However, if the limitation period is interrupted (by one of the acts expressly provided for), it starts over again without any maximum limit. It may therefore happen that the offence is extinguished by the passage of time, since the law imposes maximum limits on the criminal liability of the individual, but does not extinguish the liability of the legal entity, which therefore continues to exist.

1.2. Offences identified by the DECREE and subsequent amendments

The liability of the entity arises only in the cases and within the limits expressly provided for by the law: the entity '*cannot be held liable for an act constituting an offence if its liability [...] in respect of that act and the sanctions applicable thereto are not expressly provided for by a law*' which entered into force before the act was committed.

The entity cannot be held liable for the commission of any act constituting a crime, but only for the commission of crimes and misdemeanours expressly provided for by the Decree, in the wording that follows from its original text and subsequent additions, as well as from the laws that expressly refer to the discipline of the Decree.

Law No. 146 of 16 March 2006 on the ratification and implementation of the United Nations Convention against Transnational Organised Crime and its Protocols, adopted by the General Assembly on 15 November 2000 and 31 May 2001, is also relevant to the identification of the relevant offences. According to Article 3 of this law, the offence committed by an "*organised criminal group*" must have a transnational character, i.e:

- it must be "*committed in more than one Country*";
- it must be "*committed in one Country but a substantial part of its preparation, planning, direction or control*" must take place "*in another Country*";
- it must be "*committed in one Country, but it must involve an organised criminal group that conducts criminal activities in more than one Country*";
- it must be "*committed in one Country*" but have "*substantial effects in another Country*".

1.3. Objective criteria for imputation of liability

The commission of one of the offences listed in the decree constitutes the first condition for the applicability of the discipline imposed by the decree itself. The Decree provides for other conditions, some objective, others subjective.

The first, fundamental and essential objective imputation criterion is whether the criminal or administrative offence was committed "*in the interest or for the benefit of the entity*". This means that the entity is liable if the offence was committed in the interest of or for the benefit of the entity, without the actual and concrete achievement of the objective being in any way necessary. It is therefore a criterion that is substantiated by the purpose, even if not the exclusive purpose, with which the offence was committed.
The criterion of benefit, on the other hand, refers to the positive result that the entity objectively obtained from the commission of the offence, irrespective of the intention of the perpetrator.
However, the entity is not liable if the offence was committed by one of the persons listed in the DECREE "*in its own exclusive interest or in the interest of third parties*". This confirms that, if the exclusivity of the interest pursued precludes the liability of the entity, liability does arise if the interest is common to the entity and to the individual or is attributable in part to one and in part to the other.

The second objective criterion for attribution is the nature of the person who has committed the tort.

The offence - criminal or administrative - must have been committed by one or more qualified persons, which the DECREE divides into two categories. It must have been committed:

- "*by persons who exercise functions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy*" or by those who "*exercise, even de facto, the management and control"* of the entity (persons in a so-called *"senior position*");

- "*by persons who are subject to the direction or supervision of one of those persons*" (so-called "*subordinates*" who, it should be noted, are not the same as employees).

The perpetrators of the offence for which the company may incur administrative liability may therefore be:

- "*senior*" persons, such as the legal representative, the director, the general manager or the manager of an office or branch, as well as persons exercising management and control, including de facto management and control of the entity[4];

- "*subordinate*" persons, typically employees, but also persons outside the entity who have been entrusted with a task to be carried out under the direction and supervision of senior persons.

If several persons cooperate in the commission of the offence (giving rise to a concurrence of persons in the offence: Article 110 of the Code of Criminal Procedure; essentially the same applies in the case of an administrative offence), it is not necessary for the "qualified" person to carry out, even in part, the typical action provided for by law. It is necessary and sufficient that he knowingly contributes to the commission of the offence.

1.4. Subjective criteria for imputation of liability

The DECREE provides for a series of conditions, some positive, some negative – of a subjective nature (in the broad sense, since it is a matter of legal persons) when liability is incurred, which constitute subjective criteria for the imputation of the unlawful act imputed to the entity.

[4] As may be the so-called de facto administrator (see Art. 2639 of the Code of Civil Procedure) or the majority shareholder

The DECREE as a whole defines the liability of the entity as direct liability for its own fault and culpability.

The liability of the entity is excluded if, prior to the commission of the offence, the entity has adopted and effectively implemented an *Organisation, Management and Control Model* capable of preventing the commission of offences of the type committed.

It follows that the liability of the entity is based - in brief and simplified terms - on what is known as Organisational fault, i.e. the failure to adopt in advance or to comply with standards relating to the organisation and activities of the entity that are appropriate for the prevention of criminal offences: fault attributable to entity policy or to structural and regulatory shortcomings in the entity's organisation.

The adoption of the *Organisation, Management and Control Model* does not constitute a necessary fulfilment to which the entity is obliged, in the sense that there is no legal obligation for the entity to equip itself with a model that complies with the indications of the DECREE.

However, if the entity does not have a *Organisation, Management and Control Model* it cannot escape the administrative liability established by the DECREE.

In essence, therefore, there is a presumption of organisational fault in the failure to adopt the organisation and management model.

1.5. Culpability of the entity

Articles 6 and 7 of Legislative Decree 231/2001 set out the criteria for the subjective imputation of the offence to the entity. These criteria differ according to the function exercised by the perpetrator.
In the case of persons who hold positions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy, as well as persons who exercise de facto management and control thereof, the liability of the entity is presumed, unless it is proved that

1) prior to the commission of the offence, the COMPANY adopted and effectively implemented an *Organisation, Management and Control Model* capable of preventing the commission of offences of the kind committed; or

2. the task of monitoring the functioning, effectiveness and compliance with the *Organisation, Management and Control Model* and ensuring that they are updated has been entrusted to a body with autonomous powers of initiative and control; and
3) persons committed the offence by fraudulently circumventing the *Organisation, Management and Control Model*;
4) there has been no or inadequate supervision by the SUPERVISORY BODY.

The liability of the entity is presumed when the offence is committed by a person who holds a top management position or responsibility; consequently, the burden of proving their unrelatedness to the facts falls on the entity. Conversely, if the person who committed the offence does not hold a senior management position within the organisation of the entity, the liability of the entity must be proven; the burden of proof then lies with the accusing entity.

If the offence has been committed by persons who are subject to the management or supervision of one of the senior persons, the entity is liable if the prosecution succeeds in proving that the commission of the offence was made possible by the failure to comply with management or supervisory obligations. These obligations are presumed to have been fulfilled if, prior to the commission of the offence, the entity has adopted and effectively implemented a MODEL that is capable of preventing offences of the type that occurred.

1. 1.6. Characteristics of the MODEL

The DECREE does not regulate the nature and characteristics of the *Organisation, Management and Control Model*: it merely lays down some general principles, some of which vary according to the entities that may commit an offence.

In order to prevent offences committed by "senior persons", the *Organisation, Management and Control Model* must
- "*Identify the activities in the context of which offences may be committed"* (so-called risk mapping);

- "*provide for specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented*"; and
- "*identify methods of managing financial resources suitable for preventing the commission of crimes*"; the explicit reference to the area of financial resources indicates that the DECREE attaches a pre-eminent importance to the internal regulation of the management of financial resources, which is crucial to the activity of the ENTITY; - "*provide for information obligations vis-à-vis the body responsible for supervising the functioning of and compliance with the model*";
- "*establish a disciplinary system capable of penalising non-compliance with the measures indicated in the model*".

With regard to offences that may be committed by "subordinates" (management and supervision: a concept to be understood in a very broad sense), the *Organisation, Management and Control Model* must provide for
- "*appropriate measures, in relation to the nature and size of the entity and the nature of the activity carried out, to ensure that the activity is carried out in compliance with the law and to detect and eliminate risk situations in a timely manner*".

With regard to the effective implementation of the *Organisation, Management and Control Model*, provision must be made for
- "*a periodic review and possible modification in the event of significant non-compliance or changes in the entity or activity"*

- "*a disciplinary system capable of sanctioning non-compliance with the measures set out in the model*".

1.7. Offences committed abroad

Under Article 4 of the Decree, the entity may be held liable in Italy for the commission of certain offences abroad.
The conditions for such liability are as follows

- the offence must be committed abroad by a person functionally linked to the entity: a senior or subordinate person (in the terms already examined above);
- the entity must have its head office in the Italian territory;
- the entity can only be held liable in the cases and under the conditions provided for in articles 7, 8, 9, 10 of the Code of Criminal Procedure (and in cases in which the law provides that the person at fault is punished at the request of the Minister of Justice, the entity shall only be prosecuted if the request is also made against the legal person itself);

- - in the cases and under the conditions provided for in the above-mentioned articles of the Criminal Code, the entity is liable if the authorities of the Country of the place where the offence was committed do not take action against it.

1.8. The attempt

The administrative liability of the entity is also incurred in the event of the commission, in the form of an attempt, of one of the offences (crimes) provided for by the DECREE as a source of liability (art. 56 of the Code of Criminal Procedure).
Article 26 of Legislative Decree No. 231/2001 expressly provides that in the case of the attempted commission of the offences provided for in Chapter I of Legislative Decree No. 231/2001, the fines (in terms of amount) and disqualifications (in terms of time) are reduced by between one third and one half, while no sanctions are imposed in cases where the entity voluntarily prevents the act or event from taking place.
With regard to tax offences (referred to in Article 25-quinquiesdecies of Legislative Decree No. 231/2001), although under Article 6 of Legislative Decree No. 74/2000 the unlawful conduct does not acquire criminal relevance at the level of the attempt only, with the transposition of European Directive (EU) 2017/1371 (the so-called "PIF Directive"), the conduct referred to in Articles 2, 3 and 4 of Legislative Decree No. 74/2000, even if carried out in the form of an attempt, is relevant as a predicate offenceor the culpability of the entity only if the following four conditions are met a) the evasion must concern a qualified amount

(b) the evasion must relate exclusively to VAT

(c) it must be transnational, affecting several EU Member States

a) d) the act in question does not constitute the offence referred to in Article 8 of Legislative Decree 74/2000.

1.9. Sanctions

The penalties provided for by the DECREE provides for pecuniary sanctions and prohibitory sanctions.

1.9.1. Financial penalties

Unlike the rest of the criminal and administrative system, the fine is determined by the judge through a system based on *'quotas'*. Each offence has a minimum and a maximum quota, the monetary value of which is then determined by the judge, taking into account the "*economic and patrimonial conditions of the entity*", in such a way as to ensure the effectiveness of the sanction.
The administrative sanction for a criminal offence is applied by the criminal court or the court that has jurisdiction over the offender; by the administrative authority in cases where the entity is held liable for the administrative offence committed 'in its interest or for its benefit'.
If the liability of the entity is established, the pecuniary sanction is always applied.

Certain cases of reduction of the fine are provided for: a) when the offender has committed the offence in his own interest or in the interest of a third party and the entity has gained no or minimal advantage; b) when the damage caused is particularly trivial.

In addition, the fine resulting from an offence is reduced by between one third and one half if, prior to the declaration of the opening of the first instance hearing: a) the entity has fully compensated for the damage and eliminated the harmful or dangerous consequences of the offence or has taken steps to do so; b) an appropriate model has been adopted and implemented to prevent the commission of further offences.

In the case of the offences referred to in Article 25-sexies of the DECREE, if the product or profit obtained by the entity is of significant entity, the pecuniary penalty is increased up to ten times such product or profit.

1.9.2. Disqualification sanctions

Disqualification sanctions are applied in addition to the pecuniary sanctions and constitute the most significant sanctions.
The disqualification sanctions provided for by the DECREE are

- temporary or permanent disqualification from the practice of the activity;
- Suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- Prohibition from contracting with the public administration, except for the performance of a public service;
- exclusion from benefits, financing, contributions or subsidies and the possible withdrawal of those already granted;
- a temporary or permanent ban on advertising goods or services.

These disqualification sanctions apply only in the cases expressly provided for and provided that at least one of the following conditions are met:
- the company has derived a relevant benefit from the offence and the offence has been committed by:
a. a senior person;
b. a subordinate, if the commission of the offence was determined or facilitated by serious organisational deficiencies
- in the case of repeated offences.

Disqualification sanctions are normally of a temporary nature, but may exceptionally be of a definitive nature.

The judge, at the request of the public prosecutor, may also impose disqualification sanctions on the entity as a precautionary measure if there are serious indications of the entity's liability and if there are well-founded and specific elements which suggest that there is a concrete risk that offences of the same nature as the one being prosecuted shall be committed.

However, disqualification sanctions shall not be applied (or shall be revoked if they have already been applied as a precautionary measure) if the entity - prior to the declaration of the opening of the first instance hearing

- has compensated or remedied the damage

- has eliminated (or at least endeavoured to eliminate) the harmful or dangerous consequences of the offence;
- has made the proceeds of the offence available to the judicial authorities for confiscation;
- has remedied the organisational deficiencies that led to the offence by adopting organisational models that shall prevent the commission of new offences.

In the event of all of these behaviours - which are considered as diligent repentance - instead of the disqualification sanctions, a fine shall be applied.

1.9.3. Other Sanctions

In addition to fines and prohibitions, the DECREE provides for two other sanctions:

- confiscation, which consists in the acquisition by the State of the price or profit of the offence (or, if confiscation is not possible, the price or profit of the offence, in the seizure of sums of money, goods or other items of value equivalent to the price or profit of the offence), subject to compensation for damages;

- the publication of the conviction, which consists of the publication of the conviction once, in part or in full, at the expense of the entity, 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 head office. **1.10. Changes in the entity**

The DECREE regulates the liability of the entity in the event of a change of form (transformation, merger, division and transfer of undertaking).

In general terms, the decree stipulates that "*the obligation to pay the fine*" imposed on the entity "*shall be borne solely by the entity, with its assets or the common fund*".

The direct patrimonial liability of members or associates is therefore excluded, regardless of the legal nature of the entity.

The general criteria for the application of the financial penalties imposed on the entity are those established by civil law for the liability of the entity being converted for the debts of the original entity.

The penalty of disqualification shall continue to be imposed on the entity in which the branch of activity in which the offence was committed has remained (or has been merged), without prejudice to the right of the entity resulting from the transformation to obtain the conversion of the penalty of disqualification into a fine, if the reorganisation process following the merger or demerger has eliminated the organisational deficiencies that allowed the offence to be committed.

The DECREE states that in the event of "*transformation of the entity, liability for offences committed prior to the date on which the transformation took effect shall remain unaffected*".

Changes in the legal structure (business name, legal form, etc.) are irrelevant to the liability of the entity: the new entity shall be subject to the sanctions applicable to the original entity for acts committed prior to the transformation.

With regard to the possible effects of mergers and divisions, the merged entity, including by incorporation, "shall be liable for the offences for which the merging entities were liable".

The incorporation of the merged entity into the legal relations of the merging entities and the merger of the relevant business activities, including those in the course of which the offences were committed, entails a transfer of liability to the merged entity.

If the merger takes place before the conclusion of the proceedings to determine the liability of the entity, the court must take into account the economic conditions of theoriginal entity and not those of the merged entity.

In the case of a partial demerger, where the demerger is effected by the transfer of only part of the assets of the demerged entity, which continues to exist, the liability of the demerged entity for offences committed prior to the demerger remains unaffected. The collective entities benefiting from the demerger, which receive the assets of the demerged company (in whole or in part), shall be jointly and severally liable to pay the fines owed by the demerged company for offences committed prior to the demerger. The obligation is limited to the value of the assets transferred: this limitation does not apply to the beneficiary companies which have received, even in part, the branch of activity in which the offence was committed.

Finally, the DECREE regulates the phenomenon of transfers and contributions of undertakings. In the event of the transfer or contribution of the business in the context of

which the offence was committed, the transferee is jointly and severally liable with the transferring entity to pay the fine, up to the value of the transferred business and without prejudice to the benefit of prior execution of the transferring entity.

The transferee's liability - in addition to being limited to the value of the business transferred (or contributed) - is also limited to the fines arising from the statutory accounts or for administrative offences of which the transferee was in any case aware.

1.11. Catalogue of offences

The offences to which the provisions under review apply are currently the following (a) offences committed against the public administration and against the property of the State or other public entities or of the European Union; (b) offences relating to the counterfeiting of money, credit cards, revenue stamps and identification instruments or signs; (c) corporate offences (including offences relating to bribery between private parties and incitement to bribery between private parties); (d) offences with the aim of terrorism and subversion of democratic order; (e) female genital mutilation; (f) crimes against the person; (g) crimes involving the misuse or unlawful disclosure of inside information. Recommendation or inducement of others to commit insider trading and market manipulation; (h) crimes committed in violation of accident prevention and occupational health and safety regulations, (i) handling stolen goods, money laundering, use of money, goods or benefits of unlawful origin and self-laundering;, (j) offences relating to non-cash means of payment and fraudulent transfer of values; (k) transnational offences, (l) computer-related offences and unlawful processing of data; (m) copyright offences, (n) insider dealing and market manipulation; (o) organised crime offences; (p) offences against the administration of justice; (q) environmental offences; (r) offences relating to immigration and the status of foreigners; (s) racist and xenophobia; (t) fraud in sporting

competitions, unlawful gambling or betting, and gambling using prohibited devices; (u) tax offences; (v) smuggling offences; (w) offences against cultural heritage; (x) laundering of cultural goods and destruction and looting of cultural and natural heritage; (y) crimes against animals.

Specifically, the offences to which the Discipline applies are listed in Annex 1:

a) OFFENCES COMMITTED AGAINST THE PUBLIC ADMINISTRATION, AGAINST THE PROPERTIES OF THE STATE, OTHER PUBLIC ENTITIES OR OF THE EUROPEAN UNION (ARTICLES 24 AND 25):

1) misappropriation to of public funds (of the State or other public entities or the European Union);

2) misappropriation of public funds (of the State or other public entities or the European Union);

3) disturbed freedom of enchantments;

4) disturbing the freedom of choice of contractor procedure;

5) fraud in a public procurement procedure to the detriment of the State, another public entities or the European Union;

6) fraud against the State, another public entities or the European Union;

7) aggravated fraud to obtain public funds to the detriment of the State, another public entities or the European Union;

8) computer fraud against the State, another public entities or the European Union;

9) fraud against the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development;

10) embezzlement affecting the financial interests of the European Union;

11) misappropriation of money or movable property affecting the financial interests of the European Union;

12) misappropriation to the detriment of the European Union's financial interests by profiting from the misconduct of others;

13) bribery;

14) corruption during the performance of professional duties;

15) bribery for an act contrary to official duty;

16)corruption in judicial proceedings;

17) undue inducement to give or promise a benefit;

18) bribery of a person entrusted with a public authority or charged with a public service;

19) incitement to corruption;

20) embezzlement, misappropriation of money or movable property extortion, undue inducement to give or promise a benefit, bribery and incitement to bribery of members of international courts or entities of the European Communities or of international parliamentary assemblies or of international organisations and of officials of the European Communities and of foreign Countries;

21) trading in illicit influence.

b) COUNTERFEITING OF CURRENCY, CREDIT CARDS, REVENUE STAMPS AND IDENTIFICATION INSTRUMENTS OR MARKS (ARTICLE 25-BIS):

1) Counterfeiting, uttering and introducing into the Country, with the help of accomplices, counterfeit currency;

2) altering coins;

3) uttering and introducing into the Country, without the help of any accomplices, counterfeit currency

4) spending counterfeit money received in good faith;

5) forgery of revenue stamps, introducing into the State, acquiring, possessing or putting into circulation forged revenue stamps;

6) Counterfeiting of watermarked paper used for the production of credit cards or stamps;

7) Making or possessing watermarks or instruments for the counterfeiting of currency, revenue stamps or watermarked paper;

8) Use of counterfeit or altered stamps;

9) Counterfeiting, altering or using trademarks or distinctive signs or patents, models and designs;

10) introducing into the State and trading in products bearing false marks.

c) CORPORATE OFFENCES (ARTICLE 25-TER):

1) false corporate communications;

2) false corporate communications within listed companies;

3) false corporate communications of a minor nature;

4) false statement in prospectus[5];

[5] Article 34 of Law No. 262 of 28 December 2005 (on provisions for the protection of savings and the regulation of financial markets, also known as the "Savings Law") added the offence of false statements in prospectuses to the list of offences provided for by Legislative Decree No. 58/98 (Consolidated Law on Finance), detailed in Article 173-bis, repealing at the same time Article 2623 of the Civil Code.

5) obstruction of control[6];

6) fictitious creation of capital;

7) unlawful repayment of contributions;

8) unlawful distribution of profits and reserves

9) unlawful transactions involving the shares or quotas of the company or of the parent company;

10) transactions defrauding creditors;

11) improper distribution of the company's assets by the liquidators;

12) unlawful influence on the shareholders' meeting;

13) misappropriation;

14) obstructing the exercise of the functions of public supervisory authorities;

15) failure to disclose a conflict of interest;

The consequence of this repeal seems to coincide with the removal of the offence of false prospectus from the list of so-called predicate offences and, consequently, with the disappearance of the administrative liability of the company.

This seems to be the thesis accepted by the majority of jurists; however, we consider it appropriate to give relevance to this offence on the assumption of the orientation, albeit a minority one, which considers that, notwithstanding the transposition of the case into the Consolidated Law on Finance, the false statement in the prospectus continues to be relevant for the purposes of the liability of the company.

6 Article 37(35) of Legislative Decree No. 39 of 27 January 2010 amended Article 2625(1) of the Civil Code by excluding auditing from the list of activities for which the law sanctions obstruction of control by directors; obstruction of control by auditors is now regulated by Article 29.

D. Legislative Decree No. 39/2010, which provides that "1. Members of the administrative body who, by concealing documents or by other suitable means, prevent or otherwise obstruct the performance of the statutory audit shall be punished by a fine of up to EUR 75,000. If the conduct referred to in paragraph 1 has caused damage to shareholders or third parties, the penalty shall be a fine of up to EUR 75 000 and imprisonment of up to 18 months. 3. In the case of statutory audits of public interest entities, the penalties referred to in paragraphs 1 and 2 shall be doubled. 4. Proceedings shall be instituted ex officio.

16) corruption between private parties;

17) incitement to bribery between private parties;

18) false or omitted statements with regard to the issue of the preliminary certificate.

With regard to the offence of false statements in reports or communications of audit firms, it should be noted that Article 37, paragraph 34 of Legislative Decree No. 39 of 27 January 2010 repealed Article 2624 of the Civil Code (falsehood in reports or communications of audit firms). At the same time, Legislative Decree No. 39 of 27 January 2010 introduced Article 27, which establishes the offence of "*false statements in the reports or communications of the persons responsible for carrying out the statutory audit*"; the new offence is broader in scope than the previous one, since it also regulates the offence committed by the auditor of a public interest entity. However, in accordance with what was established by the United Sections of the Court of Cassation in decision no. 34476/2011, the offence of false statements in the reports or communications of the persons responsible for carrying out the statutory audit does not fall within the scope of the offences provided for by Legislative Decree no. 231/01, since the latter expressly refers to article 2624 of the Italian Civil Code, which has been formally repealed. Therefore, in accordance with the principle of legality established by the same Article 2 of Legislative Decree No. 231/01, since Article 25-ter of the DECREE has not been amended by the express reference to Article 2624 of the Civil Code, it must be considered, on the basis of the Court's decision, that the offence of false statements in the reports or communications of the persons responsible for the statutory audit does not exist within the scope of the administrative liability of companies.

d) OFFENCES COMMITTED FOR THE PURPOSE OF TERRORISM AND SUBVERSION OF THE DEMOCRATIC ORDER (ARTICLE *25-QUATER*)

e) FEMALE GENITAL MUTILATION PRACTICES (ART. *25C*.1)

f) OFFENCES AGAINST THE PERSON(ARTICLE 25-*QUINQUIES*):

1) reducing or holding persons in slavery or servitude;
2) child prostitution;
3) child pornography;
4) possession of or access to pornographic material;
5) virtual pornography;
6) tourist initiatives aimed at the exploitation of child prostitution;
7) trafficking in persons;
8) purchase and alienation of slaves;
9) illicit brokering and exploitation of labour;
10) solicitation of minors.

g) OFFENCES OF ABUSE OF OR UNLAWFUL COMMUNICATION OF INSIDE INFORMATION AND MARKET MANIPULATION (ARTICLE *25-SEXIES*):

1. Misuse or unlawful disclosure of inside information. Recommending or inducing others to commit insider dealing.
2. Market manipulation;

h) NEGLIGENT HOMICIDE AND GRIEVOUS OR VERY GRIEVOUS BODILY HARM, COMMITTED IN BREACH OF THE RULES ON ACCIDENT PREVENTION AND HEALTH AND SAFETY AT WORK (ARTICLE *25-SEPTIES*)

i) RECEIVING STOLEN GOODS, MONEY LAUNDERING, USE OF MONEY, GOODS OR BENEFITS OF UNLAWFUL ORIGIN, AND SELFLAUNDERING (ARTICLE 25-
OCTIES)[7]

j) OFFENCES RELATING TO NON-CASH PAYMENT INSTRUMENTS AND FRAUDULENT TRANSFER OF VALUES (ARTICLE 25-OCTIES.1):

1. misuse and falsification of non-cash payment instruments;
2. possession and distribution of computer equipment, devices or programmes intended to commit offences involving non-cash payment instruments;
3. computer fraud aggravated by the carrying out of a transfer of money, monetary value or virtual currency;
4. fraudulent transfer of valuables

as well as any other crimes against public trust, or otherwise against property provided for in the Criminal Code, when it relates to non-cash instruments of payment.

[7] Legislative Decree 195/2021, which transposes Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by means of criminal law, for the offences referred to in Articles 648, 648-bis, 648-ter and 648-ter1 of the Criminal Code, extends the predicate offences of the aforementioned offences also to culpable acts and offences punishable by a maximum of more than one year or a minimum of six months

k) TRANSNATIONAL CRIMES (LAW 146/2006, ARTICLE 10):

1) criminal conspiracy;

2) mafia-type association;

3) criminal conspiracy to smuggle foreign tobacco products;

4) .criminal association for the purpose of illicit trafficking in narcotic drugs or psychotropic substances;

5) provisions against illegal immigration;

6) inducement not to make statements or to make false statements to the judicial authorities;

7) personal aiding and abetting

It should be noted that the commission of so-called 'transnational' offences is only relevant if the offence is punishable by imprisonment of no less than a maximum of four years and an organised criminal group is involved, as well as:

- is committed in more than one Country;
- or is committed in one Country, but a substantial part of its preparation, planning, direction or control takes place in another Country;
- or it is committed in one Country, but an organised criminal group is involved in it, and the group is engaged in criminal activities in more than one Country;
- or is committed in one Country but has substantial effects in another Country.

l) COMPUTER CRIMES AND UNLAWFUL DATA PROCESSING (ARTICLE *24-BIS*):

1) unauthorised access to a computer or telecommunications system;

2) unlawful possession, dissemination and installation of equipment, codes and other means of accessing computer or telematic systems

3) unlawful taping, obstruction or interruption of computer or telematic communications;

4) unlawful possession, dissemination and installation of equipment and other means of taping, impeding or interrupting computer or telematic communications;

5) bribery;

6) damage to information, data and computer programmes;

7) damage to information, data and computer programmes of public utility;

8) damage to computer and telecommunications systems;

9) Unlawful possession, dissemination and installation of computer equipment, devices or programmes intended to damage or interrupt a computer or telecommunications system;

10) damage to computer or telematic systems of public utility;

11) forgery of digital documents;

12) computer fraud of the party which provides electronic signature certification services;

13) failure to disclose or untrue disclosure of information, data, facts relevant to the national cybersecurity perimeter.

m) COPYRIGHT INFRINGEMENT OFFENCES (ARTICLE *25-NOVIES*):

1) offences in violation of the law protecting copyright and other rights related to its exercise.

n) OFFENCES AGAINST INDUSTRY AND TRADE (ARTICLE *25-BIS*.1):

1) disturbing the freedom of industry and trade;

2) unlawful competition by means of threats or violence;

3) fraud against national industries;

4) fraud in the exercise of trade;

5) sale of non-genuine food products as genuine;
6) sale of industrial products with false signs;

7) manufacture of and trade in goods made by usurping industrial property rights;

8) counterfeiting of geographical indications or designations of origin for agricultural and food products.

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

1) criminal conspiracy (also aimed at reducing to or holding in slavery, trafficking in persons, trafficking in organs removed from living persons, the purchase and sale of slaves and offences concerning violations of the provisions on illegal immigration and on the removal and transplantation of organs and tissues);

2) mafia-type associations, including foreign ones;

3) Electoral Political - Mafia Exchange;

4) kidnapping for the purpose of extortion;

5) criminal conspiracy aimed at the illegal trafficking of narcotic or psychotropic substances;

6) Illegal manufacture of and trafficking in weapons of war or warlike weapons or parts thereof, explosives, clandestine weapons, and common firearms.

p) OFFENCES AGAINST THE ADMINISTRATION OF JUSTICE (ARTICLE 25-*DECIES*):

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

q) ENVIRONMENTAL OFFENCES (ARTICLE *25-UNDECIES*):

1) killing or possession of specimens of protected wild animal or plant species;

2) damage to habitats within a protected site;

3) environmental pollution;

4) environmental disaster;

5) culpable offences against the environment;

6) trafficking and abandonment of highly radioactive material;

7) aggravating circumstances (offences of criminal association, including mafia-type and foreign environmental offences);

8) unlawful discharges of waste water;

9) unauthorised waste management activities;

10) site remediation violations;

11) reporting violations, compulsory record keeping and environmental forms;

12) illicit waste trafficking;

13) organised activities for the illegal trafficking of waste;

14) exceeding emission and air quality limit values;

15) violations concerning the import, export and trade of protected animal and plant species;

16) violations of measures to protect stratospheric ozone and the environment;

17) malicious or culpable pollution caused by vessels.

r) CRIMES RELATING TO IMMIGRATION AND THE STATUS OF FOREIGNERS (ART. *25-DUODECIES*):

1) employment of illegally staying third-country nationals;

2) procuring unlawful entry and aiding and abetting illegal immigration.

s) OFFENCES LINKED TO RACISM(ARTICLE 25-*TERDECIES*):

1) propaganda and incitement to commit racial, ethnic and religious discrimination.

t) OFFENCES OF FRAUD IN SPORTING COMPETITIONS, UNLAWFUL GAMING OR BETTING AND GAMBLING BY MEANS OF PROHIBITED DEVICES (ARTICLE *25-QUATERDECIES*):

1) fraud in sporting competitions;
2) abusive exercise of gambling or betting activities.

u) TAX OFFENCES (ART. *25-QUINQUIESDECIES*):

1) fraudulent declaration using invoices or other documents for non-existent transactions;
2) fraudulent declaration by means of other artifices;
3) false declaration within the framework of cross-border fraudulent schemes connected to the territory of at least one other state member of the European Union, in order to evade value added tax for a total amount of not less than ten million euro;
4) omitted declaration within the framework of cross-border fraudulent schemes connected to the territory of at least one other state member of the European Union, in order to evade value added tax for a total amount of not less than ten million euro;
5) issuing invoices or other documents for non-existent transactions;
6) concealment or destruction of accounting documents;
7) undue compensation in cross-border fraudulent schemes connected to the territory of at least one other state member of the European Union, for the purpose of evading value added tax for a total amount of not less than ten million euro.
8) fraudulent evasion of taxes.

v) SMUGGLING (ART. *25-SEXIESDECIES*)[8];

1) smuggling due to failure to declare ;

2) smuggling by false declaration;

3) smuggling within the framework of maritime, air and border lakes movement of goods;

4) smuggling within the framework of movement of goods imported with total or partial reduction of duties;

5) smuggling in the export of goods eligible for duty drawback;

6) smuggling in temporary exportation and in special use and processing regimes ;

7) smuggling of manufactured tobacco

8) aggravating circumstances of the crime of smuggling manufactured tobacco;

9) criminal association for the purpose of smuggling manufactured tobacco;

10) equating attempted crime with actual crime;

11) aggravating circumstances of smuggling;

12) repeated smuggling;

13) evasion of assessment or payment of excise duty on energy products;

14) evasion of assessment or payment of excise duty on tobacco products;

15) aggravating circumstances of the crime of evading the assessment or payment of excise duty on tobacco products.

16) extenuating circumstances.

17) sale of manufactured tobacco without authorisation or purchase from persons not authorised to sell

18) illegal production of alcohol and alcoholic beverages;

[8] For offences indicated from n. 1) to 12), the infringements constitute a criminal offence (and therefore also a criminal offence under Legislative Decree 231/01) if the amount of border duties due exceeds €10,000 or if one of the following circumstances applies pursuant to Art. 88, paragraph 1., lett. from a) to d) All. I D. Lgs. 26 September 2024, No. 141, pursuant to art. 96, paragraph 1, All. I D. Lgs.26 September 2024 No. 141

19) association for the purpose of clandestine manufacture of alcohol and alcoholic beverages

20) evasion of assessment and payment of excise duty on alcohol and alcoholic beverages

21) aggravating circumstances

22) tampering with devices, imprints and markings

23) shortages and surpluses in the storage and circulation of products subject to excise duty

24) irregularities in circulation

w) OFFENCES AGAINST THE CULTURAL HERITAGE (ARTICLE 25-*SEPTIESDECIES*):

1) Theft of cultural property;
2) Misappropriation of cultural property;
3) Receiving cultural heritage goods;
4) Forgery of a private contract relating to cultural heritage goods;
5) Violations concerning the alienation of cultural heritage goods;
6) Illegal importation of cultural heritage goods;
7) Illicit export or export of cultural heritage goods;
8) Destruction, dispersal, deterioration, defacement, defacement and unlawful use of cultural or landscape assets;

Counterfeiting of works of art.

x) LAUNDERING OF CULTURAL HERITAGE GOODS AND DEVASTATION AND LOOTING OF CULTURAL AND LANDSCAPE ASSETS (ART. 25-*DUODEVICIES*):

1) Recycling of cultural Heritage goods;
2) Devastation and looting of cultural and landscape assets.

y) CRIMES AGAINST ANIMALS (ART. 25)

1) slaughter of animals;
2) animal abuse;
3) prohibited shows or events;
4) ban on animal fighting;
5) killing or harming other people's animals.

z) NON COMPLIANCE WITH PROHIBITORY SANCTIONS (ARTICLE 23)

CHAPTER II

THE MODEL OF CHEMI S.P.A. GENERAL PART

1. The Company

CHEMI S.P.A. is an Italian pharmaceutical chemical company, part of the ITALFARMACO GROUP, specialising in the development, production and marketing of Active Pharmaceutical Ingredients (APIs), complex generic molecules and ethical pharmaceutical products, in collaboration with partners and other companies belonging to the Group.

Thanks to continuous investment in technology and the ability to innovate in production processes, the COMPANY is able to offer APIs covering several therapeutic areas: oncological, cardiovascular, gastrointestinal endocrinological and central nervous system.

The COMPANY also has leading experience in the development of low molecular weight heparins (LMWH), peptides and oncological products. Furthermore, the COMPANY possesses innovative technology for the construction of its product pipeline and has obtained international and national marketing authorisations (MA) for numerous 'generics' and various finished pharmaceutical products. It also offers so called 'plus' generics with significant technical differentiation from the original reference molecules.

Production complies with the quality parameters required by the main regulatory authorities, as well as regulations and standards in the areas of quality, environment and occupational safety.

The COMPANY operates from two separate sites:

- a first site, located in Patrica (FR), hosting production facilities, warehouses for raw materials and finished products, research and development laboratories, waste treatment and incineration plants and administrative offices;
- a second operational site hosting management, other research laboratories and administrative offices located in Cinisello Balsamo (MI).

The COMPANY has established, documented and implemented an Occupational Health and Safety Management System (OSH) based on the requirements of the ISO 45001 standard, defining its purpose and methods of implementation.

The effectiveness and efficiency of this system is ensured through the adoption of the following main tools and documents

- Workers' Health and Safety Policy, which complements the existing Major Accident Hazard Prevention Policy by defining the guidelines to be followed by the company in terms of health and safety management.
- Manual, as a summary document of the Health and Safety Management System

- Management procedures, operating procedures and operating instructions appropriate to the organisation's structure and operations;
- Risk assessment document;
- Forms and registers, and related registration documents.

This system, which is aimed at the control and continuous improvement of company processes and activities that have an impact on product quality, the environment and the health and safety of workers, is based on a set of procedures in which safety aspects are partly regulated by Good Manufacturing Practice (GMP), which also include HSE issues.

2. Nature and Sources of the Model

This *Organisation, Management and Control Model* has been approved by the Board of Directors on 28 June 2012 and subsequently updated. It is the internal regulation of CHEMI S.P.A., and is binding on the COMPANY: it is intended as a set of operational rules and ethical standards adopted by the COMPANY - according to the specific activities carried out - in order to prevent the commission of the offences provided for by the DECREE.
This MODEL is inspired by the *Guidelines* of the professional associations - in particular the *Guidelines* of *CONFINDUSTRIA* for the adoption of organisational models for administrative responsibility - and is based on the results of the so-called risk mapping.The

CODE OF ETHICS of the COMPANY constitutes the essential basis of this MODEL, the provisions of which are integrated with the provisions of the CODE OF ETHICS.

The CODE OF ETHICS is annexed to the MODEL. It contains a series of legal obligations and moral duties that define the scope of the ethical and social responsibility of each participant in the company and that, taken as a whole, constitute an effective tool for preventing unlawful or irresponsible behaviour on the part of the subjects acting in the name and on behalf of the company; from these general principles, operational rules are derived that give the CODE OF ETHICS direct applicability in day-to-day management, with reference, in general, to the relations that must exist between the company and all institutional interlocutors, including the public administration..

3. Aims of the Model

By adopting the MODEL, the COMPANY intends to comply with the provisions of the law, in particular by complying with the inspiring principles of the DECREE, the *Associative Codes of Self-Discipline* and the recommendations of the supervisory and control authorities, and to make the control and corporate governance system more effective, with particular reference to the objective of preventing the commission of the offences provided for by the DECREE.
The MODEL has the following aims:

- Awareness of the activities that present a risk of committing offences of relevance to the Company (risk activities); knowledge of the rules governing risk activities; adequate and effective information of the addressees on the modalities and procedures to be followed when carrying out risk activities; awareness of the sanctioning consequences that may be imposed on them or on the Company as a result of the violation of laws, rules or internal regulations;
- Dissemination, personal acquisition and concrete affirmation of a corporate culture characterised by *legality*, in the knowledge that the COMPANY expressly disapproves of any behaviour contrary to the law, regulations, self-regulatory rules, instructions from supervisory and control authorities, internal rules, and, in particular, the provisions contained in this MODEL;
- Dissemination, personal acquisition and concrete affirmation of a culture of *control* that

must preside over the achievement of the objectives that the COMPANY sets itself over time, exclusively on the basis of decisions taken periodically by the competent corporate bodies;

- An efficient and balanced *organisation* of the COMPANY, with particular regard to the clear allocation of powers, the formulation of decisions and their transparency and justification, the preventive and subsequent control of actions and activities, and the accuracy and truthfulness of internal and external information.

Having regard to the nature and size of the organisation in question, as well as the nature of the activity or function carried out, measures shall be adopted that are concretely appropriate to improve the efficiency of the performance of the activity or function, to ensure constant compliance with the law and any other regulation governing the activity or function, and to identify and eliminate in a timely manner, or at least reduce to the minimum possible, situations in which there is a risk of criminal offences being committed.

For the purposes referred to in the previous paragraph, the COMPANY shall adopt and implement effective regulatory, organisational and procedural choices, constantly adapting them in order to

1. ensure that human resources, at all levels, are recruited, managed and trained in accordance with the criteria expressed in the COMPANY'S CODE OF ETHICS, the principles and provisions of the MODEL and in strict compliance with the relevant laws, in particular article 8 of the Workers' Statute;
2. to encourage cooperation for the most effective, constant and widespread implementation of the MODEL by all subjects working within or with the COMPANY, always guaranteeing the protection and confidentiality of the identity of those who provide true and useful information to identify behaviours that differ from those prescribed;

3. guarantee that the allocation of powers, competences, functions, duties andresponsibilities of the individual subjects operating in the COMPANY and their position within the corporate organisation are in accordance with the principles of

transparency, clarity, verifiability and are always consistent with the activity actually carried out by the COMPANY. To this end, the system of powers of attorney and proxies should be set out in a document approved by the Board of Directors and kept up to date, specifying the powers delegated, including expenditure or financial powers, and the limits of their autonomy;

4. denounce and sanction any behaviour which, for whatever reason, objectively exceeds the competences, attributions and powers of each subject, as defined by the law and the regulations applicable to the COMPANY;

5. ensure that the definition of the objectives of the COMPANY or of the RECIPIENTS, at any organisational level and in relation to any organisational sector, meets realistic and objectively achievable criteria;

6. present and describe the activities carried out by the COMPANY, its functional articulation, corporate organisation, relations with supervisory and control authorities, with other controlled or associated companies or with other entities, in truthful and correct documents, drawn up under the responsibility of clearly identifiable persons and updated promptly

7. implement training and updating programmes aimed at ensuring the effective knowledge of the CODE OF ETHICS and the MODEL by all those who work in or with the COMPANY, as well as by all subjects directly or indirectly involved in the activities and risk operations referred to in the following paragraphs;

8. allow the use of IT tools and access to the Internet only for reasons and purposes related to the employee's work, in accordance with the Company's rules adopted in this regard.

4. Addressees of the Model

The rules contained in the MODEL are applicable to:

- those who perform, even de facto, functions of representation, management, administration, direction or control of the COMPANY or of a unit or division thereof, endowed with financial and functional autonomy (the SENIOR STAFF);
- subordinate employees of the COMPANY, of any rank and under any type of contractual relationship, even if they are sent abroad to carry out their activity (the EMPLOYEES);
- those who, although not belonging to the COMPANY, act on its behalf or in its interest;

- COLLABORATORS and contractual partners in general.

The MODEL and the corresponding CODE OF ETHICS are indispensable references for all those who contribute to the development of the various activities as suppliers of materials, services and works, consultants, partners in temporary associations or companies with which CHEMI S.P.A. cooperates.

Contracts, agreements between shareholders or partners, etc., must expressly include the acceptance of the rules and conduct set forth in these documents.

The RECIPIENTS are obliged to comply with all the provisions of the PROTOCOL in a timely manner, also in the fulfilment of the duties of loyalty, fairness and diligence deriving from the legal relations established with the COMPANY.

The COMPANY shall disseminate the MODEL by appropriate means to ensure its effective knowledge by all interested parties.

The COMPANY shall condemn and sanction any conduct that is contrary to the law, to the provisions of the MODEL and to the CODE OF ETHICS, as well as any conduct undertaken to evade the law, the MODEL or the CODE OF ETHICS, even if the conduct is undertaken in the belief that it pursues, even partially, the interest of the COMPANY or with the intention of bringing an advantage to the COMPANY.

5. MODEL Communication and Training

The training activity, aimed at disseminating knowledge of the regulations in the field of D. Decree 231/2001, is differentiated in its content and delivery methods according to the qualifications of the addressees, the risk level of the area in which they operate, and whether or not they have functions of representation of the COMPANY.

It is the responsibility of the HR function to:

- define the training and refresher courses to be shared with the CHEMI S.P.A. Supervisory Body, which, in accordance with the provisions of the MODEL, provides for a specific course for managers and subordinates;

Training on the principles and contents of the MODEL shall be provided by the Human Resources Department, which shall determine the best way to use these services in accordance with the indications and plans of the SUPERVISORY BODY.

Conversely, the SUPERVISORY BODY shall inform the relevant department of

- changes in the relevant regulations in order to provide additional training;
- the need for additional training as a result of the discovery of errors and/or deviations from the correct execution of operational procedures applied to so-called "sensitive activities".

The control activity of the SUPERVISORY BODY provides for the adoption of training measures when errors and/or deviations from the correct execution of procedures are detected that are "sensitive" with regard to the offences referred to in Legislative Decree 231/01.
In this case, the SUPERVISORY BODY shall activate the relevant functions to organise and carry out the planned training action.

The MODEL and the CODE OF ETHICS shall be addressed to the addressees in such a way as to ensure their most appropriate dissemination (notice boards, availability on shared network spaces, etc.).
For the purposes of implementing the MODEL, the training and information of personnel

shall be managed by the competent department, in close coordination with the SUPERVISORY BODY and with the heads of other departments involved in the application of the MODEL from time to time.

For COLLABORATORS and third parties (promoters, agents, contractors, consultants, outsourcers, suppliers, business partners), it is necessary to provide for a similar information and dissemination of the MODEL, also according to differentiated modalities, for example by means of paper delivery of the MODEL and the CODE (with acknowledgement of receipt) and possibly differentiated according to the type of contractual relationship and the type of activity carried out in relation to the specific risk of infringement.

6. MODEL construction phases

The process of defining the MODEL in the latest update was articulated in the phases described below:

1) Preliminary analysis of the business context

The objective of this phase was to examine in advance, through document analysis and interviews with informed persons within the corporate structure, the organisation and activities of the various departments, as well as the corporate processes in which the activities are articulated.

2) Identification of "crime risk" activities and business processes

The above-mentioned preliminary analysis of the business environment led to the identification of:

- the areas of activity that are "sensitive" to the commission of crimes, i.e. the activities within the framework of which opportunities for the commission of the crimes provided for in the DECREE may hypothetically be created,
- the processes "instrumental" to the commission of the offences referred to in the Decree, i.e. the processes within the framework of which the conditions and/or instruments for the commission of the offences could in principle be created.

The analysis reported in the "*Mapping of sensitive activities and instrumental processes*"

in Annex 2 concerned activities sensitive to the commission of some of the offences referred to in Articles 24 and 25 of the DECREE (offences against the public administration and against property committed to the detriment of the State, other public entities or the European Union), some of the offences referred to in Article 24-bis (computer offences), the offence of *'association to commit crimes'* referred to in Article 24-ter, the offence of introducing into the Country and trading in products with false signs referred to in Article 25-bis, some of the offences against industry and trade referred to in Article 25-bis. 1 of the DECREE, some of the offences referred to in Article 25-ter 25-septies, the offences of receiving stolen goods, money laundering, the use of money, goods or other benefits of illegal origin and self-laundering referred to in Article 25-octies, offences relating to non-cash payment instruments and fraudulent transfer of valuables set out in Article 25-*octies.1,* some of the offences relating to the infringement of copyright referred to in Article 25-novies, offences against the administration of justice under Article 25-decies, some of the environmental offences under Article 25-undecies, the offence of "*employment of illegally staying third-country nationals*" under Article 25-duodecies, tax offences under Article 25-quinquiesdecies,, smuggling offences under Article 25-sexiesdecies and crimes against animals under Article 25-undevicies.

The offences against the person referred to in Articles 25-quinquies and 25-quater.1, the offences of insider dealing and market manipulation referred to in Article 25-sexies, the offences of organised crime (with the exception of the criminal association referred to in Article 416 of the Criminal Code), offences linked to racism and xenophobia referred to in Article 25-terdecies, the offence of fraud in sporting competitions referred to in Article 25-quaterdecies, offences relating to fraud in sporting competitions, unlawful gambling or betting and gambling by means of prohibited devices referred to in Art. 25-quaterdecies, offences against the cultural heritage referred to in Art. 25-septiesdecies, the offences of money laundering with cultural goods and of destruction and looting of cultural and natural heritage referred to in Article 25-duodicies, as well as some of the offences referred to in the categories of the previous paragraph that are not listed in Annex 2, were analysed during the mapping of activities and instrumental processes. However, after a careful preliminary assessment, supported by the extensive cycle of interviews and documentary checks carried out in the company, no specific opportunities for the commission of the offence were identified in relation to these, since, although their abstract verifiability cannot be completely excluded, their concrete realisation is unlikely, both in view of the operational reality of the company

and in view of the elementsnecessary for the commission of the offences in question (with particular reference to the psychological element of the offence for some of them).

With regard to the offence of criminal conspiracy under article 416 of the Penal Code, the analysis focused on the profiles of the traceability of this offence to the offences considered in the mapping of instrumental activities and processes.

Although, in principle, it is not possible to completely rule out the possibility of criminal conspiracy for offences other than those included in the mapping, the analysis carried out has led to a priority consideration, in accordance with the principle of acceptable risk and the cost-effectiveness of internal control processes, of the profiles of activities typical of the operational reality of the COMPANY.

Therefore, without prejudice to the offences identified in the mapping in relation to individual activities and sensitive processes, and without prejudice to the control protocols identified in this MODEL (developed in compliance with the principle of taxability of predicate offences), the offence referred to in article 416 of the Italian Penal Code is considered on the basis of the "associative nature" with which the criminal manifestation of the predicate offences identified in the mapping can be realised. In particular, account is taken of the fact that the offence may hypothetically be committed or even planned by three or more persons inside or outside the company (e.g. in the frames of relations with suppliers or business partners). Following the transposition of Directive (EU) 2017/1371 (the so-called "BIP Directive"), which is limited as well to the offences already identified in the mapping, this meaning is also considered to include cases of the pursuit of unlawful objectives to the detriment of the financial interests of the European Union.

With regard to the crime of "self-money laundering" introduced by Law 186/2014 under Article 25-octies of Legislative Decree 231/01, the analysis was carried out according to two profiles, in the light of strict compliance with the principles expressed in Articles 2 and 3 of Legislative Decree 231/01, with particular reference to the taxability of predicate offences:

Considering the offence of self-laundering as the modality by which the funds, goods or other benefits derived from non-predicate offences, which already constitute predicate offences within the meaning of Legislative Decree 231/01 and which were identified in the risk analysis, could be used, substituted or transferred within the economic-entrepreneurial activity of the

COMPANY. Specifically, the offence of self-laundering can be considered in this sense as an "instrumental" offence to the predicate offences of a non-culpable nature already identified in the mapping. According to this profile, the control protocols of the "source" offence of self-laundering, with exclusive reference to the offence categories included in the list of predicate offences pursuant to Legislative Decree 231/01, are those established in the specific part of the MODEL for each macro-category of offence;

- In addition, self-laundering is considered, taking into account the moment of the commission of the offence itself, with particular reference to the modal clause of the provision, which stresses that, in order to commit the offence of self-laundering, the conduct must be aimed at specifically impeding the identification of the criminal origin of the money, goods or other benefits derived from the commission of a non-culpable offence (thus including those not subject to mapping).

In accordance with this profile, the analyses have focused on the traceability of financial and treasury activities, as these are the processes in which it is conceivable that the behaviour may make it more difficult to identify the criminal origin, with particular but not exclusive reference to flows linked to transactions of a non-ordinary nature, such as mergers, acquisitions, divestitures, shareholder or intercompany financing, asset and investment management, etc.

For the areas of activity and instrumental sensitive processes identified, the potential criminal risk cases were identified, as well as the possible ways in which they could be carried out, the functions and the persons (employees and others) normally involved. We then assessed the level of potential risk associated with each sensitive activity/process according to a risk assessment methodology based on the following elements and reported in Appendix 2:

1. Identifying and weighting of the two macro-axes for risk analysis:
   - Probability axis, indicating the degree of possibility that the risk event shall occur;

- Impact axis, indicating the consequences of the occurrence of the risk event;

2. assigning and weighting specific assessment parameters for each of the macro-axes according to the following scheme:
   - For the probability axis:
     - frequency of occurrence/performance of the activity described and other economic-quantitative indicators of the relevance of the business activity or process (e.g. economic value of the transactions or activities performed, number and type of persons involved, etc.);
     - likelihood of the alleged offence occurring in the operational context (e.g. the presumed 'ease' of carrying out the criminal conduct in relation to the reference context);
     - any history of criminal activity in the company or, more generally, in the sector in which it operates.
   - For the impact axis:
     - the severity of the penalties that may be associated with the commission of any of the offences provided for by Legislative Decree No. 231/2001 in the exercise of the activity;
     - the potential benefit that could accrue to the COMPANY as a result of the commission of the alleged unlawful conduct and that could constitute a lever for the commission of the unlawful conduct by the Company's personnel;

3. assigning a score to each evaluation parameter based on a qualitative scale (e.g. very low - low - medium - high - very high);

4. defining the final score (axis and total) and assigning a synthetic risk rating based on it, qualified as follows: RED - high risk, YELLOW - medium risk, GREEN - low risk.

In this regard, it is emphasized that the risk profile remains potential, as it is identified as an “inherent risk,” meaning it is implicit in the very nature of the activity, regardless of the measures introduced to reduce the (economic/financial) impact and the likelihood of an adverse event (such as the commission of an offense), including the control activities adopted.

With reference to the offense under Article 346-bis of the Italian Penal Code (trafficking in illicit influence), considering that the Supreme Court has also clarified that the provision penalizes, “in a preventive and anticipatory manner, the phenomenon of corruption, by subjecting to criminal sanction all those previously irrelevant behaviors that are preparatory to corruption offenses, consisting of agreements concerning illicit influence over a public official that one of the parties (the trafficker) promises to exert in favor of the other (the private party interested in the act) in exchange for compensation (for themselves, others, or to remunerate the public official)” (see Criminal Cassation, Section VI, No. 1182/2022), and that this offense is therefore preparatory to the possible subsequent commission of the offenses under Articles 319 and 319-ter of the Penal Code, provided that the promised or given benefit to the intermediary has an economic nature, the highest scoring level provided for corruption/incitement to corruption offenses has been applied to the analytical variables described above.

It should be noted that the aforementioned variables have been used to define a gradation of the general risk associated with each sensitive activity/process.

With regard to the offences referred to in art. 25-septies of Legislative Decree no. 231/01 (culpable homicide and grievous or very grievous bodily harm pursuant to art. 589 and 590, paragraph III of the Italian Penal Code), given the technical specificity of the individual health and safety obligations required by Legislative Decree no. 81/08, the above analysis variables have not been applied and for these areas reference is made to the risk assessments contained in the Risk Assessment Document adopted pursuant to Legislative Decree no. 81/08.

3) MODEL DESIGN

Following the activities described above, CHEMI S.p.A. deemed it appropriate to define the operating principles and reference "protocols" of the MODEL it intends to implement, taking into account

- the requirements set up by the DECREE,
- the CODE OF ETHICS adopted by the Company (Appendix 4)
- the relevant *Guidelines* issued by CONFINDUSTRIA
- UNI ISO 45001:2018 Occupational Health and Safety Management System (OHSMS).

It is understood that the possible decision not to adapt the MODEL to some of the indications mentioned in the above-mentioned *Guidelines* does not invalidate its validity. In fact, the MODEL adopted by the SUPERVISORY BODY must necessarily be drawn up with specific reference to the concrete reality of the COMPANY and may therefore also deviate from the relevant *Guidelines*, which intrinsically are of a general nature.

7. Adoption, amendments and updating of the MODEL and PROCEDURES.

The Board of Directors shall have exclusive competence, except as expressly provided below, for the adoption and modification of the MODEL, suitable for the prevention of crimes in general and, in particular, the CRIMES and ADMINISTRATIVE OFFENCES referred to in the DECREE.

The Board of Directors shall immediately modify the MODEL if the SUPERVISORY BODY, any other function of the COMPANY or any other subject of the COMPANY itself, has detected significant violations or circumventions of the provisions contained therein which show that it is inadequate, even if only partially, to ensure the effective prevention of criminal offences;

The Board of Directors shall promptly update all or part of the MODEL, also on the proposal of the Board of Directors, in the event of changes or amendments:

a) in the legal and regulatory system, including the self-developed part, governing the activity of the COMPANY;

b) in the corporate structure or organisation or articulation of the COMPANY;

c) in the activity of the COMPANY or its goods or services offered to customers;

d) in relation to other and different elements and circumstances that are essential to the result of the so-called risk mapping.

The functional articulations concerned shall draw up and promptly implement changes to the procedures under their responsibility as soon as such changes appear necessary for the effective implementation of the MODEL, in accordance with the provisions of points a), b), c) and d).

Proposals for amendments to the MODEL, as referred to in paragraph 7 (a), (b), (c) and (d), shall be submitted in advance to the SUPERVISORY BODY, which shall give its opinion without delay. If the Board of Directors decides to deviate from the opinion of the BODY, it must provide adequate justification.
The Chief Executive Officer of the COMPANY may, however, make changes of a purely formal nature to the MODEL or to the procedures if they are necessary to improve their clarity or efficiency. Such amendments shall be notified immediately to the BODY and to the Board of Directors for ratification.

The SUPERVISORY BODY shall immediately report in writing to the President of theBoard of Directors and the Chief Executive Officer any facts which suggest the advisability or necessity of amending or revising the MODEL. In such a case, the Chairman of the Board of Directors shall convene the Board of Directors to take such decisions as are within its competence.

The aforementioned provisions shall apply, where compatible, to the adoption by the functional articulations concerned of new procedures or the modification of existing procedures necessary for the implementation of the MODEL. New procedures and changes to existing procedures shall be communicated to the SUPERVISORY BODY without delay.

8. Provision of intra-group services

In the context of intra-group services, as described below, it shall be necessary to comply with the provisions of a service agreement which provides for

- the obligation of the company receiving the services to verify the truth and completeness of the documents or information provided to the company for the purpose of providing the services requested;
- the power of the SUPERVISORY BODY of the COMPANY to request information from the Supervisory Board, or equivalent function, of the company receiving the service, in order to properly perform its duties in relation to the performance of the services requested from the COMPANY.

In the performance of its services, the COMPANY shall comply not only with the CODE OF ETHICS, but also with the provisions of the MODEL and the procedures established for its implementation.

The COMPANY, when providing services on behalf of other companies of the GROUP in the context of activities or operations at risk that are not covered by its MODEL, shall adopt rules and procedures that are adequate and appropriate to prevent the commission of CRIMES and ADMINISTRATIVE OFFENCES.

In the event that the company of the GROUP that is the beneficiary of the services provided justifiably requests the COMPANY to comply with new procedures or procedures different from those provided for in this MODEL or established for its

implementation, the COMPANY shall comply with such procedures only if its SUPERVISORY BODY considers them appropriate to prevent the commission of CRIMES and ADMINISTRATIVE OFFENSES.
The SUPERVISORY BODY of the COMPANY shall ensure the adoption of and compliance with the procedures referred to in the preceding paragraphs.

8.1. Provision of services between the Parent Company and CHEMI S.P.A.

In the management of certain activities and processes, the COMPANY may use the organisational support structures of the parent company ITALFARMACO S.P.A. for the provision of certain services on the basis of intercompany service contracts. These services include:

- human resources management services
- information services
- R&D services
- certain regulatory and pharmacovigilance services
- services related to the filling and serialisation of certain products by ITALFARMACO S.P.A.'s Fulvio Testi plant in Milan.

On the other hand, with regard to the services provided by Chemi to the parent company ITALFARMACO S.p.A., these are services in the field of R&D, also governed by the Intercompany Agreement.

8.2. Provision of services to subsidiaries

The provision of services by the COMPANY to its subsidiaries, which may involve the activities and operations at risk referred to in the following *Special Section*, must be governed by a written contract, in accordance with the provisions of point 8 below.

8.3. Provision of services by subsidiaries in favour of the COMPANY

The provision of services by subsidiaries for the COMPANY, which may include the activities and operations at risk referred to in the following *Special Section*, must be governed by a written contract, in accordance with the provisions of point 8..

9. Structure and Characteristics of the Model

This MODEL, drawn up in accordance with the *Guidelines* issued by CONFINDUSTRIA, consists of

- a *General Section* describing the relevant legislation and the general operating rules of the MODEL and the Supervisory Board;
- a *Special Section* focusing on the areas of activity and instrumental processes considered "sensitive", the rules of conduct and other control instruments considered relevant in relation to the crimes to be prevented.

The COMPANY undertakes to design and implement the MODEL, to adapt it constantly to changes in the internal and external context, and to ensure its compliance and operation by applying specific methodologies, adopting the operational methods deemed most appropriate at any given time and complying with the mandatory control principles.

The MODEL is part of the wider system of organisation and control already in place, which it is intended to integrate with the following qualifying elements

- identification of company activities and processes that are "sensitive" to the commission of the offences provided for by Legislative Decree no. 231/2001, which must be periodically analysed and monitored (Annex 2);
- the rules of conduct, also contained in the CODE OF ETHICS to which the COMPANY has subscribed, aimed at preventing the occurrence of the offences provided for by Legislative Decree 231/2001;
- the assignment of the tasks of supervising the effective and correct functioning of the MODEL to a SUPERVISORY BODY (hereinafter referred to as the BODY) of the COMPANY;
- the flow of information to the SUPERVISORY BODY;
- the system of sanctions appropriate to ensure the effective implementation of the MODEL, including the disciplinary provisions applicable in the event of non-compliance with the measures set out in the MODEL;
- the review and documentation of each relevant transaction;

- compliance with the principle of segregation of duties, guaranteed by the existence of a system of allocation of powers that defines precise limits on the decision-making powers of individuals and ensures separation between those who propose and those who authorise, between those who execute and those who control, and consequently the absence in the company of individuals with absolute and unconditional power over an entire process;
- the definition of authorisation powers in accordance with the responsibilities assigned;
- the availability to the Board of corporate resources that are adequate in number and value and proportionate to the expected and reasonably achievable results;
- the rules and responsibilities regulating the adoption, implementation and subsequent amendments or additions to the MODEL (MODEL update), as well as for the ongoing review of the functioning and effectiveness of the MODEL;
- awareness-raising, information and dissemination activities at all levels of the COMPANY and to external audiences regarding compliance with the regulatory principles set out in the DECREE and the rules of conduct and procedures established.

10. Model and Code of Ethics

CHEMI S.P.A. intends to base the performance of its activities, the pursuit of its corporate purpose and the growth of the COMPANY on the respect, not only of the laws and regulations in force, but also of shared ethical principles. To this end, it has adopted an ETHICAL CODE, approved by the Board of Directors together with the first version of the MODEL, aimed at defining a series of principles of '*company deontology*' that the Company recognises as its own and of which it demands compliance by the corporate Bodies, its employees and all those who cooperate in any way in the pursuit of the company aims.

11. Business activities and processes with a potential 'risk of offence'.

After a preliminary analysis of the business context, the activities in which the offences provided for by the Decree could be committed were identified (so-called "sensitive" activities), as were the business processes in which, again in principle, the conditions or instruments for committing certain types of offences could be created (so-called "instrumental" processes).

The analyses concerned in particular a) offences against the public administration and against the property of the State, of other public entities or of the European Union; b) computer-related offences; c) offences related to organised crime (limited to the offence of criminal association under article 416 of the Penal Code) d) offences relating to the counterfeiting of currency, credit cards, revenue stamps and identification instruments or signs; e) offences against industry and commerce; f) corporate offences (including the offence of "bribery and instigation of bribery among private persons"); g) offences with the aim of terrorism or the subversion of democratic order; h) offences relating to culpable homicide h) the offences of culpable homicide and grievous or very grievous bodily harm committed in breach of the rules on the prevention of accidents and on the protection of health and safety at work; i) the offences of receiving stolen goods, money laundering, using money, goods or other benefits of unlawful origin and self-laundering; l) certain offences involving non-cash payment instruments and fraudulent transfer of values m) certain copyright offences; n) offences against the administration of justice; o) environmental offences; p) offences relating to immigration and the status of foreigners; q) tax offences; r) smuggling-related offences; (s) crimes against animals.

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the following "sensitive" activities and "instrumental" processes have been identified:

- Management of relations, compliance and communication with regulatory authorities (e.g. AIFA, FDA, etc.) and Public Security authorities (e.g. NAS)

- regarding the manufacturing process and Good Manufacturing Practices,including in the framework of visits or inspections;
- Use of specifically regulated substances and products (e.g. chemical weapons precursors, narcotics, products under UTF licences, substances covered by REACH, etc.), including in the framework of visits or inspections;
- Managing relations with local authorities for town planning and building regulation aspects (licences, concessions, permits, etc.);
- Managing tax compliance and relations with tax authorities and tax police in the framework of inspections and assessments;
- Managing the company's public presentation activities, including institutional meetings;
- Research and development, production and distribution processes;
- Managing activities related to product sales and customer relations;
- Purchasing goods and services related to production (direct purchases);
- Consultancy, other indirect purchases and procurement;
- Human resources management activities;
- Management of employee expense reimbursements and entertainment expenses;
- Management of gifts, donations, sponsorships, contributions and donations;
- Management of relationships with agents and distributors;
- Management of grants/funding from public entities;
- Preparation of financial statements;
- Management of corporate commitments and transactions;
- Management of judicial and extra-judicial disputes (civil, criminal, administrative, fiscal, labour);
- Management of the obligations set out in Legislative Decree No. 138/2024 (so-called NIS 2);
- Managing relations with independent administrative authorities (e.g. data protection authority, AGCM);
- Management of health and safety in the workplace and relations with public authorities to ensure compliance with the provisions of laws and regulations governing the employment of employees assigned to specific tasks;
- Management of environmental activities and processes, also in relation to third parties;

- Use of computer or telematic resources and information or any other intellectual work protected by copyright;
- Management of relations with third parties - public or private - in the performance of one's work activities on behalf of and/or in the interest of the COMPANY;- Relations with customers/suppliers/partners for the management of negotiation agreements and related administrative, accounting and financial operations;
- Management of financial flows.

A detailed analysis of the potential criminal risk profile associated with the identified "sensitive" activities and "instrumental" processes is provided in the "Mapping of Sensitive Activities and Instrumental Processes" prepared during the preliminary analysis activities and available in the *Special Section* of the document in Annex 2.

The top management staff, with the support of the Supervisory Board, is entrusted with the task of ensuring the continuous updating of the "*Mapping of sensitive activities and instrumental processes*", to be carried out with particular attention during periods of corporate change (e.g. opening of new offices, expansion of activities, acquisitions, reorganisations, etc.) and/or regulatory updates.

12. General principles of the organisational and control system

This *Organisation, Management and Control Model* is part of the broader Management and Control System already in place at the COMPANY and adopted to provide reasonable assurance of the achievement of the COMPANY's objectives in compliance with laws and regulations, the reliability of financial information and the safeguarding of assets, including against possible fraud.

In particular, CHEMI S.p.A. has identified the following components as specific instruments for planning the design and implementation of the decisions of the COMPANY and for ensuring adequate control over them, also in relation to the crimes to be prevented:

Organisational system and separation of roles

The organisational system shall meet the following requirements (i) clarity, formalisation and communication, with particular reference to the allocation of responsibilities, the definition of hierarchical lines and the assignment of operational activities; (ii) segregation of duties, i.e. organisational structures are designed to avoid functional overlaps and the concentration on one person of activities with a high degree of criticality or risk.

In order to guarantee these requirements, the COMPANY shall be equipped with organisational tools (organisation charts, organisational communication, codified procedures, etc.) based on the general principles of (i) visibility within the COMPANY; (ii) clear description of reporting lines; (iii) clear and formal demarcation of roles, with description of the tasks and responsibilities assigned to each function.

Delegation of powers

The system of delegation concerns both the internal powers of attorney on which the decision-making processes of the COMPANY with regard to the operations to be carried out depend, and the powers of representation for the signature of acts or documents intended for external use and capable of binding the COMPANY (so-called "special or general powers of attorney"). The delegation system must meet the following conditions: a) the delegation must be the result of a written act bearing a specific date; b) the delegate must possess all the professional qualifications and experience required by the specific nature of the delegated functions; c) the delegation must confer on the delegate all the organisational, management and control powers required by the specific nature of the delegated functions; d) the delegation must confer on the delegate the autonomy of expenditure necessary for the performance of the delegated functions; e) the delegation must be accepted in writing by the delegate.

To this end, the COMPANY undertakes to ensure that delegations are updated in good time and to specify the cases in which delegations must be granted, modified and revoked

(assumption of new responsibilities, transfer to other tasks incompatible with those for which they were conferred, resignation, dismissal, etc.).

Procedural system

The codes, policies, manuals, procedures, vademecums and work instructions codified by CHEMI S.P.A. are intended to define precise guidelines and operational instructions for the management of "sensitive" activities and processes. The procedural system is the main tool used by the functional managers to direct and control the management of the COMPANY, delegating the management of individual "operations", i.e. the "minimum work units" that make up an activity, to the operational practice, which must be carried out in compliance with the principles established by the procedures.
Obviously, this procedural system is dynamic by nature, since it is subject to the changing operational and management needs of the company, including, by way of example, organisational changes, changing business needs, changes in the regulatory reference systems, etc.
The dynamism of the procedural system implies its continuous updating.

The degree of overall formalisation of the procedural system, consisting of the existence, accessibility and clarity of a global reference framework that allows all relevant actors to unambiguously orient themselves in the management of the company's activities, constitutes, in itself, a significant indicator of the organisational control capabilities of the COMPANY.
Formalised internal procedures supporting operational processes and activities have the following characteristics (i) adequate dissemination within the corporate structures involved in the activities; (ii) regulation of the methods and timing of the performance of the activities; (iii) clear definition of responsibilities for the activities, in compliance with the principle of separation between the person who initiates the decision-making process, the person who executes and finalises it, and the person who controls it; (iv) the traceability of acts, operations and transactions by means of adequate documentary support, certifying the characteristics and motivations of the operation and identifying the persons involved in the operation in various capacities (authorisation, execution, registration, verification of

the operation); (v) objectification of decision-making processes by providing, where possible, defined reference criteria and methodologies for taking business decisions; (vi) provision of specific control mechanisms (such as reconciliations, balancing, etc.) to ensure the integrity and transparency of the decision-making process; (vi) the provision of specific control mechanisms (such as reconciliations, balancing, etc.) to ensure the integrity and completeness of the data managed and the information exchanged within the COMPANY.

Control and monitoring activities

Control and monitoring activities involve, in different roles, the Board of Directors, the Board of Statutory Auditors, the Audit Firm, the Supervisory Board, the Safety Manager and, in a broader sense, all the COMPANY's employees, and are an essential part of CHEMI S.P.A.'s daily activities.

The control functions of these bodies are defined according to the following types of control (i) monitoring the proper management of the COMPANY, the adequacy of its organisational structures and compliance with the law and the Certificate of Incorporation; (ii) line controls, aimed at ensuring the proper performance of operations, carried out by the same production structures or incorporated in the procedures; (iii) internal audit, aimed at detecting anomalies and violations of company procedures and assessing the functionality of the entire internal control system, carried out by independent structures; (iv) external audit, aimed at verifying the proper keeping of company accounts and the effectiveness of the internal control system; (v) control and management, in terms of the timeliness of reporting critical situations and the definition of appropriate risk indicators.

Traceability

Each activity shall be adequately recorded. The process of deciding, authorising and carrying out the operation must be verifiable ex post, also by means of appropriate documentary aids, and in any event the cases and procedures for the possible deletion or destruction of the records made or of the supporting documents must be specified.

In accordance with the general principle of the traceability of all operations, in order to prevent certain types of crime, including money laundering and self-laundering, particular emphasis is placed on the need to adequately trace all the financial flows of the COMPANY (both incoming and outgoing), not only those relating to normal business

operations (receipts and payments), but also those relating to financial needs (financing, risk coverage, etc.), extraordinary or capital operations (mergers, acquisitions, transfers, capital increases, liquidations, exchange of shares, etc.), as well as the financial transactions of the COMPANY (e.g. financial transactions, transactions with third parties, etc.).

The principles described above appear to be in line with the indications contained in the *Guidelines* issued by CONFINDUSTRIA and are considered by the COMPANY to be reasonably suitable also for preventing the offences referred to in the DECREE.

For this reason, the COMPANY considers it essential to ensure the correct and concrete application of the aforementioned control principles in all areas of the COMPANY's activities/processes identified as potentially at risk of criminal offences during the mapping phase and listed in Chapter 11.
The task of verifying the ongoing application of these principles, as well as their adequacy and updating, is entrusted by the COMPANY, in addition to the SUPERVISORY BODY, where applicable, to the managers of the corporate functions and, where necessary, to their direct reports. To this end, the above-mentioned managers should be in constant contact with the SUPERVISORY BODY, which should be kept informed and to which opinions, principles and guidelines may be requested.

13. Identification and appointment of the Supervisory Board

The DECREE designates a "*body of the entity*", endowed with "*autonomy and powers of initiative and control*", which shall be entrusted with the task of continuously supervising the functioning and compliance with the MODEL, its widespread and effective implementation, the observance of the rules contained therein by employees, corporate bodies, service companies and other third parties, and the consequent effective ability to prevent the commission of offences, as well as to ensure the timely and continuous updating of the MODEL when it is necessary to adapt it to changing corporate and regulatory conditions.
This SUPERVISORY BODY must be characterised by the requirements of stability, hierarchical autonomy
- in relation to other departments or entities - and expenditure, independence of judgement and interests, professionalism, operational efficiency and continuity of action.

The requirements of *autonomy and independence* imply that the SUPERVISORY BODY:

- shall have autonomous powers of initiative and control
- shall be responsible, in the performance of its functions, only to the highest hierarchical authority, i.e. the Board of Directors;
- shall not operate under the authority and instructions of any other department or authority, neither of senior management nor of the decision-making body;
- shall not undertake operational tasks.

The BODY shall carry out its functions, taking care, as far as possible, to promote rational and efficient cooperation with existing control bodies and authorities in the COMPANY.
The requirement of *professionalism* implies that the SUPERVISORY BODY:

- shall possess appropriate specialist skills, particularly in the relevant area of the COMPANY's business;
- shall be equipped with specialised tools and techniques in order to be able to carry out the activity also with internal and/or external specialised assistance.

The requirement of integrity presupposes the absence of grounds for disqualification: each member of the SUPERVISORY BODY must not have been convicted, even at first instance or in a plea bargain, of any of the offences provided for by the DECREE, nor of any of the grounds for disqualification provided for banking exponents and financial intermediaries.
The SUPERVISORY BODY shall be composed of three members, in accordance with the requirements of the previous point, at least two of whom shall have specific professional skills in matters relevant to the COMPANY (external members) and one member with specific knowledge of the COMPANY, who may also belong to the staff of the COMPANY or its parent company (external member with specific knowledge of the COMPANY or internal member).
The SUPERVISORY BODY shall regulate its operating rules and the management of the necessary information flows by means of specific regulations.

The SUPERVISORY BODY shall appoint a President - to whom it may delegate certain functions - to be chosen from among the external members (members not part of the COMPANY), as well as a Secretary, who shall be entrusted with the filing and keeping of the documents relating to the activities of the SUPERVISORY BODY, taking care to ensure that such documents cannot be modified or altered. The documents shall be kept on the premises of the COMPANY.
In view of the nature of the responsibilities assigned to the SUPERVISORY BODY and the specific professional competence required, the SUPERVISORY BODY, in the performance of its supervisory and control functions, shall adopt internal audit methodologies and shall be supported by the internal corporate structures that periodically carry out audit and compliance activities; it may, however, be supported by other internal departments or authorities - in accordance with the rules and principles laid down in the By-laws of the BODY - as well as external consultants whose contribution is deemed necessary and appropriate.

The appointment of the members of the SUPERVISORY BODY and their dismissal (for example, in the event of a breach of the obligations deriving from the MODEL) are acts reserved to the Board of Directors of the COMPANY, after obtaining the opinion of the Auditors, with a reasoned measure concerning each member. The revocation of the appointment may be ordered after a joint meeting with the Board of Statutory Auditors attended by other members of the Board.
In the selection of the members, the only relevant criteria are those - already mentioned - relating to the specific professionalism and competence required to perform the functions of the SUPERVISORY BODY, to honourability, in the case of members from outside theCOMPANY, and to absolute independence from the same.

The same criteria and requirements apply to external advisors.

The appointment decision shall specify the duration of the appointment and the circumstances in which it may be revoked. The term of office shall preferably be three years and shall be renewable.

Revocation shall be possible not only for just cause (e.g. disloyalty, inefficiency, negligence, inexperience, serious breach of duties as defined in the MODEL; breach of confidentiality obligations as defined in the MODEL), but also in cases of supervisory impossibility, i.e. when the members of the Board no longer meet the requirements of independence, impartiality, autonomy, honourability and suitability, absence of conflicts of interest and family ties with the governing bodies and the top management, or when the relationship of dependence/cooperation with the COMPANY ceases.
Each member of the Board of Directors must immediately inform the Secretary and the other members of the loss of eligibility.

The Board of Directors shall be deemed to have ceased to exist if the majority of its members are no longer present due to resignation or other reasons. In this case the Board of Directors shall appoint new members.
The SUPERVISORY BODY shall be deemed to have been disqualified if the COMPANY incurs a conviction or plea bargaining sentence for violation of the DECREE as a result of proven inadequacy or omission of supervisory activity.

14. (cont'd): function and powers of the Supervisory Board

The SUPERVISORY BODY shall have autonomous powers of initiative, intervention and control that extend to all areas and departments of the COMPANY, including the decision-making body and its members, external collaborators and consultants. These powers may only be exercised in order to carry out effectively and in a timely manner the functions provided for in the MODEL and its implementing rules, or to monitor:

1) the *effectiveness and adequacy* of the MODEL in terms of its corporate structure and its real capacity to prevent the commission of criminal offences; to this end, the SUPERVISORY BODY shall, at the intervals it deems appropriate:

- Interpret the relevant legislation;
- Carry out reviews of the COMPANY's activities in order to update the mapping of risk activities and related sensitive processes;
- Coordinate with the department responsible the definition and implementation of training programmes for all employees of the COMPANY, aimed at providing the necessary awareness and basic knowledge of Regulation 231;
- supervise the initiatives for the dissemination of knowledge of the MODEL inside and outside the COMPANY;
- Prepare and continuously update the relevant information to allow full and conscious compliance with the COMPANY'S rules of conduct;

2) on *the compliance with the MODEL* by the Company's bodies, employees and other third parties; therefore, it shall

- periodically, at intervals deemed appropriate by the SUPERVISORY BODY, and even without prior notice, targeted checks on specific transactions or specific acts carried out by the COMPANY in the context of sensitive processes;
- Coordinate with the corporate departments , also by means of special meetings, in order to ensure the best possible monitoring of the activity. To this end, the SUPERVISORY BODY shall have free access to all company documents which it considers relevant and shall be kept informed by the COMPANY's departments

and employees on:

a) the aspects of the COMPANY's activities that may expose it to the risk of committing one of the offences listed above;

b) relations with service providers and other third parties acting on behalf of the COMPANY in sensitive areas and operations;

c) any extraordinary activities of the COMPANY;

- collect, process and store information relevant to compliance with the MODEL and the updating of the list of information to be provided to or kept at the disposal of the COMPANY;
- Conduct internal investigations, liaising from time to time with relevant corporate functions to obtain further elements of assessment;

3) on the *appropriateness* of updating the MODEL and its monitoring if it is found necessary to adapt it in relation to changes in the business and/or regulatory environment; to this end, it shall

- periodically assess, on the basis of the results of the verification and control activities, the adequacy of the MODEL with respect to the provisions of the DECREE and of this document, as well as its operation;
- submit an appropriate report on these assessments to the Board of Directors;
- periodically, at intervals deemed appropriate by the SUPERVISORY BODY and in any case at least every six months, review the implementation and effective functioning of the proposed corrective solutions/actions;
- coordinate with the heads of the relevant corporate departments to assess the adoption of any disciplinary sanctions, without prejudice to the responsibility of the competent corporate body/department for the imposition of the sanction and the related disciplinary procedure.

The SUPERVISORY BODY shall have autonomous spending powers on the basis of a budget approved by the Board of Directors, on a proposal from the SUPERVISORY BODY itself, which shall consider the appropriate allocation of the financial resources at its disposal for all needs necessary for the proper performance of its functions (e.g. expert

advice, travel, etc.).
In addition, the SUPERVISORY BODY may autonomously commit funds in excess of its spending powers when the use of such funds is necessary to deal with exceptional and urgent situations. In such cases, the SUPERVISORY BODY must inform the Board of Directors at the immediately following meeting.
The SUPERVISORY BODY shall not be vested with, nor may any powers of management, decision-making, organisation or disciplinary intervention be attributed to it, not even as a substitute, even if they relate to objects or issues relating to the performance of the activities of the SUPERVISORY BODY.
Likewise, the control and verification activity carried out by the BODY is strictly functional to the objectives of an effective implementation of the MODEL and cannot replace or substitute the institutional control functions of the COMPANY.
The members of the SUPERVISORY BODY, as well as the persons whose services are used by the SUPERVISORY BODY in any capacity, are bound by the obligation of confidentiality with regard to all information they acquire in the exercise of their functions or activities.
In particular, the SUPERVISORY BODY shall have the following powers of initiative and control within the framework of its activity of monitoring the effective and efficient implementation of the MODEL, which it shall exercise in constant compliance with the law and the individual rights of the employees and persons concerned:

- shall carry out periodic inspections and checks, including spot checks, the frequency of which shall be determined by the SUPERVISORY BODY itself, taking into account the different areas of intervention or types of sensitive activities and their critical points; it shall meet at least once a quarter and shall draw up and keep copies of the minutes of its meetings;
- shall have access to all information held by any person relating to activities at risk;
- may, even without prior notice, request information or the production of documents, including documents in electronic form, relating to risk-related activities from the COMPANY's managers and from any employee who carries out or supervises risk-related activities on a permanent or occasional basis;
- may request information or the production of documents relevant to risk activities from the administrators, the Board of Statutory Auditors, the audit firm, collaborators, consultants, agents and representatives external to the COMPANY and, in general,

from all external subjects bound, within the limits provided for, to comply with the MODEL; the obligation of the latter to comply with the request of the SUPERVISORY BODY must be included in the individual contracts;

- Minutes shall be kept of meetings with the various departments of the COMPANY, copies of which shall be kept both by the SUPERVISORY BODY and by the other departments;
- may also carry out inspections in coordination with any security services of the company it may use;
- may request information or documents relating to sub sidiaries or associates, by means of a request addressed exclusively to the supervisory board of each company or equivalent body;
- may, where the nature of the controls so requires, have direct recourse to the staff of internal corporate departments, possibly designating a specific member of staff and agreeing the use of such staff in advance with the head of the department, unless there are reasons of urgency;
- shall receive reports on the results of control activities from internal departments that perform control activities directly or with the assistance of external specialists;
- may, if necessary, call on external consultants, informing the CEO; the latter may be omitted on account of the particular sensitivity of the investigations or their subject matter
- shall submit reports to the CEO for possible sanctioning procedures, it being understood that the adoption of measures remains the responsibility of the relevant functions;
- shall submit to the CEO any breaches of the provisions for the protection of the whistleblower, as well as any reports found to be unsubstantiated and made intentionally or with serious misconduct, with a view to the possible adoption, also by the competent departments, of the sanctions provided for in the Model, proportionate to the extent and seriousness of the misconduct found;
- shall periodically review the MODEL and the procedures adopted for its practical implementation, at intervals deemed appropriate by the SUPERVISORY BODY, and propose its updating to the decision-making body, in accordance with the provisions of this MODEL

- unless critical issues requiring more immediate reporting are identified, it shall

periodically, and at least every six months, draw up a written report on the activities carried out and send it to the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors, together with a justified statement of expenses incurred. The reports, which shall be entered in the minutes, shall also contain any proposals for the inclusion and modification of the MODEL and the procedures for its implementation;

- may request a meeting with the Board of Statutory Auditors, the Board of Directors. or the CEO, who may in turn request a direct meeting with the Board of Directors;
- shall draw up an annual plan of activities for the following year, to be submitted to the Board of Directors and the Board of Auditors for their information, as well as budget estimates, at the first meeting following the close of the financial year;
- shall agree with the Managing Director and the Head of Human Resources on training programmes, distribution channels and the content of regular communications.

In summary, the periodic reports prepared by the BODY must at least contain, perform or report:

a) any issues that have arisen concerning the way the MODEL or the procedures adopted in implementation or in function of the MODEL and the CODE OF ETHICS are implemented

b) a review of all the reports received from internal and external persons concerning the implementation of the MODEL and the PROCEDURES, without violating the obligation of anonymity and protection of the person submitting the report, as well as of the identification data indicated in the report;

c) disciplinary procedures and any sanctions applied by the functions of the COMPANY, with exclusive reference to risk activities for the purposes of Legislative Decree 231/01;

d) an overall assessment of the implementation and effectiveness of the MODEL, with possible indications for integrations, corrections or modifications, with particular attention to the integrations to the management systems of financial resources, both incoming and outgoing, necessary to introduce expedients to detect the existence of atypical financial flows characterised by greater margins

of discretion;

e) a review of all the reports received during the year and of the information transmitted to the SUPERVISORY BODY by the corporate structures, as well as of the awareness-raising activity among employees.

15. Information flows to control bodies

In order to facilitate the monitoring of the effectiveness and operation of the MODEL, the SUPERVISORY BOFY shall be entrusted with

- information useful and necessary for the performance of the control tasks entrusted to it

- Reports of alleged or actual violations of the MODEL and/or unlawful conduct relevant under Legislative Decree 231/2001 that have occurred or are in progress.
-
- **Information**

Within the COMPANY, CHEMI S.P.A.'s department heads must inform the SUPERVISORY BODY:

- at the request of the GOVERNING BODY and in the manner determined by the latter, the information and control activities carried out at the level of their own operational area which are useful for the exercise of the activity of the GOVERNING BODY in terms of verifying the compliance, effectiveness and updating of this MODEL and from which facts, acts, events or omissions with critical profiles may emerge with respect to compliance with the provisions of Legislative Decree 231/2001;
- periodically communicate to the various organisational and management structures of CHEMI S.p.A., by means of internal instructions, the information specified in this MODEL and any other information identified by the SUPERVISORY BODY and required by it. This information must be communicated within the time limits and in the manner established by the SUPERVISORY BODY itself;
- any other information, even from third parties, concerning the implementation of the MODEL in the areas of "sensitive" activities and compliance with the provisions of the DECREE, which may be considered useful for the performance of the tasks of the SUPERVISORY BODY. In particular, and by way of example and not as an exhaustive list, the following information must be sent to the SUPERVISORY BODY in a timely manner

a) any action and/or information taken by the judicial police, the financial administration or any other authority indicating that an investigation is being conducted in respect of the offences referred to in this Decree, even against unknown persons;
b) Requests for legal assistance made by directors and/or employees in the event that they are prosecuted for the offences provided for in the DECREE;
d) capital transactions, transactions involving the allocation of profits and reserves, transactions involving the purchase and sale of shares in companies or their branches, mergers, demergers and spin-offs, as well as any transaction, including intra-group transactions, which may undermine the integrity of the share capital;decisions relating to the application for, payment and use of public funds, including European funds;
e) information on the effective implementation of the MODEL at all levels of the company, with evidence of the disciplinary proceedings carried out and any sanctions imposed or measures taken to terminate such proceedings, with the relevant reasons;
f) The system of powers of the directors and any subsequent amendments and/or additions thereto, as well as the organisational structure;
g) the COMPANY's system of signatory powers and any subsequent amendments and/or additions thereto;
h) reports and/or notifications of infringements of the rules on prevention of accidents and protection of health and safety at work;
i) other documents from which facts, acts, events or omissions may emerge that are critical in terms of compliance with the provisions of Legislative Decree no. 231/2001.

Reports

For the purposes of reporting, violations are considered to be behaviours, acts or omissions that constitute unlawful conduct relevant to Legislative Decree 231/01 or violations of the MODEL.

Internal reporting is defined as the written or oral communication of information on violations acquired in the course of work and submitted through a channel activated by the COMPANY that guarantees the confidentiality of the reporter and of the person or entity concerned (person or legal entity identified in the report as the person to whom the violation is attributed or implicated in the report), of the content of the report and of the relevant documentation.

Information about violations includes information, including reasonable suspicion, about violations that have been or may be committed in the COMPANY on the basis of specific evidence, as well as elements of conduct aimed at concealing such violations.
The COMPANY provides clear information on the channel, methods and conditions for making internal reports through the "Whistleblowing Procedure" (Appendix 5), which regulates the process of collecting and managing reports in accordance with the provisions of Legislative Decree 24/2023 and Legislative Decree 231/01. The internal reporting procedure shall be posted and visible in the workplaces and published on the COMPANY's website/intranet.
In accordance with the provisions of Legislative Decree 24/2023, the COMPANY shall comply with the protective measures provided for by law, including the prohibition of retaliation, even if attempted or threatened.
The adoption of discriminatory measures against whistleblowers may be reported by the whistleblower to ANAC for action within its competence.
Any processing of personal data shall be carried out in accordance with Regulation (EU) 2016/679, Legislative Decree No 196 of 30 June 2003 and Legislative Decree of 18 May 2018,
n. 51.

As provided for in the "Whistleblowing Procedure", the collegiate body in charge of the management of whistleblowing reports ("Channel Manager") is obliged to forward to the SUPERVISORY BODY, while maintaining confidentiality, any report that may be relevant for the purposes of Legislative Decree 231/01 and the application of the MODEL.
The SUPERVISORY BODY evaluates the reports received and any resulting measures

and adopts any measures deemed necessary to adapt the MODEL, making the necessary notifications for the application of any sanctions by the COMPANY. Any resulting measures shall be applied in accordance with the provisions of the Sanction System in Chapter 12 below.

In addition to internal reporting, it is also possible to communicate information on non-compliance through an external reporting channel activated by ANAC in accordance with articles 7 et seq. of Legislative Decree 24/2023 and only if the regulatory conditions are met. The procedures for submitting and managing external reports are governed by the guidelines adopted by ANAC on 12 July 2023 and can be activated through the ANAC channels mentioned in the "Whistleblowing Procedure".

Internal and external reports and related documents shall be kept for as long as necessary to process the report, and in any case for no longer than five years from the date of communication of the final outcome of the reporting procedure.

16. (cont'd): documentation of the body's activities and collection and storage of information

The verification activities of the SUPERVISORY BODY shall be supported by appropriate documentary evidence. For each activity, it is necessary to

- establish a detailed work plan for each activity in the annual audit programme. The work plan shall be used as a guide for carrying out the inspections and shall be archived at the end of the work, together with all documentation relating to the work carried out;
- Formulate written requests to the organisational units involved;
- Accurate archiving of all documentation produced and received, in chronological order and in such a way as to allow traceability of activities. A similar procedure applies to the storage of material in electronic form;
- at the end of each intervention, prepare a report describing the work carried out and the evidence obtained.

All information and reports provided for in this MODEL shall be kept by the ORGANISATION for a period of 10 years, subject to the different data retention period provided for whistleblowing reports and detailed in the previous paragraph. The provisions on the confidentiality of personal data and the rights guaranteed in favour of the persons concerned shall be respected.

In order to ensure the correct and appropriate processing of data resulting from the activities of the O.d.V., specific instructions have been provided to each member of the O.d.V. responsible for data processing (similar to those provided to each member of the O.d.V. of the Italian companies of the ITALFARMACO Group).

The subjective classification of the members of the Supervisory Board as data processors of the owner company is in line with the opinion issued by the Data Protection Authority on 12 May 2000.

Instructions have also been prepared for the members of the Board Secretariat.

17. The Sanctions System

Art. 6 col. 2 of the DECREE provides for the introduction of a disciplinary system capable of sanctioning behaviour that differs from that provided for in the MODEL or in the implementing procedures, in order to make the control system function more effectively. This system must be differentiated for employees, i.e. those who are managed and supervised by managers, for managers themselves, in relation to the different type of contract that binds them to the COMPANY, and finally for directors.
For employees and managers, the system of sanctions shall essentially refer to and be applied in accordance with the provisions of the STATUTES OF EMPLOYEES and the applicable collective labour agreements.
The SUPERVISORY BODY., after consulting the Director of Human Resources, the Director of Legal Affairs and the Board of Directors and, where appropriate, the heads of the functional departments concerned, shall determine the types of sanctions to be applied.

Similarly, the SUPERVISORY BODY shall preliminarily determine the types of legal relations with entities outside the Company to which it is appropriate to apply the provisions of the MODEL in order to prevent CRIMES, specifying the modalities and the sanctions to be applied in the event of violation of the provisions contained therein or of the procedures established for their implementation.

The preliminary investigation and the application of sanctions for breaches of the provisions of the MODEL shall be the exclusive responsibility of the competent bodies of the COMPANY by virtue of the powers conferred on them by the Articles of Association or by resolution of the Board of Directors or by the Internal Regulations.

The application of sanctions is without prejudice to and does not alter any other civil or other consequences (criminal, administrative, fiscal) that may arise from the same act. The application of disciplinary sanctions is independent of the outcome of any criminal proceedings, since the rules of conduct imposed by the MODEL are adopted by the COMPANY in full autonomy, regardless of the offence that any conduct may determine. The disciplinary system is not only autonomous from the possible criminal proceedings, but it should rather remain on a clearly distinct and separate level from the regulatory system of criminal and administrative law. In the event that the COMPANY prefers to await the outcome of the criminal proceedings, as already provided for in the National Collective Agreement for Managers, it may resort to the institution of temporary suspension and postpone the possible initiation of disciplinary proceedings until the outcome, even if not final, of the criminal proceedings.

Any violation or circumvention of the MODEL or of the procedures for its implementation by the perpetrator must be immediately reported to the BODY, without prejudice to the disciplinary procedures and measures, which remain the sole responsibility of the disciplinary authority.

The SUPERVISORY BODY must be immediately informed of the application of any sanction, for violation of the MODEL or the procedures established for its implementation, by any person required to comply with the MODEL and the procedures referred to above.

In turn, the SUPERVISORY BODY must submit a report to the CEO, which shall involve the competent functions for the possible adoption of sanctions:

- Reports of violations of the MODEL or its PROCEDURES;
- Reports of violations of the measures for the protection of the reporting person, as well as cases of reports that turn out to be unsubstantiated and have been made with intentional or serious misconduct, so that the competent functions can adopt the sanctions provided for by the MODEL, proportionate to the extent and seriousness of the unlawful conduct found. The sanctions may also include termination of the employment relationship or, in the case of employees or third parties, termination of the existing contract.

Pursuant to law no. 300, art. 7, par. 1 of 20 May 1970 and in application of Art. 50 of the National Collective Agreement for Employees, there are specific criteria for correlating the misconduct of employees with the disciplinary measures provided for in the agreement itself, which are listed below:

Verbal reprimand

It corresponds to a minor and first-time violation of the internal procedures established by the MODEL, or the adoption of a behaviour in the performance of activities in risk areas that does not comply with the requirements of the MODEL itself, since this behaviour should be considered as a non-compliance with the dispositions brought to the knowledge of the staff by service orders, circulars, instructions or any other appropriate means in use in the COMPANY;

Written warning

It corresponds to the violation of the internal procedures provided for in this MODEL, or to the adoption of a behaviour that does not comply with the requirements of the MODEL in the performance of activities in risk areas, since such behaviour must be considered as a

failure to comply with the provisions brought to the attention of the staff by means of service orders, instruction circulars or any other appropriate means in use at the COMPANY;

A fine not exceeding three hours' normal pay.

It corresponds to the repeated violation of the internal procedures established by this MODEL, or to the adoption of a behaviour in the performance of activities in risk areas, which repeatedly does not comply with the provisions of the MODEL itself, even before these failures have been individually identified and contested, since these behaviours should be considered as repeated non-compliance with the dispositions brought to the attention of the staff by service orders, circulars, instructions or any other appropriate means in use at the COMPANY;

Suspension without pay for a maximum of three days

It corresponds to a giolation of the internal procedures established by the MODEL, or the adoption of a behaviour that does not comply with the MODEL itself, in the performance of risk areas, as well as the commission of acts contrary to the interests of the COMPANY that cause damage to it or expose it to an objective situation of danger to the integrity of the Company's assets, including those resulting from non-compliance with the provisions brought to the attention of the staff by means of service orders,, circulars, instructions or other appropriate means in use at the COMPANY;

Disciplinary dismissal for serious breach of the employee's contractual obligations (justified reason or just cause).

It corresponds to the adoption, in the performance of risky activities, of a behaviour that does not comply with the provisions of this MODEL and that is clearly aimed at the

commission of an OFFENCE sanctioned by the DECREE, since such behaviour should be recognised as the determination of a considerable damage or a situation of considerable prejudice to the COMPANY, also resulting from the non-compliance with the provisions brought to the attention of the staff by means of service orders, circulars, instructions or any other appropriate means in use in the COMPANY. In any case, if the fact constitutes a breach of the obligations deriving from the law or from the employment relationship, such that the continuation of the relationship, even on a provisional basis, is not possible, dismissal without notice may be decided in accordance with article 2119 of the Civil Code, without prejudice to compliance with the disciplinary procedure. The dismissal may be accompanied by an order for the cancellation of any procedures entrusted to the person concerned.

More specifically, the nature and extent of each of the above penalties shall be applied in relation to

- the wilfulness of the conduct or the degree of negligence, recklessness or inexperience, including the foreseeability of the event;
- the general conduct of the employee, with particular reference to employee's disciplinary record, to the extent permitted by law; and
- the employee's duties
- the functional position of the persons involved in the facts constituting the misconduct;
- other special circumstances surrounding the disciplinary offence.

This shall always be without prejudice to compensation for any damage caused to the COMPANY.

The powers already conferred on the Chief Executive Officer or the Human Resources Department, within the limits of their respective competences, in accordance with the Internal Regulations, shall remain in force with regard to the preliminary investigation to establish the aforementioned infringements, the disciplinary proceedings and the

imposition of sanctions. The supervisory system is constantly monitored by the SUPERVISORY BODY.

Failure to comply with the MODEL shall result in the loss of the fiduciary relationship for managers, and in particular for those who hold positions of responsibility with functions of representation, administration or management, even of a single organisational unit.

and, depending on the seriousness of the offence, may lead to the termination of the employment relationship, even with immediate effect.
In the event of failure by managers to comply with the internal procedures provided for in this MODEL, or in the event of the adoption of behaviour inconsistent with this MODEL when carrying out activities in risk areas, the following measures shall be taken against those responsible:

Warning letters

Measure applied when, in the performance of activities in risk areas, behaviour is detected that does not comply with the prescriptions of this MODEL;

Suspension from work and pay for a maximum of 10 days.

It corresponds to the violation of the internal procedures established by the MODEL, or to the adoption of a behaviour that does not comply with the prescriptions of the MODEL itself, during the performance of activities in risk areas, as well as to the performance of acts contrary to the interest of the COMPANY, causing damage to it or exposing it to an objective situation of danger for the integrity of the corporate assets, as the performance of acts contrary to the interests of the COMPANY, or the detection of damage or a situation of danger to the integrity of the corporate assets, also as a result of non-compliance with the

provisions brought to the attention of the staff with service orders, circulars, instructions or other suitable means in use in the COMPANY;

Termination of the relationship

Measure applied when it is found that, in the course of carrying out activities in risk areas, behaviours have been carried out in clear violation of the provisions of this MODEL, i.e. behaviour clearly aimed at committing an offence sanctioned by the DECREE, and such as to determine the concrete application of the measures provided for by the DECREE against the COMPANY, generating a potential serious damage for the same. In such cases, it is necessary to recognise in such behaviour capable of radically breaking the trust placed in them by the COMPANY.

This shall always be without prejudice to the compensation of any damage caused to the COMPANY.

In the event of a breach rules and procedures set out in this MODEL by the administrators, the SUPERVISORY BODY shall immediately inform the Board of Directors - in the person of the Chairman - and the Board of Auditors by means of a written report. The Board of Directors may take any appropriate measure permitted by law and, in the most serious cases, and in any event if the fault is such as to damage the trust of the COMPANY in the person in charge, the Board of Directors may convene the General Meeting and propose the removal of the person in charge.

This shall always be without prejudice to compensation for any damage caused to the COMPANY.

In the event of a breach by a member of the Board of Statutory Auditors, the SUPERVISORY BODY. shall immediately inform the Board of Directors, in the person of the Chairman and the CEO, by means of a written report.

In the event of violations constituting just cause for removal, the SUPERVISORY BODY shall propose to the Board of Directors the adoption of the measures within its competence and shall take the further steps required by law.

This shall always be without prejudice to compensation for any damage caused to the COMPANY.

Any behaviour on the part of external employees or partners which is contrary to the principles of conduct set out in this MODEL and which entails the risk of committing an OFFENCE sanctioned by the DECREE may result, in accordance with the specific contractual clauses contained in the letters of appointment or partnership agreements, in the termination of the contractual relationship, (in accordance with the ad hoc clauses contained in the relevant contracts), always without prejudice to compensation for any damage caused to the COMPANY, as in the case of application by the judge of the measures provided for in the DECREE.

If the Board of Directors becomes aware of any breach of the CODE or of the procedures for its implementation by the addressees or contracting parties, it shall inform the head of the competent department and the head of the area to which the contract or relationship relates, by means of a written report.

The disciplinary system referred to in art. 6, paragraph 2, letter e) and paragraph 2-bis of Legislative Decree no. 231/2001 provides for the application of sanctions against those who, in the opinion of the COMPANY, are responsible for violations of the whistleblower protection measures referred to in Section 15.

Examples of such violations include:

- Retaliation;

- Obstruction, including attempted obstruction, of reporting;

- Breach of confidentiality;

- Failure to establish reporting channels;

- Failure to adopt procedures for making and handling reports, or adopting non-compliant procedures;

- Failure to review and analyse the report;

- Civil liability of the reporting person for defamation or libel in cases of intent or gross negligence, unless that person has already been convicted of defamation or libel, including at first instance;

- Failure to send or late sending of the report to the competent person, if the reporting person addresses the report to a person other than the one designated to receive it.

In particular

- The persons held liable shall be subject to the sanctions provided for in the preceding paragraphs, graded according to the seriousness of the offence;

- Members of the Board of Directors shall be subject to the sanction of dismissal;

- process of determining and deciding on the sanction to be applied is in the hands of the Board of Directors.

18. Periodic audits of the MODEL

Ongoing monitoring by the SUPERVISORY BODY in order to

a. verify the effectiveness of the MODEL (i. e. the consistency between the concrete behaviour of the addressees and the MODEL itself),
b. periodically assess the adequacy of the codified procedures governing the activities at risk in relation to the requirements for the prevention of the offences referred to in Legislative Decree 231/2001;
c. indicate the need to proceed with appropriate updates of the MODEL,

This takes the form, first and foremost, of the preparation of an audit programme approved annually by the Board itself.

The audit programme shall cover one year (January to December of each calendar year) and shall include

- Conducting interviews with company personnel (possibly external consultants),
- managing the flow of information to the Board
- carrying out the work plan,
- planning other activities.

The definition of the content of the work plan depends on a number of factors, such as

- Results of previous audits;
- results of risk mapping of sensitive activities and instrumental processes.

The control system is designed to

a. ensure that working practices comply with the requirements of the MODEL and applicable legislation
b. identify areas requiring corrective action and/or improvement and verify the effectiveness of corrective actions
c. to develop a culture of control, also to better support any inspection visits by other parties involved in verification activities in various capacities.

Internal audits shall be led by the SUPERVISORY BODY. In order to carry out the planned audit activities, the SUPERVISORY BODY may call on the assistance of staff from other departments, not involved in the activities being audited, with specific skills, or on the assistance of external consultants.

Extraordinary audits are planned in the event of significant changes in the organisation or in any process, or in the event of suspicions or reports of non-compliance, or in any case when the SUPERVISORY BODY decides to carry out occasional ad hoc audits.
In order to facilitate the SUPERVISORY BODY's periodic review of the effectiveness and updating of the MODEL, the cooperation of the various corporate departments shall be requested from time to time.
All corporate departments are therefore required to provide maximum support for the efficient performance of control activities, including internal contacts who manage relationships with consultants and business partners and who are required to provide adequate documentation of the activities performed.

The results of the controls are always recorded and reported in the manner and frequency described in the previous paragraph.

CHEMI S.P.A. considers the results of these controls as fundamental for the improvement of its MODEL. For this reason, and also to ensure the effective implementation of the MODEL, the results of the reviews of the adequacy and effective implementation of the MODEL are discussed within the Board of Directors, also with a view to evaluating the responsibility profiles, taking into account the system of disciplinary measures described in Chapter 16 (General Part) of this MODEL.

CHAPTER III

THE MODEL OF CHEMI S.P.A. SPECIAL SECTION

1. Foreword

Pursuant to Article 6 of the DECREE, the internal control system must provide, in relation to the offences to be prevented, for

- specific planning protocols for the preparation and implementation of corporate decisions;
- the identification of methods for the management of financial resources suitable for preventing the commission of criminal offences.

The COMPANY has a procedural system that constitutes the prevention and control system. The procedures are constantly updated, including on the basis of proposals or reports from the SUPERVISORY BODY.

The SUPERVISORY BODY verifies that the procedures are suitable for compliance with the principles contained in the MODEL and proposes any changes, and participates in the definition, with the corporate departments concerned, of the significant operations to which the procedures apply.

Significance is defined as: the value and economic scope of the transaction in relation to the COMPANY's activities in the sector, its impact on decision-making and production processes, and its relevance to the normal course of business.

In cases of particular urgency or temporary impossibility of complying with the procedures, exceptions to the provisions of this Special Section may be made, under the responsibility of the person carrying them out, when taking or implementing decisions. In such cases, the SUPERVISORY BODY shall be informed immediately and, in any case, subsequent ratification by the competent person shall be required.

2. Identification of risk areas and operations

Within the framework of the COMPANY's activities and overall business operations, the following sensitive activities have been identified, by type of crime, for each of which the individual opportunities for committing the crime, the functions involved and the types of crime are detailed (Mapping - Appendix 2).

2.1. Offences against the Public Administration (Articles 24 and 25 of the DECREE)

Without prejudice to the definitions of "active" subject for the purposes of the types of offences contemplated by Legislative Decree No. 231/2001 and the consequent provisions of the *Company's Organisation, Management and Control Model*, as defined in:

- Article 357 of the Criminal Code with reference to a public official, understood as a person who *'exercises a legislative, judicial or administrative public function*[9]'
- Article 358 of the Criminal Code with reference to the person in charge of a public service, understood as the person who *'performs a public service in any capacity*'[10]

The meaning with which to understand the public administration and the consequent configuration of the active parties operating within it must, for the present purposes, be understood as broad. Indeed, legal doctrine and jurisprudence have addressed the question of the qualification of "public entities" and the entities operating within them in all cases where the "public" nature of the entity is not directly configured by law, deriving from broader definitions than that of "public entity in the strict sense"[11].

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[9] In the same article, the "public administrative function" is defined as "governed by rules of public law and authorising acts and characterised by the formation and manifestation of the will of the public administration or by its exercise by means of authorising or certifying powers";

[10] The term 'public service' must be understood as meaning '*an activity governed in the same manner as a public function, but characterised by the absence of the powers typical of the latter and excluding the performance of simple tasks of order and the performance of merely material work';*

[11] The public entity is defined, inter alia, by Article 1, paragraph 2 of Legislative Decree 165/2000, which states that "public administrations are all State administrations, including institutes and schools of all types and levels and educational institutions, companies and administrative entities of the State with autonomous systems regions, provinces, municipalities, mountain communities and their consortia and associations, university institutions, autonomous public housing bodies, chambers of commerce, industry, crafts and agriculture and their associations, all national, regional and local non-economic public entities, administrations, companies and bodies of the National Health Service, the Agency for the Negotiation Representation of Public Administrations (ARAN) and the bodies referred to in Legislative Decree no. 300"

These definitions relate to the evaluation of a series of elements, to be carried out 'in concrete' and not only 'in abstract', with respect to the nature, activities and functions attributed to the different types of subjects with which the COMPANY interacts.

These elements, which must be analysed by all the addressees of these protocols and which, when in doubt, must be interpreted according to an extensive principle of prudence, include, by way of example and not exhaustively:

- the fact that the Entity's activity is financed for the most part by the State, the Regions, the Local Authorities, other public entities or bodies governed by public law, or that its management is subject to their control or conducted with administrative, management or supervisory bodies comprising at least half of the members appointed by the same entities;
- the fact that the Entity derives from the transformation of an *'ente pubblico economico*' (‘*public economic institution*’ e.g., ENI, ENEL) as long as there is an exclusive or majority shareholding of the State in the share capital;
- the fact that the Entity is subject to a regime of public control, of a functional or structural nature, by the State or another Public Administration;
- the fact that the Entity may or must perform acts in derogation of the common law or that it may enjoy so-called 'institutions of privilege' or hold powers administrative in the technical sense (e.g. by virtue of concessions, special or exclusive rights granted to them by the authority according to the applicable rules)[12]
- the fact that the Entity or the entities operating within it perform activities that are connected topublic interests and, in particular, are entrusted with essential public services such as, by way of example but not limited to
  - healthcare;

[12] In this sense, an important indicator may be, inter alia, the entity's subjection to public procurement rules.

- public hygiene;
- civil protection;
- waste collection and disposal;
- customs;
- the supply of energy, natural resources and essential goods as well as the operation and maintenance of related facilities;
- urban and suburban public transport, rail, air, and maritime transport;
- support and delivery services with regard to social assistance and social security;
- public education;
- post, telecommunications and public broadcasting information.

By way of example, the following have the status of civil servant and/or person in charge of a public service: municipal employees who do not carry out a purely material activity, members of the tender commission appointed by the public administration, members of the Guardia di Finanza or the NAS, Carabinieri, traffic police, members of the municipal technical office, receivers (as bankruptcy liquidators), administrative operators in charge of issuing certificates at the court registry, doctors employed by the National Health Service, Healthcare System inspectors, etc.
In addition, in accordance with the provisions of Directive (EU) 2017/1371 (the so-called "BIP Directive"), with reference to the protection of the financial interests of the European Union (i.e. expenditure and assets to the detriment of the general budget of the European Union), it is necessary to include in the definition of 'official' all persons holding a formal post in the Union, in the Member States or in third countries, or persons who, while not holding a formal post, are entrusted with a public service function and exercise it in a similar manner in respect of Union funds or assets, as contractors involved (as being directly or indirectly entrusted) with the management of such funds or assets. In particular, the term "public official" shall mean:

a) a Union official or a national official, including national officials of another Member State and national officials of a third country;

   i) 'Union official' means any person holding the rank of official or other servant engaged under contract by the Union or seconded to the Union by a Member State or by any public or private body, who performs there duties

corresponding to those performed by officials or other servants of the Union;

ii) The term 'national official' means an 'official' or 'civil servant' as defined by the national law of the Member State or third country where the person concerned performs his duties. The term 'national official' includes any person exercising an executive, administrative or judicial function at national, regional or local level. Any person exercising a legislative function at national, regional or local level shall therefore be assimilated to a national official;

b) any other person entrusted with or exercising public service functions in the Member States or in third countries involving the management of the Union's financial interests or decisions concerning them.

Therefore, with regard to the offences of bribery and embezzlement provided for by Articles 24 and 25 of Legislative Decree no. 231/2001, we shall consider the aforementioned definition of "public administration", including all the above specifications. In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk for the commission of the offences in question are as follows

- Management of relations, compliance and communication with regulatory authorities (e.g. AIFA, FDA, etc.) and with Public Security authorities (e.g. NAS) regarding the production process and Good Manufacturing Practices, including in the framework of visits or inspections;
- Use of specifically regulated substances and products (e.g. chemical weapons precursors, narcotics, products under UTF licences, substances covered by REACH, etc.), including during visits or inspections;
- Managing relations with local authorities for town planning and building regulation aspects (licences, concessions, permits, etc.);
- Managing tax compliance and relations with tax authorities and tax police in the framework of inspections and assessments;
- Managing the COMPANY's public presentation activities, including institutional meetings;

- Purchase of goods and services related to production (direct purchases);

- Consultancy, other indirect purchases and procurement;

- Activities related to the management of human resources;

- Management of employee expense reimbursements and entertainment expenses;

- Management of gifts, donations, sponsorships, contributions and donations;

- Management of relationships with agents and distributors;

- Reception and management of grants/funding from public and community bodies;
- Management of judicial and extra-judicial disputes (civil, criminal, administrative, tax, labour);
- Management of the obligations set out by Legislative Decree No. 138/2024 (known as NIS 2)
- Management of relations with independent administrative authorities (e.g. data protection authority, AGCM);

- Management of health and safety in the workplace and relations with public authorities to ensure compliance with the provisions of laws and regulations governing the employment of employees assigned to specific tasks;
- Management of environmental activities and processes, also in relation to third parties;

- Research and development, production and distribution processes.

2.2. Computer crimes (Article *24-bis* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of committing the offences in question are as follows

- the use of computer or telematic resources and information or any other intellectual work protected by copyright.

2.3. Offences of counterfeiting money (Article *25-bis* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of the offences in question are as follows

- Management of the COMPANY's public presentation activities, including institutional meetings;
- Research and development, production and distribution processes;
- Purchase of goods and services related to production (direct purchases);
- Consulting, other indirect purchases and procurement.

2.4. Offences against industry and trade (Article *25-bis*.1 of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of the offences in question are as follows

- Management of the COMPANY's presentation activities to the public, including institutional meetings;
- Research and development, production and distribution processes.

2.5. Corporate offences (Article *25-ter* of the DECREE)

This section deals with the offences referred to in Article 25-ter of Legislative Decree No. 231/2001 (corporate offences).

In view of the inclusion in the list of these offences of Articles 2635, 2635 bis and 2635 ter, relating to "*bribery between private persons*", and of Article 2635 bis of the Civil Code, relating to "*incitement to bribery between private persons*", and of the particular aspects of these offences in the category of predicate offences for companies and the

specific aspects of these offences within the category of predicate offences to corporate crime under Legislative Decree No. 231/01, this section is divided into two sections, the first dedicated specifically to "*bribery among private persons*" and "*incitement to bribery among private persons*" and the second to the other corporate offences.

2.5.1. Bribery and incitement to bribery between private individuals

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of the offences in question are as follows

- Management of the COMPANY's public presentation activities, including at institutional meetings;
- Management of activities related to the sale of products and customer relations;
- Purchasing goods and services related to production (direct purchases);
- Consultancy, other indirect purchases and procurement;
- Activities related to the management of human resources;
- Management of employee expense reimbursements and entertainment expenses;
- Management of gifts, donations, sponsorship, contributions and donations;
- Management of relationships with agents and distributors.
- Management of the obligations set out by Legislative Decree No. 138/2024 (known as NIS 2)

2.5.2. Other corporate offences

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of the commission of the offences in question are as follows

- Preparation of the financial statements;

- Management of corporate commitments and transactions;

- Management of relations with independent administrative authorities (e.g. Data Protection Agency, AGCM).

2.6. Crimes of terrorism and subversion of the democratic order (Art. *25-quater* of the DECREE)

In view of the specific nature of the business carried out by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities at risk of committing the offences in question are as follows

- the use of specifically regulated substances and products (e.g. chemical weapons precursors, narcotics, products under UTF licences, substances covered by REACH, etc.), including in the framework of visits or inspections.

2.7. Offences of aiding and abetting illegal immigration and employment of third-country nationals whose stay is irregular (*25-duodecies* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main 'sensitive' activity at risk of the offences in question being committed is as follows:

- Activities related to human resources management.

- **2.8. Offences of organised crime, including transnational crime, and money laundering (Article *24-ter*, Article *25-octies* of the DECREE and Law No. 146 of 16 March 2006)**

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities and instrumental processes at risk of the commission of the offences in question are as follows

- Management of relations with third parties, whether public or private, in the course of carrying out professional activities on behalf of and/or in the interest of the Company;
- Purchasing goods and services related to production (direct purchases);
- Consulting, other indirect purchases and procurement;
- Managing company commitments and transactions;
- Relations with customers/suppliers/partners for the management of negotiation agreements and related administrative, accounting and treasury operations;
- Management of financial flows.

With regard to the offence of self-money laundering, it should be noted that, in addition to the activities listed above, self-money laundering may also be committed as a result of other offences under Legislative Decree 231/01. In addition to the activities listed above, it should be borne in mind that other offences under Legislative Decree No. 231/01 could also be committed as a result of self-laundering in connection with the various sensitive activities listed above (by way of example, corruption, fraud against the State, commercial fraud, intellectual and industrial property offences, computer crime, etc., the proceeds of which could be subject to self-laundering in the event of conduct aimed at specifically impeding the identification of the criminal origin of the funds).

For the sake of simplicity and in order not to burden the mapping of sensitive activities and instrumental processes, since this risk profile is potentially "transversal" to all the alleged offences of a non-negligent nature mapped under Legislative Decree 231/01, it has not been combined with each identified risk activity.

2.9. Offences relating to non-cash payment instruments and fraudulent transfer of values (Article *25-octies*.1 of the DECREE)

In view of the peculiarities of the business carried out by CHEMI S.P.A. and the internal structure adopted, the main "sensitive" activities and the instrumental processes at risk of the offences in question are:

- Management of corporate obligations and transactions;
- Management of legal and extrajudicial disputes (civil, criminal, administrative, tax, labor law)
- Relationships with customers/suppliers/partners for the management of negotiation agreements and related administrative, accounting and treasury operations;
- Manage cash flows.

2.10 Crimes of culpable homicide and grievous or very grievous bodily harm, committed in breach of the rules on accident prevention and on the protection of hygiene and health at work (Article *25-septies* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main 'sensitive' activity at risk of the offences in question being committed is as follows:

- - Management of health and safety requirements in the workplace and relations with public authorities to ensure compliance with the provisions of laws and regulations governing the employment of employees assigned to specific tasks..

2.11. Offences relating to violation of copyright (Article *25-novies* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main 'sensitive' activities and instrumental processes at risk of the commission of the offences in question are as follows:

- Managing the company's public presentation activities, including at institutional meetings;
- Use of computer or telematic resources and information or any other intellectual work protected by copyright.

2.12. Environmental offences (Art. *25-undecies* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main 'sensitive' activity at risk of the offences in question being committed is as follows:

- Management of environmentally relevant activities and processes, including n relation to third parties.

2.13. Tax offences (Art. *25-quinquiesdecies* of the DECREE)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main "sensitive" activities at risk of the offences in question are as follows

- Management of fiscal compliance and relations with the fiscal authorities and the fiscal police during inspections and audits;
- Management of activities related to the sale of products and customer relations;
- Purchasing goods and services related to production (direct purchases);
- Consultancy, other indirect purchases and procurement;
- Management of employee expense reimbursements and entertainment expenses;
- Managing gifts, donations, sponsorships, contributions and donations;
- Managing relationships with agents and distributors;

- Preparation of financial statements;
- Managing corporate commitments and transactions;
- Management of judicial and extra-judicial litigation (civil, criminal,

  administrative, tax, labour).

2.14. Smuggling offences (Article *25-sexiesdecies*)

In view of the specific nature of the business conducted by CHEMI S.p.A. and the internal structure adopted, the main 'sensitive' activities at risk of the offences in question being committed are as follows:

- Research and development, production and distribution process;
- Purchase of goods and services related to production (direct purchases).

2.15. Crimes against animals (art. 25 – undevicies)

In consideration of the specific characteristics of the business conducted by CHEMI S.P.A. and the internal structure adopted, the main 'sensitive' activity at risk of committing the offenses in question is the following:

- Research and development, production and distribution process.

3. General Principles

The following general principles describe the procedures that must be strictly observed by all departments of CHEMI S.P.A., its officers and employees, as well as by collaborators, agents, consultants and other parties pursuant to specific contractual clauses.

In general, the organisational system of the COMPANY must be inspired by respect for laws and regulations and for the integrity of the Company's assets. It must be based on the fundamental requirements of a clear, formal and comprehensible description and identification of the tasks and powers assigned to each function, to

the different qualifications and professional roles; a precise description of the reporting lines; the traceability of each relevant decision and operational step.
In particular

- the responsibilities for the management (and related working methods) of a business operation or process must be clearly defined and well known within the COMPANY;
- there must be a clear identification and specific assignment of powers and limits to the persons who act by committing the COMPANY and expressing its will;
- organisational and signatory powers (proxies, powers of attorney and associated spending limits) must be consistent with the organisational responsibilities assigned;
- within each relevant business process, different functions must be segregated and different persons must be identified who are responsible for deciding, executing, recording or controlling a transaction.

Essentially, segregation of duties must be ensured through an appropriate distribution of responsibilities and the provision of appropriate levels of authority, so as to avoid functional overlaps or operational allocations that concentrate critical activities in the hands of a single individual; likewise, a clear and formalised allocation of powers and responsibilities must be pursued, with explicit indication of the limits of their exercise and in accordance with the tasks assigned and the positions held within the organisational structure.

In addition

- the relevant documents must be suitably formalised and bear the date of completion, the acknowledgement of receipt of the document and the recognisable signature of the preparer/supervisor; they must be stored in appropriate places for their preservation, in order to protect the

confidentiality of the data they contain and to avoid damage, deterioration and loss. The same applies to documents on electronic media;

- sensitive and/or relevant operations must be documented in a consistent and congruent manner so that it is possible at any time to identify the responsibilities of those who have operated, assessed, decided, authorised, performed, recorded and controlled the operation;
- the controls actually carried out must be accurately documented so that it is possible to identify who carried them out, when they were carried out and with what result;
- security mechanisms must be in place to ensure adequate physical/logistical protection/access to company data and assets.

More specifically, in order to prevent the commission of criminal offences in the areas, activities and operations at risk identified above, the COMPANY shall draw up and adopt procedures which should in any case comply with the following general principles.

3.1. Top Management Decisions and Conflicts of Interest

- the formation and implementation of the decisions of the Directors are governed by the principles and rules contained in the provisions of the law in force, the Memorandum of Association, the Articles of Association, the CODE OF ETHICS, the MODEL and the Internal Control System;
- Directors are obliged to inform the Board of Directors, the Supervisory Board and the Board of Statutory Auditors, which is responsible for the filing and updating, without delay, of any information relating to offices held or shareholdings held, directly or indirectly, in other companies or undertakings, as well as any termination or change thereof, which, by their nature or type, may reasonably give rise to conflicts of interest within the meaning of Article 2391 of the Civil Code;

- there is the same disclosure obligation as in the previous point for senior executives, who must inform the Managing Director and the SUPERVISORY BODY;
- there is the same obligation of disclosure for CHEMI S.P.A. representatives appointed to the corporate bodies of foreign subsidiaries, with reference to the existence of ties of kinship or affinity with representatives of the local P.A. and/or suppliers, customers or third party contractors of the COMPANY itself;
- The exponents of the COMPANY - Directors, General Managers and Executives - are also obliged to refrain from accepting gifts or presents of a not insignificant value from institutional interlocutors, contractual partners or, in any case, from subjects with which the COMPANY has business relations; in any case, they are obliged to communicate to the Board of Directors, to the Board of Statutory Auditors and to the SUPERVISORY BODY that is in charge of their filing and updating, all information regarding their past or present economic-financial relations with the above-mentioned subjects;

3.2. Communications outside the company and relations with public supervisory authorities

- the notifications required by law and regulations to be made to supervisory or control authorities or bodies (whether Italian, supranational or foreign), to the market or to shareholders must be made in a timely, truthful and complete manner;
- it is required to cooperate fully and promptly with the supervisory or control authorities or bodies, providing the documents and information requested in a timely and complete manner;
- correspondence with supervisory authorities must be formally recorded; its filing is delegated, depending on the subject matter, to Internal Audit or another designated competent department;

3.3. Formalisation and separation of phases: traceability of operations

- it must be possible to reconstruct the origins of transactions and their authorisation levels, the development of transactions, both material and registered, with evidence of their motivation and causation, in order to guarantee the transparency of the decisions taken;
- there must be no subjective identity between those who take and implement decisions, those who prepare the accounting records of the operations decided upon, and those who are required to carry out the controls on the same, as required by law and by the procedures laid down in the internal control system;
- a person responsible for the operations (manager of the procedure and its implementation) shall be designated; unless otherwise and exceptionally indicated, this person shall be the manager of the department responsible for the management of the operation concerned;
- The person in charge of the procedure may request information and clarification from all functional articulations, operational units, even if they have autonomy, or persons who are or have been involved in the operation;
- the person in charge of the procedure must regularly inform the SUPERVISORY BODY of all significant operations falling within the scope of sensitive activities and provide, under his responsibility, the information necessary to assess the risk of the operation and its critical aspects;
- the department or organisational unit requested to provide information by the competent persons must provide the appropriate documentation to answer the question formulated, certifying the origin and, where possible, the completeness and truthfulness of the information, or indicating the persons who can provide such a certification.;

3.4. Traceability of transactions and IT system

- Computer systems must be set up to ensure that each transaction, or part thereof, is correctly and truthfully attributed to the person responsible for it, to the persons involved in it and to the client, party or entity concerned;
- the system must make it impossible to alter records without proof;

- all access to the company's computer network, whether intranet or Internet, for the purpose of carrying out operations or documenting such operations must be made at least by means of a double asymmetric key (user ID and personal password), which must be changed periodically, or by any other method of no less effectiveness, which allows the operator to connect to the network only for the phase of the operation for which they are responsible and to leave unalterable evidence of the operation carried out and its author;

3.5. Documents archiving and storage

- The documents relating to the activities of CHEMI S.P.A., and in particular the documents or computerised documentation relating to the management of money and valuables, are archived and stored by the competent department in such a way that they cannot be subsequently altered, except with appropriate proof;
- each function ensures the proper archiving of company documentation to ensure traceability and documentability;
- if the archiving or storage of documents is carried out on behalf of CHEMI S.P.A. by an external party, the service is governed by a contract which stipulates, among other things, that the party providing the service to the COMPANY must comply with specific control procedures which do not allow any subsequent modification of the documents, except with appropriate proof;
- access to documents already filed must always be justified and granted only to persons authorised under internal rules or their delegates, the Board of Statutory Auditors or equivalent body or other internal control bodies, the audit firm appointed, if any, and the SUPERVISORY BODY;

3.6. Accessing and using the computer system

- procedures must be set up for the use of the computer system, based on adequate verification of passwords for access to the Public Administration's information systems, which may be held by certain employees belonging to specific functions or corporate structures;
- computer tools must be in place to prevent access to and/or receipt of material relating to child pornography and, more generally, to limit access to Internet sites that may present a risk of criminal offences;
- the scope of the correct and permissible use, i.e. for business purposes, of IT tools in the possession of employees must be clearly defined and communicated to employees and all those who have access to the system;
- it must not be possible to install software on the personal computers of each employee personally, but only with the intervention of the computer system staff;

3.7. Processing of personal data

- Access to and processing of personal data held by CHEMI S.P.A. is governed by Legislative Decree no. 196/2003 and subsequent amendments and additions, including regulations, and therefore also by Regulation (EU) no. 679/2016 and Legislative Decree no. 101/2018;
- access to and processing of such data must be limited to authorised persons only and the confidentiality of information must be guaranteed;
- the Company has adopted a set of privacy and data protection policies and procedures in compliance with the relevant legislation in force (including EU Reg. 679/2016), covering data retention processes, organisational aspects of the privacy compliance framework, management of third parties (data processors) and the exercise of data subjects' rights.

3.8. System of proxies and powers of attorney

- Proxies must be consistent with internal powers of attorney;
- there must be mechanisms for publicising delegations to external stakeholders;

- Delegations must be granted according to the principles of

    a. Decision-making and financial autonomy of the delegate;

    b. the technical and professional suitability of the delegate;

    c. autonomous availability of resources adequate to the task and continuity of performance;

- The delegate must have

    a) a budget for the effective performance of the delegated functions, with provision for committing resources in excess of this budget in the event of occurrences or situations of an exceptional nature;

    b) a formalised reporting obligation, in a pre-established form, on the delegated functions, sufficient to ensure uninterrupted supervision.

3.9. Selection of employees, agents, consultants, collaborators

- The selection of employees, consultants and collaborators is carried out by and under the direction of the heads of the departments of the COMPANY, in accordance with the guidelines, including those of a general nature, established by the same, on the basis of the requirements of specific professionalism with regard to the task or duties, equality of treatment, independence, competence, and with reference to these criteria, the selection must be justified;
- the selection procedure must include at least two cognitive interviews:

    a) the first interview, conducted by external consultants or the human resources department, with the aim of selecting a shortlist of candidates;
    b) the second interview, of a technical nature, conducted by the head of the department concerned or by the CEO;
- At the end of the interview, the interviewer is expected to fill in the selection form "Interview", which summarises the candidate's characteristics;

- The professional experience declared by the candidate must be verified by third parties; the typical profile of the resource to be selected must be defined in writing before the start of the cognitive interviews;
- Recruitment should be carried out with a regular employment contract, in compliance with all the regulations and the collective agreements in force, in order to facilitate the worker's integration into the work environment. In particular, the relevant departments of the COMPANY should verify that the person with whom the employment relationship is to commence possesses all the requirements required by law for the permanence and performance of the desired work activity in Italian territory. Similar checks must be carried out prior to the conclusion of any consultancy, agency, subcontracting or contractual agreement.
- Procedures must be formalised at the time of recruitment: a set of documents must be prepared, including a privacy policy and a declaration of consent; a recent certificate of criminal record; a recent certificate of pending charges, etc..

3.10. Staff training

- Effective procedures will be put in place for the initial and continuing training of employees and collaborators on the rules and safeguards in force within the structure of the COMPANY in order to prevent the offences referred to in the DECREE;

3.11. Staff training in occupational health and safety

- An internal policy document shall be distributed to all employees, setting out the general guidelines and objectives of the prevention and protection system, with a view to achieving the objectives of adequate health and safety protection;
- regular meetings shall be held between the officers concerned to review the state of health and safety management;
- a specific procedure must be put in place to regulate the roles, responsibilities and working methods with regard to the dissemination of regular information to workers and information in the event of serious and immediate danger;

- rules for the provision of information to the competent doctor on processes and risks related to production activities;

3.12. Remuneration and bonus system

- All remuneration systems for employees and collaborators must be based on realistic objectives that are consistent with the tasks and activities performed, the responsibilities assigned and the operational structure available;
- No fees, commissions or allowances may be provided for or paid to consultants, collaborators or persons qualified in the public sector in an amount that is not commensurate with the services rendered to the COMPANY and in accordance with the mandate given, to be evaluated on the basis of criteria of reasonableness and with reference to the conditions and practices existing on the market in the geographical area of reference or determined by tariffs;
- the direct or indirect organisation of trips or stays in foreign places, with particular regard to the principles of morality, shall be assessed and regulated with particular care;

3.13. Selection of suppliers, business parties and partners

- The selection of suppliers of goods or services shall be made by the competent department on the basis of requirements of professionalism, reliability, cost-effectiveness, equal treatment and transparency in the selection procedures;
- the minimum requirements to be met by tenderers and the criteria for evaluating tenders must be always defined before they are received;
- there must be a procedure for qualifying and certifying suppliers, taking into account the conformity of the supplies with the purchase specifications;
- the principle of economy can never take precedence over the criterion of reliability;

3.14. Regulation of relations with suppliers, consultants, contractual parties and partners

- Contracts with business partners, consultants and associates shall include a clause stating that they

    a) are aware of the legislation referred to in the DECREE and its implications for the COMPANY;

    b) undertake to comply with the DECREE;

    c) if it is a company, that it has adopted the organisational model provided for in the DECREE, a similar document or an appropriate system of control procedures;

- contracts with commercial parties, consultants and partners contain a specific clause regulating the consequences of their non-compliance with the provisions of the DECREE (e.g. explicit termination clauses, penalties);
- suppliers' compliance with applicable labour laws, with particular attention to child labour and the provisions of the law on hygiene, health and safety;
- compliance by its partners with legal obligations relating to the protection of child and female labour, health and safety conditions, trade union rights or, in any case, rights of association and representation is required and verified;

3.15. Management of the goods and services procurement process

- There must be no subjective identity between the person requesting the service, the person authorising it and the person paying for it. The tasks, powers and responsibilities assigned to each must be clearly formalised;
- a precise identification of a department/unit responsible for defining technical specifications and evaluating tenders;
- the approval of an authorised senior position other than the contract manager is required in the case of substantial changes/additions and/or extensions to the contract;

- it is prohibited, in respect of suppliers or consultants, to assign to third parties the right to perform the services under the contract, to collect the remuneration or to delegate to third parties the mandate to collect the remuneration;

3.16. Financial Resources Management

- The autonomous use of financial resources shall be limited by setting quantitative thresholds in line with the managerial and organisational responsibilities assigned to each person;
- the process of paying suppliers must be formalised and characterised by the principle of the segregation of duties, whereby the listing of suppliers, the recording of goods, the drawing up of invoices and their payment must be carried out by separate parties;
- Transactions involving the use or deployment of economic resources (acquisition, management, transfer of money and valuables) or financial resources must have an express reason and be documented and recorded in accordance with the principles of professionalism and proper management and accounting. The decision-making process must be verifiable;
- The use of financial resources must be justified by the applicant;
- in the case of ordinary transactions, if they are within the established quantitative threshold, the justification may be limited to a reference to the class or type of expenditure to which the transaction belongs;
- the limits referred to in the preceding point may be exceeded if duly justified and authorised. However, in the case of transactions that are not ordinary or that exceed the established quantitative threshold, the justification must be detailed and analytical;
- all transactions involving the acquisition, management and transfer of money or valuables must be documented at every stage by the competent department, with the possibility of identifying the natural persons involved in the transfers;
- the regularity of payments must be verified, in accordance with the procedures in force, with regard to the full correspondence between the payee/payer and the parties actually involved in the transaction;
- the accounting department shall, for each purchase, verify the correspondence

between the contract/purchase order, the invoice and the transport documents, and shall verify with the ordering department the actual delivery of the goods or provision of the service, and shall account for the transaction;

- the employees must obtain their superior's authorisation for the reimbursement of expenses incurred in the course of their work; this reimbursement shall be credited by bank transfer at the same time as the payment of wages;
- the nature of the expenses to be reimbursed by the COMPANY to the EMPLOYEE must be expressly regulated;
- Regular formal and substantive checks must be carried out on the company's cash flows, with reference to payments to third parties and payments of intra-group transactions. These controls must take into account the domicile of the counterpart company, the credit institutions used (domicile of the banks involved in the transactions and of the institutions that do not have a physical presence in any country) and any corporate and trust structures used for extraordinary transactions and operations;
- the use of such products for profit is prohibited, for itself or others, unduly and not holding credit cards or any other payment instrument that entitles to the withdrawal of cash or the purchase of goods; and/or the provision of services;
- the prohibition of fraudulent, knowingly and without right use of a payment instrument other than cash, stolen or otherwise illicitly obtained or unlawfully appropriated;
- the prohibition of falsification or alteration of payment instruments, including non-cash payment instruments, or possession, transfer or purchase of such instruments or documents which are of illicit origin, or which have been falsified or altered in any way, and payment orders issued with them;
- the prohibition of transfer of ownership and money; assets, profits, shares or other securities to third parties which are fictitiously interposed in order to circumvent the enforcement of confiscation, seizure or other measures to prevent the taking of assets or smuggling, even if the preventive measure has not yet been taken;

3.17. Economic-financial relations with the Public Administration or its representatives

- Contacts with public officials must be specifically justified;
- there must be an obligation to inform the SUPERVISORY BODY immediately in the event of unlawful or suspicious proposals or requests made by members of the Public Administration or by public officials.;

3.18. Relations with financial intermediaries

- The COMPANY, for the purpose of implementing decisions on the use of financial resources and for the purpose of implementing operations of acquisition, management or transfer of money or valuables, must make use of financial and banking intermediaries subject to a system of transparency and fairness in accordance with EU regulations; the COMPANY must also make use of financial and banking intermediaries subject to a system of transparency and fairness in accordance with EU regulations.

- it is compulsory to refer exclusively, for the management of financial transactions, to financial operators equipped with manual and computerised safeguards suitable to prevent national or international money laundering;
- it shall be prohibited to make use of cash for any collection, payment, transfer, refund or other exploitation of financial assets;
- the acceptance and execution of payment orders from unidentifiable persons shall be prohibited;
- there shall be an obligation to provide that payment for goods or services purchased by the COMPANY must be made exclusively to the current account in the name of the supplier. In general, it must be stipulated that payments cannot be made to numbered current accounts under any circumstances;
- Adequate justification must be provided as to the specific legitimacy and appropriateness of payments made to current accounts of banks belonging to or operating in countries listed as 'tax havens' or in favour of offshore companies;
- the payment is expected to be exactly as stated in the contract, subject to authorised exceptions;
- payment for goods or services purchased by the COMPANY shall not be made in favour of a party other than the contracting party or in a country other than that of the

contracting party or the country of performance of the contract, unless adequate justification is provided as to the specific legitimacy and appropriateness of such payments.;

3.19. Transfers of company assets

- In the case of acquisitions and divestments of companies or businesses, the origin of the assets transferred must be verified in advance, as well as the identity, domicile, legal status and anti-mafia certification of the transferor;

3.20. Recognition, recording and representation of corporate activities in accounting records, financial statements, reports and other documents

- Appropriate measures shall be taken in each relevant functional or organisational unit to ensure that accounting transactions are carried out fairly and in accordance with the principles of truthfulness, completeness and accuracy, and that any anomalies are reported promptly;
- appropriate measures shall be taken to ensure that the information provided by the heads of the relevant functional or organisational unit to their superiors is truthful, correct, accurate, timely and documented, including by electronic means;
- appropriate measures shall be taken to ensure that, in the event of requests, from whomsoever they may come, for atypical quantitative variations in the data with respect to those already accounted for, those who have knowledge of them inform the SUPERVISORY BODY immediately;
- appropriate measures shall be taken to ensure that, in the event of unjustified requests for changes in the criteria for recognising, recording and presenting accounts, those who have knowledge of them inform the SUPERVISORY BODY without delay;
- there must be an obligation on those providing planned information to hierarchically superior departments to indicate the original documents or sources from which the information provided is taken and processed, in order to ensure its verifiability. Copies of the documents referred to must be made available.

3.21. The purchase, sale or other transactions, in whatever form concluded, of financial instruments that are not listed or for which no application for

admission to trading on a regulated market has been submitted and the conclusion of derivative contracts not traded on Italian and European regulated markets

The management of financial investments and related risks is governed by specific operating procedures, including a specific approval process;

3.22. Tax compliance management

The following general principles of conduct apply to recipients of this MODEL who are involved in any capacity, directly or indirectly, in activities that are 'sensitive' in terms of tax offences.

In general, they are required to

- Ensure the segregation of duties between the activities of determining and verifying the correctness of the calculation of direct and indirect taxes;
- ensure full and timely ex-post reconstruction and traceability of transactions relating to the assessment of income or VAT;
- to ensure the proper keeping of all accounting records and documents which must be kept for tax purposes;
- avoid, in the framework of inspections and tax audits, any conduct deliberately aimed at concealing or evading the documentation requested by the inspection or any conduct likely to obstruct the normal course of the inspection.

They are also expressly prohibited from

- Submitting income tax or VAT returns containing fictitious taxable items, using invoices or other documents for non-existent transactions;
- Submitting income tax or VAT returns containing undervalued assets or fictitious liabilities, or making fictitious credits and deductions, carrying out objectively or subjectively simulated transactions or using false documents or any other

fraudulent means likely to hinder the assessment and mislead the tax authorities;

- in the context of cross-border schemes, declaring assets at a lower value than the actual amount or non-existent liabilities, or failing to submit a VAT return or pay the amounts due by using non-existent or undue credits as compensation, in order to evade VAT;
- Issuing or making out invoices or other documents for non-existent transactions in order to enable third parties to evade income tax or VAT;
- concealing or destroying, in whole or in part, accounting records or documents whose retention is mandatory, so that income or turnover cannot be reconstructed, in order to evade tax or to enable third parties to evade tax;
- Concealing or committing other fraudulent acts with respect to their own or another's property, which may render the compulsory recovery procedure wholly or partially ineffective, in order to evade the payment of taxes or interest or administrative penalties relating to such taxes;
- in the documents submitted for the tax settlement, declaring assets for a lower amount than the real one or to declare fictitious liabilities for a higher total amount;
- Including in the financial statements valuation items (e.g. invoices to be issued/received, valuation of assets, valuation of intangible assets, etc.) that do not correspond to the real equity, economic and financial situation of the company and to the reference accounting principles.

The COMPANY also warrants

- that the tax determination process is derived from a true and fair view of the financial statements in accordance with the relevant accounting standards;
- that the staff involved in tax processes and the preparation of tax returns are adequately trained in this area;
- adequate monitoring of regulatory updates in tax matters;
- the completion and filing of tax returns in accordance with the time and manner required by law;
- in the event that certain activities are partially outsourced to external parties, the use

of professionals with proven experience and adequate training in the specific area;

- that the archiving of all relevant documentation, whether in paper or electronic form, is carried out in accordance with legal requirements and standards that guarantee the traceability, accuracy and immediate retrievability of documents.

Operational controls are implemented within the administrative accounting and tax processes to, among other things

- Ensure that supplier/customer master records are up to date and correctly reflect all elements of supplier existence/qualification;
- Ensure, in the context of supplier qualification processes and the establishment of commercial relationships with customers and distributors, that the latter are correctly identified and evaluated, including in terms of market reputation, quality of services provided/expected, operational reliability, assets, finances, etc;
- Define the criteria for approving orders;
- Investigate the nature of the supplier (subject to VAT or not) in order to correctly allocate the VAT rate and the applicable regime;
- Verify the domicile or residence of the supplier/consultant and/or agent involved in the commercial transactions to determine the possible existence of a link with countries considered potentially "at risk" (e.g. countries recognised as "tax havens", countries at risk of terrorism, etc.) and to ensure the correct tax treatment of the transactions and the persons involved.
- Ensure that all supplies not made by purchase order or outside standard procedures are properly verified in terms of services rendered before registering the invoice payable;
- Ensure that the goods/services delivered by suppliers are correctly reconciled with the purchase orders issued or the relevant contracts, including in terms of the traceability of the service provided;
- ensure that payment of invoices payable is authorised only after the checks referred to in the previous two points have been carried out;
- Reconcile tax accounts and check non-deductible/deductible items, increases/decreases, etc;
- Make analytical assessments of past losses and deferred tax assets and liabilities;

- Validate the relevant accounting statements before sending them to external professionals in charge of verifying the non-deductible and deductible components of income, verifying the compliance of tax calculations with current legislation, etc.

In carrying out the activity of preparing the financial statements, the COMPANY shall ensure that

- accounting records are kept and preserved in accordance with the procedures and time limits laid down by law;
- the effects of accounting entries with tax implications are calculated and recorded in accordance with the applicable regulations;
- transactions are recorded in the accounts only after appropriate internal checks have been made as to their conformity with supporting documents and as to the existence, pertinence and competence of the underlying transactions, including in foreign relations;
- the effects of accounting entries with a fiscal impact are calculated and recorded in accordance with the applicable regulations.

In the management of commitments and operations in corporate matters, the COMPANY

- shall comply with the reference regulations (Civil Code, tax regulations and special laws - e.g. Presidential Decree no. 633/1972 "Value Added Tax Regulations", Presidential Decree no. 600/1973 "Income Tax Assessment", Law 383/2001 "First Interventions for the Recovery of the Economy"), Ministerial Decree of 23 January 2004 "Procedures for the fulfilment of tax obligations relating to computerised documents and their reproduction in different types of media, etc."), regulations and provisions to which it has formally subscribed (Code of Ethics, Group Policies, etc.), ensuring adequate monitoring of regulatory updates;
- shall ensure the identification of the corporate departments entrusted and legitimised with the keeping and preservation of corporate records, in accordance with the

methods and conditions provided for by law;

- shall ensure the timely filing of the obligatory documents required by the relevant regulations so that income and turnover can be reconstructed;
- shall ensure that the departments responsible for keeping the records must immediately inform the competent bodies in the event of any accidental event that may affect the records.

The COMPANY shall ensure traceability in the management of inter-company relations by

- Compliance with the relevant legislation, including tax legislation, regulations and the provisions to which it has formally subscribed (Code of Ethics, Group policies, etc.).
- a systematic flow of documents generated in the framework of the existing relations, in order to guarantee their objective existence (between company departments and between the Group companies involved);
- the storage and archiving of administrative and accounting documents.

In the management of disputes and any settlement agreements with the judicial authorities, the COMPANY must

- Present truthful documents for the purposes of the tax settlement procedure, whose assets/liabilities must correspond to the real ones;
- carry out specific checks to ensure compliance with the prohibition of fictitious sales or other fraudulent acts involving its own or third parties' movable/immovable assets, which may render the compulsory recovery procedure by the Tax Authorities wholly or partially ineffective.
- Must ensure that all company transactions are factually correct by verifying the persons involved and the supporting documentation;
- Ensure that corporate management periodically reviews tax audit reports to assess the need for provisions for additional penalties and/or payments;
- Ensure that in the event of the initiation of a compulsory collection procedure or

a tax settlement procedure, the SUPERVISORY BODY is informed immediately.

3.23. Customs compliance management

The following general principles of conduct apply to recipients of this MODEL who are involved in any capacity, directly or indirectly, in activities that are 'sensitive' in relation to smuggling offences.

In general, they are required to

- Comply with the relevant regulations governing the import, export and movement of goods and, in particular, the payment of border duties due to the Customs Administration (Customs and Monopolies Agency);
- behave in such a way as to ensure fair competition in trade;
- manage the customs practice in foreign transactions is transparen in order to comply with the requirements or obligations related to border duties

Ensure the free movement of non-EU goods within the territory of the European Union by payment of customs duties provided for by the relevant regulationsThey are also expressly prohibited from

Do not independently engage with or manage relationships with customs officials; in case of contracts with them, always ensure the presence of authorized personnel.

Do not obstruct the monitoring and control activities carried out by customs authorities regarding the production, possession, and circulation of goods.

Do not engage in conduct that could influence or compromise customs clearance activities

in the import, export and movement of goods outside the EU,engage in criminal conduct or perform acts, actions, or omissions aimed at causing harm to or endangering the State’s interest in collecting border taxes, or the Union’s interest in the accurate and timely collection of its own resources;

to remove or attempt to remove goods from the customs control system for the purposes of avoiding the assessment and collection of border duties ;

Assign imported foreign goods, admitted under duty exemption or reduction, a destination or use different from that for which the exemption or relief was granted ;

Possess foreign goods subject to border duties that are transported or stored in the land border area without being able or willing to prove their legitimate origin (e.g., due to the absence of a customs declaration), or provide such proof using unreliable evidence;

In temporary export operations and under special use or inward processing regimes, alter, tamper with, transform, or render the goods unusable in a manner inconsistent with the customs decision, provided that such conduct results in the evasion of border duties;

Unduly obtain the reimbursement of border duties on raw materials imported for the production of national goods intended for export through fraudulent means (e.g., by submitting a false declaration) aimed at misleading the verifying authorities into an incorrect validation of the tax situation;

In cases of international trade, during temporary export operations and under special use or inward processing regimes, evade the payment of border duties through the artificial manipulation of goods (e.g., by performing treatments or manipulations other than those authorized) or through fraudulent means intended to mislead the verifying authorities into an incorrect validation of the tax situation

Willfully fail to comply with customs formalities regarding the accurate and complete submission of the customs declaration concerning the quantity, quality, origin, and value of goods, as well as any other element required for the application of the tariff, with the aim of evading the payment of border duties, reducing the amount due, or unduly obtaining a refund in the cases provided for (e.g., in the case of export);

Obstruct the control activities of customs officials regarding the correspondence between the goods contained in a shipment and the accompanying documents and the customs declaration submitted at customs

(e.g., by submitting a false declaration or invoices that differ from the actual ones in terms of the value of the goods)

- **3.24. Respect for industrial property and copyright protection**
  - Prior to the marketing of products (whether exported or imported, whether developed by the COMPANY or licensed from third parties) or their manufacture in countries that recognise industrial property titles and rights, it must be verified whether there are - or whether they may be infringed by - valid third party industrial property rights (basically, in our case, invention patents, trademarks and know-how that is not patented but secret, substantial and identified);
  - The management of the aforementioned checks is carried out in coordination with the COMPANY's Legal Department, both for patents and trademarks;
  - the reviews, which may also be carried out with the assistance of qualified external specialist advisors, may be accompanied by a written opinion from the Legal Department and the advisor, if any, and must be submitted to the CEO for final decision;
  - The filing of applications for patents of invention or trademark registrations shall also be preceded by appropriate prior art searches, both of the state of the art in general and, in particular, of the titles of others existing in the country or countries of interest, in order to ensure that the requirements of novelty and inventiveness in the case of patents and originality and non-infringement in the case of trademarks are met;
  - Any challenge or opposition in administrative or judicial proceedings against the patents or trademarks of others must also be preceded by thorough checks confirming the illegality or invalidity, in whole or in part, of such titles and must be approved by the CEO with the favourable opinion of the Legal Department;
  - Patent applications are processed by the COMPANY's R&D department; trademarks by the relevant commercial or licensing departments. Applications and trade mark candidates, which may be accompanied by an appropriate opinion from the Legal Department as a result of the checks carried out, are forwarded to the CEO for a final decision;

- if, for reasons of urgency, the final decision of the Managing Director cannot be preceded by adequate checks, the possibility of proceeding with the filing of the patent or trademark application shall be subject to adequate justification of such exception being shared with the Legal Department;

- unpatented confidential *know-how* received from third parties on the basis of secrecy or other agreements may only be disclosed internally on a *need-to-know* basis to qualified persons actually involved in the evaluation and/or use of such *know-how*;
- the dissemination of publications, scientific or otherwise, as well as extracts or copies thereof, may be ordered by the relevant business function only after verification by the Legal Department that they comply with applicable copyright regulations.

3.25. Guarantee of the nature, quality and conformity of marketed products

- Adequate control mechanisms must be in place to ensure that the product delivered to the buyer does not differ in nature, origin, provenance, quality or quantity from that declared or agreed;

3.26. Management of occupational health and safety resources

- The activities and reports required for the maintenance or inspection of company assets to ensure compliance with health and safety regulations must be governed by a specific procedure;

3.27. Planning the prevention and protection service for the health and safety of workers

- *Budgets*, annual and multi-annual investment plans and specific programmes must be prepared to identify and allocate the resources needed to achieve health and safety objectives.;

3.28. Organisation of the structure with regard to occupational health and safety activities

- there must be a prevention and protection plan, as well a codified implementation modalities and a periodic monitoring system thereof;

- in accordance with the relevant legislation, the roles, responsibilities and management methods of the Prevention and Protection Service within the COMPANY are defined as follows

    a. the periodic assessment and control of the suitability and professionalism of the person in charge of the Prevention and Protection Service (RSPP) and of the Prevention and Protection Officers (SPP);

    b. the definition of the minimum competences, number, tasks and responsibilities of the staff responsible for the implementation of emergency, fire prevention and first aid measures;

    c. the appointment procedure and its approval by the competent medical practitioner, highlighting the modalities and timing in the event of a change of role;

3.29. Identification, assessment and mitigation of risks to workers' health and safety

- A procedure must be defined for the preparation of the risk assessment document (RAD), including the identification of the persons responsible, the working procedures for the preparation of the RAD, the responsibilities for checking and approving its contents, the activities for monitoring the implementation and effectiveness of the health and safety measures, for reviewing the risks and for updating the document;

3.30. Workers health and safety monitoring activities

- a procedure must be in place for the systematic and continuous monitoring of data/indicators representing the main features of the various activities that make up the prevention and protection system, including

    a. Roles and responsibilities
    b. the definition and formalisation of specific performance indicators relating to the management activities of the prevention and protection

system in order to assess its effectiveness and efficiency;

c. the regulation of monitoring activities;
d. the analysis and implementation of corrective actions for any shortcomings in the system;

- The monitoring procedure shall provide for the tracking, detection, recording and investigation of incidents, near misses and potentially harmful situations;

3.31. Workers' Health and Safety Audit Activities

- Organisational arrangements must be defined for the scope, frequency, methodology, competencies, roles and responsibilities and requirements for performing audit activities and recording and reporting results on the effective and efficient application of technical and organisational solutions for the management and control of all aspects of the operation, taking into account legal requirements and company regulations;
- systematic reviews of the status of implementation of the measures taken to neutralise the risk to the safety and health of workers must be planned and implemented; corrective action must be taken when deviations from the requirements of the aforementioned specific technical and organisational solutions are detected; the implementation and effectiveness of the aforementioned corrective action must be verified;
- an organisational provision must be defined to regulate the roles, responsibilities and working methods of the specific periodic reporting, to the CEO and the SUPERVISORY BODY, on the activities carried out to assess the effectiveness and adequacy of the system.

3.32. Management of the prevention and protection system for the health and safety of workers

- Procedures must be defined for the stages of the activity of preparing and implementing the system of prevention and protection of the health and safety of workers, providing in particular for
    a. the recording and filing of the results of health surveillance of individual workers in the health and risk records
    b. the management, distribution and maintenance of personal protective equipment (PPE);
    c. the operating procedures for designating workers to carry out prevention, emergency and first aid activities;
    d. Operating procedures for the management of safety signs;
    e. procedures for workers' access to areas where health and safety is at risk;
    f. procedures, roles and responsibilities in the event of an emergency;
    g. the procedures for evacuating the workplace or danger zone if there is a serious and immediate danger;
    h. Organisational measures to determine the timeframe and modalities for carrying out the application for the issuance or renewal of the fire safety certificate and the issuance of provisional approval;
- checklists must be approved for the adoption of operational measures to prevent the occurrence of accidents, including the listing of critical tasks and processes with an impact on health and safety, PPE shared with the person in charge of the prevention and protection service, dangerous products and processes and critical equipment;
- an emergency plan and an emergency management procedure to mitigate the effects on the health of the population and the external environment must be defined and tested (including by means of emergency tests)
- specific procedures are in place to deal with the problem of accidents,

including

a. The definition of roles, responsibilities and operational arrangements for reporting and managing accidents

b. The existence of a checklist aimed at defining the types and dynamics of occupational accidents on the basis of the provisions of the legislation in force;

- the definition of roles and responsibilities for the definition and implementation of organisational arrangements for the protection of workers against the risks associated with the activities performed, the working environment, the use of equipment and machinery, and the risks associated with the use of dangerous substances, chemical, physical, biological and carcinogenic agents;
- there is also a duty to carry out a fire risk assessment, to draw up and keep up to date a fire register and to draw up an emergency plan;

3.33. Staff involvement in occupational health and safety

- Regular meetings must be held with management, the Company Doctor and workers' representatives;
- There shall be an obligation to provide for prior consultation with workers' representatives on the identification and assessment of risks and the definition of preventive measures;

3.34. Safety Management System (Legislative Decree 105/2015, so-called Seveso Directive)

Procedures must be in place to monitor the system, consisting of

- A company policy document signed by the legal representative and distributed to all employees;
- A review of the system at least annually or when special events or significant changes occur;
- Safety Management System documentation;

- Safety Management System procedures manual;
- Management of equipment and process changes;
- Management of incidents or near misses;
- Internal auditors and self-audit system;
- Staff training in relation to the laws in force and the wider Safety Management System;
- General and departmental emergency plans;
- General and departmental emergency response teams;
- Emergency and first aid teams;
- Emergency training for new staff;
- First level risk assessment and risk analysis;
- Conformity assessment to be carried out for each new installation/process;
- Documentation of no increase in risk for new processes and equipment;

procedures must also be in place to guarantee:

- the obligation to notify when the storage limits of hazardous substances are exceeded, in accordance with articles 13 and 14 of Legislative Decree 105/15;
- the control of stocks of dangerous substances in order not to exceed the notification limits;

3.35. Compliance with environmental protection regulations and adaptation of technical solutions

- An "Environmental Vendor List" shall be established, which shall include all suppliers or consultants that the COMPANY has assessed as suitable for the implementation or identification of safeguards;

3.36. Planning of environmental protection measures in accordance with regulatory requirements

- Budgets, annual investment plans and specific programmes must be prepared to identify and allocate the resources needed to achieve environmental objectives;
- any solution chosen must be adequately justified as to whether the criterion of best environmental protection outweighs time and cost savings;
- Traceability and segregation must be ensured at all stages of the process of identifying and implementing safeguards (supporting documents, minutes, document identification and formalisation, document archiving);

3.37. Environmental protection monitoring activities in accordance with legal requirements

- a procedure must be put in place for the systematic and continuous monitoring of data/indicators representing the main characteristics of the various environmental protection facilities, including, inter alia
    a. Roles and responsibilities
    b. periodicity and selection criteria;
    c. the definition and formalisation of specific performance indicators for the managers to assess their effectiveness and efficiency;
    d. the regulation of monitoring activities;
    e. the analysis and implementation of corrective actions for possible deficiencies in the system;
- the monitoring procedure shall provide for the traceability of incidents, near misses and potentially harmful situations, their detection and recording, their investigation, the actions taken in response, their timeliness and effectiveness, and their communication to the appropriate authorities;
- the procedures must provide for verification of the conformity of the declarations/certificates submitted with the supporting technical documentation.;

3.38. Environmental Protection Audit Activities

- Audit sessions shall be conducted by the environmental service provider's warehouse manager using specific checklists to determine the level of compliance with relevant legal and regulatory requirements. Minutes of the audit sessions conducted must be prepared and filed.;

3.39. Staff involvement and training on environmental protection issues

- Regular meetings are planned with management, employees and their representatives to raise awareness of environmental issues;

3.40. Identification of specific safeguards for areas of particular risk

TOXIC GASES

Storage and use of toxic gases

Operational procedures must be provided for:

- the keeping of loading and unloading registers, for the management of stocks in accordance with the maximum quantities authorised;
- the selection of trained personnel, authorised by regular licences issued by the Ministry of the Interior and subject to regular renewal;

FIRE

Electrical and fire safety

Specific operational procedures must be in place in order to monitor:

- the request for a certificate of conformity of the functioning and correct installation at the time of the placing of an order
- the archiving of the original documentation;
- the presentation of the certificate to the fire brigade when the Fire Safety Conformity Certification is renewed;
- periodic inspections by ARPA or other control authorities;

Fire prevention

Specific operational procedures must be in place in order to monitor:

- the request for the Fire Safety Conformity Certification for new installations, the request for inspection and the Fire Safety Conformity Certification update;
- the application for the issue of the installation Fire Safety Conformity Certification, accompanied by a sworn expert's report and a 'nothing has changed' declaration;
- the fire prevention register and the periodic inspection of fire extinguishing and fire detection systems;

WASTE

Maintenance of the waste register and the annual production and disposal report.

Specific operational procedures must be in place in order to monitor:

- the periodic authorisation for the storage of special/dangerous solid and liquid waste;
- the keeping of loading and unloading records, including the obligation to register and maintain original records in the National Electronic Register for Waste Traceability (RENTRI), as well as to transmit the recorded data through the RENTRI portal, where applicable;
- the management of the process of waste transfer to authorised disposal companies;
- the drawing up of ecological forms;
- the homologation of waste;
- Shipping and delivery control;
- Verification of disposal;
- The annual MUD (*Modello Unico Dichiarazione Ambientale*, annual waste management self-certification) declaration;
- Identification and EWC coding of new waste;
- ten-year archiving of documentation;
- Waste Management and Traceability System

Waste traceability

Specific operational procedures must be in place in order to monitor compliance with the regulations on the traceability of special hazardous waste;

REMEDIATION AND ENVIRONMENTAL RESTORATION

Possible securing, remediation and environmental restoration of affected sites

Specific operational procedures must be in place in order to oversee:

- the characterisation of the site;
- the implementation of the plant safety project
- the provisional rehabilitation and implementation project;
- the final rehabilitation and implementation project;
- periodic verification of the status of the site, treatment of effluents, periodic analytical monitoring and verification of treatment effectiveness;

SPECIAL EQUIPMENT

Pressure equipment management

Specific operational procedures must be in place to ensure:

- The purchase and installation of equipment manufactured only by certified suppliers applying the Pressure Equipment Directive;
- The need to provide the manufacturer with progress information and technical design data for the correct sizing of the equipment;
- the need to obtain an EC certificate of conformity and an instruction and maintenance manual for each machine and to file them in the INAIL booklet for the same machine;

Transport of dangerous goods by road (ADR/RID)

Specific operational procedures must be in place to ensure:

- the continuous verification of the correct transport of dangerous goods;
- Verification of the correct marking of dangerous goods according to the criteria of European legislation;

Classification, labelling and packaging of substances (CLP/REACH):

Specific operational procedures must be in place in order to monitor:

the updating of the classification of substances

- the updating of safety data sheets with the new classification format;
- the issuing of the new labels.

3.41. Computer tools management

Confidentiality and data access

- Confidential information must be protected at both the transmission and the storage and retention stages in such a way that it is accessible only to those who are authorised to know it and. In general, it must be ensured that certain data are used only by authorised persons (according to the so-called *confidentiality principle*);
- A protection system must be in place to uniquely identify and authenticate users seeking access to a processing or transmission system;
- A logical access system shall be implemented to control the use of resources by processes and users by managing and verifying access rights;
- authentication shall be performed prior to further operational interactions between the system and the user;
- relevant information shall be stored and accessed only by authorised users;

Data integrity

- It must be ensured that each piece of business data corresponds to that which was originally entered into the computer system or to that which has been legitimately modified, and that the information cannot be tampered with or altered by unauthorised persons (according to the *integrity principle*);

Availability of data

- Business data must be available at all times, in accordance with the need for continuity of processes and in compliance with rules requiring its historical preservation (according to the so-called *availability principle*);

- *Non-repudiation*
    - Specific measures must be taken to ensure the controllability and verifiability of processes, including the traceability of actions to individuals (according to the *non-repudiation principle*);

IT and Computer security - Vulnerability assessments

- Assets and their vulnerabilities or gaps in protection shall be fully identified and classified in relation to a given threat and the following components: a) infrastructure (including technology such as networks and equipment); b) hardware; c) software; d) documentation; e) data and information; f) human resources;
- The threats, both internal and external, to which the resources may be exposed, which can be grouped into the following types, shall be fully identified: a) errors and malfunctions; b) fraud and theft; c) malicious software; d) physical damage; e) system overload; f) non-compliance with applicable legislation;
- In general, a computer security policy with a preventive protection system must be planned and periodically updated;
- a company policy must be drawn up and implemented that defines the way in which the various users can access applications, data and programmes, and a set of control procedures that are suitable for verifying whether access is granted or denied on the basis of the above rules, and for verifying the correct functioning of the rules for disabling inactive ports;
- it is essential to anticipate the potential damage that may result from the realisation of threats, taking into account the probability of occurrence and possible countermeasures, as well as a cost-benefit analysis of the investment required to prepare them;
- A comprehensive plan of preventive and corrective actions shall be defined and periodically reviewed in relation to the risks to be countered;
- The residual risk must be documented and explicitly accepted.

IT and Computer security - Controls on the correct use of tools

- The correct use of IT and telematic tools shall be periodically checked by

persons inside and outside the organisation;

- the checks carried out shall be documented and their results and evidence properly archived;

IT and Computer security - Continuity of IT services

- a contingency system must be defined, i.e. all technical and organisational procedures must be in place to deal with emergencies and to ensure continuity of operations through mechanisms to deal with abnormal situations;
- Procedures and mechanisms shall be foreseen and implemented to ensure the redundancy of resources in order to be able to recover them quickly in case of unavailability of data transmission protection media, in order to ensure the confidentiality, integrity and availability of transmission channels and network components;

IT and Computer Security - Event Analysis

- A thorough analysis of recorded events shall be performed in order to detect and report anomalous events that, by deviating from established standards, thresholds and practices, may indicate possible threats;

IT and Computer Security - Event Logging

- A system shall be in place to track and monitor events and secure the network;

Data - backup copies

- Provisions shall be made for data to be backed up at predetermined frequencies;

Data - quality verification

- Technological safeguards shall be in place for preventive verification and continuous monitoring of data quality and performance of HW-SW products;

Physical Security - Server Rooms

- The physical security of sites housing IT and computer systems shall be ensured;
- A system for managing physical credentials (badges, pins, access codes, authentication tokens, biometric values) shall be organised;

Procedures - user manuals - account management

- the creation, modification and deletion of accounts and profiles shall be regulated;
- there shall be a password or token for access to each terminal, known only to authorised personnel and changed at predetermined intervals;
- Formal procedures must be in place for the assignment of special privileges (e.g. system administrators, *super-users*);

Logical-Physical Inventory - Hardware and Software

- An inventory of the hardware and software used by users must be drawn up and constantly updated;
- A company policy for the management and control of the physical security of the environments and the resources operating within them shall be drawn up and implemented, providing for a precise knowledge of the assets (tangible and intangible) that make up the company's assets to be protected (technological resources and information);

IT and Computer security - access logs

- A periodic review of the logs must be carried out by the system administrators in the production environment;
- System operators must be prevented from accessing systems or data other than those for which they are responsible;
- Users' access to the corporate network must be constantly

monitored; *IT and Computer Security - Access to Production Environments*

- There must be a proper separation between development, test and production environments and, in particular, application development personnel must not have access to the production environment;

IT and Computer Security - Encryption

- A policy shall be developed for the use of cryptographic controls to protect information;
- the process of key generation, distribution and storage shall be regulated;
- the management of keys supporting the use of cryptographic techniques by the COMPANY shall be regulated;

*IT and Computer Security - Use of Digital Signature*s

- The digitisation of documents with digital signatures shall be regulated with reference to the person responsible, the authorisation levels, the use of certification systems and the possible use and sending of documents according to the storage mode;

Data - reuse of storage media

- Tools shall be provided for the secure reuse of storage media (erasure or initialisation of reusable media to allow reuse without security problems);

Privacy activities and policies

- Minimum security measures shall be implemented for the processing of personal data by electronic means (authentication systems, authorisation, antivirus, backup);
- Security activities shall be carried out to support the preparation of the DPS (periodic risk analysis, at least once a year) on the processing of personal data carried out, and audit activities shall be carried out to identify areas of uncovered data and plan the security measures to be taken;

Operating procedures and instructions - Security policy for internal staff

IT and Computer security policies shall be defined - management and use of passwords, login and logout procedures, use of email, use of removable media, use of protection systems (antivirus, anti-spam, anti-phishing, anti-spyware);

Procedures and Operating Instructions – Prohibited Conduct for Internal Personnel

Internal personnel are expressly prohibited from:

- Producing, using, altering, or forging false electronic documents (such as deeds, certificates, authorizations), including for the purpose of certifying untrue data;
- Destroying, deleting, or concealing electronic documents, in any form and for any purpose;
- Coercing third parties, through the use or threat of digital tools or unlawful digital behavior, to perform or omit acts in violation of applicable laws or contractual obligations.

IT and Computer security - awareness and training of internal staff

- An IT security-related training and/or communication policy shall be implemented to raise awareness among all users and/or specific professionals;

- regulatory, technical and policy documents necessary for the correct use of the IT system by users and for the effective management of security by the relevant business departments shall be prepared, disseminated and retained;

Suppliers of IT services/products - relationship management

- Relationships with IT service providers are periodically reviewed and appropriate safeguards are included in the relevant contracts;

Suppliers of IT services/products - controls and outsourcing services

- Shall be carried out periodic IT assessments, in particular when the services are outsourced.

ANNEXES :

Annex .01: Insight into offences

Annex 02: Mapping of sensitive activities and processes

Annex 03: Analysis of the drivers used for mapping

Annex 04: Code of Ethics

Annex.05: Whistleblowing Procedure