

COGEME ITALY
S.R.L.



ORGANIZATION, MANAGEMENT AND CONTROL MODEL

*Pursuant to art. 6, paragraph 3, of the Legislative Decree June 8 2001,
n. 231 "Discipline of the administrative liability of legal persons,
companies and associations, including those without legal personality*

Approved by
resolution of the
Board of Directors of
25/03/2021

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Definitions

Company: Cogeme Italy s.r.l., with registered office in Vicenza (VI), in highway Padana towards Verona, no. 6 and operational headquarters in Patrica (FR), in Via Ferruccia, n. 18;

Sensitive Activity: The Company's activity within which there is a risk, even potential, of the commission of crimes abstractly applicable to the same;

Employer: The person in charge of the employment relationship with the worker, or in any case the person who, according to the type and organization of the company, has the responsibility of the company itself or of the production unit pursuant to art. 2, paragraph 1, lett. b), Legislative Decree 81/2008;

Legislative Decree 231/2001 or Decree: The Legislative Decree. June 8, 2001, n. 231 containing the "Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality" and subsequent amendments and additions;

Recipients of the Model: The persons identified in paragraph 8 of this Model, who are required to comply with the provisions contained therein;

Model: This Organization, management and control model adopted by the Company pursuant to the Decree;

Organismo di Vigilanza ("O.d.V."): The body provided for by art. 6, paragraph 1, lett. b), Legislative Decree June 8, 2001, n. 231 and described in paragraph 9 of this Model;

Offenses: The offenses referred to in Articles 24, 24-bis, 24-ter, 25, 25-bis, 25-bis.1, 25-ter, 25-quater, 25-quinques, 25-septies, 25-octies, 25-novies, 25-decies, 25-undecies, 25-duodecies of Legislative Decree 8 June 2001, n. 231 and art. 10 of Law 146/2006, as better listed in paragraph 1.2;

Internal Manager: The person formally identified from time to time by the protocols of the Company to preside over, implement and manage the operations at risk concerning the Sensitive Activities identified pursuant to this Model.

Premise

This Model implements art. 6, paragraph 3 of the Legislative Decree. June 8, 2001, n. 231 containing the "Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality" and subsequent amendments and additions.

The **Model** consists of:

- (i) a **General Part**, aimed at regulating its function, the scope of operations, the recipients, the penalty system, the powers and functions of the Supervisory Body, the obligations of communication of the Model and training in relation to contents of the same;
- e
- (ii) a **Special Part** which contains the principles and internal rules of organization, management and control responsible for preventing the risk of committing those offenses indicated by the Decree that may be committed in the course of the Company's activities.

The following are also an integral part of the Model:

1. the Organizational System: the Company's organizational structure is aimed at ensuring, on the one hand, the separation of tasks, roles and responsibilities between the operational and control functions, and on the other, the maximum possible efficiency. As envisaged in paragraph 5 below, in the event of significant changes in the Company's organizational structure, the Model is promptly amended or supplemented by resolution of the Board of Directors;
2. the System of Proxies and Delegations: the Company's Board of Directors is the body responsible for formally conferring and approving the proxies and powers of signature, assigned in accordance with the organizational and managerial responsibilities defined and providing for a precise indication of the approval of expenses.
3. Manual and IT procedures: as part of its organizational system, the Company has a system of procedures, both manual and IT, aimed at regulating the performance of company activities, in compliance with the principles of the Model, of the Code of Ethics and as indicated in the Guidelines. To this is added a proven system of company practices consolidated over the years. The procedures and customs implemented within the Company establish the principles and rules to be followed in carrying out

the operations relating to individual company processes and provide for specific preventive controls that must be carried out in order to guarantee correctness, effectiveness and efficiency of the Company in carrying out its business. In preparing its procedures, the Company ensures compliance with the following principles: (i) encouraging the involvement of several subjects, in order to achieve an adequate separation of duties by contrasting functions; (ii) adopt the measures aimed at ensuring that every operation, transaction, action is verifiable, documented, coherent and congruous; (iii) prescribe the adoption of measures aimed at documenting the controls carried out with respect to the operations and / or actions carried out;

4. the Code of Ethics: see paragraph 4 below;
5. the Occupational Health and Safety Supervision System and the Integrated Quality / Environment System: The health and safety of workers, the creation and maintenance of a healthy work environment and the protection of the environment as well as customer satisfaction are primary objectives of the Company. For the systematic verification of the achievement of these objectives, the Company has prepared an adequate control system based on prevention and monitoring pursuant to Legislative Decree 81/2008, on compliance with specific environmental legislation as well as on the monitoring and assessment of customer satisfaction. For the pursuit of the aforementioned purposes, the Company has adopted the following standards: ISO9001 and IATF16949 (Quality); ISO14001 (Environment); OHSAS18001 (Safety and health of workers).
6. any provisions, internal provisions, acts and operating procedures that constitute implementation of this document.

In order for the recipients of this Model to better understand its contents and purposes, it is considered useful to briefly illustrate the regulations contained in the Decree.

GENERAL PART

1. The Legislative Decree June 8, 2001 n. 231

The Legislative Decree 231/2001 introduces and regulates the **administrative liability for offenses** of entities. The Decree, which implements the legislation of Community origin on the fight against corruption, is an absolute novelty for our system, which, until 2001, did not know, forms of criminal or administrative responsibility for collective subjects, who could at most be required to pay, jointly and severally, fines, fines and administrative sanctions imposed on their legal representatives, directors or employees.

The scope of operation of the Decree is quite vast and affects all entities with legal personality, companies, associations including those without legal personality, public economic entities, private entities that are concessionaires of a public service. Instead, the State, territorial public entities, non-economic public entities, entities that perform functions of constitutional importance (for example political parties and trade unions) are excluded.

1.1 Characteristics and nature of the liability of entities.

The new responsibility attributed to the entities is based on the following punitive model: the legislator identifies some types of crimes, the perpetrators of which are always natural persons, which can be committed in the interest or to the advantage of the entity; then identifies a particular link between the perpetrator of the crime and the entity, such that it can be assumed that the perpetrator of the crime acted in the context of the activities carried out for the entity; makes direct liability of the latter derive from the link between an individual and an entity and from the link between the crime and the entity's interest; chooses a particular punitive system for the entity, which is independent of the one applicable to the natural person.

The liability of the entity therefore arises if:

- a crime to which the Decree links the liability of the entity is committed;
- the offense was committed by a person who has a particular link with the entity;
- there is an interest or an advantage for the entity in the commission of the crime.

The nature of this form of corporate liability is of a mixed gender. It can be defined as a responsibility that combines the essential features of the **criminal system** with those of the **administrative system**. The entity is liable for an administrative offense and is punished with a sanction administrative, but the mechanism for imposing the sanctions is based on the

criminal trial, the competent authority to contest the offense is the Public Prosecutor and the competent authority to impose the sanctions is the criminal judge.

The administrative liability of the entity is independent from that of the natural person who commits the crime and therefore exists even if the perpetrator of the crime has not been identified or if the crime has been extinguished for a reason other than amnesty.

The liability of the entity, in any case, is added to and does not replace that of the natural person who is the perpetrator of the crime.

1.2 Crimes identified by the Decree and subsequent amendments.

The liability of the entity arises within the limits established by law. The first and fundamental limit is the **limited number of crimes** for which the entity can be called to answer. This means that the entity cannot be sanctioned for any crime committed as part of its activities, but only for the crimes selected by the legislator and expressly indicated by the law. The Decree, in its original version, in its subsequent additions, as well as the laws that expressly refer to the discipline of the Decree, indicate in Articles 24 and ss. offenses (**so-called predicate offenses**) that may give rise to the liability of the entity.

The limit to the applicability of the Decree to only predicate offenses is logical and understandable: it would make no sense to punish the entity for the commission of offenses that have no connection with its activity and that derive only from the choices or interests of the natural person who commits them. These are very different categories of offenses. Some are typical and exclusive of business activities; others, instead, normally go beyond the actual business activity, and pertain to the typical activities of criminal organizations.

The Legislative Decree 231/2001 in its original draft envisaged, among the crimes from which the perpetration of the administrative liability of entities derives, exclusively those against the Public Administration and those against property committed to the detriment of the State or other public body (**Articles 24 and 25** of the Decree).

Subsequently, the following **additional crimes** were **included** in the category of those provided for by the Decree:

- Decree Law September 25, 2001 n. 350, converted with amendments into Law November 23, 2001, n. 409, has introduced crimes relating to counterfeiting of coins, public credit cards and stamp values (**art. 25-bis** of the Decree);
- Legislative Decree April 11, 2002, n. 61 has introduced corporate offenses (**art. 25-ter** of the Decree);
- Law January 14, 2003, n. 7 has introduced crimes with the purpose of terrorism or

- subversion of the democratic order (**art. 25-quater** of the Decree);
- Law August 11, 2003 n. 228 has introduced crimes against the individual (**art. 25-quinquies** of the Decree);
 - Law April 18, 2005 n. 62 has introduced the crimes of abuse of privileged information and market manipulation (**art. 25-sexies** of the Decree);
 - Law January 9, 2006 n. 7 has introduced crimes relating to the mutilation of female genital organs (**art. 25-quater** of the Decree);
 - Law March 16, 2006, n. 146, art. 10 has introduced transnational crimes;
 - Law August 3, 2007 n. 123 has introduced offenses relating to the protection of health and safety in the workplace (**art. 25-septies** of the Decree);
 - Legislative Decree November 21, 2007 n. 231 has introduced the offenses of receiving stolen goods, money laundering and the use of money, goods or benefits of illicit origin (**art. 25-octies** of the Decree);
 - Law March 18, 2008 n. 48 has introduced computer crimes and unlawful data processing (**art. 24-bis** of the Decree);
 - Law July 15, 2009 n. 94 has introduced organized crime offenses (**art. 24-ter** of the Decree);
 - Law July 23, 2009 n. 99 has introduced crimes against industry and trade (**Article 25-bis.1** of the Decree) and crimes relating to the violation of copyright (**Article 25-novies** of the Decree);
 - Law August 3, 2009 n. 116 has introduced the crime of inducing to not make statements or to make false statements to the judicial authority, art. 25-novies. The article was subsequently renumbered by Legislative Decree July 7, 2011, no. 121 (**Article 25-decies** of the Decree);
 - Legislative Decree July 7, 2011, n. 121 has introduced environmental crimes (**art.25-undecies** of the Decree);
 - Legislative Decree July 16, 2012 n. 109 has introduced the crime of employment of citizens of third countries whose stay is irregular (**art. 25-duodecies** of the Decree);
 - Law October 29, 2016 n. 199, containing "Provisions on combating the phenomena of illegal work, the exploitation of labor in agriculture and wage realignment in the agricultural sector" which reformulated the crime of "**illegal intermediation and exploitation of labor**" - pursuant to art. 603-bis of the criminal code (so-called "caporalato") and included such offenses in **art. 25 - queries** of the Decree;
 - Law November 20, 2017 n. 167, has introduced the crime of racism and xenophobia in implementation of the framework decision 2008/913 / GAI - Justice and home affairs (**art. 25-terdecies** of the Decree);
 - Law May 03, 2019, n. 39, art. 5, has introduced the crime of fraud in sports competitions, illegal gambling or betting and gambling exercised by means of prohibited devices (**Article**

25-quaterdecies of the Decree);

- Law Decree October 26, 2019 n. 124, has introduced tax offenses (**art. 25-quinquedecies** of the Decree);
- Legislative Decree July 14, 2020 n. 75, has introduced the crime of smuggling (**Article 25-sexiesdecies** of the Decree).

Furthermore, over the years, the following changes have occurred:

- Law April 18, 2005 n. 62 has amended art. 2637 of the Italian Civil Code, referred to by **art. 25-ter** of the Decree;
- Law December 28, 2005 n. 262: (i) added the crime of failure to communicate the conflict of interest provided for by article 2629-bis of the Italian Civil Code. (letter r of **art. 25-ter**, paragraph 1, of the Decree); (ii) has amended art. 2638 of the Italian Civil Code, referred to in **art. 25-ter** of the Decree; (iii) has amended the articles 2621, 2622 of the Italian Civil Code, referred to by **art. 25-ter** of the Decree; (iv) has repealed art. 2623 of the Italian Civil Code, referred to by **art. 25-ter** of the Decree;
- Law February 6, 2006, n. 38 which added the crime of virtual pornography provided for by art. 600-quater.1 of the criminal code. (**Article 25-quinquies** of the Decree);
- Legislative Decree December 29, 2006 n. 303, has amended art. 2629-bis of the Italian Civil Code, referred to by **art. 25-ter** of the Decree;
- Legislative Decree November 21, 2007 n. 231 has repealed paragraphs 5 and 6 of **art. 10 of the Law of March 16, 2006 n. 146**. This has allowed the crimes of money laundering (Article 648-bis of the criminal code) and the use of money, goods or benefits of illicit origin (Article 648-ter of the criminal code) to become relevant, for the purposes of administrative liability, both in the of transnationality (as envisaged in the original text) both if carried out in the national territory;
- Legislative Decree April 9, 2008 n. 81 has amended the provisions of **art. 25-septies** of the Decree;
- Legislative Decree July 17, 2009 n. 101: (i) has modified the offense referred to in art. 184 of the Legislative Decree n. 58/1998, referred to by **art. 25-sexies** of the Decree; (ii) has modified the offense referred to in art. 185 of the Legislative Decree n. 58/1998, referred to by **art. 25-sexies** of the Decree;
- • Law July 23, 2009, n. 99 has amended **art. 25-bis** of the Decree, paragraphs 1, 2 and heading ("Counterfeiting of coins, public credit cards, stamp values and identification instruments or signs");
- • Legislative Decree January 27, 2010 n. 39 has repealed art. 2624 of the Italian Civil Code, and partially amended art. 2625 of the Italian Civil Code, referred to in **art. 25-ter** of the Decree;
- • Law July 2, 2010 n. 108 has partially modified arts. 600, 601 and 602 of the criminal code, referred to in **art. 25-quinquies** of the Decree and, through art. 416 of the Criminal

Code, **art. 24-ter** of the Decree;

- Legislative Decree March 24, 2011, n. 50 has amended art. 74 of the Presidential Decree October 9, 1990, n. 309, referred to in **art. 24-ter** of the Decree;
- Law October 1, 2012 n. 172: (i) has introduced paragraph 7 of art. 416 of the Criminal Code, recalled by **art. 24-ter** of the Decree (Article 4, paragraph 1, letter c); (ii) has replaced art. 600-bis of the Criminal Code, referred to by **art. 25-quinquies** of the Decree (Article 4, paragraph 1, letter g); (iii) has amended art. 600-ter of the Criminal Code, referred to by **art. 25-quinquies** of the Decree (Article 4, paragraph 1, letter h);
- Law November 6, 2012, n. 190: (i) has modified the heading of **art. 25** of the Decree; (ii) has introduced, among the relevant offenses pursuant to the Decree (**art. 25**, paragraph 3), art. 319-quater of the Criminal Code (undue inducement to give or promise benefits); (iii) has introduced, among the relevant offenses pursuant to the Decree (**art. 25-ter**), paragraph 3 of art. 2635 of the Italian Civil Code (corruption between private individuals). The aforementioned law also provides that any conviction, among others, for the crimes provided for by articles 316-bis, 316-ter of the criminal code, (referred to **by art. 24** of the Decree) 317, 318, 319, 319-bis , 319-quater, 320, 321, 322, 322-bis of the Criminal Code (referred to by **art. 25** of the Decree), 416, 416-bis (referred to by **art. 24-ter** of the Decree), 640, no. 1) of the second paragraph, 640-bis of the Criminal Code (referred to in **Art. 24** of the Decree), committed to damage or advantage a business activity, or in any case in relation to it, implies the inability to contract with the Public Administration;
- Law December 20, 2012 n. 237 has amended art. 378 of the Criminal Code, referred to **by art. 10 of the Law of March 16, 2006, n. 146**;
- Law Decree June 28, 2013 n. 76, converted with amendments by Law August 9, 2013, n. 99 has amended art. 55 of the Legislative Decree April 9, 2008, n. 81, referred to by **art. 25-septies** of the Decree;
- Law Decree August 14, 2013, n. 93, converted with amendments by Law October 15, 2013, n. 119 has amended: (i) art. 640-ter of the Criminal Code, referred to by **art. 24** of the Decree; (ii) art. 648 of the Criminal Code, referred to by **art. 25-octies** of the Decree;
- Legislative Decree December 28, 2013, n. 154 has partially modified art. 583-bis of the Criminal Code referred to by **art. 25-quater.1** of the Decree;
- Legislative Decree March 4, 2014 n. 24 has partially modified arts. 600 and 601 of the Criminal Code, referred to **by art. 25-quinquies** of the Decree and, through art. 416 of the Criminal Code, **art. 24-ter** of the Decree;
- Legislative Decree March 4, 2014 n. 39 has amended **art. 25-quinquies**, paragraph 1, lett. c) of the Decree, introducing art. 609-undecies of the criminal code (solicitation of minors);
- Legislative Decree March 4, 2014, n. 46 has amended the articles. 137, 256 and 279 of the Legislative Decree April 3, 2006 n. 152, referred to by **art. 25-undecies** of the Decree;
- Law April 17, 2014, n. 62 has amended art. 416-ter of the Criminal Code, referred to by **art. 24-ter** of the Decree;

- Law December 15, 2014 n. 186 has amended **art. 25-octies** of the Decree and heading ("**Receiving, laundering and use of money, goods or utilities of illicit origin, as well as self-laundering**") introducing art. 648-ter.1 of the criminal code ("Self-laundering");
Law May 22, 2015, n. 68 has expanded the types of offenses provided for by **art. 25-undecies** of the Decree by inserting the following new crimes: "Environmental pollution" (Article 452-bis of the Criminal Code), "Environmental disaster" (Article 452-quater of the Criminal Code), "Crimes against the environment" (Article 452-quinquies of the Criminal Code) , "Traffic and abandonment of highly radioactive material" (art. 452-sexies of the criminal code), "Aggravating circumstances" (art. 452-octies of the criminal code);
- Law May 27, 2015 n. 69 has made changes to art. 317 of the criminal code. ("Extortion") - referred to in **art. 25** of the Decree and some articles of the civil code referred to in **art. 25-ter** of the Decree. Specifically, the legislator has amended art. 2621 of the Italian Civil Code ("False corporate communications"), has introduced the new art. 2621-bis of the Italian Civil Code ("Minor events"), has replaced art. 2622 of the Italian Civil Code ("False corporate communications of listed companies").
- Legislative Decree March 15, 2017 n. 38, which has reformulated the crime of corruption between private individuals pursuant to art. 2635 of the Italian Civil Code and has introduced the new case of incitement to corruption between private individuals (art. 2635-bis), both included in the category of predicate offenses by **art 25 - ter** of the decree.
- Law October 17, 2017 n. 161 has amended **art. 25-duodecies** of the Decree (Crime of employment of third-country nationals whose stay is irregular) introducing as new types of crime the provisions of art. 12 paragraph 3, 3-bis, 3-ter and paragraph 5 of the Legislative Decree 286/1998 - so-called Consolidated Act on immigration) on **illegal immigration**;
- Law no. 179 of November 30, 2017 ("Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship") has amended art. 6 of the Decree by inserting the new paragraphs 2 bis, ter and quater the protection of the person who reports an offense in the company (defined, with Anglo-Saxon terminology now in common use, "**whistleblower**");
- Legislative Decree March 01, 2018 n. 21 repealed art. 260 of Legislative Decree. 152/2006, referred to by **art. 25-undecies** of the Decree (Environmental crimes) and has consequently included the same case in the new art. 452-quaterdecies of the Criminal Code (Organized activities for the illegal waste trafficking); has repealed art. 3 of Law 654/1975, whose paragraph 3-bis is referred to by **art. 25-terdecies** of the Decree (Racism and Xenophobia) and consequently inserted the same case in the new art. 604-bis of the criminal code (Propaganda and incitement to crime on the grounds of racial, ethnic and religious discrimination); has amended, by inserting further paragraphs, both art. 601 of

the criminal code. (Human trafficking) that art. 601-bis of the Criminal Code (Trafficking of organs taken from a living person), articles referred to the first directly by **art. 25-quinquies** of the Decree (Crimes against the individual) and both indirectly referred to by **art. 24-ter** of the Decree (Organized crime offenses).

- Conversion law of November 18, 2019 n. 133, which expanded the crime entitled "computer crimes and unlawful data processing", pursuant to **art. 24-bis** of the Decree, also providing for the crimes referred to in art. 1, paragraph 11, of the decree law September 21, 2019 n. 105 concerning cyber national security;
- Conversion law of December 19, 2019 n. 157, which expanded the scope of the tax offenses referred to in **art. 25-quinquiesdecies** of the Decree;
- Legislative Decree July 14, 2020 n. 75, which: has introduced the case of the crime of smuggling in **art. 25-sexiesdecies**; has integrated **art. 25** of the Decree with reference to the European Union as a financially injured party in cases of embezzlement, including through the profit of the error of others (articles 314 and 316 of the criminal code) and abuse of office (article 323 of the criminal code); has integrated **art. 24** of the Decree by inserting the crime of fraud in public supplies (article 356 of the criminal code); has integrated **art. 25-quinquiesdecies** of the Decree by adding paragraph 1-bis which provides for administrative sanctions from 300 to 500 quotas for crimes committed in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of no less than ten million euros.

On the date of approval of this Model, the predicate offenses belong to the following categories:

- **OFFENSES COMMITTED IN RELATIONS WITH THE PUBLIC ADMINISTRATION** (articles 24 and 25 of the Decree);
- **COMPUTER CRIMES AND ILLEGAL DATA PROCESSING** (art. 24-bis of the Decree);
- **ORGANIZED CRIME OFFENSES** (art. 24-ter of the Decree);
- **FALSE CRIMES IN COINS, PUBLIC CREDIT CARDS, STAMP VALUES AND RECOGNITION INSTRUMENTS OR SIGNS** (art. 25-bis of the Decree);
- **CRIMES AGAINST INDUSTRY AND TRADE** (Article 25-bis.1 of the Decree);
- **CORPORATE OFFENSES** (art. 25-ter of the Decree);
- **CRIMES WITH THE PURPOSE OF TERRORISM OR SUBVERSION OF THE DEMOCRATIC ORDER** (Article 25-quater of the Decree);
- **PRACTICES OF MUTILATION OF FEMALE GENITAL ORGANS** (art. 25-quater.1 of the Decree);
- **CRIMES AGAINST INDIVIDUAL PERSONALITY** (Article 25-quinquies of the Decree);
- **MARKET ABUSE** (Article 25-sexies of the Decree);
- **SERIOUS OR VERY SERIOUS MURDER OR INJURIES, COMMITTED WITH**

VIOLATION OF THE RULES ON THE PROTECTION OF HEALTH AND SAFETY AT WORK
(art. 25-septies of the Decree);

- **RECEIPT, MONEY LAUNDERING AND USE OF MONEY, GOODS OR UTILITIES OF ILLEGAL ORIGIN, AS WELL AS SELF-LAUNDERING** (Article 25-octies of the Decree);
- **CRIMES RELATING TO VIOLATION OF COPYRIGHT** (Article 25-novies of the Decree);
- **INDUCTION NOT TO MAKE DECLARATIONS OR TO MAKE BENDING STATEMENTS TO JUDICIAL AUTHORITY** (art. 25-decies of the Decree);
- **ENVIRONMENTAL CRIMES** (art. 25-undecies of the Decree);
- **EMPLOYMENT OF CITIZENS OF THIRD COUNTRIES WHOSE STAY IS IRREGULAR** (art. 25-duodecies of the Decree);
- **RACISM AND XENOPHOBIA** (art. 25-terdecies of the Decree);
- **FRAUD IN SPORTS COMPETITIONS, ABUSIVE GAMING OR BETTING AND GAMBLING GAMES PRACTICED USING PROHIBITED EQUIPMENT** (Article 25-quaterdecies of the Decree)
- **TAX OFFENSES** (art. 25-quinquiesdecies of the Decree);
- **TRANSNATIONAL CRIMES** (art. 10, Law 146/2006).
- **SMUGGLING OFFENSE** (art. 25-sexiesdecies of the Decree).

The list of predicate offenses is likely to be **further expanded in the future**.

It is noted, right from the start, that due to the manner in which each crime was committed and the typical activities carried out by the Company, **not all the predicate offenses indicated by the Decree are relevant for the Company**, but only those indicated in paragraph 6 below.

1.3 Criteria for attributing liability to the entity.

If one of the predicate offenses is committed, the entity can only be punished if certain conditions are met, which are defined as criteria for imputing the offense to the entity. These criteria can be divided into "objective" and "subjective".

The **first objective condition** is that the crime was **committed** by a person linked to **the entity by a qualified relationship**. Therefore, there must be a relevant link between the individual perpetrator of the crime and the entity. Administrative liability charged to the institution can exist only if the perpetrator of the crime belongs to one of these two categories:

- Subjects in "top positions", such as, for example, the legal representative, the administrator, the general manager or the director of an autonomous organizational unit, as well as the people who exercise, even de facto, the management of the entity. It is essentially about those who, have an **autonomous power to make decisions in the name and on behalf of society**. It is believed that all the **subjects delegated** by the directors to carry out management or management activities of the Company or its branch offices also belong to this category. In this perspective, the very simple

structure of the system of delegation of powers and functions (only one attorney in addition to the specific appointments provided for in the environmental and safety at work) matters particular importance in the overall logic of definition of this Model;

- "Subordinate" subjects, all those who are subject to the management and supervision of top management; typically, **employees**, but **also subjects not belonging to the staff** of the entity, who have been **entrusted with a task** to be carried out **under the direction and supervision of top management**. What matters for the purposes of belonging to this category is not the existence of an employment contract, but **the actual activity carried out**.

Among the external parties concerned there are, for example, collaborators, promoters, agents and consultants, who, on behalf of the company, carry out activities in its interest. Finally, for the purposes of this Model, mandates or contractual relationships with subjects not belonging to the Company's staff are also relevant, if these subjects act in the name, on behalf or in the interest of the same.

The second objective condition is that the offense must be committed **in the interest or to the advantage** of the entity. The offense must, therefore, concern the activity of the company, or the company must have had some benefit, even potential, from the offense. The two conditions are alternative and it is sufficient that at least one of the two exists:

- the "**interest**" exists when the perpetrator of the crime has acted with the **intent of favoring** the Company, regardless of whether this objective has been achieved.
- the "**advantage**" exists when the company has drawn, or could have drawn, **a positive result, economic or otherwise, from the crime**.

The law does not require that the benefit obtained or hoped for by the entity is necessarily of an economic nature: liability exists not only when the unlawful conduct has resulted in a financial advantage, but also in the event that, even in the absence of such a concrete result, the crime is justified in the interest of the company. Even the improvement of the institution's position on the market, the concealment of a situation of financial crisis, the conquest of a new territorial area were found to involve the interests of the company, without providing it with an immediate economic benefit.

The entity is not liable if the crime was committed independently and sometimes even against the interest of the company, or in the **exclusive interest** of the offender or in the exclusive interest of third parties.

I **The subjective criteria for attributing** the crime to the entity, on the other hand, establish the conditions under which the crime is attributable to the entity. The offense is not attributable to the entity if the entity - *before the commission of the offense* - has adopted and

effectively implemented an "**Organization and management model**" (the Model), **suitable for preventing the commission of crimes of kind of what has been achieved.**

Turning the regulatory provisions positively, it can be stated that the entity is liable for the crime only in the event of non-adoption or failure to comply with the required **standards relating to its organization** and to the performance of its **business**: a defect attributable to a wrong business policy or structural deficits of the business organization. Since the entity cannot express its will to commit a crime, its representatives, its administrators or its organization will express and concretize its guilty participation in the commission of the crime. In order for the crime not to be attributed to it from a subjective point of view, the entity must demonstrate that everything has been done in its power to organize itself, manage itself and check that in the exercise of the business activity a crime provided for by the Decree cannot be committed. For this reason, the Decree provides for the exclusion of liability only if the **entity demonstrates**:

- that the executive body has adopted and effectively implemented, before the offense was committed, an organization, management and control model suitable for preventing crimes of the kind that occurred;
- that the task of supervising the functioning and observance of the Model and its updating has been entrusted to a **body of the entity with autonomous powers of initiative and control** (Supervisory Body referred to in paragraph 9 below);
- that there was no omission or insufficient supervision by the aforementioned body.

The conditions listed above must concur jointly so that the liability of the entity can be excluded. The company's exemption from fault therefore depends on the adoption and effective implementation of a Crime Prevention Model and the establishment of a Supervisory Body.

To the **Supervisory Body** is assigned the responsibility of monitoring the compliance of the activity with the standards and procedures defined in the Model. In particular, the Decree assigns the following tasks to the Supervisory Body:

- supervision of the functioning of the Model;
- any updating of the Model;
- acquisition of information relating to violations of behavioral precepts, also through the creation of an internal communications network;
- coordination with other company bodies with similar skills;
- activation of disciplinary proceedings.

The Model operates as a cause of non-punishment of the entity whether the predicate offense is committed by a senior person or whether it was committed by a subordinate person. However, the Decree is much more rigorous with regard to the guilt of the entity and

leaves less possibility of defense if **the offense is committed by a senior person**. In this case, in fact, the Decree introduces a sort of relative presumption of liability of the entity: in addition to the three conditions indicated above, the entity must also demonstrate that the people have committed the crime by fraudulently evading the Model. The Decree requires proof of extraneousness to the strongest offense, since the entity must also prove a sort of fraud within the Model by top management.

In the event of **crimes committed by subjects in a subordinate position**, the entity may be called to respond instead **only** if it is ascertained that the commission of the crime was made possible by **the non-compliance with the obligations of management or supervision**. It is, in this case, a **real organizational fault**: the company has indirectly consented to the commission of the crime, not overseeing the activities and subjects at risk of committing a predicate crime. The adoption and implementation of the Model does not constitute a mandatory fulfillment pursuant to the law: however, in light of the aforementioned criteria for attributing the crime to the entity, the Model is the only tool available to prove one's innocence and, in definitive, in order not to suffer the sanctions established by the Decree. It is therefore in the interest of the Company to adopt an effective model and to have it respected.

1.4 Indications of the Decree regarding the characteristics of the organization, management and control model

The Decree does not analytically regulate the nature and characteristics of the Model, but it just dictates some general principles. The mere adoption of the Model is not a sufficient condition in itself to exclude the liability of the company.

In fact, the Model operates as a cause of non-punishment only if:

- **effective**, that is only if **reasonably suitable for preventing the crime or offenses** committed;
- if **actually** implemented, or if its content is applied in company procedures and in the internal control system.

As for the effectiveness of the Model, the Decree provides that it has the following minimum content:

- the activities of the company within which crimes may be committed are identified;
- there are specific protocols aimed at planning the formation and implementation of the company's decisions, in relation to the crimes to be prevented;
- the methods for managing financial resources suitable for preventing the commission of crimes are identified;
- a suitable disciplinary system is introduced to sanction non-compliance with the

measures indicated in the Model;

- there are obligations to provide information to the Supervisory Body;
- in relation to the nature and size of the organization, as well as the type of activity carried out, suitable measures are envisaged to ensure that the activity is carried out in compliance with the law and to promptly discover and eliminate risk situations.

With reference **to the effective implementation** of the Model, the Decree provides for the need for **periodic verification** and **updating** of the Model, if significant violations of the provisions contained therein emerge or if there are changes in the organization or in the activity of the company.

The Model is therefore a set of principles, tools and conduct that govern the organization and management of the company, as well as the control tools. It varies and takes into account the nature and size of the company and the type of business it carries out. The rules and conduct provided for in this Model serve, first of all, to guarantee that the activity carried out by the Company complies with the law and the Code of Ethics. These rules must allow the Company to find out if there are any risky situations, that is, favorable to the commission of an offense relevant to the Decree. Once these risk situations have been identified, the Model must be able to eliminate them through the imposition of conduct and controls.

1.5 Offenses committed abroad

By virtue of art. 4 of the Decree, the entity may be called to answer in Italy for predicate offenses committed abroad.

The Decree, however, makes this possibility subject to the following conditions:

- the State of the place where the crime was committed does not proceed;
- the company has its main office in the territory of the Italian State;
- the offense is committed abroad by a person functionally linked to the company;
- the general conditions of admissibility provided for in Articles 7, 8, 9, 10 of the Criminal Code exist to be able to prosecute in Italy a crime committed abroad.

1.6 THE SANCTIONS

- The body held responsible for the commission of one of the predicate offenses can be sentenced to four types of sanctions, different in nature and in the manner of execution:
 - financial penalties;
 - disqualification sanctions;
 - confiscation;
 - publication of the sentence.

It will be responsibility of the competent criminal Judge, having ascertained the responsibility of the entity, to determine its amount and quantum.

The entity is also held liable if the offense was committed in the form of an attempt; in this case, the pecuniary and disqualifying sanctions will be reduced by one third to one half (art. 26 of the Decree). Furthermore, pursuant to art. 26 of the Decree, the entity is not liable when it voluntarily prevents the completion of the action or the realization of the event.

1) THE PECUNIARY SANCTION

When the Judge considers the entity responsible, the pecuniary sanction is **always** applied. The pecuniary sanction is determined by the judge through a system based on "**quotas**" in a number of not less than 100 and not more than 1,000 of an amount varying between the minimum of 258.00 euros and the maximum of 1,549.00 euros (Article 10 of Decree). The amount of the financial penalty depends on the seriousness of the crime, the degree of responsibility of the company, the activity carried out to eliminate or mitigate the consequences of the crime or to prevent the commission of other offenses. The judge, in determining the quantum of the sanction, takes into account the economic and financial conditions of the company.

2) INTERDICTIVE SANCTIONS

The disqualification sanctions can be applied **in addition** to the pecuniary sanctions but only if expressly provided for the crime for which one proceeds and provided that at least one of the following conditions is met:

- the entity derived a significant profit from the crime and the crime was committed by a senior or subordinate person, but only if the commission of the crime was made possible by serious organizational deficiencies;
- in case of repetition of the offenses.

The disqualification sanctions provided for by the Decree are:

- the temporary or definitive ban from exercising the business;
- the suspension or revocation of authorizations, licenses or concessions functional to the commission of the offense;
- the prohibition on contracting with the Public Administration, except to obtain the performance of a public service;
- exclusion from concessions, loans, contributions or subsidies and the possible revocation of those already granted;
- the temporary or permanent ban on advertising goods or services.

The disqualification sanctions concern the specific activity to which the offense of the entity refers and are normally temporary, in an interval ranging from three months to two years, but can exceptionally be applied with definitive effects. They can also be applied as a precautionary measure, before the sentence is sentenced, at the request of the Public Prosecutor, if there are serious indications of the entity's liability and there are well-founded and specific elements to suggest the concrete danger that illicit acts of the same nature are committed of what one proceeds for.

The disqualification sanctions do not apply (Article 17 of the Decree) when the entity, before the opening of the first instance hearing:

- has fully compensated the damage and eliminated the harmful or dangerous consequences of the crime or has in any case taken effective action in this sense;
- eliminated the organizational deficiencies that led to the crime by adopting and implementing a Model suitable for preventing crimes of the type that occurred;
- made the profit obtained available for the purposes of confiscation.

3) THE CONFISCATION

The confiscation of the price or profit of the crime is always ordered by the criminal Judge with the sentence of condemnation, except for the part that can be returned to the injured party. Rights acquired by third parties in good faith are reserved.

When it is not possible to confiscate the price or profit of the crime, the same may involve sums of money, goods or other benefits of equivalent value to the price or profit of the crime.

4) THE PUBLICATION OF THE SENTENCE

It consists in the publication of the sentence only once, in excerpt or in full at the expense of the entity, in one or more newspapers indicated by the Judge in the sentence as well as by posting in the Municipality where the entity has its head office.

All sanctions are of an administrative nature, even if applied by a criminal Judge. The sanctioning framework established by the Decree is very severe, both because the pecuniary sanctions can be very high, and because the disqualification sanctions can severely limit the normal exercise of the company's activities, precluding a series of business.

The administrative penalties charged to the entity are prescribed, except in cases of interruption of the limitation period, within five years from the date of committing the crime. The limitation period is interrupted by the following acts: (i) the request for the application of precautionary disqualification measures; (ii) the dispute of the administrative offense. From the moment of interruption, a new limitation period begins to run; however, if the interruption

took place by contesting the administrative offense dependent on a crime, the limitation period does not run until the moment in which the sentence defining the judgment becomes final.

The final sentence of the entity is registered **in the national register of administrative sanctions for offenses of the entity**: archive containing all decisions relating to sanctions that have become irrevocable applied to entities pursuant to the Decree.

1.7 The changing events of the entity

The Decree governs the liability regime of the entity in the case of amending events, or in the event of **transformation, merger, split and sale of a company**.

The fundamental principle, which also informs the entire matter of the entity's liability, establishes that only the entity, with its assets or common fund, is liable for the obligation for the payment of the pecuniary sanction imposed on the entity. The rule, therefore, excludes direct financial liability of shareholders or associates, regardless of the legal nature of the collective entity.

The legislator has adopted, as a general criterion, to apply the principles of **civil laws** on the liability of the entity being transformed for the debts of the original entity to the **pecuniary sanctions** inflicted on the entity; correlatively, for the **disqualification sanctions** it was established that they remain the responsibility of the entity in which the branch of activity in which the offense was committed remained (or merged).

In the event of **transformation** of the entity, the responsibility for crimes committed prior to the date on which the transformation took effect remains unaffected. The new entity will therefore be the recipient of the penalties applicable to the original entity, for acts committed prior to the transformation.

In the event of a **merger**, the entity resulting from the merger, including by incorporation, is liable for the crimes for which the entities participating in the merger were responsible. If the merger took place before the conclusion of the judgment to ascertain the liability of the entity, the judge must take into account the economic conditions of the original entity and not those of the entity resulting from the merger.

In the event of partial **split**, the responsibility of the demerged entity remains unaffected for crimes committed prior to the demerger. However, the beneficiaries of the partial or total split are jointly and severally obliged to pay the financial penalties owed by the entity for

crimes prior to the split. The obligation is limited to the value of the transferred assets.

In case of **sale or transfer of the company** in which the crime was committed, except for the benefit of the prior enforcement of the transferring body, the transferee is jointly and severally obliged with the transferring body to pay the pecuniary sanction, within the limits of the value of the transferred company and within the limits of the pecuniary sanctions resulting from the mandatory accounting books, or of which the transferee was in any case aware. In any case, the disqualification sanctions are applied to entities to which the branch of activity in which the offense was committed has remained or has been transferred, even in part.

2. Adoption of the Model

2.1 Cogeme Italy S.r.l. : the Company

Cogeme Italy S.r.l., a company founded in 2017, is specialized in the processing of special steels and alloys and, in particular, in the manufacture of precision mechanical components intended mainly for the international automotive industry.

The high levels of precision, the maintenance of high quality standards and the development of innovative production solutions capable of satisfying the technical specifications required, allows the Company to maintain relationships with the main manufacturers of automotive components (1st level suppliers), which, at the same time, have commercial relations with all the international car manufacturers (OEM), placing themselves among the main national manufacturers of precision mechanical components in the sector.

The production activity is carried out at the operational headquarters in Patrica (FR), Via Ferruccia, n. 18.

The Company, wholly owned by TCH S.r.l., has a resolved, subscribed and paid-up share capital of € 100,000.00.

The Company is managed by a Board of Directors and the auditing of the accounts is entrusted to an external party.

At the date of preparation of this Model, the Company's Board of Directors is composed of:

- Berti Gino: Chairman of the BoD and legal representative of the company;
- Berti Matteo: Chief Executive Officer and legal representative of the company;
- Morelli Alberto: Chief Executive Officer;
- Cavaliere Otello: Counselor;
- Mattietti Massimiliano: Counselor;

Currently, the company employs on average about 110 (one hundred) employees, most of whom holds the qualification of worker.

2.2 The Model of Cogeme Italy S.r.l.

This Model is inspired, among others, by the Guidelines for the construction of Organization, Management and Control models, developed by Confindustria in the document dated March 7, 2002 (and subsequent updates).

The Model has been developed taking into account the structure and the activity actually carried out by the Company, the nature and size of its structure which, as mentioned, does not present particular organizational complexities. The Company has carried out a preliminary analysis of its business context and subsequently an analysis of the areas of activity that present potential risk profiles in relation to the commission of the offenses indicated by the Decree. In particular, the following have been the subject of analysis : the history of the Company, the corporate context, the market to which it belongs, the company organization chart, the existing Corporate Governance system, the system of proxies and proxies, existing legal relationships with third parties , the operating reality of the company, the consolidated practices and the procedures formalized and disseminated within the Company for carrying out the operations.

For the purposes of preparing this Model, the Company also proceeded:

- To the identification of **Sensitive Activities**: through the recognition of the activities carried out by the company through interviews with the managers of the company functions, the analysis of the company organization charts and the system of division of responsibilities, the areas in which it is possible that committed the predicate offenses indicated in the Decree;
- To the identification of **existing control procedures**: through interviews with the managers of the corporate functions, the control procedures that already exist in the previously identified sensitive areas has been identified;
- To the identification of **prevention principles and rules**: the prevention principles and rules that must be implemented have been identified, to prevent, as far as reasonably possible, the commission of predicate offenses relevant to the Company. To this end, the Company has taken into account the already existing control and prevention tools, aimed at regulating corporate governance, as well as existing operating practices and procedures.

The results of the analysis described above, including the observations that allowed the Company to identify specific protocols for specific areas at risk, constitute a prerequisite for this Model.

3. Purpose of the Model

With the adoption of this Model, the Company intends to fully comply with the provisions of the law and, in particular, comply with the inspiring principles of the Decree, as well as making the existing internal control and Corporate Governance system more effective.

The Model's main objective is to set up a structured and organic system of organizational and control principles and procedures, suitable for preventing, as far as possible and actually payable, the commission of the offenses contemplated by the Decree. The Model integrates with the existing control and Corporate Governance system at the Company and is part of the process of spreading a corporate culture based on fairness, transparency and legality.

The Model also proposes the following purposes:

- an adequate information for employees and those who act on behalf of the Company, or are linked to the Company by relationships relevant to the Decree, about the activities that involve the risk of committing crimes;
- the dissemination of a corporate culture based on legality. The Company, in fact, condemns any conduct contrary to the law or internal provisions and, in particular, to the provisions contained in this Model;
- an efficient and balanced organization of the company, with particular regard to the formation of decisions and their transparency, the provision of preventive and subsequent controls, as well as the management of internal and external information;
- suitable measures for promptly eliminating, as far as possible, any situations of risk of commission of offenses.

4. Model and Code of Ethics

The Company has adopted its own Code of Ethics. The Code of Ethics is, by its nature and function, a different tool from this Model: it contains the principles of conduct and the ethical-social values that must inspire the Company in pursuing its corporate purpose and objectives and is consistent with what is reported in this Model.

The Model presupposes respect with the provisions of the Code of Ethics, forming with it a corpus of internal rules aimed at spreading a culture of ethics and corporate transparency.

The Company's Code of Ethics constitutes the essential foundation of this Model, as well as an integral part of it, and the provisions contained in the Model are integrated with what in it

expected.

The Code of Ethics, which is intended as fully referred to here, is attached to the Model.

5. Modifications and updating of the Model

The Model must always be promptly amended or supplemented by resolution of the Board of Directors, also on the proposal of the Supervisory Body, when:

- There have been violations or evasion of the provisions contained therein that have demonstrated their ineffectiveness or inconsistency for the purposes of crime prevention;
- Significant changes have occurred in the regulatory framework, in the organization or in the activity of the Company.

If changes to the Model of an exclusively formal nature are necessary, such as explanations or clarifications of the text, the President of the Company, having consulted the Supervisory Body, can do so independently. These changes are subsequently notified to the Board of Directors.

In any case, the Supervisory Body must promptly report in writing to the Chairman of the Board of Directors any facts that highlight the need to modify or update the Model. In this case, the Chairman of the Board of Directors must convene the Board of Directors, so that it adopts the resolutions within his competence.

The changes in company procedures necessary for the implementation of the Model are made by the relevant departments. The Supervisory Body is constantly informed of the updating and implementation of the new operating procedures and can express an opinion on the proposed amendments.

6. Offenses relevant to Cogeme Italy Srl

In light of the analysis carried out by the Company for the purposes of preparing this Model, only the predicate offenses referred to in Articles 24 and 25 (Crimes against the Public Administration), 24-bis (Computer crimes and illegal data processing), 25-bis (Crimes against industry and commerce), 25-ter (Corporate crimes), 25-quinquies (Crimes against the individual with exclusive reference to illicit intermediation and exploitation of labor); 25-septies (Manslaughter or serious or very serious injuries, committed in violation of the rules on the protection of health and safety at work), 25-octies (Receiving, laundering and use of money, goods or benefits of illicit origin, as well as self-laundering) 25-novies (Crimes in the matter of copyright infringement), 25-decies

(Inducement not to make declarations or to make false declarations to the Judicial Authority), 25-undecies (Environmental crimes), 25-duodecies (Employment of citizens of third countries whose stay is irregular) of the Decree, 25-quinquiesdecies (tax crimes) of the Decree.

The Company undertakes to constantly assess the relevance, for the purposes of this Model, of any further current and future crimes.

7. Recipients of the Model

This Model applies:

- a) To those who perform, even de facto, management, administration, direction or control functions in the Company or in one of its autonomous organizational units;
- b) To employees of the Company;
- c) To all those who collaborate with the Company by virtue of a parasubordinate employment relationship (project collaborators, temporary workers, interim workers, etc.);
- d) To those who, although not belonging to the Company, operate on behalf of or on behalf of the same (such as, for example, promoters, agents or consultants);
- e) To those who act in the interest or even in the interest of the Company as they are linked to the Company by contractual legal relationships or other agreements (such as, for example, partners in joint ventures or shareholders for the realization or acquisition of a business project).

All recipients of the Model are required to comply with the utmost diligence with the provisions contained in the Model and its implementation procedures.

8. Supervisory body

8.1 Function

Based on the provisions of Legislative Decree n. 231/2001 - art. 6, paragraph 1, lett. a) and b) - the entity may be exonerated from liability resulting from the commission of offenses by qualified subjects pursuant to art. 5 of the Legislative Decree. n. 231/2001, if the management body has, among other things, entrusted the task of supervising the implementation and observance of the model, as well as promoting its updating, to a body of the entity with autonomous powers of initiative and control.

The Supervisory Body has the task of constantly supervising:

- compliance with the Model by the corporate bodies, employees and consultants of the Company;
- the effectiveness of the Model in relation to the effective ability to prevent the commission

- of the offenses referred to in the Decree;
- on the effective implementation of the provisions of the Model in the context of the performance of the Company's activities;
- on the updating of the Model, where there is a need to adapt it in relation to changes in the corporate structure and organization or in the reference regulatory framework.

8.2 Composition and appointment of the Supervisory Body.

In accordance with the provisions of art. 6, paragraph 1, lett. a) and b) Legislative Decree n. 231/2001, a Supervisory Body is established by the Company, endowed with autonomy and independence in the exercise of its functions, as well as adequate professionalism in relation to the control of risks associated with the specific activity carried out by the Company and the related legal profiles able to ensure, in relation to the organizational structure of the Company and the degree of risk of committing the offenses envisaged by the aforementioned Legislative Decree, the effectiveness of the controls and activities for which the body is responsible.

In particular, Cogeme Italy S.r.l. has decided to entrust the task of supervising compliance with the Model, as well as updating it, to a single-person body made up of a person external to the Company (Article 6, paragraph 1, letter B, of the Decree), equipped with requirements referred to in point 8.3. below, the component of which:

- is not in the ineligibility and forfeiture conditions referred to in art. 2382 of the civil code;
- is not the spouse, relative or kinship within the fourth degree of the directors of the Company, is not a director, spouse, relative or kinship within the fourth degree of directors of the companies controlled by the Company or which control it or of those which are subject to common control ; is not linked by independent or subordinate employment relationships or by other relationships of a professional or financial nature with the Company, with the subsidiaries or companies that control it or which are subject to common control or with the directors of the Company or with the spouse, the relatives or kindreds within the fourth degree of the latter.
- Has the requisites of professionalism, integrity, competence, independence and functional autonomy required in order to fill the aforementioned role.

This solution appears to be able to ensure, in relation to the size of the Company and its organizational complexity, the effectiveness of the controls entrusted to the Supervisory Body.

The Supervisory Body is appointed by the Board of Directors and remains in office for the duration of 3 years or for the shorter period established at the time of appointment, in any case not less than 1 year. The member of the Supervisory Body can be re-elected.

At the time of appointment, the Board of Directors establishes the remuneration due to the members of the Supervisory Body.

The assignment, when formally accepted by the appointed subject, is made known to all company levels through specific internal communication.

8.3 Eligibility Requirements

The member of the Supervisory Body must be endowed with professionalism, integrity, independence, functional autonomy and continuity of action, as well as the necessary competence to carry out the tasks entrusted by the Decree.

Causes of ineligibility or forfeiture of office as member of the Supervisory Body are:

- the sentence to a penalty that involves the interdiction, even temporary, from public offices or the inability to exercise managerial offices in legal entities;
- the final conviction for having committed one of the offenses provided for by the Decree;
- the existence of relations of kinship, marriage or affinity up to the fourth degree with the members of the Board of Directors, as well as with the same members of the parent companies and / or possibly controlled or subject to common control or with external subjects in charge of the audit .

The member of the Supervisory Body must be independent, that is:

- must not be linked to the Company by a financial relationship that could reasonably compromise its independence;
- must not entertain, nor have entertained, not even indirectly with the Company or with subjects related to it, relations such as to affect their autonomy of judgment.

The Board of Directors verifies the existence and permanence of the aforementioned requirements for the Supervisory Body.

8.4 Revocation, forfeiture and withdrawal.

The revocation from the office of member of the Supervisory Body can only take place through a resolution of the Board of Directors and only in the presence of just cause.

The conditions legitimizing the revocation for just cause are:

- the loss of the eligibility requirements referred to in paragraph 8.3 above;
- non-fulfillment of the obligations relating to the assignment entrusted;
- the lack of good faith and diligence in the exercise of the office.

In the presence of just cause, the Board of Directors revokes the appointment of the member of the Supervisory Body who has become unsuitable, giving adequate reasons, and at the same time provides for his replacement.

In addition to the loss of eligibility requirements, the following are causes for forfeiture of office:

- the renunciation;
- death or supervening incapacity or impossibility to exercise the office;

The member of the Body may withdraw from the appointment at any time by giving at least two months' notice with written and motivated communication to the Board of Directors.

In case of forfeiture, withdrawal or supervening impossibility to exercise the functions of the Supervisory Body, the Board of Directors will promptly replace it.

8.5 Carrying out the activities of the Supervisory Body

The Supervisory Body carries out periodic checks on the Model which will be carried out by carrying out specific insights on the individual needs that emerge from time to time.

Meetings with corporate bodies must be recorded and copies of the minutes will be kept by the Supervisory Body.

To the Supervisory Body is guaranteed free access to all relevant company documentation for the purposes of compliance with the Model. The Supervisory Body may also intervene following reports received at the email address communicated at the time of its appointment.

8.6 Powers

The Supervisory Body has autonomous powers of initiative and control, such as to allow the effective exercise of the functions provided for in the Model, as well as subsequent measures or procedures taken in implementation of the same. The Supervisory Body does not have, nor can they be attributed, even as a substitute, powers of managerial, decision-making, organizational or disciplinary intervention, relating to the performance of the Company's activities.

The Supervisory Body performs its functions in coordination with the other control bodies or functions existing in the Company. In particular:

- coordinates with the Human Resources Manager for aspects relating to personnel training;
- coordinates with the corporate functions involved in the activities at risk for all

aspects relating to the implementation of the operating procedures for implementing the Model.

The Supervisory Body, in pursuit of the purpose of supervising the effective implementation of the Model adopted by the Company, has the following powers and duties, which exercises in compliance with the law, as well as the individual rights of workers and persons concerned:

- a)** carry out or arrange to have carried out, under its direct supervision and responsibility, periodic inspections;
- b)** access all information concerning the Company's sensitive activities, as better listed in the Special Part of the Model;
- c)** request information or the exhibition of documents regarding the Sensitive Activities from all employees of the Company and, where necessary, from the directors, the auditing company, the subject appointed in compliance with the provisions of the legislation on accident prevention, for the protection of health and safety in the workplace;
- d)** request information or the exhibition of documents regarding Sensitive Activities from collaborators, consultants, agents and external representatives of the Company and in general from all recipients of the Model, identified in accordance with the provisions of paragraph 8 above, provided that the obligation to comply with the requests of the Supervisory Body is expressly provided for in the contracts or mandates that bind the external party to the Company;
- e)** periodically receive information from the heads of the functions involved in the activities at risk, referred to in the Special Part of this Model;
- f)** make use of the help and support of the Company's employees;
- g)** make use of external consultants for problems of particular complexity or which require specific skills, in particular, in the field of safety in the workplace;
- h)** propose to the body or function holding the disciplinary power the adoption of the sanctions referred to in paragraph 9 below;
- i)** subject the Model to periodic verification and, if necessary, propose changes or updates to the Board of Directors;
- j)** inform the Chairman of the Board of Directors of urgent and relevant facts that emerged in the performance of his / her business;
- k)** identifying and periodically updating, after consulting the Chief Executive Officer and the Head of the area to which the contract or relationship refers, the types of legal relationships with subjects external to the Company to which it is appropriate to apply the Model, as well as determining the methods of communication of the Model to these subjects and the procedures necessary for compliance with the provisions contained therein.

The Supervisory Body has autonomous spending powers on the basis of an annual budget,

approved by the Board of Directors, on the proposal of the Body itself. The Supervisory Body may commit resources that exceed its spending powers in the presence of exceptional and urgent situations, with the obligation to inform the Board of Directors in the immediately following meeting.

The power of verification and control cannot be used by the Supervisory Body to interfere in the responsibilities of the subjects appointed under the laws of the sector, but exclusively for the purpose of verifying the effective application of the regulations in force.

8.7 Information flows to and from the Supervisory Body

The Supervisory Body reports exclusively to the Board of Directors. However, it can directly inform the Chairman of the Board of Directors on relevant facts of his office or any urgent criticalities of the Model that emerged in his supervisory activity.

The Supervisory Body is obliged to draw up at least annually a written report to the Board of Directors, which must contain, at least, the following information:

- the summary of the activities and controls carried out during the year by the Supervisory Body;
- any problems that have arisen regarding the operational procedures for implementing the provisions of the Model;
- any new activities in the context of which one of the offenses provided for by the Decree may be committed;
- the report of the reports received from internal and external parties regarding alleged violations of the Model and the outcome of the checks on said reports;
- the disciplinary procedures and any sanctions applied by the Company, with exclusive reference to the activities at risk;
- an overall assessment of the functioning and effectiveness of the Model with any proposals for additions, corrections or changes in form and content;
- any changes in the regulatory framework that require an update of the Model;
- a statement of the expenses incurred.

All **employees** and **members of the corporate bodies** of the Company undertake, in compliance with the purposes of this Model, to collaborate with the Supervisory Body, reporting the facts that integrate or may integrate a violation of the Model or the procedures established for its implementation. Company employees preferably report to their direct superior, but can also contact the Supervisory Body directly.

In any case, the **heads of the functions affected by the activities at risk** communicate to the

Supervisory Body any useful information to facilitate the conduct of checks on the correct implementation of the Model. In particular, they must periodically communicate, or at least once a year, to the Supervisory Body the status of implementation of the protocols for the prevention of activities at risk under their responsibility, as well as the motivated indication of any need for changes to the prevention.

Collaborators and **all external parties** to the Company to whom, according to the provisions of paragraph 7 above, the Model applies, are required to report directly to the Supervisory Body as part of the activity carried out on behalf of or in the interest of the Company violations of the Model or of the procedures established for its implementation, so that this obligation is specified in the contracts that bind such subjects to the Company.

The Supervisory Body must be immediately informed by the competent bodies or functions: of the **disciplinary proceedings** initiated for violations of the Model; the archiving measures of these proceedings with the relative reasons; of the application of a sanction for violation of the Model or of the procedures established for its implementation.

Reports of violations of the Model are kept by the Supervisory Body in an electronic or paper archive, the confidentiality of which must be guaranteed.

The Board of Directors has the right to call the Supervisory Body at any time, to inform it about the activities of the office.

The member of the Supervisory Body, as well as the subjects of which the Body, for whatever reason, makes use of are bound by the obligation of confidentiality on all information they have become aware of in the exercise of their functions or activities. The Company takes appropriate measures to ensure that the confidentiality of the identity of the person transmitting information is always guaranteed. Any form of retaliation, discrimination or penalty against those who report to the Supervisory Body in good faith is prohibited. The Company reserves the right to take any action against anyone who makes untrue reports in bad faith.

For the purposes of applying the above, reports and any other communication deemed relevant must be sent to the Supervisory Body at the e-mail address:

odv231@cogemeset.eu

Or by ordinary or registered mail to:

ORGANISMO DI VIGILANZA COGEME ITALY S.R.L.

Via Ferruccia, n. 18 – 03010 Patrica (FR)

Access to the aforementioned e-mail box and paper correspondence is allowed only to the members of the Supervisory Body, who act in such a way as to protect the authors of the reports against any form of retaliation, discrimination, penalty or any consequence deriving from the same. , ensuring the confidentiality of the identity of the reporting party.

9. Whistleblowing

9.1. Protection of the employee and / or collaborator who reports offenses

The reports referred to in paragraph 8.7 and, in general, the detailed reports of unlawful conduct, relevant pursuant to **Legislative Decree 231/2001** based on precise and consistent factual elements, or violations (even presumed) of the Model, of which the recipients of this Model have become aware due to the functions performed, take place within the framework of the regulatory provisions regarding whistleblowing, with particular reference to the protection of the reporting party from any form of retaliation and / or discrimination.

In particular, in accordance with the provisions of Article 6, paragraph 2-bis of Legislative Decree 231/2001, the reports can take place according to the channels identified in "paragraph 8.6".

It is forbidden for the Company, and its representatives, to carry out acts of retaliation or discriminatory, direct or indirect, against the reporting party for reasons connected, directly or indirectly, to the report.

In this regard, it is clarified that the application of the disciplinary sanctions provided for by the Model is envisaged:

- in the event of non-compliance with the measures indicated in the Model;
- towards those who violate the protection measures of the reporting party;
- whoever makes reports with willful misconduct or gross negligence that prove to be unfounded.

The adoption of discriminatory measures against subjects who make such reports can be reported to the National Labor Inspectorate, for the measures within its competence, as well as by the reporting party, also by the trade union organization.

It is clarified, in accordance with the provisions in force, that retaliatory or discriminatory dismissal of the reporting subject is void.

The change of duties, as well as any other retaliatory or discriminatory measure adopted against the reporting party, are also null and void. It is the responsibility of the employer, in the event of disputes related to the imposition of disciplinary sanctions, or to demotion, dismissal, transfer, or subjecting the reporting party to other organizational measures having negative, direct or indirect effects, on the working conditions, subsequent to the presentation. of the report, demonstrate that such measures are based on reasons unrelated to the report itself.

9.2 Reports

All company personnel, both with reference to top management and subordinates, as well as the

external recipients of this document, are obliged to communicate directly with the Supervisory Body to report cases of commission of crimes, circumstances of unlawful conduct relevant pursuant to the Decree and based on precise and consistent factual elements, any violations of the Model, as well as any episode of deviation from the principles of conduct provided for by the Model and the Code of Ethics, of which they have become aware due to the functions performed, through several alternative communication channels suitable for guaranteeing, with IT methods, the confidentiality of the identity of the reporting party as required by art. 6, paragraph 2 bis, lett. b) of the Decree.

9.3 Content of reports

For the aforementioned purposes, the reporting party is required to provide all the elements known to him, useful for ascertaining, with due verifications, the reported facts. In particular, the report must contain the following essential elements:

- *Purpose*: a clear description of the reported facts is required, with an indication (if known) of the circumstances of time and place in which the facts were committed / omitted.
- *Reported*: the reporting party must indicate the personal details or in any case other elements (such as the corporate function / role) that allow easy identification of the alleged perpetrator of the unlawful behavior.

Furthermore, the reporting party may indicate the following additional elements: (i) his personal details, in the event that he does not intend to avail himself of the right to keep his identity confidential; (ii) an indication of any other subjects who may report on the facts narrated; (iii) the indication of any documents that can confirm the validity of such facts.

Reports, even when anonymous, must always have a relevant content pursuant to the Decree. Anonymity cannot in any way represent the tool to give vent to disagreements or conflicts between employees. It is also forbidden:

- the use of abusive expressions;
- the forwarding of reports with purely defamatory or libelous purposes;
- the forwarding of reports that relate exclusively to aspects of private life, without any direct or indirect connection with the business. These reports will be considered even more serious when they refer to sexual, religious, political and philosophical habits and orientations.

In a nutshell, each report must have as its unique purpose the protection of the integrity of the Company or the prevention and / or repression of illegal conduct as defined in the Model.

9.4 Communication channels

The channels of communication with the Supervisory Body that follow, in compliance with the legislation on Whistleblowing, guarantee the confidentiality and protection of the reporting party

also from any retaliation, in addition, the Company monitors that the career development of any reporting parties does not undergo discriminatory treatment and sanctions at a disciplinary level based on the seriousness of the facts those reporting parties who with willful misconduct or gross negligence report facts that later turn out to be unfounded.

The channels provided are the following:

- Internal confidential mail: using the specific mailboxes present in the company. The communication must be addressed to: SUPERVISORY BODY COGEME ITALY S.R.L. and on the envelope the words **"Strictly confidential. Employee information "**, in order to guarantee maximum confidentiality.
- by ordinary or registered mail to: SUPERVISORY BODY COGEME ITALY S.R.L., *Via Ferruccia, n. 18 - 03010 Patrica (FR)*.
- E-mail address dedicated to the Supervisory Body: odv231@cogemeset.eu.
- Additional channels identified and activated in compliance with the provisions of art. 6, 2 bis lett. D of the Decree.

9.5 Treatment of reports

The Supervisory Body adopts suitable measures to ensure the confidentiality of the identity of those who transmit information to the Body itself. However, behaviors aimed exclusively at slowing down the activity of the Supervisory Body must be appropriately sanctioned. The Company guarantees the reporting parties in good faith against any form of retaliation, discrimination or penalty and, in any case, the confidentiality of the identity of the reporting party is ensured, without prejudice to legal obligations and the protection of the rights of the Company or of the accused subjects wrongly or in bad faith.

For the above purposes, the Supervisory Body collects and stores the reports received in a special archive (computer and / or paper) which is only allowed to be accessed by members of the Body.

The Supervisory Body assesses at its discretion and under its responsibility the reports received and the cases in which it is necessary to take action. The determinations regarding the outcome of the assessment must be motivated in writing.

10. Sanctioning system

10.1 General principles

The sanctioning system of this Model is an autonomous system of sanctions aimed at strengthening compliance and effective implementation of the Model.

The application of the sanctioning measures established by the Model does not replace any additional sanctions of another nature (criminal, administrative, civil and tax) that may arise

from the same crime.

Any violation of the Model or of the procedures established in its implementation, by anyone committed, must be immediately communicated, in writing, to the Supervisory Body, without prejudice to the procedures and provisions of competence of the holder of disciplinary power.

The duty to report applies to all Recipients of this Model.

Received the report, the Supervisory Body must immediately carry out the necessary investigations, guaranteeing the confidentiality of the subject against whom it proceeds. The sanctions for violations of the provisions of this Model are adopted by the corporate bodies or functions that are competent, by virtue of the powers and attributions conferred on them by the Articles of Association or by the internal regulations of the Company. Once the violation has been assessed, the Supervisory Body immediately informs the holder of the disciplinary power, which will initiate the disciplinary procedure within its competence for the purpose of disputes and the possible application of sanctions.

By way of example and not exhaustive, the following behaviors constitute disciplinary offenses:

- the violation, also with omissive conduct and in eventual concurrence with others, of the principles and procedures envisaged by this Model or established for its implementation;
- the preparation, possibly in collaboration with others, of untrue documentation;
- the facilitation, through omissive conduct, of the preparation by others of untruthful documentation;
- the removal, destruction or alteration of the documentation relating to the procedure to escape the control system provided for by the Model;
- the obstacle to the supervisory activity of the Supervisory Body;
- the impediment to access to information and documentation required by the subjects in charge of controlling procedures and decisions;
- the realization of any other conduct suitable for circumventing the control system envisaged by the Model.

10.2 Sanctions and disciplinary measures

The Model constitutes a set of rules with which employees must comply also pursuant to the provisions of the respective national collective bargaining agreements on behavioral rules and disciplinary sanctions. Therefore, the violation of the provisions of the Model and its implementation procedures, involves the application of the disciplinary procedure and related sanctions, in accordance with the law and the aforementioned CCNL. If the fact also constitutes a violation of duties deriving from the law or the employment relationship, such as not to allow

the continuation of the employment relationship even provisionally, dismissal without notice may be decided, pursuant to art. 2119 of the Italian Civil Code, subject to compliance with the disciplinary procedure.

Compliance with the provisions of the Model applies to employment contracts of any type and nature, including those with Executives, on a project basis, part-time, as well as in collaboration contracts falling under the so-called para-subordination. If the violation concerns **Managers**, the disciplinary system is applied in compliance with the law and the applicable CCNL. With the dispute, the revocation of any powers of attorney entrusted to the interested party may be ordered.

If the violation concerns a **Company Director**, the Supervisory Body must immediately notify the Board of Directors by means of a written report.

With regard to Directors who have committed a violation of the Model or of the procedures established in its implementation, the Board of Directors may apply any suitable measure permitted by law, including the following sanctions, determined according to the gravity of the fact and the fault, as well as the consequences that have arisen for the Company:

- A. formal written warning;
- B. financial penalty equal to the amount of two to five times the emoluments calculated on a monthly basis;
- C. total or partial revocation of any powers of attorney.

If the violation of the director is such as to damage the trust of the Company in its regards, the Board of Directors calls the Assembly, proposing the revocation from the office.

For **external parties or contractual counterparties to whom the Model** is addressed, in accordance with the provisions of paragraph 7 above, the Supervisory Body, after consulting the Chief Executive Officer, the Administrative and Human Resources Manager and the Manager of the area to which the contract or report, also establishes for each type of relationship the sanctions applicable in cases of violation of the provisions of the Model or of the procedures established for its implementation, as well as identifies the methods of application of the same.

11. Communication and training

In order to effectively implement the Model, the Company intends to ensure correct disclosure of its contents and principles within and outside its organization, communicating the contents and principles of the Model not only to its employees, but also to subjects who, while not having the formal qualification of employee, work - continuously - to achieve the objectives of Cogeme Italy srl

In fact, Cogeme Italy s.r.l. intends to

- determine, in all those who operate in its name and on its behalf in sensitive activities,

the awareness of being able to incur, in the event of violation of the provisions contained therein, an offense subject to sanctions;

- inform all those who operate in any capacity in its name, on its behalf or in any case in its interest that the violation of the provisions contained in the Model will result in the application of specific sanctions or the termination of the contractual relationship as it involves a loss of duties loyalty, correctness and diligence arising from the legal relationships established by the Company;
- reiterate that the Company does not tolerate unlawful conduct, of any type and regardless of any purpose, as such conduct (even if Cogeme Italy srl was apparently in a position to take advantage of it) are in any case contrary to the ethical principles which it intends stick to.

The communication and training activity must be diversified according to the recipients to whom it is addressed and must, in any case, be based on principles of completeness, clarity, accessibility and continuity in order to allow the various recipients to be fully aware of those provisions companies that are required to respect and the ethical rules that must inspire their behavior.

The communication and training activity is supervised by the Supervisory Body, as part of its duties.

Training initiatives can also take place remotely through the use of computer systems (eg: video conference, e-learning).

In order to ensure effective and rational communication and training activities, Cogeme Italy s.r.l. promotes knowledge of the contents and principles of the Model and of the implementation procedures towards each employee, that is both executive personnel / personnel with managerial and non-executive functions, and each external collaborator with stable relationships, with a different degree of depth depending on the position and the role held.

The Code is made available to employees (including new hires) and external collaborators on the Company's website and on the shared computer network.

A copy of the Model is made available to the members of the corporate bodies and to subjects with representative functions of the Company at the time of acceptance of the office. Suitable communication and training tools will be adopted to update them regarding: i) any changes to the Model; ii) significant procedural, regulatory or organizational changes.

To third parties, external to Cogeme Italy s.r.l. (for example, Consultants and Partners) a specific letter / pec information is provided on the successful adoption of the Model, on the consequences of non-compliance with the Model, upon invitation to view the copy available on the website.