# ORGANISATION, MANAGEMENT AND CONTROL MODEL

(pursuant to Legislative Decree no. 231/2001, as subsequently amended and integrated)

# Organisation, Management and Control Manual

## BREVETTI CEA S.P.A.

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# FOREWORD

## Manual structure

This manual consists of an articulate and organised set of documents that are to be regarded as a single body.

In detail, the manual consists of the following:

- ***Present text***; descriptive part of the **Organisation, Management and Control Manual**
- ***Annex 1 -*** Text of Legislative Decree 231/2001, as subsequently amended and integrated
- ***Annex 2 -*** List of the predicate offences of the liability provided for by Legislative Decree 231/2001
- ***Annex 3 -*** 231 Risk Assessment
- ***Annex 4 -*** Penalty System
- ***Annex 5 -*** 231 Group Code of Conduct
- ***Annex 6 -*** 231 Preventive Protocols
- ***Annex 7 -*** Procedure for managing the Supervisory Body reporting obligations (with related attachment)

The manual structure, with a "central" document and a set of annexes, meets the need to facilitate more efficient updates (the various documents can be updated separately; each will be marked with an issue number that will allow them to be kept track of) and to safeguard the confidentiality of some of them (e.g. 231 Risk Assessment document).

These documents, along with the various Regulations in force in the Company, the Procedures of the ISO 9001 Management System and the additional rules in force, which are expressly referred to in this Model and which are an integral part of it, implement the prevention measures aimed to counteract the risks related to predicate offences (for simplicity, the term "**Model**" shall hereinafter mean all of these rules, whether they are contained in the document called "Organisation, Management and Control Model Manual" or are provided for in the Group Code of Conduct, in the Protocols, in the Procedures, in the Regulations or in other corporate documents.

## Legislative Decree 231/2001

Legislative Decree 231 of 8 June 2001 (the "**Decree**") introduced a new type of liability into the Italian legal system: the administrative liability of bodies, companies, associations and legal persons, for certain offences that are committed (or even only attempted) by subjects who have acted in their interest or for their benefit.

According to the **Decree**, if a person commits a certain offence in the interest or for the benefit of a company, the offence in question shall entail not only the criminal liability of the person who committed it, but also the administrative liability of the company.

**The law strictly specifies the offences which result in the administrative liability of the entity in whose interest or for whose benefit they were committed (the "Offences").**

BREVETTI CEA S.P.A. (hereinafter also referred to as the "Company" or "BREVETTI CEA") is a company that has been manufacturing inspection machines for injectable pharmaceutical products since the late 1950s.

The company initially focused on the production of semi-automatic machines, until, thanks to the owner's intuition, production shifted its focus to fully automated inspection systems, which now represent the core business of Brevetti CEA.

These objectives are also achieved through the application of the Business Management System, which also aims to improve the process and internal communication system between the various business functions.

The Company belongs to that category of legal entities that may incur the administrative liability in question, and has therefore intended to adopt an organisation, management and control model that is suitable to reduce the risk of **Offences** being committed, and that, in the event of commission, prevents, under the conditions established by the **Decree**, the rise of the administrative liability.

On 09/01/2024, the Board of Directors of BREVETTI CEA approved the **Organisation, Management and Control Model**, prepared pursuant to Legislative Decree 231/2001.

The Company has therefore implemented an organisational model, an internal control system and appropriate rules of conduct capable of reducing the risk of commission of the offences listed in the Decree both by the so-called "top managers" (directors, employees or other collaborators of the Company) and by persons who are subject to their supervision or direction.

# GENERAL PART

## 1 PURPOSE OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

The Organisation, Management and Control Model:
- provides information on the contents of the Decree, which introduces into our legal system the liability of companies and entities for offences committed, in their interest or for their benefit, by their representatives or employees;
- outlines the organisation, management and control model of BREVETTI CEA, aimed to provide information about the contents of the law, to direct the business activities in line with the Model and to supervise the operation and compliance of the Model itself.

In particular, it aims to:
- determine, in all those who operate in the name and on behalf of BREVETTI CEA in activities defined as "sensitive" by Legislative Decree 231/2001, the level of awareness that breaching the law provisions may mean committing an offence, which would result in sanctions against themselves and against the company (if the latter took advantage of the commission of the offence, or in any case if the latter was committed in its interest);
- reiterate that illegal behaviour is condemned by BREVETTI CEA as contrary to the law provisions and principles with which BREVETTI CEA intends to comply in carrying out its business mission;
- explain these principles and describe the organisation, management and control model in use;
- allow internal monitoring and control actions, aimed in particular at the business areas most exposed to Legislative Decree 231/2001, to prevent and combat the commission of the offences themselves.

To this purpose, the document takes due account of the contents of the Company's Articles of Association, the Company's management and administration principles and its organisational structure, and refers to the set of internal procedural rules and control systems in place.

As the business environment is constantly evolving, the Company's degree of exposure to the legal consequences referred to in Legislative Decree 231 may also vary over time. As a consequence, risk recognition and mapping will be periodically monitored and updated. In proceeding with the updates, factors like the following shall be taken into account:
- the coming into force of new rules and regulations affecting the Company's operations;
- changes in external interlocutors and changes in the approach to *business* and markets, in the levers of competition and communication to the market;
- changes to the internal organisation, management and control system.

## 2 GOVERNANCE AND UPDATING OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

The Organisation, Management and Control Model and any of its updates, modifications, additions and changes are approved by the Board of Directors.

The Board of Directors may delegate to one or more of the directors:

- the powers necessary to make:
  - non-substantial changes (i.e. changes with no potential impacts on the suitability and preventive effectiveness of the Model);
  - substantial changes that strengthen the effectiveness of the Model, its protocols and any other business procedure that is relevant for the prevention of 231 offences;
- the powers necessary to enforce the Model implementation plan, where there is one;
- the powers necessary to implement the training and dissemination provided for by the Model, or in any case deemed required or appropriate.

Any other decision relating to the Model or its implementation (in particular, any change to the identification of the activities within whose scope offences may be committed and therefore to the mapping of the 231 offence risk) is the exclusive competence of the Board of Directors, which has the right to assign to one or more of its members the power to execute the resolutions of the Board itself.

The directors to whom the above powers have been delegated promptly provide the Board of Directors with a report on the exercise of those powers.
The Board of Directors may appoint a representative for the relations with the Supervisory Body.

Changes, additions, variations and updates to this Model are also adopted at the request of the Supervisory Body (or of the Board of Statutory Auditors that performs the functions of the Supervisory Board, if any).

The Model and the procedures related to the sensitive processes indicated therein must be promptly modified when there are significant changes in the regulatory system and in the corporate structure and/or in the business organisation, requiring the provisions of the Model itself to be changed, in order to maintain its effectiveness.
This Model must also be modified when significant breaches or circumventions of the provisions are found, which highlight the inadequacy of the adopted Organisation, Management and Control Model to ensure effective risk prevention.
The heads of business functions, each within the scope of their competence, are required to periodically verify the effectiveness and enforceability of the procedures and protocols aimed to prevent the commission of offences; should they find the procedures and protocols need to be modified and updated, they propose the change to the Board of Directors. If the Board of Directors assigns to a Managing Director the powers to modify and implement the Model referred to in the first section of this Paragraph 2, or if the Board of Directors appoints a representative of the Board of Directors for the relations with the Supervisory Body, the changes must be proposed to the latter.
In any case, notice must be given to the Supervisory Body (or to the Board of Statutory Auditors exercising the functions of the Supervisory Body, if any).

The Body (or the Board of Statutory Auditors exercising the functions of the Supervisory Body, if any) may request those responsible for the business functions to communicate the results of the above-mentioned periodic audits.

## 3 DECREE CONTENTS, PEOPLE IDENTIFICATION

Legislative Decree 231/2001 is a highly innovative provision for the legal system of our country, which adapts Italian legislation on the liability of legal persons (and other entities even without legal personality) to some important international Conventions and Directives of the European Union, overcoming the traditional principle of *societas delinquere non potest.*

With Legislative Decree 231/2001 and its subsequent regulatory additions, the principle according to which legal persons are directly and financially responsible in criminal proceedings, and not only in civil proceedings, for offences committed, in their interest or for their benefit, by those who work professionally within them or, in any case, maintain relationships with them, has become law of the State.

The administrative liability of the Entity pursuant to Legislative Decree 231/2001 does not depend on the commission of any offence, but exclusively on the commission of one or more of the offences specifically referred to in chapter I, section III, in articles 23, 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 quinquiesdecies, 25 sexiesdecies, 25-septiesdecies and 25- duodevicies of Legislative Decree 231/2001 (so-called "predicate offences").

Originally established for offences against the Public Administration or against the assets of the Public Administration, the liability of the Entity has been extended to other types of offences, as a result of regulatory measures subsequent to Legislative Decree 231/2001 (Legislative Decree No. 61 of 11 April 2002 on criminal and administrative offences concerning commercial companies, Law No. 7 of 14 January 2003 referring to the International Convention for the Suppression of the Financing of Terrorism, Law No. 228 of 11 August 2003 on measures against the trafficking in persons, Law no. 62 of 18 April 2005, Law no. 262 of 28 December 2005 on the protection of savings, Law no. 146 of 16 March 2006 on transnational organised crime offences, Law no. 123 of 10 August 2007 on manslaughter and grievous or very grievous bodily injuries related to occupational safety and hygiene, Legislative Decree no. 231 of 21 November 2007 concerning the prevention of the use of the financial system for the purpose of laundering the proceeds of criminal activities and the financing of terrorism, Law No. 48 of 18 March 2008 on cybercrime, Law S.733-B laying down provisions on public security, Law S.1195-B Provisions for the development and internationalisation of businesses, as well as on energy, Law No. 116 of 3 August 2009 referring to the United Nations Organisation Convention against corruption, Legislative Decree No. 121 of 16 August 2011 on the criminal protection of the environment, Legislative Decree No. 109 of 16 July 2012 on the employment of citizens of third countries whose stay is illegal, Law no. 190 of 6 November 2012 on the prevention and suppression of corruption, Decree-Law no. 93 of 14 August 2013 on security and the fight against gender violence, Legislative Decree no. 39 of 4 March 2014 on the fight against the sexual abuse and exploitation of minors and child pornography, Law no. 186 of 15 December 2014 on self-laundering, Law no. 68 of 22 May 2015 on offences against the environment, Law no. 69 of 27 May 2015 on offences against the public administration, mafia-type associations

and false financial statements, Legislative Decree No. 7 of 15 January 2016 on computer documents, Law no. 199 of 29 October 2016 on the fight against illegal work and labour exploitation, Law no. 236 of 11 December 2016 on organ trafficking, Legislative Decree no. 38 of 15 March 2017 on the fight against corruption in the private sector, Law no. 161 of 17 October 2017 containing amendments to the code of anti-mafia laws, Law no. 167 of 20 November 2017 on the obligations deriving from Italy's membership in the European Union, Law no. 179 of 30 November 2017 on the protection of those reporting offences or irregularities, Legislative Decree no. 21 of 1 March 2018 containing amendments to the Criminal Code, Law no. 3 of 9 January 2019 containing measures to combat offences against the public administration, Law no. 39 of 3 May 2019 on fraud in sports competitions and the abusive exercise of gaming and betting activities, Law no. 43 of 21 May 2019 containing "Amendment to article 416-ter of the Criminal Code regarding electoral exchanges between politicians and the mafia", Decree-Law no. 124 of 26 October 2019 containing urgent provisions on fiscal matters, Law no. 133 of 18 November 2019 on cybersecurity, Decree-Law no. 75 of 14 July 2020, which implemented (EU) Directive 2017/1371 on the fight against fraud affecting the financial interests of the Union, Legislative Decree no. 184 of 8 November 2021 on the fight against fraud and falsification of means of payment other than cash, Legislative Decree No. 195 of 8 November 2021 on the fight against money laundering through criminal law, Law No. 238 of 23 December 2021 (the so-called European Law) containing provisions for the fulfilment of the obligations deriving from Italy's membership in the European Union and Law no. 22 of 9 March 2022, containing provisions on offences against cultural heritage), Legislative Decree no. 156 of 4 October 2022, containing "Corrective and supplementary provisions of Legislative Decree no. 75 of 14 July 2020, implementing (EU) Directive 2017/1371, on the fight against fraud affecting the financial interests of the Union through criminal law"), Legislative Decree no. 19/2023, implementing (EU) Directive 2019/2121 of the European Parliament and of the Council, of 27 November 2019, which amends (EU) Directive 2017/1132 with regard to cross-border conversions, mergers and divisions, Legislative Decree no. 24/2023, implementing (EU) Directive 2019/1937 concerning the protection of persons who report violations of EU law), L. no. 93 of 14 July 2023 containing "Provisions for the prevention and punishment of the illegal dissemination of content protected by copyright through electronic communication networks", L. no. 137 of 9 October 2023 "Conversion into law, with amendments, of Decree-Law no. 105 of 10 August 2023, containing urgent provisions on criminal prosecution, civil trial, fight against forest fires, recovery from drug addiction, health and culture, as well as on personnel of the judiciary and public administration". The Text of Legislative Decree 231/2001, as subsequently amended, is shown in **Annex** 1.

The categories of offences currently provided for by the Decree are:

- non-compliance with the disqualifying penalties applied to the Entity (art. 23 of Legislative Decree no. 231/2001);
- unlawful appropriation of public funds, fraud against the State or a public body or the European Union, or fraud aimed to obtain public funds, computer fraud against the State or a public body and fraud in public supplies (art. 24 of Legislative Decree 231/2001);
- computer offences and illegal data processing (art. 24 bis of Legislative Decree 231/2001);
- organised crime (art. 24 ter of Legislative Decree 231/2001);

- transnational offences (provisions against illegal immigration, etc. - introduced by the 2005 Community Law approved by L. no. 29 of 25 January 2006);
- embezzlement, bribery, undue inducement to give or promise benefits, corruption and abuse of office (art. 25 of Legislative Decree 231/2001);
- forgery of money, public credit cards, stamp values and instruments or signs of recognition (art. 25 bis of Legislative Decree 231/2001);
- offences against industry and commerce (art. 25 bis.1 of Legislative Decree 231/2001);
- corporate offences (art. 25 ter of Legislative Decree 231/2001);
- offences for the purpose of terrorism or subversion of democratic order (art. 25 quater of Legislative Decree 231/2001);
- practices of mutilation of female genital organs (art.25 quater.1 of Legislative Decree 231/2001);
- offences against the individual (art. 25 quinquies of Legislative Decree 231/2001);
- market abuse (art. 25 sexies of Legislative Decree 231/2001);
- manslaughter or grievous or very grievous bodily injuries committed in violation of the regulations on the protection of occupational health and safety (art. 25 septies of Legislative Decree 231/2001);
- fencing, money laundering and employment of money, goods or utilities of illegal origin, as well as self-laundering (art. 25 octies of Legislative Decree 231/2001);
- offences related to payment instruments other than cash (art. 25 octies.1 of Legislative Decree 231/2001);
- offences related to copyright infringement (art. 25 novies of Legislative Decree 231/2001);
- induction not to make statements or to make false statements to judicial authorities (art. 25 decies of Legislative Decree 231/2001);
- environmental offences (art. 25 undecies of Legislative Decree 231/2001);
- employment of citizens of third countries whose stay is illegal (art. 25 duodecies of Legislative Decree 231/2001);
- racism and xenophobia (art. 25 terdecies of Legislative Decree 231/2001);
- fraud in sports competitions, abusive gaming or betting and gambling carried out with prohibited devices (art. 25 quaterdecies of Legislative Decree 231/2001);
- tax offences (art. 25 quinquiesdecies of Legislative Decree 231/2001);
- smuggling (art. 25-sexiesdecies of Legislative Decree 231/2001);
- offences against cultural heritage (art. 25-septiesdecies of Legislative Decree 231/2001);
- offences of the laundering of cultural heritage and devastation and looting of cultural and landscape heritage (art. 25-duodevicies of Legislative Decree 231/2001).

**Annex 2** contains a comprehensive list of the predicate offences and of the relevant sanctions.

Legislative Decree 231/2001 allows the Entity to exempt itself from this administrative liability (the so-called "**protective shield**"), if it proves, on the occasion of the commission of an offence included among those mentioned by the Decree, its non-involvement in the criminal acts; in that case, liability shall solely rest with the person who committed the offence.

The above-mentioned non-involvement of the Entity in the criminal acts must be proven by demonstrating **that it has adopted and effectively implemented a set of organisational and conduct rules (the so-called "Organisation, Management and** Control Model") **suitable to prevent the commission of the offences in question.**

The Model must meet the following needs:
- identify the activities within whose scope offences may be committed;
- establish specific procedures aimed to plan the formation and implementation of the entity's decisions related to the offences to be prevented;
- identify financial resource management methods that are suitable to prevent the commission of offences;
- set out reporting obligations for the body responsible for supervising the operation of the Model and the compliance with it;
- introduce a disciplinary system suitable to punish any non-compliance with the measures indicated in the Model.

If the offence provided for in the Decree has been committed by *people who represent, administer or manage the entity or an organisational unit of it having financial and functional autonomy, as well as by people who are responsible, even in fact, for the management and control of the same* (the so-called "**Top managers**" [1]), the entity is not liable if it proves that:
- the governing body has adopted and effectively implemented, before the commission of the act, a set of organisation and management models that were suitable to prevent offences of the kind that occurred;
- the task of supervising the operation of the Model and the compliance with it, and of updating it, has been entrusted to a body of the entity with autonomous powers of initiative and control;
- people committed the offence by fraudulently eluding the Model;
- there has been no omitted or insufficient supervision by the supervisory body.

If the offence was committed by *persons subject to the direction or supervision of one of the persons referred to above*, the entity is liable if the commission of the offence was made possible by the failure to meet any management and supervisory obligation.
The failure in question is in any case excluded if the entity, before the commission of the offence, has adopted and effectively implemented a Model suitable to prevent any offences of the kind that occurred.

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[1] *"Think of the position of the sole/managing director, or more generally of the members of the relevant board, as well as of the so-called general directors as considered by art. 2396 of the Italian Civil Code."*
Source: "Responsabilità penale di enti e persone giuridiche (Criminal liability of entities and legal persons), Nicola D'Angelo, Maggioli 2008, p. 95, note 60."

As shown by the brief notes above, there are two different types of relationships that "connect" the company in whose interest or for whose benefit an offence may be committed and the perpetrator of the offence itself. Article 5 refers, in paragraph 1, to the so-called top managers, defined as "persons who carry out functions of representation, administration or management of the entity". These are generally directors, general managers, managers in charge of secondary offices, division directors with financial and functional autonomy. Paragraph 2 of the same article, on the other hand, refers to "persons subject to the direction or supervision of one of the persons referred to in letter a)".

The different position of those who may be involved in the commission of offences results in different criteria for assigning liability to the company itself. Art. 6 of the Decree requires the entity to prove the adoption of preventive measures only if the offender is a person in a so-called "top" position. Otherwise, it is considered - based on the interpretation of the letter of the rule - that if the offender is subject to the direction or supervision of others, the burden of proof lies with the Public Prosecutor.
Top managers, therefore, can be identified by referring to the company's organisation chart, which is made accessible to all BREVETTI CEA employees.

Finally, pursuant to the provisions of Article 4 of Legislative Decree 231/2001, the company may also be held liable in Italy for any offences committed abroad if the following conditions are met:

1) the offence is committed by a person functionally linked to the company, pursuant to article 5, paragraph 1 of Legislative Decree 231/2001;
2) the company has its head office in the territory of the Italian State;
3) the cases and conditions provided for by articles 7,8,9 and 10 of the Criminal Code are met (in cases where the law prescribes that the guilty natural person be punished at the request of the Minister of Justice, for action to be taken against the company such request must also be formulated against the company itself) and, even in compliance with the principle of legality set out in article 2 of Legislative Decree 231/2001, only in the face of offences for which its liability is provided for by a legislative provision; [2]
4) the State of the place where the offence was committed does not take action against the company.

## 4 METHODOLOGICAL APPROACH TO IDENTIFY THE BUSINESS AREAS EXPOSED TO THE 231 RISK

A workgroup consisting of internal staff and of a specialised consulting firm has been entrusted with the task of providing support to the Company Management and to the Managers of the various business Functions in analysing the context, in identifying the business areas most exposed to the sanctioning consequences provided for by the Decree and in determining the extent of the relevant risks.
In particular, the Management, the Managers and the workgroup have:

- carried out an in-depth analysis of the contents and interpretation of the regulations, as well as of the types of offences provided for by the Decree;

[2]Ministerial report to Legislative Decree no. 231/2001

- carried out a survey of business areas where, in the absence of protections, any of the offences provided for by the Decree are most likely to be committed (the so-called 'inherent risks');
- collected the analyses related to the points mentioned above in **Annex 3**;
- identified the principles and requirements of an appropriate control system (see paragraph 8.1);
- transposed the existing organisational, procedural and administrative safeguards (e.g. internal organisation, structure of powers, powers of attorney, operating practices and written procedures) adopted at the time;
- assessed the suitability and completeness (with respect to control principles) of the existing organisational, procedural and administrative safeguards;
- identified the preventive measures that the Company considers binding in response to the identified risk, for each process at risk, concretely enforcing the general prevention principles;
- **defined the protocols for the formation of the decisions of top managers and for the control over the work of the subordinate persons (see paragraph 8.2) summarised in Annex 7;**
- assessed the residual risk and identified any additional actions included in a residual improvement plan.

## 5 MODEL RECIPIENTS

The provisions of the Model apply to the following subjects (hereinafter referred to as the "**Recipients**"):

- *In-house persons* (hereinafter also referred to as the "*Personnel*")*:* they have an ongoing, fixed-term or indefinite employment relationship with the Company; they include corporate bodies, employees, collaborators (including semi-subordinate workers), interns and trainees;
- *Third Parties (*hereinafter also referred to as the *"Third Parties")*: external professionals, partners, suppliers and consultants, employment agencies and, in general, those who, having relations with the Company, when carrying out any activities in the name and/or on behalf of BREVETTI CEA, or in any case, when carrying out their activities for the Company, are exposed to the risk of committing any offences pursuant to Legislative Decree 231/2001 in the interest or for the benefit of the Company.

## 6 RELATION BETWEEN THE MODEL AND THE 231 CODE OF CONDUCT

The behaviours held by the Recipients must comply with the rules of behaviour set out in the Model, aimed to prevent any offences from being committed.
In particular, BREVETTI CEA has prepared a special Group 231 Code of Conduct (**Annex 5**), which identifies specific punishable behaviours, which are deemed able to weaken the Model, even just potentially.

## 7 STRUCTURE OF THE ORGANISATION

An organisational structure suitable to specifically prevent the offences provided for by the Decree from being committed is characterised, in short, by the following principles:

- clear and precise determination of the tasks, of the responsibilities related to them, of the hierarchical lines;
- attribution of powers of representation only when it is strictly necessary and in any case within limits that are consistent and compatible with the tasks carried out by the person to whom they are assigned;
- spending powers assigned with expenditure thresholds and/or with a joint signature;
- collegiate administrative body.

In view of the framework that emerges from the analysis of the context, the assessment of the control environment and the identification of risks, persons and potential offences, the prevention systems and mechanisms that BREVETTI CEA has in place have been identified and outlined. The structure is reported in the following paragraphs.

## 7.1 Corporate bodies

They are provided for in the current Articles of Association. The powers of the corporate bodies are governed by the Articles of Association and by the laws in force.
The management of the Company is entrusted to a Board of Directors that has delegated its powers pursuant to art. 2381 of the Italian Civil Code to Managing Directors, except for the matters reserved by law or the Articles of Association to the Board of Directors. The related functions and powers are provided for and regulated respectively in the Articles of Association and in the formally assigned proxies.

## 7.2 Definition of responsibilities, organisational units, powers

An organisational model that meets the preventive purpose of Legislative Decree no. 231/01 must include a coding **of the organisation and of the business roles** in accordance with some principles:
- unequivocally represent the hierarchical relationships and explain the business areas/functions, indicating the relevant managers and employees
- be complemented by the description of the main activities related to the different functions, including activities sensitive to the risk of committing any 231-related offences, distinguishing the roles of 'manager' and 'employee'; these roles are codified in specific job descriptions.

More generally, the rules a proper business organisation must comply with in order to prevent offences from being committed are the following:
- attribution of the business activities to individuals who have the necessary skills to properly carry them out;
- implement - where possible - the separation of authorisation, execution and control activities (within a business process, separate functions - confronting each other - should decide and authorise a transaction, carry it out, record it, control it, pay or collect the price).

The clear attribution of any activity to a specific person or organisational unit ensures that it possible to exclude any legitimate intervention by persons other than the specified ones, and to accurately identify responsibilities in the event of any deviations from procedures/regulations.

It is also necessary to formally define the procedures for the decision-making process related to the organisation (who intervenes in the choices regarding the attribution of responsibility/the change of the organisation chart, how the relevant communications take place, etc.).

BREVETTI CEA has built its corporate organisation chart and the Job Lists (QM annex B Job List) in compliance with the above principles.
This document is subject to constant updating and evolution according to the changes that occur in the current conduct of the business. It is the task of the Company Management to keep the organisation chart and the documents related to it up to date at all times, to ensure a clear formal definition of the tasks assigned to each unit of the Company's structure.
The Organisation Chart and the Job Lists are an integral part of this Model.

In addition, an organisational model that meets the preventive purpose of Legislative Decree no. 231/01 must base **the structure of powers and powers of attorney** on some general principles of risk prevention:
- no person must be given unlimited powers
- powers and responsibilities must be clearly defined and known within the organisation
- the authorising and signing powers must be consistent with the assigned organisational responsibilities
- clear and precise determination of the tasks, of the responsibilities related to them, of the hierarchical lines;
- delegated powers must have both a functional boundary (limitation of powers by area of competence) and a horizontal one (limitation of powers by hierarchical level)
- authorisation, execution and control activities must be kept separate.

Based on the Company's operational needs and in compliance with the above-mentioned principles, the Board of Directors of BREVETTI CEA has defined a structure of proxies and powers of attorney, even for areas that are of relevance for 231 purposes (as identified by the Risk Assessment carried out by the Company).
The structure of powers is an integral part of this Model; the resolutions of the Board of Directors and any other document related to proxies and powers of attorney are kept by the Administrative Management body.

# 8 PRINCIPLES OF PREVENTION AND CONTROL STRUCTURE

## 8.1 General principles of prevention

The components of the Organisational Model are based on the principles listed herein:

- presence of procedures and regulations that program the operating methods and specify the behaviours;
- clear assumption of responsibility: any activity must refer to a person or organisational unit that holds responsibility for it, to ensure that responsibilities can be accurately identified, in the event of any deviations from procedures/regulations;
- where possible, separation of authorisation, execution and control activities;
- traceability of the process and controls: every operation or management act must be documented, to ensure that is possible, at any time, to identify the responsibility of the

person who performed the operation (evaluated, decided, authorised, carried out, recorded in the books, checked);
- independent checks on the operations that were carried out, : the operations in question can be carried out both by people in the organisation but unrelated to the process, and by people outside the organisation;
- compliance with the system of proxies and signing/authorisation powers established by the company, which must be faithfully reflected in the operating procedures and verified by the control system;
- proper and transparent use of financial resources, which must be used within quantitatively and qualitatively determined limits (budgets, sales plans) and documented, authorised and unambiguously referable to the issuer and recipient and to the specific motivation.

The principles have been appropriately combined and enforced in the corporate control system in consideration of the reality in question, in order to make it effective and efficient for risk prevention ex 231/01.

## 8.2 Specific protocols and procedures

In the light of its structure, BREVETTI CEA has drawn up a set of written Procedures that guarantee the compliance with current regulations and with the obligations arising from its status as an unlisted medium-sized enterprise. Procedures that aim on the one hand to regulate the actions, encompassing the different operational activities, and on the other hand to allow preventive and subsequent controls on the correctness of the operations that have been carried out.

This guarantees an actual uniformity of behaviour within the company, in compliance with the regulatory provisions that govern the Company's activities.
The procedures are an integral part of this Model.

All employees have the obligation to be aware of the Procedures related to the activities falling within their competence, and to follow them when performing the assigned tasks.

BREVETTI CEA has defined specific Protocols and preventive procedures for each of the processes considered to be at risk of commission of 231-related offences, and for the control of the processes themselves. These protocols and procedures aim, on one hand, to regulate the actions, encompassing the different operational activities, and on the other hand to allow preventive and subsequent controls on the correctness of the operations that have been carried out.

The above-mentioned contents have been included in **Annex 6** and are an integral part of this Model. In addition, further internal procedures and regulations are referred to in **Annex 6**, which must also be considered as an integral part of the Model.

When carrying out the tasks assigned to them, BREVETTI CEA's Staff members are required to comply with the provisions of the above-mentioned document.

This guarantees an actual uniformity of behaviour within the company, in compliance with the regulatory provisions that govern the Company's activities.

### 8.3 Control types

The Model defines three types of controls, which are distinguished according to the subject that carries out the controls themselves:

- First-level controls: these are the control operations carried out within the function responsible for the proper execution of the activity in question. Without prejudice to the guidelines on the separation between those who control and those who operate, this category typically includes the controls carried out by the manager/director of the function on the work of their collaborators.
- Second level controls: they are the controls carried out, within the normal business processes, by functions other than the one responsible for the activity subject to control. In the flow of processes, which describe a chain of internal suppliers-customers, second-level controls are typically managed by the internal customer, to verify that their supplier has been operating correctly (incoming checks). The above-mentioned principle of 'mutual confrontation of functions' applies to these controls.
- Third level controls: they are the controls carried out by functions, whether internal or external to the company, that are not part of the production process. This category includes, for example, the controls by the Supervisory Body, the audits by the bodies responsible for issuing certifications and the audits by the Board of Statutory Auditors.

In addition, it is critically important that the preventive control system is known to all the organisation persons and that this system is such that it cannot be circumvented except intentionally (therefore not due to human errors, negligence or inexperience).
To this purpose, specific information/training methods have been devised (see chapter 10).

## 9 SUPERVISORY BODY AND REPORTING OBLIGATIONS

### 9.1 Composition and rules

The task of continuously monitoring the effective operation of the Model and the compliance with it, as well as of proposing its updating, is entrusted to a company body featuring autonomy, professionalism and continuity in the exercise of its functions. For the purposes referred to in the previous point, BREVETTI CEA establishes a special body called the "Supervisory Body", that will perform the functions provided for by art. 6 para. 1 letter b) of Legislative Decree no. 231/01 or, alternatively, pursuant to art. 6, paragraph 4bis of Legislative Decree no. 231/01, assigns the above-mentioned functions to the Board of Statutory Auditors.

If BREVETTI CEA decides not to make use of the option provided for by the above-mentioned art. 6, paragraph 4bis of Legislative Decree no. 231/01, the Board of Directors establishes a special collegiate body in accordance with the following rules:

- the Supervisory Body is composed of members selected on the basis of specific skills (minimum: compliance pursuant to Legislative Decree 231 /2001, legal expertise, internal control);

- the Board of Directors appoints the Supervisory Body, with a reasoned resolution for each member, exclusively selected on the basis of the requirements of professionalism, integrity, competence, independence and autonomy;
- The Board of Directors also designates, among the appointed members, the one who will perform the functions of Chairman. The appointment as Chairman of the Supervisory Body is limited to external members;
- Should any subordinate or semi-subordinate employment relationship between the Company and the person appointed as an internal member of the Board of Directors cease, for any reason, the person in question will automatically cease to be a member of the Supervisory Body and will have to be promptly replaced.

The following rules apply to the Supervisory Body or to the Board of Statutory Auditors that carries out the functions of the Supervisory Body.

- The resolution appointing the Supervisory Body also determines the remuneration and the duration of the appointment.
- The members of the Supervisory Body can only be revoked for just cause and are eligible for re-election. The member who is dismissed or who renounces office is promptly replaced, and the substitute remains in office until the expiry of the Supervisory Body in force at the time of his appointment.
- The Supervisory Body reports directly to the Board of Directors, unless otherwise provided for.
- The Supervisory Body has autonomous powers of initiative and control within the Company, which allow the functions provided for by the law and by the Model, as well as by subsequent measures or procedures enforced within the scope of its implementation, to be effectively exercised.
- In order to carry out, with objectivity and independence, its function, the Supervisory Body has autonomous spending powers, based on an annual amount approved and made available by the Board of Directors, at the proposal of the Body itself. The Supervisory Body reports this use to the Board of Directors.
- The Supervisory Body may commit resources that exceed its spending powers in the presence of exceptional and urgent situations, with the obligation to promptly inform the Board of Directors.
- The members of the Supervisory Body, as well as the persons that the Body, for whatever reason, makes use of, are required to keep confidential all the information they have become aware of in the exercise of their functions or activities.
- The Supervisory Body performs its functions by taking care of and encouraging a rational and efficient cooperation with the bodies and control functions existing in the company.
- The Supervisory Body does not have, nor can it be attributed, even as a substitute, any management, decision-making, organisational or disciplinary powers related to the performance of the company's activities.
- The activities carried out by the Supervisory Body cannot be judged by any other body or company structure.

## 9.2 Powers and functions

In order to pursue the objective of supervising the effective implementation of the Model adopted by the Company, the Supervisory Body, or the Board of Statutory Auditors that

performs the functions of the Supervisory Body, has the following powers of initiative and control, which it exercises in compliance with the law, as well as with the individual rights of workers and of the persons concerned:

- it carries out periodic inspection activities, whose frequency is, at least, predetermined taking into account the different sectors of intervention;
- it has access to all information concerning activities at risk;
- it may request information or the submission of documents relevant to the activities at risk from the Company's managers, as well as from all employees who carry out any activities at risk or oversee them;
- if necessary, it may request information or the submission of documents relevant to activities at risk from the directors, the Board of Statutory Auditors or equivalent body, the auditing firm;
- it may request information or the submission of documents relevant to activities at risk from collaborators, consultants and representatives outside the company, and in general from all persons that are required to comply with the Model; to this purpose, the Company strives to obtain the contractual commitment of the above-mentioned persons to comply with the request of the Supervisory Body;
- it periodically receives information from the managers of the activities at risk;
- it may contact external consultants for particularly complex issues, or for matters requiring specific skills;
- it submits any non-compliance with the Model to the Board of Directors, for the company to assess the adoption of penalty procedures and the elimination of any deficiencies found; if the Board of Directors assigns to a Managing Director the powers to modify and implement the Model referred to in the first paragraph of Para. 2 above, or the Board of Directors appoints a representative of the Board of Directors for the relations with the Supervisory Body, the non-compliance must be submitted to this Director, for him/her to evaluate the initiatives within his/her powers. In addition to these persons, the Body also has the right to report any found non-compliance to the Manager of the function in which the non-compliance has been found;
- it subjects the model to periodic verification and encourages its updating;
- it oversees the corporate training activity on the provisions of Legislative Decree 231/2001 and on the contents of the Organisational Model adopted by the company, and more specifically monitors the effectiveness of the training;

In order to effectively perform its functions, in addition to any general provisions dictated by the Board of Directors, the Body in question, or the Board of Statutory Auditors that performs the functions of the Supervisory Body, establishes specific operating rules and adopts its own internal Regulation, in order to guarantee the maximum organisational and operating autonomy of the subject in question.

### 9.3 Guidelines for the Regulation of the Supervisory Body

The Regulation must ensure the continuity and effectiveness of the action of the Supervisory Body; to this purpose, the regulation must provide for:

- a minimum number of annual meetings and the scheduling of activities;
- the obligation to report at least annually to the Board of Directors on the activity carried out;
- the methods for preparing the spending plan and the fund for urgent interventions;

- the methods for managing the assigned resources and for drawing up the relevant report;
- the management of the documents related to the activities carried out by the Supervisory Body and the filing methods;
- the measures to guarantee the effective autonomy of the Body even in the presence of members from within the company;
- the methods for collecting, processing and filing any communications, even anonymous, reporting circumstances that are relevant to the implementation of the Model or to the Company's administrative liability.

In addition, the Regulation must provide that:
- the Supervisory Body exercises its functions and powers as prescribed by the Regulation itself
- the Regulation is drawn up by the Supervisory Body itself, unanimously approved by it and transmitted to the administrative body and to the Board of Statutory Auditors (if the Supervisory Body is distinct from the Board of Statutory Auditors).

## 9.4 Information to the Supervisory Body

The Company, even in order to implement the provisions of para. 2 letter d) and para.2-bis of art. 6 of Legislative Decree 231/2001, has drawn up specific regulations contained:
- in Annex 7 - **Procedure for managing information flows to the Supervisory Body**, aimed to identify the information flows that must be transmitted to the BREVETTI CEA Supervisory Body by the reference persons of the processes exposed to the risk of commission of 231-related offences;
- in the "D_P1 Whistleblowing" Procedure, aimed to regulate the management of Reports, including those addressed to the Supervisory Body.

The Recipients of the Model are therefore required to transmit to the Supervisory Body the so-called "Information Flows", that is:
a) compulsorily and promptly, the information concerning:
   - the measures and/or news coming from judicial police bodies, or from any other authority, which reveal the carrying out of investigations, even against unknown persons, for "231-related" offences (even in relation to parent companies, subsidiaries and associated companies);
   - the requests for legal assistance submitted by employees or directors in case of initiation of legal proceedings for "231-related" offences (even in relation to parent companies, subsidiaries and associated companies);
   - the reports drawn up by managers of other business functions as part of their control activities and from which facts, acts, events or omissions may emerge with critical profiles with respect to "231-related" offences.
b) on a periodic or eventful basis, the data, information and documents listed in the table called "*Framework of Information Flows*".

Any failure by the employee, collaborator or corporate bodies to comply with the obligation to provide the information required by the 231 Model of the Company may result in the

application of penalties, in accordance with the provisions of **Annex 4** — 231 Penalty System (e.g., disciplinary penalties for employees).

For all matters concerning the management of the Information Flows to the Supervisory Body, please refer in full to the "*Procedure for managing information flows to the Supervisory Body*" (**Annex 7**).

The Supervisory Body is also the recipient of substantiated reports (the so-called 231-related Reports) based on precise and consistent facts, sent by the Recipients of the Model, concerning:

- illegal conducts, behaviours or events that are relevant pursuant to Legislative Decree no. 231/2001;
- behaviours or events that may constitute a violation of this Model 231 and of all of its constituent elements;

that they have become aware of because of the functions they performed, directly or through their subordinates.

On the other hand, third parties who are not contractually obligated to the Company can opt to submit the above-mentioned reports.

Reports should be addressed to the Supervisory Body, along with all the information or documents requested by it in the exercise of its functions.
Department managers, if they officially become aware of any news, even from judicial police bodies, concerning offences or illegal conducts which can affect the company, must report them to the Supervisory Body.

Reports to the Supervisory Body must be transmitted and managed in the manner and through the channels provided for in the "D_P1 Whistleblowing" Procedure.

Reports can also be submitted anonymously, that is, without indicating the identity of the whistleblower, or allowing it to be reconstructed or found.

In any case, it should be noted that only substantiated reports based on precise and consistent factual elements and not containing any generic, confusing and/or blatantly defamatory statement will be subject to verification. The assessment in this regard is the responsibility of the Supervisory Body, which also assesses whether to take it into account when planning its activity.

The Company provides and guarantees special forms of protection against the so-called "Whistleblowers" who make reports in good faith. For the specific regulation of the protections provided, please refer in full to the provisions of the "D_P1 Whistleblowing" Procedure.

The company also adopts appropriate measures to ensure that confidentiality regarding the identity of the whistleblower is always guaranteed, even when managing the report; all this, even in compliance with privacy legislation.

Finally, it should be noted that the following also constitutes a violation of the Model:

- any form of retaliation against those who have made reports of possible violations of the Model in good faith;
- any accusation of violation of the Model and/or illegal conduct, directed with intent and gross negligence at other employees, while knowing that such violation and/or conduct does not exist;
- the violation of the measures aimed to protect the whistleblower's confidentiality.

**Therefore, the above-mentioned violations are punished (please refer to Annex 4).**

It should be noted that any conduct carried out by the Supervisory Body in violation of the protection of the Whistleblower is also punishable.

**For everything not expressly specified and regulated herein with regards to 231-related Reports, please refer to the provisions of the "D_P1 Whistleblowing" Procedure.**

## 9.5 Information from the Supervisory Body to the Board of Directors and to the Board of Statutory Auditors

The Body, or the Board of Statutory Auditors that performs the functions of the Supervisory Body, draws up a report on the activity it has carried out at least every six months, and submits it to the Board of Directors and the Board of Statutory Auditors, if present (and if the Supervisory Body is distinct from the Board of Statutory Auditors).

When deemed necessary, the Body can still submit reports to the Board of Directors and request changes and/or additions to the Organisational Model; If the Board of Directors assigns to a Managing Director the powers to modify and implement the Model referred to in the first section of this Paragraph 2, or if the Board of Directors appoints a representative of the Board of Directors for the relations with the Supervisory Body, the Supervisory Body submits the above-mentioned reports to the Director in question, notifying the Board of Directors in the immediately following periodic report (in case of reports of non-compliance with the Model, the Supervisory Body must specifically indicate the procedures in question and the type of non-compliance).
In addition to the above-mentioned persons, the Body can opt to also report the non-compliance it found to the Head of the function in which the non-compliance itself was detected.

The periodic reports prepared by the Supervisory Body or by the Board of Statutory Auditors performing the functions of the Supervisory Body are also drawn up in order to allow the Board of Directors to carry out the necessary assessments to make any updates to the Model, and must at least contain, carry out or report:

- any problems that have arisen regarding the methods for implementing the procedures provided for by the Model or adopted in implementation or in the light of the Model;
- the list of the reports received from internal and external parties regarding the Model;
- any disciplinary procedures and/or penalties applied by the company, with exclusive reference to the activities at risk;
- an overall assessment of the Model operation, with any suggestions for additions, corrections or modifications.

## 10 COMMUNICATION AND TRAINING ON THE ORGANISATIONAL MODEL

To ensure the effectiveness of the Model, the Company aims to make sure that it is properly known to all persons who for various reasons take part in so-called sensitive activities, also depending on their different level of involvement in the sensitive processes themselves.

In particular, it is critically important that the preventive control system is known to all the persons in the organisation, first and foremost the top management and the people subject to their direction or supervision. It is considered that, taking into account the qualification of the persons mentioned above, the level of risk of the area in which they operate and whether or not they have Company representation functions, top managers, non-top employees and semi-subordinate collaborators must at least be provided with the following information:

- theoretical foundations that underlie the administrative liability of Entities (Reference Doc: this **231 Model Manual**)
- intentions of the Board of Directors of BREVETTI CEA regarding offence prevention and the adoption of the 231 Model (Information)
- summary of the identified risks and of the specific offence cases for the fields of activity of the different persons (Reference Doc: **Annex 3** - 231-related risk assessment)
- preventive reference procedures
- related rules of conduct (Reference Doc: **Annex 5** - 231-related Group Code of Conduct);
- penalties incurred by the different persons for any violations of the Model provisions (Reference Doc: **Annex 4** - Penalty System).

Overall, the activities identified to ensure that the Model is properly and exhaustively explained, both internally and externally, are the following:

- <u>Internal communication and training actions when the Model is adopted</u>:
  - delivery through the Zucchetti platform to all employed personnel of an information letter (along with the Code of Conduct and the Penalty System), to communicate the adoption of an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and the reasons underlying this choice. At the time of the delivery of the above-mentioned information, a receipt is acquired (by electronic means); this signed information is filed by the members of the supervisory body, who take care to update them;
  - communication of the adoption of the Model to the Shareholders' Meeting;
  - training: the Company aims to reach the entire corporate audience with training activities, with different degrees of detail depending on the level of involvement of the recipients in risky activities. To this purpose, it adopts the following initiatives:
    - Training of senior management by expert professionals, including in-depth focus on specific issues of particular interest to the company in the light of the company's 231-related risk profile;
    - Training of function managers by top managers and/or by experienced professionals;
    - As far as all other employees are concerned:
      - classroom, e-learning or cascading training sessions, documentable training of all other employees by their respective hierarchical superiors.
      -

All training and information initiatives must be documented, and the related documentation is kept at the Office of the Supervisory Body.

- the Model must be accessible by all employees through an internal intranet system, and through the storage of a hard copy at the office of the Managing Director, of the General Manager and at the Quality Department; Code of Conduct and the Penalty System must be posted on the company bulletin boards.

- Ongoing internal communication and training actions:
  - training meetings for all personnel at least every 2 years, and anyway in case of updates to the Model, with different degrees of detail depending on the level of involvement of the recipients in activities at risk. The documents related to the training meetings held are kept at the Office of the Supervisory Body;
  - as an alternative or in addition to the previous point, provision of e-learning training sessions at least every 2 years, and anyway in case of updates to the Model, with different degrees of detail depending on the level of involvement of the recipients in activities at risk;
  - provision to new employees and collaborators of a training set through which to ensure that they know and understand the mechanisms and logic of Legislative Decree 231/2001 and of the Company's Organisational Model. New employees are also promptly provided with training initiatives aimed to meet the above-mentioned training purpose (classroom sessions, e-learning sessions, etc.).
- External communications when the Model is adopted:
  - publication of this Manual, or an abridged version, on the company's website;
  - notice of the adoption of the Model to the main commercial partners, new and existing, and to the suppliers of goods and services, along with the provision of a document summarising the contents of the Model that are of interest to the persons themselves (according to the sensitive areas in which they are involved);
  - signing by the main business partners and suppliers of goods and services of a declaration stating they are familiar with the provisions of Legislative Decree 231/2001 and of the requirements of the Code of Conduct adopted by BREVETTI CEA, (the so-called 231 Protection clause), as well as a declaration stating they are committed to comply with the Code itself, with possible suspension and/or termination by law of the existing contract in the event of a violation of the same, especially by third parties who provide services in sensitive business processes.

After the training has been provided, learning tests must be carried out, with appropriate methods according to the level the personnel belongs to.

## 11 PENALTY SYSTEM

This Model is an integral part of the disciplinary rules that govern the relationship (of employment or of any other nature) with BREVETTI CEA. Any behaviours held by employees or collaborators violating or circumventing the individual behavioural rules deduced in the Model, or obstructing its operation, are defined, for employees, as disciplinary offences, punishable by the penalties provided for by collective agreements, including expulsion.
For collaborators, consultants or any other third party who has with the Company a relationship other than employment, the violation of the rules of conduct established by the

Model is punished with the civil remedies allowed by the law (e.g., express termination clause).

The application of these penalties is independent of the possible application of criminal penalties against the persons who committed the offences. The rules of conduct imposed by the Model, in fact, are assumed by BREVETTI CEA in full autonomy, regardless of the offence any deviant conduct may amount to.

For any other details, please refer to **Annex 4**.

## 12 REFERENCES

- Text of Legislative Decree 231/2001, as subsequently integrated.
- Confindustria Guidelines for the implementation of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, updated as at June 2021.
- CNDCEC, ABI, CNF and Confindustria document, Consolidated principles for the drawing up of the organisational models and the activity of the supervisory body, and possible reviews of Legislative Decree no.231 of 8 June 2001, on February 2019
- EU Privacy Regulation 679/16 "GDPR"
- Consolidated Law on Safety (legislative decree 81/08).
- Articles of Association of the Company.

# SPECIAL PART — OFFENCES PURSUANT TO LEGISLATIVE DECREE NO. 231/2001 IN BREVETTI CEA

## 1 OFFENCES AGAINST THE PUBLIC ADMINISTRATION

### 1.1 Definition of Public Administration, Public Official and Public Service Officer

The victim for this type of offence is the Public Administration, in the extended sense identified by the case law, which has provided some indicators of the public nature of an entity, like:

- the subjection to a control and guidance activity for social purposes, as well as to a power of appointment and dismissal of directors by the State or other public bodies;
- the presence of an agreement and/or concession with the Public Administration;
- the presence of a financial contribution from the State;
- the presence of a public interest in the economic activity being carried out.

The practical application of these identification principles often presents some difficulties. Taking into account the importance attributed to it by Legislative Decree 231/2001, BREVETTI CEA opts for a broad interpretation of the concept of Public Administration, to the point of including persons who, although formally private, are nevertheless characterised by the public nature of the activity they carry out or by the significant presence of interests by public entities.

Therefore, we hereby provide a deliberately large, although not exhaustive, list of public bodies:

- public companies and private entities that carry out a public function, like:
  - Eni S.c.a r.l., Enel S.c.a r.l., Telecom Italia S.c.a r.l., etc.;
  - Poste Italiane S.c.a r.l., RAI - Radiotelevisione Italiana, Ferrovie dello Stato;
- State administrations, Regions, territorial and local authorities, other non-economic public bodies, however named public law bodies and their associations, like:
  - Chamber and Senate, Ministries, Regions, Provinces and Municipalities;
  - Judiciary, Armed Forces and Police (Guardia di Finanza, Carabinieri Corps, State Police, Municipal Police, etc. );
  - Competition Authority, Personal Data Protection Authority, Authority for Communications, Electricity and Gas Authority;
  - Inland Revenue Agency, Customs and Land Registry Agency, Administrations, National Health Service facilities and bodies, Chambers of Commerce, Industry, Crafts and Agriculture and their associations, Institutes and Schools of all levels and educational institutions, University institutions;
  - ACI - Automobile Club d'Italia, ASI - Italian Space Agency, CNEL - National Council for Economy and Labour, CNR - National Research Council, CONI - National Olympic Committee, CRI - Italian Red Cross, ENEA - Authority for New Technologies, Energy and Environment, ENPALS - National Social Security and Assistance Agency for Entertainment Workers, ICE - National Institute for Foreign

Trade, INAIL - National Institute for Insurance of Occupational Accidents, INPDAP - National Social Security Institute for Public Administration Employees, INPS - National Institute of Social Security, ISS - Higher Institute of Health, ISAE - Institute for Economic Studies and Analysis, ISTAT - National Institute of Statistics, IPZS - Polygraphic Institute and State Mint, Administration of State Monopolies;

- Bodies of the European Commission, Public Administration of foreign States.

The figures of Public Official and Public Service Officer are also relevant in relation to the offences against the Public Administration provided for by the Decree.

**Public Official** (P.U.) is the person who performs a public legislative, judicial or administrative function. As to the administrative function, emphasis should be placed on the type of activity that is actually carried out, which must be governed by public law rules and characterised by the formation and expression of the will of the Public Administration through authoritative or certification powers.

The formal quality of the person is irrelevant, since this includes not only the one who is called directly to carry out, alone or in collaboration with others, the tasks assigned to the authority, but also the one who is called to carry out any activities that are not immediately aimed to meet the purposes of the office, but are of an accessory or subsidiary nature, because they are relevant for the implementation of the purposes in question (Criminal Cassation, Section VI, judgement no. 85/172198). In addition, the notion of public function must also include the activities that, although not characterised by the concrete exercise of certification power and authoritative power, constitute the most complete and connatural implementation of the purposes of the institution, so that they cannot be isolated from the entire context of the functions of the entity itself (Criminal Cassation, Section VI, judgement no. 172191/85).

For example, the case law has granted the qualification of Public Officials:

- operators of credit institutions - normally excluded from the public sphere - for the activities carried out by the same institutions in their capacity of banks acting or delegated by the financial administration (Criminal Cassation, Section VI, judgement no. 3882 of 24.4.1997);
- the administrative bodies and the president of the private company holding the motorway concession or the ANAS concession, as these companies perform the function of protecting the public interest originally entrusted to the granting body (Criminal Cassation, Section III, judgement no. 1806 of 13.9.1993);
- the members of the tender commissions for supplies to local health units, which have been granted certification powers that contribute to expressing the will of the administration (Criminal Cassation, Section VI, judgement no. 96 of 4.1.1996).

**The Public Service Officer** (I.P.S.) is the person who, in whatever capacity, provides a public service. Public service must be understood as an activity governed the same as the public function, but characterised by the lack of the powers typical of the latter, except for the performance of simple law enforcement tasks and possibly of purely material work.

By way of example, the case law has granted the qualification of Public Service Officers:

- to the directors of the trade fair bodies, since they carry out an activity characterised by social purposes (Criminal Cassation, Section VI, judgement no. 3403 of 11.4.1997;
- to postal employees responsible for the selection and processing of correspondence, even after the Post Offices have been transformed into a public limited company, since postal and telecommunications services belong to the group of public services (Criminal Cassation, Section VI, judgement no. 10138 of 25.9.1998).

In essence, therefore, the discriminating element for determining whether or not a person is in charge of a Public Service is represented not by the legal nature of the Entity, but by the functions entrusted to the person, which must consist of the care of public interests or of the fulfilment of needs of general interest.

The Model recipients, therefore, must pay the utmost attention in the relations, of any type and at any level, with the persons listed above and with their managers, employees and collaborators.

## 1.2 Type of offences

This paragraph refers to the offences against the Public Administration listed in art. 24 "*Unlawful appropriation of public funds, fraud against the State or a public body or the European Union, or fraud aimed to obtain public funds, computer fraud against the State or a public body and fraud in public supplies" and* in art. 25 *"Embezzlement, bribery, undue inducement to give or promise benefits, corruption and abuse of office"* of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Unlawful appropriation of public funds (art. 316-bis of the Italian Criminal Code)**
This type of offence is committed in the event that, after receiving any contributions, grants, loans, soft loans or other disbursements of the same type, however named, from the Italian State or from another Public Body or from the European Union, the sums obtained are not used for the purposes for which they were intended (the conduct, in fact, consists of misappropriating, even partially, the obtained sum, even though the planned activity was carried out anyway).
Taking into account that the offence is regarded as having been committed when the action is actually executed, it can also be committed with reference to funds already obtained in the past and that later are not allocated for the purposes for which they were given.

**Unlawful appropriation of public funds (art. 316-ter of the Italian Criminal Code)**
This type of offence is committed in the event that - through the use or submission of false statements or documents, or through the omission of due information - any contributions, grants, loans, soft loans or other funds of the same type granted or paid by the State, by other public bodies or by the European Union are obtained for oneself or for others, without any entitlement to them.

In this case, contrary to what was stated with regard to the previous point (art. 316 bis of the Italian Criminal Code), the actual use that is made of the funds does not matter, since the offence is committed when the funding is obtained.
Finally, it should be noted that this type of offence is residual compared with the case of fraud against the State, in the sense that it only committed when the conduct does not meet the requirements to be classified as the latter.

**Fraud in public supplies (art. 356 of the Italian Criminal Code)**
This type of offence is committed where a fraud is committed in the performance of any supply contracts or in the fulfilment of other contractual obligations specified in art. 355 of the Italian Criminal Code, related to supply contracts concluded with the State, or with another public body, or with a company providing public or public utility services.
It, therefore, protects the proper and regular operation of the public administration against any frauds committed by suppliers in the performance of a contract for the supply of goods or works necessary for the performance of the public service.
The offence is considered to exist even if the lack of the goods or services being the subject-matter the contract does not endanger the normal operation of the plant or service, as far as its institutional purposes are concerned, as this requirement is not provided for by the incriminating law.

**Fraud against the State, another public body or the European Union (art. 640, paragraph 2 no. 1 of the Italian Criminal Code)**
This type of offence is committed in the event that, in order to make an unfair profit, any contrived or fraudulent acts are carried out which can mislead and cause harm to the State (or to another Public Body or to the European Union).
This offence can be committed, for example, when, in the preparation of documents or data for participation in tender procedures, untrue information (for example backed by falsified documents) is provided to the Public Administration, in order to obtain the award of the tender itself.

**Aggravated fraud to obtain public funds (art. 640-bis of the Italian Criminal Code)**
This type of offence is committed in the event that the fraud is committed in order to unduly obtain any public funds.
Since this is a fraud, the case provided for by art. 640bis of the Italian Criminal Code differs from that governed by art. 316bis of the Italian Criminal Code for the requirement of the "contrived and fraudulent acts" and of the misleading. As clarified by the legal theory and by the case law, therefore, this type of offence requires, in addition to the exposure of false data, a *quid pluris* suitable to circumvent or obstruct the control of the applications by the competent authorities.

**Computer fraud against the State or another public body (art. 640-ter of the Italian Criminal Code)**
This type of offence is committed in the event that, by altering the operation of a computer or telematic system, or by manipulating the data contained in it, an unfair profit is obtained, causing harm to the State or to a Public Body. Specifically, for example, the offence in question can be committed if, once a loan has been obtained, the computer system is breached in order to enter a loaned sum greater than the legitimately obtained one.

Predicate offences, in addition, include the computer fraud against the State or another public body committed with the theft or undue use of digital identity, to the detriment of one or more persons.
If the fact, instead, results in a transfer of money, cash or virtual currency, it is punished pursuant to art. 25 octies1 of Legislative Decree 231/2001.

## OFFENCES COMMITTED IN RELATIONS WITH PUBLIC OFFICIALS OR WITH PUBLIC SERVICE OFFICERS

### Bribery (art. 317 of the Italian Criminal Code)

This offence is committed in the event that a Public Official or a Public Service Officer, abusing their position, force someone to obtain money or other benefits not due to him or to others.

This form of offence (which is residual in the context of the cases referred to in Legislative Decree 231/2001) could occur in the event that an employee is complicit in the offence committed by a Public Official or a Public Service Officer, who, taking advantage of their capacity, request undue benefits from third parties (provided that this behaviour results, in some way, in a benefit for the Company or has been carried out in the interest of the Company itself).

### Undue inducement to give or promise benefits (art. 319-quater of the Italian Criminal Code)

Unless the fact constitutes a more serious offence, this case occurs when the Public Official or the Public Service Officer, abusing their quality or powers, induce someone to unduly give or promise, to him or to a third party, any money or other utility not due to him. Anyone who gives or promises money or other utility is punished with imprisonment for up to three years.

### Corruption for the exercise of the function or for an act contrary to official duties (articles 318, 319, 320, 321 of the Italian Criminal Code)

This offence is committed in the event that a Public Official wrongfully receives, for himself or for others, any money or other benefits, or accepts the promise of them, for the exercise of his functions (favouring the bidder) or for carrying out an act contrary to his official duties.
The activity of the Public Official may be both a due act (for example: speeding up any paperwork he/she is required to process), and an act contrary to their duties (for example: a Public Official accepting money to guarantee the awarding of a tender).
This offence differs from bribery, in that there is an agreement between the corrupt and the corruptor aimed at achieving a mutual benefit (and the briber is sanctioned pursuant to art. 321 of the Italian Criminal Code), while in the bribery the private individual suffers the conduct of the Public Official or the Public Service Officer.

### Incitement to corruption (art. 322 of the Italian Criminal Code)

This offence is committed in the event that, in the presence of any corruptive behaviour (as far as it is of interest for 231 purposes, held by a top manager or by a person subordinate to the entity), the Public Official or the Public Service Officer rejects the offer illegally made to him/her.

### Judicial corruption (art. 319-ter of the Italian Criminal Code)

The offence punishes the conduct of "*Corruption for the exercise of one's function" and*

*"Corruption for an act contrary to official duties"* when committed to favour or harm one of the parties in a civil, criminal or administrative process.

If the fact gives rise to the wrongful sentencing of someone to imprisonment, the penalty is increased.

**Influence peddling (art. 346-bis of the Italian Criminal Code)**
Apart from the cases of complicity in corruption offences, this case punishes anyone who, exploiting or boasting any existing or asserted relationships with a public official or with a public service officer, or with one of the other persons referred to in art. 322 bis, unduly induces money or another utility to be given or promised, as the price of their illegal mediation with the public entity, or in order to remunerate him/her, in relation to the exercise of his/her functions or powers.
The same penalty applies to those who unduly give or promise money or another utility.
Penalties are increased if the acts are committed in connection with the exercise of judicial activities, or to remunerate the public official or the public service officer or one of the other persons referred to in art. 322 bis in relation to the performance of an act contrary to official duties or to the omission or delay of an act of office.
The offence is committed in each of the following cases:

- the donation of money or other utility is aimed to remunerate the mediator for his/her illegal intervention to influence the public official/public service officer (so-called influence peddling for payment);
- the donation of money or other utility is aimed to remunerate not the mediator but the public official/public service officer (so-called free influence peddling).

**Abuse of office (art. 323 of the Italian Criminal Code)**
This rule - which has a residual nature (i.e., is only applicable if the fact does not constitute a more serious offence, e.g., corruption) - provides for the liability of a public official or a public service officer who, in the performance of their functions or service, in violation of specific rules of conduct expressly provided for by law or by acts having the force of law and leaving no margin of discretion, or failing to abstain though having an interest of their own or of a close relative, or in the other prescribed cases, intentionally ensure to obtain an unfair financial benefit, or cause others an unfair harm. The penalty is increased when the benefit or harm are of a significant seriousness.
The Company may be called to answer for this offence for complicity in it if a) it provides a contribution (in terms of moral assistance, e.g. in the form of "strengthening" the criminal purpose of the P.O.) b) it has any interest or gains any benefit and c) if the fact offends the financial interests of the European Union only.
This last requirement is met, for example, in the following cases:

- undue obtainment, as a result of the decision of the P.O., of funds or contributions of European origin;
- undue obtainment, as a result of the decision of the P.O., of economic benefits in the payment of duties or other taxes (provided that the threshold of 10 million euros is exceeded in the case of VAT).

**Art. 322-bis of the Italian Criminal Code** also extends the applicability of the offences committed by Public Officials and Public Service Officers against the Public Administration to members of the International Criminal Court, to EU bodies and to officials of the EU or of foreign States; pursuant to **para. 2**, the corruptor will be responsible for the conducts of

corruption or incitement to corruption mentioned above, against these persons.

## 1.3 Processes at risk

The above offences require the existence of relations with the Public Administration, defined in a broad sense and such as to include the Public Administration of foreign States and the Community Bodies.

It should be noted that, in relation to the corruption offences (both against the Public Administration and between private entities), we aimed to:

1. identify and monitor the illegal conducts that may inherently constitute an offence (during business contacts, during checks, when requesting authorisations, etc.). In the analysis, we took into account the activities/processes within which that "remuneration in another utility", which is itself a constituent element of corruption, could occur. They include:
   - management of gifts/donations/sponsorships,
   - recruitment of personnel (on the recommendation of the corrupt person);
   - assignment of contracts for the supply of goods and services/consultancy (to subjects indicated by the corrupt person).

   Please note that the concept of "other utility" must be understood as any and every benefit, tangible or intangible, not only financial, that fulfils the request or desire of a person, including, but not limited to, property and financial benefits; the lending of houses and buildings; forms of entertainment; gifts; travels; debt repayments; the provision of security, guarantees; career advances, etc.
2. identify and oversee the processes instrumental to corruption within which the provision to be used as 'monetary payment' can be constituted. They include:
   - management of financial resources and cash flow;
   - receivable and payable invoicing processes (through irregular management)
   - expense reimbursements (fictitious or for an amount other than that of the expenses actually incurred).

The areas and business processes of BREVETTI CEA most specifically at risk with respect to the cases of offences against the public administration provided for are:

| **MACRO AREA** | **SENSITIVE PROCESSES** |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| | MANAGEMENT OF LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES |
| | ASSIGNMENT OF PROFESSIONAL TASKS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| | GIVEAWAYS, SPONSORSHIPS, DONATIONS |
| | AUTHORISATIONS, CONCESSIONS, PERMITS AND PUBLIC LICENSES |
| **ADMINISTRATIVE** | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |
| | ACCOUNTS RECEIVABLE CYCLE |
| | ACCOUNTS PAYABLE CYCLE |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| | REIMBURSEMENT OF EXPENSES AND REPRESENTATION EXPENSES |

| | |
|---|---|
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (tax credit and more) |
| **HUMAN RESOURCES** | SELECTION AND MANAGEMENT OF PERSONNEL |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (personnel training and recruitment) |
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| | PEC AND DIGITAL SIGNATURE MANAGEMENT |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | MARKETING |
| | AFTER-SALES SERVICE |
| **RESEARCH AND DEVELOPMENT** | DESIGN |
| | DEVELOPMENT |
| | PRODUCT SAFETY MANAGEMENT |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |
| **PRODUCTION** | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 1.4 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
  - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
  - CONDUCTS IN RELATIONS WITH POLITICAL ORGANISATIONS AND TRADE UNIONS
- For each sensitive process:
  - the respective 231-related preventive protocol (**Annex 6**)
  - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 2 CORPORATE OFFENCES

## 2.1 Type of offences

This paragraph refers to the offences provided for by art. 25 ter, entitled *"Corporate offences", of Legislative* Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**False corporate statements (arts. 2621 of the Italian Civil Code)**
The offence is committed with the recognition in the financial statements, reports and other communications provided for by law and addressed to shareholders or to the public (management report, consolidated financial statements, extraordinary financial statements, assets of third parties), of significant material facts that do not reflect the truth, or with the omission of significant material facts whose communication is required by the law on the economic, asset or financial situation of the company or group to which it belongs, in a way that can concretely mislead others.
The perpetrators of the offence are the directors, the general managers, the managers in charge of drawing up the corporate accounting documents, the statutory auditors and the liquidators.
It should be noted that:
- the conduct must be aimed to obtain an unfair profit for oneself or for others;
- the untrue or omitted information must be significant and such as to greatly misrepresent the economic, asset or financial situation of the company or group to which it belongs;
- liability also extends to the case where the information concerns assets owned or managed by the company on behalf of third parties.

**Minor events (articles 2621-bis of the Italian Civil Code)**
The penalty is reduced if the above facts are classified as minor, taking into account the nature and size of the company and the nature or effects of the conduct.
In particular, the same reduced penalty is applied to the companies that do not exceed the limits set forth in the second paragraph of Article 1 of Royal Decree no. 267 of 16 March 1942. In this case, the offence can be prosecuted on complaint by the company, the shareholders, the creditors or the other recipients of the corporate statements.

**Offence of impeding control (art. 2625 of the Italian Civil Code)**
The offence consists of hampering or impeding the execution of control and/or auditing activities - legally required from shareholders, corporate bodies or auditing firms - through the concealment of documents or other suitable contrived acts.
The perpetrators of the offence are exclusively the directors of the Company.
Since Legislative Decree 231/2001 only makes explicit reference to the second paragraph of art. 2625 of the Italian Civil Code, it should be noted that the commission of the offence can only result in the liability of the Company in the event that the impediment or hampering of the controls referred to in art. 2625 of the Italian Civil Code by the directors caused a damage to the shareholders.

**Unlawful return of capital contributions (art. 2626 of the Italian Civil Code)**
The offence, intended to protect the integrity and effectiveness of the share capital, as a guarantee of the rights of creditors and third parties, occurs in the case of the return, more or less open, of the contributions to the shareholders, or of their release from the obligation to execute them, outside of the case of legitimate reduction of the share capital.
The perpetrators of the offence are the directors: the law, that is, was not intended to also punish the shareholders who benefited from the return or release, excluding the necessary complicity. The possibility of a complicity remains, however; by virtue of that, according to the general rules on complicity referred to in art. 110 of the Italian Civil Code, even shareholders who have carried out any act of incitement, determination or facilitation towards the directors will be held liable for the offence.

**Illegal distribution of profits and reserves (art. 2627 of the Italian Civil Code)**
The offence is committed in two cases:
- in the event that profits or down payments on profits are distributed, though they have not actually been achieved, or are required by the law to be allocated to a reserve;
- in the event that any reserves, even not set up with profits, are distributed even though cannot be distributed according to the law.
The offence is extinguished if the profits are returned, or the reserves are set up again, before the deadline for the approval of the financial statements.
The perpetrators of the offence are the directors. Even in this case, however, the possibility of a complicity remains for the shareholders who have carried out any act of incitement, determination or facilitation towards the directors.

**Unlawful transactions concerning shares or quotas of a company or of its parent company (art. 2628 of the Italian Civil Code)**
The offence is committed with the purchase or subscription, outside of the cases permitted by law, of own shares or quotas, or of shares or quotas of the parent company, in such a way as to prejudice the integrity of the share capital and of the reserves that cannot be distributed according to the law.
The offence is extinguished if the share capital or reserves are restored before the deadline for the approval of the financial statements, for the financial year in which the conduct was carried out.

**Operations causing detriment to creditors (art. 2629 of the Italian Civil Code)**
The offence is committed through reductions in share capital, mergers with other companies or demergers carried out in violation of legal provisions and that cause any damage to creditors (this is a so-called event offence, which therefore punishes the occurrence of the detrimental event that causes any damage to the protected legal asset).
The offence is extinguished if the damaged creditors are compensated before the trial.
The perpetrators of the offence are the directors.

**Fictitious generation of capital (art. 2632 of the Italian Civil Code)**
The offence is committed if the directors and the contributing shareholders fictitiously generate or increase the share capital, carrying out at least one of the following conducts:
- allocation of company shares or quotas for a sum that is lower than their nominal value;

- mutual subscription of shares or quotas;
- significant overvaluation of contributions of assets in kind or credits;
- significant overvaluation of the company's assets in the event of a conversion.

The perpetrators of the offence are the directors and the contributing shareholders.
It should be noted that, on the other hand, the failure to carry out any control and audit by directors and auditors, pursuant to art. 2343, paragraph 3 of the Italian Civil Code, on the valuation of the contributions in kind contained in the estimate report drawn up by the expert appointed by the Court, is not punishable.

**Unlawful influence on shareholders/quota holders' meetings (art. 2636 of the Italian Civil Code)**
The offence is committed through the execution of simulated or fraudulent acts that result in the formation of a fictitious majority in the assembly, in order to achieve an unfair profit for oneself or for others.
The offence can be committed by anyone, and thus also by persons that are not part of the company (only if it is committed by top managers or subordinates of the entity can it constitute a predicate for the entity to be held liable).

**Preventing public supervisory authorities from performing their duties (art. 2638 of the Italian Civil Code)**
The offence can be committed through two different conducts, both aimed to hamper the supervisory activity of the public authorities in charge:

- by reporting to the supervisory authorities any untrue facts related to the economic, asset or financial situation, or by concealing, in whole or in part, any facts that should have been reported;
- By deliberately hampering the exercise of supervisory functions in any way.

In both of the cases described above, the offence perpetrators are the directors, the general directors, the statutory auditors and the liquidators.

**Corruption between private individuals (art. 2635 of the Italian Civil Code)**
Unless the fact constitutes a more serious offence, directors, general managers, managers in charge of drawing up the corporate accounting documents, statutory auditors and liquidators of companies or private entities who, even through an intermediary, request or receive, for themselves or for others, any undue money or other utility, or accept the promise of them, to perform or omit an act, in violation of the obligations inherent to their office or of the obligations of loyalty, are punished. The offence is also committed if the act is carried out by:

- a person who, in the context of the organisation of the company or private entity, carries out any management functions other than those reserved for the persons mentioned in the previous point;
- a person who is subject to the direction or supervision of one of the persons mentioned above.

In addition, those who, even through an intermediary, offer or promise any undue money or other utility to the people mentioned above are also punished.

**Incitement to corruption (art. 2635-bis of the Italian Civil Code)**
Anyone who offers or promises any undue money or other utility to directors, general managers, managers in charge of the drawing up of the corporate accounting documents,

auditors and liquidators, of companies or private entities, as well as to those who work there exercising any managerial functions, to induce these persons to perform or omit an act in violation of the obligations inherent to their office or of the obligations of loyalty, even if the offer or promise is not accepted, is punished.
The penalty also applies to the directors, general managers, managers in charge of drawing up the corporate accounting documents, auditors and liquidators, of companies or private entities, as well as to those who work there exercising any managerial functions, who request for themselves or for others, even through an intermediary, a promise or donation of money or other utility, to carry out or to omit an act in violation of the obligations inherent to their office or of the obligations of loyalty, even if the request is not accepted.

## 2.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to the relevant types of corporate offences (excluding Corruption between private individuals - see below for further information) are:

| **MACRO AREA** | **SENSITIVE PROCESSES** |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| **ADMINISTRATIVE** | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

With respect to the content of paragraph 1.3 of the Special Part "Offences against Public Administration", it should be noted that the offence of corruption between private individuals referred to in art. 2635 of the Italian Civil Code in particular states that:

- the offence of corruption between private individuals applies to the directors, general managers, managers in charge of the drawing up of accounting documents, auditors and liquidators (or to persons subordinate to them) of companies or private entities, as well as those who work in them exercising any managerial functions, even through an intermediary person;
- it applies not only to those who give but also to those who offer, solicit or receive for themselves or for others any money or other utility undue to the top management of the companies or to those who are subject to their management or supervision.

Some significant aspects are highlighted below:

- it is not necessary for the corrupt conduct to damage the entity to which the corrupt person belongs;
- perpetrators include individuals outside the company, who act as intermediaries;
- the punishable conduct is not the performance of acts (following the reception of money/utility and its promise), but the prior conduct, even just consisting of the mere offer, promise, donation or reception of money/other utility, or of the acceptance of the promise of money/other utility;

- penalties also apply to private individuals who request for themselves or for others any undue money or other utility, or accept the promise of them, to perform or to omit an act in violation of the obligations inherent to their office or of the obligations of loyalty;
- the offer or promise of money/other utility to a private person aimed to induce the latter to perform an act in violation of the obligations inherent to their office or of the obligations of loyalty, are punished even if the offer or promise is not accepted.

Article 2635-bis of the Italian Civil Code, which introduces the offence of incitement to corruption between private individuals, in particular, punishes both the active incitement committed by those who offer or promise any undue money or other utility, even if the offer or promise is not accepted, but also the passive incitement committed by the top managers of the company who request for themselves or for others, even through an intermediary, a promise or donation of money or other utility, even if the request is not accepted.
In such cases, the offence is committed before the actual acceptance of the offer, promise or request.

Sensitive activities, therefore, include the economic or personal relations, whether direct or indirect, with persons belonging to companies or consortia, from which the Company could obtain a benefit, for example in sales or purchases, or in the relations with employees of competitors.
The so-called processes instrumental to corruption should also be considered.

With reference to the offence of corruption between private individuals, therefore, the sensitive areas, processes and possible illegal conducts are:

| **MACRO AREA** | **SENSITIVE PROCESSES** |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| | ASSIGNMENT OF PROFESSIONAL TASKS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| | GIVEAWAYS, SPONSORSHIPS, DONATIONS |
| **ADMINISTRATIVE** | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |
| | ACCOUNTS RECEIVABLE CYCLE |
| | ACCOUNTS PAYABLE CYCLE |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| | REIMBURSEMENT OF EXPENSES AND REPRESENTATION EXPENSES |
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| **HUMAN RESOURCES** | SELECTION AND MANAGEMENT OF PERSONNEL |
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | AFTER-SALES SERVICE |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |
| **PRODUCTION** | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 2.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
  - CONDUCTS RELATED TO ACCOUNTING RECORDS
  - CONDUCTS RELATED TO CORPORATE MATTERS
  - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
  - CONDUCTS RELATED TO CORRUPTION BETWEEN PRIVATE INDIVIDUALS
- For each sensitive process:
  - the respective 231-related preventive protocol (**Annex 6**)
  - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 3 OFFENCES COMMITTED IN VIOLATION OF THE REGULATIONS ON THE PROTECTION OF OCCUPATIONAL HEALTH AND SAFETY

## 3.1 Type of offences

25 August 2007 was the date of coming into force of art. 25-septies *"manslaughter or grievous or very grievous bodily injuries committed in violation of the regulations on the protection of occupational hygiene and health"* of Legislative Decree 231/2001, amended by the Consolidated Law on Safety (Legislative Decree no. 81/08). The article included among the predicate offences for the application of Legislative Decree no. 231/01 the offences referred to in articles 589 of the Italian Criminal Code (manslaughter) and 590, paragraph three of the Italian Criminal Code (culpable grievous or very grievous bodily injuries), committed in violation of the accident prevention regulations and of the regulations on the protection of occupational health and safety.

The **bodily injury** is regarded as **grievous** (art. 583 of the Italian Civil Code, paragraph 1) in the following cases:

1) *if the fact results in an illness that endangers the life of the offended person, or in an illness or an inability to carry out ordinary work for more than forty days;*
2) *if the fact causes permanent weakening of a sense or organ.*

The **bodily injury**, on the other hand, is regarded as **very grievous** if the fact results in (art. 583 of the Italian Civil Code, co. 2):

1) *a disease that is certainly or probably incurable;*
2) *the loss of a sense;*
3) *the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or of the ability to procreate, or a permanent and serious speech difficulty*
4) *the deformation, or permanent scarring of the face.*

The offence of **manslaughter**, finally, is provided for by art. 589 of the Italian Criminal Code:

*"Anyone who culpably causes the death of a person is punished with imprisonment from six months to five years. [...]"*

The element the three offence types have in common is **culpability**, as defined by art. 43 of the Italian Criminal Code: "The offence:

- *is **malicious**, or according to the intention, when the harmful or dangerous event, which is the result of the action or omission and which is required by the law for the offence to exist, is foreseen by the agent and intended as a consequence of their action or omission;*
- *is **involuntary**, or beyond the intention, when the action or omission results in a harmful or dangerous event that is more serious than the one wanted by the agent;*

- *is **culpable**, or against the intention, when the event, even though it was foreseen, is not wanted by the agent and occurs due to negligence or imprudence or incompetence, or due to non-compliance with laws, regulations, orders or disciplines.* "

Article 30 of Consolidated Law 81/2008 states that:

"*1. The organisation and management model suitable to ensure an exemption from the administrative liability of legal persons, companies and associations, even without legal personality, referred to in Legislative Decree No. 231 of 8 June 2001, must be adopted and effectively implemented, ensuring that a business system fulfils all legal obligations related to:*

- *compliance with the technical-structural standards provided for by the law with regard to equipment, plants, workplaces, chemical, physical and biological agents*
- *risk assessment activities and the implementation of the corresponding prevention and protection measures*
- *organisational activities, like emergencies, first aid, contract management, periodic safety meetings, consultations with workers' representatives for safety*
- *health surveillance activities*
- *information and training activities for workers*
- *supervisory activities with regard to compliance with procedures and safe work instructions by workers*
- *acquisition of legally mandatory documents and certifications*
- *periodic controls on the application and effectiveness of the adopted procedures.*

*2. The organisational and management model referred to in paragraph 1 must include suitable systems for recording the execution of the activities referred to in paragraph 1.*

*3. In any case, the organisational model must include, as required by the nature and size of the organisation and by the type of activity carried out, a variety of functions that ensure the technical skills and powers necessary for the verification, assessment, management and control of risk, as well as a disciplinary system suitable to punish any non-compliance with the measures indicated in the model.*

*4. The organisational model must also include an appropriate control system over the implementation of the model itself and over the ongoing fulfilment of the conditions for the suitability of the adopted measures. The review and possible modification of the organisational model must be carried out when any significant violations of the rules relating to accident prevention and occupational hygiene are discovered, or on the occasion of any changes in the organisation and in the activity as a consequence of scientific and technological progress.*

*5. When first applied, the corporate organisation models defined in accordance with the UNIINAIL Guidelines for an Occupational Health and Safety Management System (SGSL) of 28 September 2001 or with the British Standard OHSAS 18001:2007 are assumed to comply with the requirements set out in this article for the corresponding parts.*

*For the same purposes, additional corporate organisation and management models may be indicated by the Commission referred to in Article 6 of Legislative Decree no. 81/2008.*

*5-bis. The Standing Advisory Commission for Occupational Health and Safety develops simplified procedures for the adoption and effective implementation of organisation and safety management models in small and medium-sized enterprises. These procedures are implemented by decree of the Ministry of Labour, Health and Social Policies.*

*6. The adoption of the organisation and management model referred to in this article in companies with up to 50 workers is one of the activities that can be financed pursuant to Article 11*".

The Circular Letter of the Ministry of Labour and Social Policies - 11 July 2011 - provides the following indications with respect to article 30, paragraph 4, of Legislative Decree no. 81/2008:
*"Article 30, paragraph 4, of Legislative Decree no. 81/2008 prescribes that:*"[...] *The organisational model must include an appropriate control system over the implementation of the model itself and over the ongoing fulfilment of the conditions for the suitability of the adopted measures. The review and possible modification of the organisational model must be carried out when significant violations of the rules relating to accident prevention and occupational hygiene are discovered, or on the occasion of any changes in the organisation and in the activity as a consequence of scientific and technological progress".*
*As a consequence, if a company has an occupational health and safety management system that complies with the requirements of the UNI-INAIL Guidelines or with standard BS OHSAS 18001:2007, it implements its control system as required in paragraph 4 of article 30 of Legislative Decree no. 81/2008, through the combination of two processes that are strategic for the effectiveness and compliance of the management system itself:* ***Internal Monitoring/Audit*** *and* ***Management Review****.*
*It should be noted, however, that these processes only represent a control system suitable for the purposes of the provisions of paragraph 4 of Article 30 of Legislative Decree no. 81/2008 if they require an active and documented role not only of all the persons that are part of the corporate organisational structure for safety, but also of the Senior Management (defined as any organisational position above the employer) in the assessment of the achieved objectives and results, as well as of any critical issues found, in terms of protection of occupational health and safety. The term "documented" means that the participation of Senior Management must be proven by company acts and documents. Finally, it should be noted that the internal audit must also verify the effective application of the disciplinary system [...] ".*

Furthermore, paragraph 5 of art. 30 implicitly states that the 231 Model has structural elements other than those specific to the management systems mentioned in the same paragraph. As a consequence, in order to be fully used as an exemption, these management systems must necessarily be complemented with the structural elements in question, which they inherently lack, namely:

- a disciplinary system suitable to punish any non-compliance with the measures specified in the model

- methods of managing financial resources suitable to prevent the commission of offences
- obligations of reporting to the body responsible for supervising the operation and compliance with the models.

## 3.2 Processes at risk

The sensitive areas and processes of the Company most specifically at risk for the cases of offences committed in violation of the regulations on the protection of occupational health and safety are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | GOVERNMENT OF OCCUPATIONAL HEALTH AND SAFETY |
| **RESEARCH AND DEVELOPMENT** | PRODUCT SAFETY MANAGEMENT |
| **PRODUCTION** | OPERATIONAL MANAGEMENT OF OCCUPATIONAL HEALTH AND SAFETY |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 3.3 Control elements and discipline

The prevention elements specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct (**Annex 5**), in particular:
  - CONDUCTS RELATED TO OCCUPATIONAL HEALTH AND SAFETY
- For each sensitive process:
  - the 231 preventive protocol on the Government of Occupational Health and Safety (**Annex 6**);
  - the operating procedures applying to occupational health and safety referred to in the above-mentioned protocol);
  - the respective information flows to the Supervisory Body (**Annex 6** and **Annex** 7).

To complete the requirements set out in art. 30 of Legislative Decree no. 81/08, we introduced:

- Supervisory Body (see Chapter 9 of this Organisation, Management and Control Model Manual);
- Penalty System (see Chapter 11 of this Organisation, Management and Control Model Manual).

# 4 ENVIRONMENTAL OFFENCES

## 4.1 Type of offences

According to the provisions of art. 25-undecies *"Environmental offences"* of Legislative Decree 231/01, this paragraph refers to illegal conducts punished by the Criminal Code to protect the environment in general, to provisions contained in the Environmental Code (Legislative Decree 152/2006) on water, waste and emissions into the atmosphere, to regulations that protect endangered animal and plant species (L. 150/1992), to measures aimed to protect ozone (L. 549/1993) and to provisions against marine pollution caused by ships (Legislative Decree 202/2007).

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Unauthorised waste management activity (art. 256 of Legislative Decree 152/2006)**

The case punishes the carrying out of the following activities:

- waste collection, transport, recovery, disposal, trade and brokerage activities in the absence of authorisation, registration or communication; the offence is aggravated in case of hazardous waste;
- construction or management of an unauthorised landfill; the offence is aggravated in case of hazardous waste;
- restricted waste mixing activities; for example, mixing of hazardous waste having different hazard characteristics, or mixing of hazardous waste with non-hazardous waste, or absence of authorisation.

The above offences could also be committed in complicity with third parties.

It should be noted that, in addition to the definition of landfill contained in Legislative Decree no. 36/2003[3], the Court of Cassation (with judgement no. 36021/2012) has reaffirmed that a site is to be considered as an illegal landfill if the following conditions are met:

- the accumulation of waste is repeated and not occasional and takes place in a specific area;
- the mass of accumulated materials is heterogeneous;
- the abandonment is not temporary but definitive;
- The site conditions deteriorate, or tend to do so.

**Site reclamation (art. 257 of Legislative Decree 152/2006)**

[3]Legislative Decree no. 36 of 13 January 2003 defines "landfill" as an *"area used for the disposal of waste through storage operations on the ground or in the ground, including the area inside the waste production site used for the disposal of the waste by the waste producer, as well as any area where the waste is temporarily stored for more* than a year. *This definition does not include the facilities where the waste is unloaded in order to be prepared for subsequent transport to a recovery, treatment or disposal plant, and the storage of waste awaiting recovery or treatment for a period of less than three years as a general rule, or the storage of waste awaiting disposal for a period of less than one year."*

The offence is committed by failing to clean up the soil, subsoil, surface water or groundwater, resulting in risk threshold concentrations being exceeded, and by failing to notify the competent authorities of the occurrence of an event potentially capable of contaminating a site.

**Violation of the obligations to submit notifications, as well as to keep mandatory records and forms (art. 258 Legislative Decree 152/2006)**
The offence is committed by drawing up a waste analysis certificate with false waste indications or by using a false certificate during the transport of waste.
All cases are aggravated in case of hazardous waste.

**Illegal trafficking in waste (art. 259 of Legislative Decree 152/2006)**
The offence is committed through the cross-border shipment of waste pursuant to art. 26 of EEC Reg. no. 259/1993, subsequently repealed by EC Reg. no. 1013/2006, which replaced the wording 'illegal trafficking' with that of 'illegal shipping'.

According to Reg. 1013/2006 - which regulates the circulation of waste within the European Union but can also apply to the import and export of waste from the EU territory (from/to Third Countries) - a shipment of waste is to be regarded as illegal, for example: a) when the persons required to do it fail to carry out the necessary notifications to the competent authorities or do not request (and obtain) the relevant authorisations; b) if the operators act by showing authorisations obtained with false documentation, with fraud or with incomplete documentation (for example, not specifying the type of material being transported); c) in case of shipment of waste from the European Union to countries that are not part of the EFTA (European Fair Trade Association) and are not signatories of the Basel Convention; d) the import into the European Union of waste intended for disposal and coming from third countries, with the exception of waste from countries adhering to the Basel Convention or from countries with which an agreement is in force or from other territories in crisis situation or in the event of war; etc.

The penalty is increased in case of hazardous waste and the conviction is followed by the mandatory confiscation of the means of transport.

**Organised activities for illegal trafficking in waste (Art. 452-quaterdecies of the Italian Criminal Code)**
The case punishes the transfer, reception, transport, import, export or, more generally, the unauthorised management of large amounts of waste through the execution of multiple operations and the setting up of vehicles and continuous organised activities. The definition of 'management' also encompasses "*the collection, transport, recovery and disposal of waste, including the control of such operations and the works following the closure of the disposal sites*".
The penalty is increased in case of highly radioactive waste.

**Combustion of waste (art. 256-bis of Legislative Decree 152/2006)**
The offence is committed by setting fire to abandoned or uncontrolled waste. The culprit is required to restore the original condition of the sites, to compensate for the environmental damage and to pay the costs for the remediation, even by way of recourse.

With respect to the above, it should be noted that, even though the Legislator has not expressly included this type of offence in the list of 231-related offences, the article in question makes a reference to the application of the prohibitive measures provided for by art. 9, paragraph 2 of Legislative Decree no. 231/2001.

**Emissions into the atmosphere (art. 279 of Legislative Decree no. 152 of 3 April 2006)**

The offence is committed by releasing emissions into the atmosphere, simultaneously exceeding the emission limit values and the air quality limit values established by current legislation.

**Cessation and reduction of the use of harmful substances to protect ozone (art. 3 L. 549/1993)**

The production, consumption, import, export, possession and sale of the harmful substances listed in table A attached to this law are governed by the provisions of (EC) regulation no. 3093/94.

The law prohibits the issuing of authorisations to plants that involve the use of the substances listed in table A attached to this law, without prejudice to the provisions of (EC) regulation no. 3093/94.

In case of violation of the above-mentioned provisions, the penalties consist of imprisonment for up to two years and a fine of up to thrice the value of the substances used for production, imported or sold. In the most serious cases, the conviction is followed by the revocation of the authorisation or license under which the illegal activity is carried out.

Negligent offences against the environment, in particular, mean causing the events referred to in arts. **452-bis of the Italian Criminal Code (Environmental Pollution)** and **art. 452-quater of the Italian Criminal Code (Environmental Disaster)**; the offences in question are committed when, due to imprudence, negligence, incompetence, non-compliance with laws, regulations, orders and disciplines - that is, due to a violation of a precautionary rule - a recognisable and foreseeable environmental pollution or environmental disaster has occurred.

The offences in question can also be committed through an omission. In this case, those who, having a duty of care, had the legal obligation to prevent the occurrence of the polluting conducts, will be held liable for it. The relevant omissions are listed in regulatory sources or in the provisions contained in the environmental authorisations held by the company.

By way of example, liability for these offences rests with the persons who cause the events mentioned above, or the danger of such events, through:

- failure to recognise that the substances used during the Company's activity and released into the environment pose significant environmental risks according to the indications contained in the most important databases available for public consultation;
- violation of specific provisions contained in laws or authorisations, or failure to adopt all the management precautions made possible by the most modern technologies available;

- non-compliance with the obligation to "take appropriate measures to prevent the technical measures adopted from posing risks to the health of the population or deteriorating the external environment, by periodically verifying the ongoing absence of risk" (specific obligation provided for by letter q) of paragraph 1 of art. 18 of Legislative Decree no. 81/2008).

**Environmental pollution (art. 452-bis of the Italian Criminal Code)**
The offence is committed by illegally causing a significant and measurable impairment or deterioration:
1) of water or air, or of large or significant portions of the soil or subsoil;
2) of an ecosystem, of biodiversity, even agrarian, of flora or fauna.
When pollution is produced in a protected natural area, or in an area subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased.

The Catalogue of the predicate offences of the liability provided for by Legislative Decree 231/2001 also includes other offence types the risk of whose commission, in view of the activity carried out by the Company, is deemed to be potentially non-existent.

For more detailed information, please refer to the content of **Annex 3** - Addendum B to section Art. 25-undecies of Legislative Decree 231/01 - ENVIRONMENTAL CRIMES.

## 4.2 Processes at risk

The corporate areas and processes that are sensitive to environmental offences are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | GOVERNMENT OF ENVIRONMENTAL PROTECTION |
| **PRODUCTION** | OPERATIONAL MANAGEMENT OF ENVIRONMENTAL PROTECTION |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 4.3 Control elements and discipline

The prevention elements specific to the 231 Model consist of:
- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - ENVIRONMENTAL CONDUCT CRITERIA
- For the identified sensitive processes:
    - the 231 preventive protocol on the Government of Environmental Protection (**Annex 6**)
    - the environmental operating procedures referred to in the above-mentioned protocol;
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 5 MONEY LAUNDERING OFFENCES

## 5.1 Type of offences

This paragraph refers to the offences provided for by art. 25-octies *"Fencing, money laundering and employment of money, goods or utilities of illegal origin, as well as self-laundering" of Legislative Decree* no. 231/01.

It should be noted that Legislative Decree 195/2021 has modified the cases of fencing (art. 648 of the Italian Criminal Code), money laundering (art. 648 bis of the Italian Criminal Code), employment of money, goods or utilities of illegal origin (art. 648 ter of the Italian Criminal Code) and self-laundering (art. 648 ter.1 of the Italian Criminal Code), in particular by adding to the catalogue of predicate offences the negligent offences and the misdemeanours that are punished with a maximum imprisonment of over one year or a minimum imprisonment of over six months.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Fencing (art. 648 of the Italian Criminal Code)**
The offence is committed through the purchase (following a business operation, whether free of charge or for consideration), the reception (any form of obtaining possession of the asset, even if only temporarily or out of mere complacency) or the concealment (concealment of the asset, after receiving it) of money or property obtained through any offence (except in case of complicity in the offence itself, e.g., theft), or through the involvement in their purchase, reception or concealment.

**Money Laundering (art. 648-bis of the Italian Criminal Code)**
The offence is committed through the substitution (conduct consisting of substituting money, assets or other utilities of illegal origin with different valuables) or transfer (conduct aimed to launder money, assets or other utilities through the execution of business operations) of money, assets or other utilities obtained through any offence, or through the execution of other operations in relation to them, in order to hinder the identification of their criminal origin.

**Employment of money, assets or utilities of illegal origin (art. 648 ter of the Italian Criminal Code)**
The offence is committed through the use of capital of illegal origin in economic or financial activities. Although "employ" is synonymous with "use in any way", that is, "use for any purpose", however, considering that the ultimate goal pursued by the lawmaker is to prevent the disturbance of the economic system and of the competitive balance through the use of illicit capital available at a lower cost than the legal one, "employ" must actually mean "invest" (that is, "use for profit").

**Self-laundering (art. 648 ter.1 of the Italian Criminal Code)**
Whoever, having committed or helped to commit any offence - including intentional, negligent offences and the misdemeanours punished with a maximum imprisonment of over

one year or a minimum imprisonment of over six months - employs, substitutes or transfers, in economic, financial, entrepreneurial or speculative activities, the money, assets or other benefits obtained through the commission of this offence, in order to concretely hinder the identification of their criminal origin.

As a consequence of the particular structure of the self-laundering offence, the relationship between the offence in question and Legislative Decree 231/2001 is quite peculiar.
If, in fact, art. 648 ter1 of the Italian Criminal Code, from a criminal point of view, applies to anyone who invests the proceeds deriving from the prior commission of any offence or violation punished with a maximum imprisonment of over one year or a minimum imprisonment of over six months, from the perspective of the entities, the inclusion of the offence in question in the list of the predicate offences referred to in Legislative Decree 231/2001 paves the way for a series of offences that are formally excluded by the same decree.
In fact, starting from the assumption that self-laundering is committed if the following three conditions are met at the same time:

a. a provision consisting of money, goods or other utilities has been created through a first offence, or the accused person has been complicit in its creation;
b. the above-mentioned provision is employed, through an additional and autonomous conduct, in entrepreneurial, economic and financial activities;
c. the identification of the criminal origin of the above-mentioned provision is concretely hindered (for example through account transfers).

It follows that all offences and misdemeanours punishable by a maximum imprisonment of over one year or a minimum imprisonment of over six months, capable of generating profit, represent a potential danger for the entity, since their commission is the first step in the commission of the additional offence of self-laundering.
In particular, it cannot be ruled out that the mere use of the saved sum may constitute the "employment" provided for by self-laundering. The reference is to the use, for example, of tax savings determined by the criminal violation of tax regulations, or to the use of savings made by cutting safety-related costs in violation of the regulations on the protection of occupational health and safety.
It is quite evident, therefore, that even in the corporate environment the prevention of the offence of self-laundering must be focused on the prevention of the offences that can generate a profit and/or savings the company can invest.

The identification of the offences potentially capable of being regarded as predicate offences of Self-Laundering constitutes (as already mentioned) the first step in identifying the sensitive corporate processes.
In this regard, the following offences or categories of offences, which are themselves relevant for the purpose of the liability provided for by Legislative Decree 231/2001, may be predicate offences of Self-Laundering:

- corporate offences;
- corruption and corruption between private individuals;
- unlawful appropriation of public funds, fraud against the State or a public body, or fraud aimed to obtain public funds;
- some cases of intentional or negligent environmental offences;
- some "negligent" offences related to occupational health and safety;

- some cases of tax offences, including fraudulent statements, the issuing of invoices or other documents for non-existent transactions, the concealment or destruction of accounting documents, the fraudulent evasion of taxes;
- smuggling offences;
- criminal association;
- transnational offences.

In addition, the following are the cases not already included in the catalogue of 231-related offences, but which, if committed, could result in the commission of self-laundering:
- other cases of tax offences, including inaccurate tax return, failure to submit a tax return, failure to pay VAT, undue compensation, etc., except in case of VAT evasion amounting to EUR 10 million or more;
- urban planning - building offences;
- other cases of environmental offences, whether intentional, negligent or misdemeanours;
- other cases of offences related to occupational health and safety, whether intentional, negligent or misdemeanours;
- offences against public faith;
- bankruptcy offences;
- offences against property.

In the case of tax offences (Legislative Decree no. 74/2000), which by their nature normally result in an economic benefit, the possibility of committing self-laundering is particularly high, given the possible occurrence of the conducts provided for by the new law, namely the substitution, transfer or employment in economic and financial activities of the money or utilities, in such a way as to concretely hinder the identification of the criminal origin.
Tax offences, whose commission constitutes a potential danger for the subsequent accusation of self-laundering, are, therefore, the following:
a. fraudulent declaration using invoices or other documents for non-existent transactions - art. 2 of Legislative Decree 74/2000;
b. fraudulent declaration using other contrived acts - art. 3 of Legislative Decree 74/2000;
c. inaccurate tax return - art. 4 of Legislative Decree 74/2000;
d. failure to submit a tax return - art. 5 of Legislative Decree 74/2000;
e. issuing of invoices or other documents for non-existent transactions - art. 8 of Legislative Decree 74/2000;
f. concealment or destruction of accounting documents - art. 10 of Legislative Decree 74/2000;
g. failure to pay certified withholding taxes - art. 10 bis of Legislative Decree 74/2000;
h. failure to pay VAT - art. 10 ter of Legislative Decree 74/2000;
i. undue compensation - art. 10 quater of Legislative Decree 74/2000;
j. fraudulent tax evasion - art. 11 of Legislative Decree 74/2000.

With reference to the above, in addition, below is non-exhaustive list of the main offences not included in the so-called "Catalogue of 231-related offences" that could be a predicate offence of self-laundering:

- **CRIMES COMMITTED AGAINST PUBLIC FAITH**, committed by the Company in its capacity as a private person, or:
  a. forgery committed by private individuals - art. 482 of the Italian Criminal Code;

b. false certification committed by private individuals in a public deed - art. 483 of the Italian Criminal Code

- **URBAN PLANNING - CONSTRUCTION OFFENCES**, provided for by art. 44 of Presidential Decree 380/2001, including
  - failure to comply with the regulations, provisions and executive procedures provided for in the construction sector (within Title IV of the Presidential Decree, limited to Chapter II), as well as with the construction regulations, general plans and construction permits;
  - execution of the works in contravention of or in the absence of the permit, or continuation of the works despite the suspension order;
  - unlawful parcelling-out of property;

  resulting in savings in expenditure (e.g. non-payment of infrastructure costs, absence of design expenses, lower costs due to any systems not being installed in the building, etc.) or in a benefit for the Company itself (e.g. increase in the value of the building expanded in violation of the general plans or regulations, or in the absence of authorisations, permits, etc. );

- **RELATED TO OCCUPATIONAL HEALTH AND SAFETY**:

  a) **intentional** offences such as, for example, the *"removal of equipment intended to prevent injuries at work*" (art. 437 of the Italian Criminal Code);

  b) **negligent** offences such as, for example, the *"negligent omission of precautions or defences against disasters or accidents at work"* (art. 451 of the Italian Criminal Code);

  c) **misdemeanours** punished with a maximum imprisonment of over one year or a minimum imprisonment of over six months.

  All of the above, with the subsequent use of the proceeds deriving (even in the form of savings in expenses) from these offences, in such a way as to concretely hinder the identification of their criminal origin.

- **RELATED TO THE ENVIRONMENT:**

  a) **misdemeanours** punished with imprisonment from six months to one year, including, for example:

  - **Waste: Legislative Decree 152/2006, Chapter I Penalties (art. 256)**
    - Abandonment or uncontrolled storage of waste, or release of waste into surface- or groundwaters in violation of the prohibitions a) on the uncontrolled abandonment or deposit of waste on and in the soil and b) on the introduction of waste of any kind, whether solid or liquid, into surface- and groundwaters.
  - **Emissions: Legislative Decree 152/2006, Title I Prevention and limitation of atmospheric emissions from plants and activities (art. 279)**
    - Start of the installation or operation of a plant in the absence of the authorisation to emissions into the atmosphere for the plants, or continuation of the operation with an expired, lapsed, suspended or revoked authorisation.
    - Major alteration of the plant without applying for authorisation;
  - **Fuels: Legislative Decree 152/2006, Title III Fuels (art. 296)**
    - Combustion of materials or substances other than waste in contravention of the requirements of the standard, carried out at any plants other than civil ones, and deriving from activities that produce emissions into the atmosphere.

All of the above, with the subsequent use of the proceeds deriving (even in the form of savings in expenses) from these offences, in such a way as to concretely hinder the identification of their criminal origin.

## 5.2 Processes at risk

The following are the areas and business processes of BREVETTI CEA that are sensitive to cases related to money laundering offences:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| STRATEGIC/CORPORATE | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| | ASSIGNMENT OF PROFESSIONAL TASKS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| | GIVEAWAYS, SPONSORSHIPS, DONATIONS |
| | GOVERNMENT OF OCCUPATIONAL HEALTH AND SAFETY |
| | GOVERNMENT OF ENVIRONMENTAL PROTECTION |
| | AUTHORISATIONS, CONCESSIONS, PERMITS AND PUBLIC LICENSES |
| ADMINISTRATIVE | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |
| | ACCOUNTS RECEIVABLE CYCLE |
| | ACCOUNTS PAYABLE CYCLE |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| | REIMBURSEMENT OF EXPENSES AND REPRESENTATION EXPENSES |
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (tax credit and more) |
| HUMAN RESOURCES | SELECTION AND MANAGEMENT OF PERSONNEL |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (personnel training and recruitment) |
| COMMERCIAL | SALES (ITALY AND ABROAD) |
| | AFTER-SALES SERVICE |
| PURCHASES | PROCUREMENT OF GOODS AND SERVICES (related to the product) |
| PRODUCTION | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 5.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS RELATED TO MONEY LAUNDERING PREVENTION
    - CONDUCTS RELATED TO ACCOUNTING RECORDS
    - CONDUCTS RELATED TO CORPORATE MATTERS

    - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
    - CONDUCTS RELATED TO CORRUPTION BETWEEN PRIVATE INDIVIDUALS
    - CONDUCTS RELATED TO HEALTH AND SAFETY
    - ENVIRONMENTAL CONDUCT CRITERIA
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6 and Annex 7**).

# 6 COMPUTER OFFENCES AND ILLEGAL DATA PROCESSING

## 6.1 Type of offences

This paragraph refers to art. 24-bis "Computer offences and illegal data processing" of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Unauthorised access (art. 615 ter of the Italian Criminal Code, art. 615 quater of the Italian Criminal Code)**

The offences under consideration are committed in case of unauthorised access to a computer or telematic system, or of unauthorised possession and dissemination of access codes to computer or telematic systems.

The protected legal asset is the so-called "computer domicile", defined as an ideal and physical space containing the computer data concerning the person and their activities.

The Unauthorised access conduct is punished:

- both in case of unauthorised access to a computer or telematic system protected by security measures;
- and in case of staying in the system against the will, whether expressed or tacit, of those who have the right of exclusion, defined as staying in the system (albeit following an authorised access), to carry out activities unrelated to one's duties, violating the provisions of the dominus.

Unauthorised access can affect:

- an external system (e.g. manipulation of competitors' or PA's data);
- one's own system from the outside (e.g., by colluded suppliers/consultants circumventing the control system);
- one's own system from the inside (e.g. access to a restricted area to alter an authorisation and circumvent of the control system).

The offence of possession and abusive dissemination of access codes can be committed if a person illegally "obtains, holds, produces, reproduces, distributes, imports, communicates, delivers, makes available to others in any other way or installs equipment, instruments, parts of equipment or instruments" granting access to a computer or telematic system protected by security measures in order to make a profit for oneself or for others or to cause a harm to others (e.g., use of privileges and authorisation of operations with circumvention of the internal control system or stealing of codes/credentials and dissemination of the same to illegally access a computer system).

**Damage (art. 615 quinquies of the Italian Criminal Code, art. 635 bis of the Italian Criminal Code, art. 635 ter of the Italian Criminal Code, art. 635 quater of the Italian Criminal Code, art. 635 quinquies of the Italian Criminal Code)**
The offences in question refer to any physical damage to computer, telematic or data systems, or in any case the provision of relevant indications or instructions. For example:

- possession, dissemination and illegal installation of programs designed to cause a damage or to interrupt a computer or electronic system by e-mail (e.g., against competitors, PA, Supervisory Authorities, etc.).
- destruction of data or computer systems (e.g., of competitors).

**Interception, prevention, interruption of computer or telematic communications, or abusive installation of equipment suitable for this purpose (art. 617 quater of the Italian Criminal Code, 617 quinquies of the Italian Criminal Code)**
This case involves and punishes whoever fraudulently intercepts any communications related to a computer or telematic system, or exchanged between multiple systems, or prevents or interrupts them, or obtains, holds, produces, reproduces, distributes, imports, communicates, delivers, makes available to others in any other or installs equipment, programs, codes, keywords or other means suitable for these purposes (e.g., both internal to the systems and external to them, as a basis for the commission of one of the conducts mentioned above or the obtainment of confidential information).

The offence is aggravated if it is committed:

- against a computer or telematic system used by the State or by another public body or by a company providing any public services or public utility services;
- by a public official or by a public service officer with abuse of powers or with a violation of the duties inherent to the function or service, or with the abuse of the capacity of system operator.

**False certification in computer documents (art. 491 bis of the Italian Criminal Code)**
The offence is committed by fraudulently forging/altering a digital document (e.g. for false statements for the purpose of obtaining a benefit).

## 6.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to cases related to computer offences are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES |
| | AUTHORISATIONS, CONCESSIONS, PERMITS AND PUBLIC LICENSES |
| **ADMINISTRATIVE** | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

| | |
|---|---|
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (tax credit and more) |
| **HUMAN RESOURCES** | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (personnel training and recruitment) |
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| | PEC AND DIGITAL SIGNATURE MANAGEMENT |
| **COMMERCIAL** | AFTER-SALES SERVICE |
| **RESEARCH AND DEVELOPMENT** | DESIGN |
| | DEVELOPMENT |
| **PRODUCTION** | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 6.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS RELATED TO THE MANAGEMENT OF COMPUTER SYSTEMS
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 7 INDUCTION NOT TO MAKE STATEMENTS OR TO MAKE FALSE STATEMENTS TO JUDICIAL AUTHORITIES

## 7.1 Type of offences

This paragraph refers to the type of offence covered by art. 25-decies *"Induction not to make statements or to make false statements to judicial authorities"* of Legislative Decree 231/2001.

**Induction not to make statements or to make false statements to judicial authorities (Art. 377 bis of the Italian Criminal Code)**
Unless the fact constitutes a more serious offence, the law punishes anyone, who, with violence or threat, or with an offer or promise of money or other benefits, induces the person called to make any statements that can be used in a criminal proceeding before the judicial authority not to make any statements or to make false statements, when the latter has the right not to answer.

## 7.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to this type of offence are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 7.3 Preventive measures

The preventive measures specific to the 231 Model consist of:
- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
    - CONDUCTS IN RELATIONS WITH POLITICAL ORGANISATIONS AND TRADE UNIONS
- For each sensitive process:
    - the respective 231- related preventive protocol (**Annex 6**); additional reference protocols must be sought in the safeguards already defined in relation to the offence of corruption, and in particular to preparatory activities for the formation of extra-budgetary funds (irregular management of receivable and payable invoicing and of reimbursement of expenses);
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 8 CRIMES AGAINST INDUSTRY AND COMMERCE

## 8.1 Type of offences

This paragraph refers to the offences provided for by art. 25-bis 1 *"Offences against industry and commerce"* of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Fraud against national industries (art. 514 of the Italian Criminal Code)**
The offence is committed by damaging the national industry by selling or otherwise putting into circulation, on domestic or foreign markets, any industrial products with counterfeit or altered names, brands or distinguishing marks.
The case is aggravated if the provisions of domestic laws or international conventions on the protection of industrial property have been observed for trademarks or distinguishing marks.

**Fraud in trade (art. 515 of the Italian Criminal Code)**
The offence is committed if, in the exercise of a commercial activity or in a store open to the public, a personal property is handed over to the buyer instead of another, i.e., the buyer is given a personal property whose origin, quality or quantity are different from those that were declared or agreed. [this offence applies if the fact does not constitute a more serious offence]

**Sale of industrial products with misleading marks (art. 517 of the Italian Criminal Code)**
The conduct is carried out through the sale, or otherwise the putting into circulation, of intellectual property or industrial products, with national or foreign names, brands or distinguishing marks designed to mislead the buyer about the origin, source or quality of the work or product. [case punished if the conduct in question is not defined as an offence by another provision of law].

**Manufacture and sale of goods made by usurping any industrial property titles (art. 517-ter of the Italian Criminal Code)**
The offence is committed through the manufacturing or industrial use of objects or other goods made by usurping an industrial property title or in violation of it, while being aware of the existence of the industrial property title. [this offence does not apply if art. 473 or 474 of the Italian Criminal Code is applicable].

Pursuant to art. 517-ter of the Italian Criminal Code, the punishment also applies to anyone who, in order to profit from it, brings into the territory of the State, holds for sale, sells with a direct offer to consumers or otherwise puts into circulation the goods referred to in the first paragraph.

The conducts referred to in art. 517-ter of the Italian Criminal Code are punishable provided that the provisions of internal laws, community regulations and international conventions on the protection of intellectual or industrial property have been observed.

## 8.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to these types of offences against industry and commerce are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **ADMINISTRATIVE** | RELATIONS WITH CUSTOMS AUTHORITIES |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | MARKETING |
| | AFTER-SALES SERVICE |
| **RESEARCH AND DEVELOPMENT** | DESIGN |
| | DEVELOPMENT |
| | PRODUCT SAFETY MANAGEMENT |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 8.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS AIMED TO PROTECT INTELLECTUAL/INDUSTRIAL PROPERTY AND COPYRIGHT
    - CONDUCTS AIMED TO COMBAT FRAUD IN TRADE
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**);
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 9 COUNTERFEITING OF PAYMENT INSTRUMENTS OR IDENTIFYING MARKS

## 9.1 Type of offences

This paragraph refers to the offences provided for by art. 25-bis "Counterfeiting *of coins, public credit cards, stamp values and identifying instruments or marks" of* Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Spending of counterfeit coins received in good faith (art. 457 of the Italian Criminal Code)**
The offence involves and punishes the spending or putting into circulation of counterfeit or altered coins, received in good faith.

**Spending and introduction into the State, without prior agreement, of counterfeit coins (art. 455 of the Italian Criminal Code)**
On a residual basis, the introduction into the territory of the State, the acquisition or possession of counterfeit or altered coins in order to put them into circulation, or their being spent or put into circulation are also punished.

**Counterfeiting, alteration or use of trademarks or distinguishing marks, or of patents, models and drawings (art. 473 of the Italian Criminal Code)**
The offence is committed through the alteration of registered distinguishing marks (word, letter, number, drawing, picture, shape, colour, logo, label or combination of these marks having a distinctive character and used to distinguish products or services) belonging to third parties.

**Introduction into the State and sale of products with false marks (art. 474 of the Italian Criminal Code)**
The offence punishes the introduction into the territory of the State, in order to profit from them, of industrial products with counterfeit or altered national or foreign trademarks and distinguishing marks.

## 9.2 Processes at risk

The areas and business processes of BREVETTI CEA sensitive to these offences of counterfeiting in coins and identifying marks are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| **ADMINISTRATIVE** | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| **COMMERCIAL** | MARKETING |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 9.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS AIMED TO PROTECT INTELLECTUAL/INDUSTRIAL PROPERTY AND COPYRIGHT
    - CONDUCTS RELATED TO THE COUNTERFEITING OF CURRENCY
- For each sensitive process
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 10 OFFENCES RELATED TO PAYMENT INSTRUMENTS OTHER THAN CASH

## 10.1 Type of offences

This paragraph refers to the offences provided for by art. 25-octies.1 "*Offences related to payment instruments other than cash" of Legislative Decree* no. 231/2001.

It should be pointed out that, according to art. 1 of Legislative Decree 184/2021 - which introduced this category of 231-related offences -: "*For the purposes of criminal law, the following terms have the meaning specified below:*

a) "***non-cash payment instrument***" *means an intangible or tangible protected device, object or record, or a combination of them, other than legal tender currency, which, alone or together with a procedure or a series of procedures, allows the owner or user to transfer money or monetary value, even through digital means of exchange;*
b) *"protected device, object or record" means a device, object or record protected against imitation or fraudulent use, for example by design, code or signature;*
c) *"digital means of exchange" means any electronic money defined in Article 1, paragraph 2, letter h-ter of Legislative Decree No. 385 of 1 September 1993, and the virtual currency;*
d) *"virtual currency" means a digital representation of value that is not issued or guaranteed by a central bank or public entity, is not necessarily linked to a legally established currency and does not have the legal status of currency or money, but is accepted by natural or legal persons as a means of exchange, and that can be transferred, stored and exchanged electronically.*

In summary, payment instruments other than cash, therefore, mean debit cards, credit cards, rechargeable cards, fuel cards, POS, internet banking, bank transfers, direct debiting, cheques, internet payment services (e-payments), payments on portable devices (m-payments), etc.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Misuse and falsification of payment instruments other than cash (art. 493-ter of the Italian Criminal Code)**

This provision punishes anyone who, in order to profit from them for themselves or for others, unduly uses any credit or payment cards, or any other similar document that enables the withdrawal of cash or the purchase of goods or the provision of services, or in any case any other payment instrument other than cash, though he/she is not their holder. It also punishes anyone who, in order to profit from them for themselves or for others, falsifies or alters the instruments or documents referred to in the first sentence, or holds, transfers or acquires such instruments or documents of illegal origin or anyway falsified or altered, as well as any payment orders produced with them.

It should be pointed out that this offence is not committed in case of:

- possession of a credit or payment card reported as lost, if the card has expired when its possession is ascertained, or when it was not possible to ascertain its possession before the expiry date;
- use by an employee of a company credit card to make personal expenses other than the permitted ones.

**Computer fraud (art. 640-ter of the Italian Criminal Code)**
This type of offence is committed in the event that, by altering the operation of a computer or telematic system, or by manipulating, without right, any data, information or programs contained in it or relevant to it, a person obtains an unfair profit for him/herself or others, to the detriment of other persons. If the act results in a transfer of money, monetary value or virtual currency, it is punished pursuant to art. 25 octies1.

In addition to the cases mentioned above, pursuant the provisions of **paragraph 2** of art. 25-octies.1, the Company may also be punished for the commission, in its interest or for its benefit, of **any other offence against public faith, against property or that in any case results in harm to property** provided for by the Criminal Code, **involving payment instruments other than cash**, provided that the fact does not constitute another administrative offence that is punished with a harsher penalty (by virtue of the severability clause contained in it).
Therefore, for example, the Company may be charged with the offence of **Theft (as per art. 624 of the Italian Criminal Code)** - *Offence against property* - involving, as the res illicitly acquired in the interest or for the benefit of the entity, a payment instrument other than money, regardless of its attempted or actual illegal use.

## 10.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to the offences related to payment instruments other than cash are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **ADMINISTRATIVE** | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | AFTER-SALES SERVICE |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 10.3 Preventive measures

The preventive measures specific to the 231 Model consist of:
- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS RELATED TO PAYMENT INSTRUMENTS OTHER THAN CASH
    - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
    - CONDUCTS RELATED TO THE MANAGEMENT OF COMPUTER SYSTEMS

- For each sensitive process:
    - the respective 231-related protocol and/or procedure (**Annex 6**);
    - the respective information flows to the Supervisory Body (**Annex 6 and Annex 7**).

# 11 CRIMES RELATED TO COPYRIGHT INFRINGEMENT

## 11.1 Type of offences

This paragraph refers to the offences provided for by art. 25-novies *"Offences related to copyright infringement"* of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Protection of copyright and other rights related to its exercise (Art. 171-bis of l. No. 633 of 22.4.1941)**
The provision in question punishes anyone who illegally duplicates computer programs to profit from them, or, still to profit from them, imports, distributes, sells, holds for commercial or business purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE).

**Protection of copyright and other rights related to its exercise (Art. 171-ter of l. No. 633 of 22.4.1941)**
The provision in question punishes anyone who, if the act is committed for non-personal use for profit, among other things:

- illegally duplicates, reproduces, transmits or disseminates in public any scientific or educational [...] works or parts thereof, even when they are part of composite works or databases;
- introduces into the territory of the State, holds for sale or distribution, distributes [...], even without having contributed to the duplication or reproduction, the illegal duplications or reproductions mentioned above;
- holds for sale or distribution, sells or rents [...] any media for which the law requires the SIAE mark to be applied, without the mark in question or with an altered or modified mark;
- manufactures, imports, distributes, sells, rents [...] holds for commercial purposes any equipment, products or components [...] whose predominant purpose or commercial use is circumventing any effective technological protection measures (art. 102 *quater* of Law 633/1941), that is, are mainly designed, or are adapted... in order to facilitate the circumvention of the aforementioned measures;
- illegally removes/alters the electronic information on the rights management (referred to in art. 102 *quinquies* of Law 633/1941), or distributes, imports [...] any protected works or other materials from which the electronic information in question has been removed or altered
- illegally, even in the manner indicated in paragraph 1 of art. 85 bis of the consolidated text of public security laws, referred to in R.D. n. 773 of 18.06.1931, (introducing, installing or otherwise illegally using in public entertainment venues any devices or equipment that allow the recording, reproduction, transmission or otherwise the storage on audio, video or audio-video media, in whole or in part, of original works that are made

or distributed there), stores any cinematographic, audiovisual or editorial work on digital, audio, video or audio-video media, in whole or in part, or reproduces/executes them, or communicates to the public the storage he/she illegally performed;

- communicates to the public, by entering it into a system of electronic networks, a copyright-protected original work, or part thereof, in violation of art. 16 of Law 633/1941 (exclusive right of communication to the public).

**Protection of copyright and of other rights related to its exercise (Art. 171 of l. No. 633 of 22.4.1941)**

On a residual basis, the provision punishes anyone who, without having the right to it:

- reproduces, transcribes, distributes or otherwise puts on the market [...] someone else's work,
- makes available to the public, by entering it into in a system of electronic networks [...], a protected original work or part thereof,
- reproduces a greater number of copies [...] than those it had the right to reproduce,
- otherwise holds conducts, in relation to someone else's work not intended for publicity, that involve usurpation of the work's authorship, deforming, abridging or altering the work itself, if it results in an injury the author's honour or reputation.

With reference to art. 171, paragraph 1, letter a-bis), which punishes anyone who, without having the right to it, *makes available to the public, by entering it into a system of electronic networks, through connections of any kind, a protected original work or part thereof*, it is deemed to refer to the widespread phenomenon of the online sharing of material protected by copyright legislation (for example *file sharing*). Since the activity is not carried out for profit (otherwise it would fall within the more serious cases referred to in articles 171 bis and ter), and therefore it is doubtful that the liability of the entity can derive from such conduct, it is our opinion that with this predicate offence the Lawmaker has invited the entity to disseminate a company policy generically based on the respect of copyright in the use of electronic networks.

## 11.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to these types of offence related to copyright violation are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| **COMMERCIAL** | MARKETING |
| **RESEARCH AND DEVELOPMENT** | DESIGN |
| | DEVELOPMENT |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

### 11.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS AIMED TO PROTECT INTELLECTUAL/INDUSTRIAL PROPERTY AND COPYRIGHT
- For each sensitive process
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 12 EMPLOYMENT OF CITIZENS OF THIRD COUNTRIES WHOSE STAY IS ILLEGAL

## 12.1 Type of offences

This paragraph refers to the type of offence provided for by art. 25-duodecies *"Employment of citizens of third countries whose stay is illegal"* of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out.

The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Subordinate and semi-subordinate work (Art. 22 of Legislative Decree no. 286 of 25 July 1998, paragraph 12 bis)**

The case under consideration concerns and punishes the employment of foreign workers without a residence permit, or whose permit has expired, without its renewal having been requested, in accordance with the law, or whose permit has been revoked or cancelled,

a. if there are more than three employed workers;
b. if the employed workers are minors of non-working age;
c. if the employed workers are subject to the other particularly exploitative working conditions referred to in the third paragraph of article 603-bis of the Italian Criminal Code.

**Provisions against illegal immigration (Art. 12 of legislative decree n. 286 of 25 July 1998,)**

The offence is committed through the promotion, direction, organisation, financing or transportation of foreigners into the territory of the State, or the execution of other acts aimed to illegally obtain their entry into the territory of the State, or of another State of which the person is not a citizen or has no right of permanent residence, in the event that:

a) the fact concerns the illegal entry or stay in the territory of the State of five or more people;
b) the life or health of the person being transported has been put at risk in order to obtain his/her illegal entry or stay;
c) the person being transported has been subjected to inhuman or degrading treatment to obtain his/her illegal entry or stay;
d) the act is committed by three or more people in complicity with each other, or using international transport services or documents that are counterfeit or altered or otherwise illegally obtained;
e) the perpetrators have access to weapons or explosive materials.

The penalty increases if the offence is committed in order to recruit people to be destined for prostitution or in any case for sexual or labour exploitation, or if it concerns the entry of minors to be employed in illegal activities in order to promote their exploitation.

The law also punishes encouraging the illegal stay of a foreigner in the territory of the State in violation of the rules contained in the Consolidated Text of the provisions on the regulation of immigration and the provisions on the condition of foreigners.

## 12.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to cases of offence involving the employment of illegally staying third-country nationals are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **HUMAN RESOURCES** | SELECTION AND MANAGEMENT OF PERSONNEL |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 12.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS TO BE HELD TOWARDS WORKERS TO PROTECT INDIVIDUAL PERSONALITY
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**);
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 13 OFFENCES AGAINST INDIVIDUAL PERSONALITY

## 13.1 Type of offences

This paragraph refers to the offences provided for by art. 25-quinquies *"Offences against individual personality"* of Legislative Decree 231/2001

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

### Child pornography (art. 600-ter of the Italian Criminal Code)

This offence is committed by anyone who exploits children under the age of eighteen in order to carry out pornographic performances or to produce pornographic material, or by anyone who sells the pornographic material referred to in the first paragraph.

The provision also punishes anyone who, in cases other than those referred to in the first and second paragraphs, by any means, even electronically, distributes, disseminates or makes public the pornographic material referred to in the first paragraph, or distributes or disseminates news or information aimed to groom or exploit any minors under the age of eighteen; or anyone who, in cases other than those mentioned above mentioned in the first, second and third paragraphs, knowingly transfers to others, even free of charge, any pornographic material produced through the sexual exploitation of children under the age of eighteen.

### Virtual pornography (art. 600-quater1 of the Italian Criminal Code)

The provisions of articles 600-ter and 600-quater also apply when the pornographic material represents virtual pictures created using images of children under the age of eighteen or parts of them.

Virtual images mean images created with graphic processing techniques that are not associated, in whole or in part, with real situations, whose quality of representation makes any fake situations look like they are real.

### Holding or access to pornographic material (art. 600-quater of the Italian Criminal Code)

This offence concerns anyone who, in cases other than those provided for in article 600-ter of the Italian Civil Code, which concerns the exploitation of the person or the distribution of material, knowingly obtains or holds any pornographic material produced through the sexual exploitation of minors under the age of eighteen.
The law also punishes anyone who, through the use of the Internet or other networks or means of communication, intentionally and without a justified reason accesses any pornographic material created using children under the age of eighteen.

### Illegal brokerage and labour exploitation (so-called "Caporalato") (art. 603-bis of the Italian Criminal Code)

The case punishes anyone who:

1) recruits labour in order to assign it to work for third parties under exploitative conditions, taking advantage of the workers' state of need;
2) uses, hires or employs labour, even through the brokerage activity referred to under number 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

For the purposes of this offence, the existence of one or more of the following conditions constitutes an indication of exploitation:

1) the repeated payment of salaries in a manner clearly different from the national or territorial collective agreements stipulated by the most representative trade unions at the national level, or in any case disproportionate to the amount and quality of the work provided;
2) the repeated violation of the legislation on working hours, rest periods, weekly rest, compulsory leave, holidays;
3) the existence of violations of occupational safety and hygiene regulations;
4) the subjection of the worker to degrading working conditions, surveillance methods and housing situations.

## 13.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to cases of offence against individual personality are the following:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **HUMAN RESOURCES** | SELECTION AND MANAGEMENT OF PERSONNEL |
| **IT** | MANAGEMENT OF COMPUTER SYSTEMS AND SOFTWARE LICENSES |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |
| **PRODUCTION** | OPERATIONAL MANAGEMENT OF OCCUPATIONAL HEALTH AND SAFETY |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 13.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS TO BE HELD TOWARDS WORKERS AND AIMED TO PROTECT INDIVIDUAL PERSONALITY
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**);
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 14 ORGANISED CRIME OFFENCES (INCLUDING TRANSNATIONAL ONES) AND CRIMES FOR THE PURPOSE OF TERRORISM OR SUBVERSION OF DEMOCRATIC ORDER

## 14.1 Type of offences

This paragraph refers to the offences provided for by art. 24 ter "*Organised crime offences* of Legislative Decree 231/2001, including art. 10 of law 146/2006 - *Ratification and execution of the UN Convention against transnational organised crime,* and to the crimes provided for by art. 25 quater *"Offences for the purpose of terrorism or subversion of democratic order"* of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Criminal association (art. 416 of the Italian Criminal Code)** (except for those mentioned in paragraph 6)
The case under consideration involves and punishes the association of three or more people for the purpose of committing multiple offences.

Please note that, in this context, we do not refer to the commission of just the predicate offences governed by Legislative Decree 231/2011, as the offence concerns the constitution, promotion or organisation and the participation in an association aimed to carry out any type of crime, even outside the typical 231-related cases.

**Mafia-type associations, including foreign ones (art. 416 bis of the Italian Criminal Code)**
The offence is committed in case of the participation in, promotion, direction or organisation of a mafia-type association. The association is of a mafia type when its members make use of the intimidating force of the associative bond and of the resulting condition of subjection and silence in order to commit crimes, to directly or indirectly acquire the management or in any case the control of economic activities, concessions, authorisations, contracts and public services, or to obtain any unfair profits or benefits for themselves or for others, or in order to prevent or hinder free voting, or in order to obtain votes for themselves or others on the occasion of any elections.

**Electoral exchanges between politicians and the mafia (art. 416 ter of the Italian Criminal Code)**
This offence is committed as a result of the acceptance, directly or through intermediaries, of the promise to obtain votes by members of the associations referred to in art. 416-bis of the Italian Criminal Code or through the operating methods typical of this type of criminal association (force of intimidation and subjection deriving from it), in exchange for the disbursement or promise of disbursement of money or other utility, or in exchange for the willingness to meet the interests or needs of the mafia association.

The provision also punishes those who promise, directly or through intermediaries, to obtain votes in the cases and in the manner described above."

**Other offences committed taking advantage of the conditions set out in art. 416 bis (mafia-type association) or facilitation of the activities of mafia-type associations.**

**Criminal association aimed to smuggle foreign manufactured tobacco (art. 291 quater of Presidential Decree 43/1973), or aimed to illegally traffic in drugs or psychotropic substances (art. 74 of Presidential Decree 309/1990)**

The provision punishes those who, as part of a criminal association, hold, even on behalf of third parties, an amount of smuggled foreign manufactured tobacco or narcotic or psychotropic substances exceeding the limits set out by the law.

**Personal abetting (art. 378 of the Italian Criminal Code)** *(this case applies to transnational offences only)*
The provision punishes those who, as part of a criminal association, help any third parties to evade the Authority's investigations, or to escape the Authority's pursuit, following the commission of offences that are punished with the death penalty, life imprisonment or a prison term

**Assistance to members (art. 270-ter of the Italian Criminal Code)** *of terrorist Associations, including those for international terrorism, or of Associations aimed to subvert the democratic order*
The offence is committed by offering shelter or providing food, hospitality, means of transport, communication tools to people who are members of terrorist associations, including those for international terrorism, or of associations aimed to subvert the democratic order

## 14.2 Processes at risk

It should be noted that the offence of criminal association is regarded as "transversal" to the different activities/processes; in fact, this case occurs "when three or more people join together for the purpose of committing more offences" and, therefore, in the presence of any offence, even if not included among those strictly provided for by Legislative Decree 231/2001.

Having said that, the following are the main business processes exposed to organised crime offences:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| STRATEGIC/CORPORATE | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| | MANAGEMENT OF LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES |
| | ASSIGNMENT OF PROFESSIONAL TASKS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| | GIVEAWAYS, SPONSORSHIPS, DONATIONS |
| | AUTHORISATIONS, CONCESSIONS, PERMITS AND PUBLIC LICENSES |
| ADMINISTRATIVE | ACCOUNTS RECEIVABLE CYCLE |
| | ACCOUNTS PAYABLE CYCLE |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |

| | |
|---|---|
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | MARKETING |
| | AFTER-SALES SERVICE |
| **RESEARCH AND DEVELOPMENT** | PRODUCT SAFETY MANAGEMENT |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |
| **PRODUCTION** | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 14.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct (**Annex 5**), in particular:
    - CONDUCTS AIMED TO COMBAT ORGANISED CRIME OFFENCES (INCLUDING TRANSNATIONAL ONES)
    - CONDUCTS IN RELATIONS WITH INSTITUTIONS, WITH THE PUBLIC ADMINISTRATION AND WITH STATE-OWNED BODIES
    - CONDUCTS IN RELATIONS WITH POLITICAL ORGANISATIONS AND TRADE UNIONS
    - CONDUCTS RELATED TO CORRUPTION BETWEEN PRIVATE INDIVIDUALS
    - CONDUCTS TO BE HELD TOWARDS WORKERS AND AIMED TO PROTECT INDIVIDUAL PERSONALITY
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**)

# 15 OFFENCES OF RACISM AND XENOPHOBIA

## 15.1 Type of offences

This paragraph refers to the offences provided for by art. 25-terdecies "*Racism and Xenophobia*" of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

This type of offence applies to anyone who is a member of organisations, associations, movements or groups whose aims include the incitement to discrimination or violence for racial, ethnic, national or religious reasons, as well as propaganda or instigation and incitement, committed in such a way that there is a real danger of dissemination, based in whole or in part on the denial, serious understatement or defence of the Shoah or of the crimes of genocide, crimes against humanity and war crimes.

### 15.1.1 Activities at risk

The activities at risk, i.e., the corporate activities that may hypothetically and abstractly expose the company to the commission of significant offences, it being understood that they must be voluntarily carried out in the interest or for the benefit of the company, are:

- disseminating and massively using, through communication tools that can be associated with BREVETTI CEA (e.g., social networks, social media, corporate blogs, flyers or other internal paper communication tools, etc.), any expressions that could incite discrimination or violence for racial, ethnic, national or religious reasons and, more generally, racist and xenophobic propaganda;
- accepting money or other forms of funding in order to support any groups spreading propaganda about the Shoah, genocide crimes, crimes against humanity or war crimes;
- more generally, there is a potential risk where there is any giving of money or other forms of financing - such as donations, rental of premises used for meetings of organised groups oriented to the commission of such offences, collaboration in the payment of flyers or the organisation of events - to associations whose purpose is to support any groups spreading propaganda on the Shoah, genocide crimes, crimes against humanity or war crimes.

## 15.2 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS AIMED TO COMBAT THE OFFENCES OF RACISM AND XENOPHOBIA

# 16 TAX OFFENCES

## 16.1 Type of offences

This paragraph refers to the offences provided for by art. 25-quinquiesdecies "*Tax offences*" of Legislative Decree no. 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Fraudulent declaration using invoices or other documents for non-existent transactions (Art. 2 of Legislative Decree no. 74/2000)**
This case punishes anyone who, in order to evade any income or value added taxes, using invoices or other documents for non-existent transactions, recognises any fictitious liabilities in one of the related tax returns.
The act is regarded as having been committed with the use of invoices or other documents for non-existent transactions when the invoices or documents in question are recorded in the mandatory accounting records, or are held in order to provide evidence to the financial administration.
The penalty is reduced if the amount of fictitious liabilities is less than one hundred thousand euros.

**Fraudulent declaration using other contrived acts (Art. 3 of Legislative Decree no. 74/2000)**
This provision punishes anyone who, in order to evade any income or value added taxes, by carrying out any objectively or subjectively simulated transactions or using false documents or other fraudulent means suitable to hinder the assessment and to mislead the financial administration, recognises in one of the relevant tax returns any assets for an amount lower than the actual amount or any fictitious liabilities or credits and deductions, when, together:

- the evaded tax is higher, with respect to any of the individual taxes, than thirty thousand euros;
- the total amount of the assets hidden from taxation, even through the recognition of fictitious liabilities, is greater than five percent of the total amount of the assets recognised in the statement, or in any case exceeds one million five hundred thousand euros, or if the total amount of fictitious credits and deductions reducing the tax is greater than five percent of the amount of the tax itself or in any case to thirty thousand euros.

The act is regarded as having been committed with the use of false documents when the documents in question are recognised in the mandatory accounting records, or are held in order to provide evidence to the financial administration.
The mere violation of the obligations to issue invoices and to recognise the assets in the accounting records, or the mere indication in the invoices or in the annotations of assets lower than the real ones do not constitute fraudulent means.

**Issuance of invoices or other documents for non-existent transactions (Art. 8 of Legislative Decree 74/2000)**
This provision punishes anyone who, in order to allow any third parties to evade income or value added taxes, issues any invoices or other documents for non-existent transactions.
For the purposes of the application of the offence described above, the issuing of multiple invoices or documents for non-existent transactions during the same tax period is regarded as a single offence.
The penalty is reduced if the untrue amount indicated in the invoices or documents, by tax period, is less than one hundred thousand euros.

**Concealment or destruction of accounting documents (Art. 10 of Legislative Decree 74/2000)**
This provision punishes anyone who, in order to evade any income or value added taxes, or to allow any third parties to evade them, conceals or destroys all or part of the accounting records or the documents whose preservation is mandatory, so as not to allow the income or the turnover to be reconstructed.

**Fraudulent tax evasion (Art. 11 of Legislative Decree 74/2000)**
This case punishes anyone who, in order to avoid paying any income or value added taxes, or interest or administrative penalties related to such taxes, for a total amount greater than fifty thousand euros, simulates the sale of their own assets or of other assets, or performs any other fraudulent acts on them, thus rendering the compulsory collection procedure ineffective in whole or in part.
It also punishes anyone who, in order to obtain for himself or for others a partial payment of taxes and related accessories, recognises in the documentation submitted for the purposes of the tax transaction procedure any assets for an amount lower than the actual amount, or any fictitious liabilities for a total amount exceeding fifty thousand euros.
The penalty is increased if the amount mentioned in the previous paragraph exceeds two hundred thousand euros.

If, following the commission of the offences mentioned above, the entity has made a significant profit, the financial penalty is increased by one third.

## 16.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to cases of tax offences are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | CORPORATE MANAGEMENT |
| | MANAGEMENT OF LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES |
| | ASSIGNMENT OF PROFESSIONAL TASKS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| | GIVEAWAYS, SPONSORSHIPS, DONATIONS |
| **ADMINISTRATIVE** | DRAWING UP OF FINANCIAL STATEMENTS AND FISCAL/TAX OBLIGATIONS |
| | ACCOUNTS RECEIVABLE CYCLE |

| | |
|---|---|
| | ACCOUNTS PAYABLE CYCLE |
| | FINANCIAL RESOURCES AND CASH MANAGEMENT |
| | REIMBURSEMENT OF EXPENSES AND REPRESENTATION EXPENSES |
| | RELATIONS WITH INSPECTION BODIES (PUBLIC AND NON-PUBLIC) |
| | RELATIONS WITH CUSTOMS AUTHORITIES |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (tax credit and more) |
| **HUMAN RESOURCES** | SELECTION AND MANAGEMENT OF PERSONNEL |
| | CONTRIBUTIONS, GRANTS AND PUBLIC FUNDING (personnel training and recruitment) |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | AFTER-SALES SERVICE |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

## 16.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS RELATED TO TAX MATTERS
    - CONDUCTS RELATED TO ACCOUNTING RECORDS
    - CONDUCTS RELATED TO MONEY LAUNDERING PREVENTION
- For each sensitive process:
    - the respective 231-related preventive protocol (**Annex 6**)
    - the respective information flows to the Supervisory Body (**Annex 6 and Annex 7**)

# 17 SMUGGLING OFFENCES

## 17.1 Type of offences

This paragraph refers to the crimes provided for by art. 25-sexiesdecies "*Smuggling*" of Legislative Decree 231/2001.

In order to ensure that they are effectively disseminated and understood, the following section provides a brief description and, in some cases, concrete examples, of the main types of offences whose theoretical application to BREVETTI CEA cannot be ruled out, it being pointed out that they are only criminally relevant if the amount of the borders duties that are due exceeds ten thousand euros. The full list of the predicate offences, instead, is given in **Annex 2** — List of predicate offences.

**Smuggling in the movement of goods across land borders and customs areas (art. 282 of Presidential Decree 43/73)**

This case punishes anyone who:

- introduces any foreign goods across the land border in violation of the prescriptions, prohibitions and restrictions provided for by the law;
- unloads or deposits any foreign goods in the area between the border and the nearest customs office;
- is caught having any foreign goods hidden on him/her or in luggage or in packages or furnishings or among other goods or in any means of transport, to avoid customs inspection;
- removes any goods from customs areas without having paid the due fees or without having guaranteed their payment, with no prejudice to law provisions;
- holds any foreign goods, when the conditions provided for in the second paragraph of Article 25 for the offence of smuggling are met.

This could apply to the Company in the event of the commission of an offence in association with others, if all the constituent elements of the offence of *criminal association referred to in art. 416 of the Italian Criminal Code* are present

**Smuggling in the movement of goods in border lakes (art. 283 of Presidential Decree 43/73)**

This case punishes the captain of a ship:

- who brings any foreign goods through Lake Maggiore or Lake Lugano into the Porlezza basins without presenting them to one of the national customs closest to the border;
- who, without the permission of customs, when transporting any foreign goods with ships in the sections of Lake Lugano where there are no customs, sails close to the national shores opposite the foreign ones, or drops anchor, or lies to, or anyway communicates with the customs territory of the State, to ensure that the goods can be easily disembarked or embarked, except in cases of force majeure.

It also punishes anyone who hides any foreign goods in the ship in order to prevent them from undergoing the customs inspection.

This could apply to the Company in the event of the commission of an offence in association with others, or if all the constituent elements of the *criminal association referred to in art. 416 of the Italian Criminal Code* are present

**Smuggling in the maritime movement of goods (art. 284 of Presidential Decree 43/73)**

This case punishes the captain of a ship:

- who, without the permission of customs, when transporting any foreign goods with ships, sails close to the seashore, or drops anchor, or lies to near the beach itself, except in cases of force majeure;
- who, when transporting any foreign goods, makes landfall in places where there are no customs, or disembarks or transfers the goods in question in violation of the prescriptions, prohibitions and restrictions set out by the law, except in cases of force majeure;
- who transports any foreign goods without a bill of laden by a ship whose net tonnage does not exceed two hundred tons, in cases where the bill of laden is required;
- who at the time of the ship departure does not have onboard any foreign goods or domestic goods being exported with restitution of rights that should be there according to the bill of laden and other customs documents;
- who transports any foreign goods from one customs to another, with a ship whose net tonnage does not exceed fifty tons, without the relevant customs declaration;
- who has embarked any foreign goods leaving the customs territory on a ship of under fifty GT, except as required by law for the embarkation of on-board supplies.

It also punishes anyone who hides any foreign goods in the ship in order to prevent them from undergoing the customs inspection.

This could apply to the Company in the event of the commission of an offence in association with others, or if all the constituent elements of the *criminal association referred to in art. 416 of the Italian Criminal Code* are present

**Smuggling in the movement of goods by air (art. 285 of Presidential Decree 43/73)**

This case punishes the aircraft commander:

- who transports any foreign goods into the territory of the State without having a bill of laden, when this is required;
- who at the time of the aircraft departure does not have onboard the foreign goods that should be there according to the bill of laden and other customs documents;
- who removes any goods from the landing places of the aircraft without carrying out the prescribed customs operations;
- who, after landing outside a customs airport, fails to report, within the shortest time, the landing to the Authorities indicated by law. In such cases, the aircraft too is considered to have been smuggled, in addition to the cargo.

It also punishes anyone who throws any foreign goods into the customs territory from a flying aircraft, or hides them in the aircraft itself in order to avoid customs inspection.

This could apply to the Company in the event of the commission of an offence in association with others, or if all the constituent elements of the *criminal association referred to in art. 416 of the Italian Criminal Code* are present

**Smuggling in cabotage and circulation (art. 289 of Presidential Decree 43/73)**

The case in question punishes anyone who brings any foreign goods into the State in place of domestic or nationalised goods shipped in cabotage or circulation.

This could apply to the Company in the event of the commission of an offence in association with others, or if all the constituent elements of the *criminal association referred to in art. 416 of the Italian Criminal Code* are present

**Smuggling in temporary import or export (art. 291 of Presidential Decree 43/73)**
The provision punishes anyone who, in temporary import or export operations or in re-export and re-import operations, in order to avoid paying duties that would have been due, subjects the goods themselves to contrived manipulation or uses other fraudulent means.

**Other cases of smuggling (art. 292 of Presidential Decree 43/73)**
The provision punishes anyone who, in cases other than those provided for above, hides any goods from the payment of the due border fees.

**Aggravating circumstances of smuggling (art. 295 of Presidential Decree 43/73)**
This provision punishes anyone who, in order to commit the offence of smuggling, uses any means of transport belonging to a person unrelated to the crime and, in addition,

- when while committing the crime, or immediately thereafter in the surveillance zone, the culprit is caught carrying a deadly weapon;
- when, while committing the crime, or immediately thereafter in the surveillance zone, three or more people guilty of smuggling are caught together, and in such conditions as to hinder the police;
- when the fact is associated with another crime against public faith or against the public administration;
- when the culprit is a member of an association aimed to commit any smuggling crimes and the crime committed is among those for which the association was established;
- when the amount of border rights due exceeds €100,000.00.

This could apply to the Company in the event of the commission of an offence in association with others, or if all the constituent elements of the *criminal association referred to in art. 416 of the Italian Criminal Code* are present

## 17.2 Processes at risk

The areas and business processes of BREVETTI CEA that are sensitive to the cases of smuggling offence are:

| MACRO AREA | SENSITIVE PROCESSES |
|---|---|
| **STRATEGIC/CORPORATE** | MANAGEMENT OF INTERCOMPANY RELATIONS |
| | PROCUREMENT OF GOODS AND SERVICES (not related to the product) |
| **ADMINISTRATIVE** | RELATIONS WITH CUSTOMS AUTHORITIES |
| **COMMERCIAL** | SALES (ITALY AND ABROAD) |
| | AFTER-SALES SERVICE |
| **PURCHASES** | PROCUREMENT OF GOODS AND SERVICES (related to the product) |

The possible illegal conducts related to each of the above-mentioned sensitive processes are clearly indicated in the respective 231 Preventive Protocols (**Annex 6**).

### 17.3 Preventive measures

The preventive measures specific to the 231 Model consist of:

- Obligations and prohibitions contained in the Code of Conduct, (**Annex 5**), in particular:
    - CONDUCTS AIMED TO COMBAT SMUGGLING OFFENCES;
    - CONDUCTS RELATED TO TAX MATTERS;
    - CONDUCTS RELATED TO ACCOUNTING RECORDS;
    - CONDUCTS RELATED TO MONEY LAUNDERING PREVENTION.
- For each sensitive process:
    - the respective 231-related protocol and/or procedure (**Annex 6**);
    - the respective information flows to the Supervisory Body (**Annex 6** and **Annex 7**).

# 18 NON-COMPLIANCE WITH DISQUALIFYING PENALTIES

## 18.1 Type of offences

This paragraph refers to the provisions of art. 23 "*Non-compliance with disqualifying penalties*" of Legislative Decree 231/2001.

**Non-compliance with disqualifying penalties (Art. 23 of Legislative Decree no. 231/2001)**

This is an offence case that is relevant pursuant to Legislative Decree no. 231 of 2001, and which has some peculiar characteristics (compared with other relevant cases), for several reasons. The provision under consideration, in fact, regulates the case in which a subject, in carrying out his activity in favour of an entity that has been hit by one of the disqualifying penalties referred to in articles 13 et seq. of Legislative Decree 231, violates the obligations arising to the entity from the applied penalty. In addition to punishing the agent with criminal penalties, Article 23 provides for an administrative liability for the entity in the interest of which the crime was committed. The case under consideration, therefore, provides for an administrative liability for an entity, which is applied in a phase that is already inherently pathological in relation to the purposes of the decree, since the entity itself has already been subjected to judicial proceedings at the end of which its liability has been ascertained pursuant to Legislative Decree 231 of 2001, which justified the application of one of the disqualifying penalties provided for by the decree. The previous ascertainment of an administrative liability for the entity, and the subsequent application of one of the disqualifying penalties, constitutes, therefore, a necessary material prerequisite for the offence case under consideration.

This is a common offence, as it can be committed by anyone. It is also reasonable to argue that the provision in question describes a type of offence whose perpetration is determined by the occurrence of the criminal event; article 23, in fact, does not specify in any way the material conduct required for the case in question to apply; as a consequence, any act or failure to act resulting in the violation of the obligations arising from the imposed disqualifying penalty becomes relevant. In this regard, however, the case can be classified among the offences of result.

From the point of view of the type of administrative liability applied to the on the entity, however, in the light of the second paragraph of the provision under consideration, it should be pointed out that the preconditions of this liability cannot be fully compared with those of the entity's liability for the other relevant crimes pursuant to the decree. The formulation of the provision under consideration, (as well as the systematic placement of the rule within the structure of the decree), in fact, make it (at least) reasonable to argue that the liability provided for by Article 23 of Decree 231 is not governed by the general provisions set out in articles 5, 6 and 7 of the decree itself (dedicated to the preconditions of the administrative responsibility of entities, including the exemption value attributed to the Organisation, Management and Control Models).

In light of the above, the provision in question would seem to describe, for the banned entity, an objective liability that results (automatically) from the violation of one or more of the obligations arising from the disqualifying penalties by a person involved (for various reasons) in carrying out the activity of the entity itself.

Article 23 seems, in fact, to describe, on the one hand, a (absolute) assumption that the offence was committed for the benefit or in the interest of the entity; on the other hand, for what has been said above, it seems difficult to attribute to the Organisation, Management

and Control Model (possibly adopted by the penalised entity), the exemption value provided for by articles 6 and 7 of the decree.
As a further consequence of the non-applicability of the general provisions of the decree to the case under consideration, it can also be argued that, in order for the liability to apply to the entity pursuant to art. 23, it does not seem strictly necessary for the violation of the disqualifying penalty to be carried out by a person belonging to the categories of "top" or "subordinate", but rather by any person acting on behalf of the entity itself.

## 18.2 Preventive measures

The preventive measures are contained in the annexes:
- Obligations and prohibitions contained in the Code of Conduct (**Annex 5**)
- Information flows to the Supervisory Body (**Annex 7**).

Furthermore, the Company deemed it advisable to adopt the following protocol, to be implemented in the event that a precautionary or definitive disqualifying penalty is applied by the Judicial Authority:
1. prior identification, by the Board of Directors, of the corporate functions directly involved in activities related to and/or prohibited by the disqualifying penalty (e.g., marketing department in case of application of the measure prohibiting the advertising of the services offered by the Company);
2. attribution to the person responsible for each of the previously identified functions of the task of:
   - informing the personnel concerned of the nature and characteristics of the measure (type, duration, etc.);
   - transmitting periodic reports to the Management about the actual compliance with the applied measure.