

ORGANIZATION, MANAGEMENT, AND CONTROL MODEL

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1. INTRODUCTION

1.1. Legislative Decree No. 231/2001

Legislative Decree No. 231/2001 (the "Decree") introduced administrative liability for entities into the Italian legal system. This administrative liability applies—in addition to the criminal liability of the natural person who materially committed the prohibited conduct—about specific types of offences committed, in the interest or to the advantage of the entities themselves, by natural persons holding representative, administrative, or management positions within the entities, as well as by individuals who, even de facto, manage and control the entities (so-called "top managers"), or by individuals under the direction and/or supervision of top managers (so-called "subordinates").

The sanctions provided by the Decree are categorized as follows:

- a)** Financial penalties (thus also impacting the economic interests of shareholders);
- b)** Disqualifying penalties (such as the suspension or revocation of licenses and permits, the prohibition from contracting with the Public Administration, temporary or permanent

disqualification from business activities, exclusion or revocation of funding and contributions, the ban of advertising goods and services);

c) Confiscation;

d) Publication of the judgment.

1.2. Types of offences relevant to Legislative Decree No. 231/2001

Offences against the Public Administration

Regarding the types of offences that are relevant for the administrative liability of entities, the Decree, in Articles 24 and 25, sets out a series of crimes committed in relationships with the Public Administration, including:

- Extortion (Article 317 of the Italian Penal Code)
- Corruption for the exercise of function (Article 318 of the Italian Penal Code)
- Corruption for an act contrary to official duties (Article 319 of the Italian Penal Code)
- Aggravating circumstances (Article 319-bis of the Italian Penal Code)
- Corruption in judicial acts (Article 319-ter of the Italian Penal Code)
- Unlawful inducement to give or promise benefits (Article 319-quarter of the Italian Penal Code)
- Bribery of a person entrusted with a public service (Article 320 of the Italian Penal Code)
- Instigation of corruption (Article 322 of the Italian Penal Code)
- Embezzlement, extortion, unlawful inducement to give or promise benefits, corruption, and instigation to corruption, abuse of office by members of international courts or bodies of the European Communities or international parliamentary assemblies, or international organizations and officials of the European Communities and foreign states (Article 322-bis of the Italian Penal Code)
- Illicit influence peddling (Article 346-bis of the Italian Penal Code)
- Embezzlement (Article 314, paragraph 1 of the Italian Penal Code)
- Embezzlement through exploitation of another's error (Article 316 of the Italian Penal Code)
- Unlawful allocation of money or movable assets (Article 314-bis of the Italian Penal Code)
- Misappropriation of public funds (Article 316-bis of the Italian Penal Code)
- Unlawful receipt of public funds (Article 316-ter of the Italian Penal Code)
- Fraud against the State or other public entity or the European Communities (Article 640, paragraph 2, no. 1, of the Italian Penal Code)
- Aggravated fraud for obtaining public funds (Article 640-bis of the Italian Penal Code)
- Computer fraud against the State or other public entity (Article 640-ter of the Italian Penal Code)
- Fraud in public supplies (Article 356 of the Italian Penal Code)
- Fraud against the European Agricultural Fund (Article 2, Law 23/12/1986, No. 898)

- Disruption of auction freedom (Article 353 of the Italian Penal Code)
- Disruption of the procedure for selecting the contracting party (Article 353-bis of the Italian Penal Code)

Computer Crimes

Article 7 of Law No. 48 of March 18, 2008, titled "Ratification and Implementation of the Council of Europe Convention on Cybercrime," introduced Article 24-bis, "Computer Crimes and Unlawful Data Processing," into the Decree. Recently, this Article was amended by Decree-Law No. 105 of 2019, converted with amendments by Law No. 133 of November 18, 2019. Article 1, paragraph 1 of Decree-Law No. 105/2019 established the National Cybersecurity Perimeter to ensure the security of networks, information systems, and IT services necessary for performing functions or providing services where discontinuity could harm national security.

The offences for which Article 24-bis establishes the administrative liability of the entity include:

- Unauthorized access to a computer or telematic system (Article 615-ter of the Italian Penal Code) [Article amended by Law No. 90/2024]
- Unlawful possession, dissemination, and installation of equipment, codes, and other means for accessing computer or telematic systems (Article 615-quarter of the Italian Penal Code) [Article amended by Law No. 238/2021 and Law No. 90/2024]
- Illegal interception, obstruction, or interruption of computer or telematic communications (Article 617-quarter of the Italian Penal Code) [Article amended by Law No. 238/2021 and Law No. 90/2024]
- Unlawful possession, dissemination, and installation of equipment and other means to intercept, obstruct, or interrupt computer or telematic communications (Article 617-inquires of the Italian Penal Code) [Article amended by Law No. 238/2021 and Law No. 90/2024]
- Damage to information, data, and computer programs (Article 635-bis of the Italian Penal Code) [Article amended by Law No. 90/2024]
- Damage to information, data, and computer programs used by the State or another public entity or of public utility (Article 635-ter of the Italian Penal Code) [Article amended by Law No. 90/2024]
- Damage to computer or telematic systems (Article 635-quarter of the Italian Penal Code) [Article amended by Law No. 90/2024]
- Unlawful possession, dissemination, and installation of equipment, devices, or computer programs intended to damage or disrupt a computer or telematic system (Article 635-quarter.1 of the Italian Penal Code) [Article introduced by Law No. 90/2024]
- Damage to computer or telematic systems of public interest (Article 635-inquires of the Italian Penal Code) [Article amended by Law No. 90/2024]

- Computer fraud by the electronic signature certifier (Article 640-inquires of the Italian Penal Code)
- Violation of the rules on National Cybersecurity Perimeter (Article 1, paragraph 11, Decree-Law No. 105 of September 21, 2019)
- Extortion (Article 629, paragraph 3, of the Italian Penal Code) [Article added by Law No. 90/2024]

Organized Crime Offenses

Article 2, paragraph 29, of Law No. 94 of July 15, 2009, titled "Provisions on Public Security," introduced Article 24-ter, titled "Crimes related to organized crime," into the Decree. These include, in particular, the following offences:

- Criminal association (Article 416 of the Italian Penal Code);
- Mafia-type association, including foreign organizations (Article 416-bis of the Italian Penal Code);
- Mafia-related political electoral exchange (Article 416-ter of the Italian Penal Code);
- Kidnapping for extortion purposes (Article 630 of the Italian Penal Code);
- The criminal association aimed at drug trafficking or psychotropic substances (Article 74 of Presidential Decree 309/90);
- Crimes related to weapons (Article 407, paragraph 2, letter a), no. 5, of the Italian Penal Code).

Crimes Related to Counterfeiting of Money, Public Credit Instruments, Stamp Values, and Identification Instruments or Marks

Subsequently, Article 6 of Law No. 409 of November 23, 2001, titled "Urgent Provisions given the Introduction of the Euro," included Article 25-bis in the Decree, related to crimes of "counterfeiting of money, public credit instruments, and stamp values." This was later amended by Article 15, paragraph 7, of Law No. 99 of July 23, 2009, which changed the heading of Article 25-bis to "counterfeiting of money, public credit instruments, stamp values, and identification instruments or marks" and introduced new predicate offences related to industrial and intellectual property rights. These specifically refer to Articles 473 and 474 of the Italian Penal Code, which were also amended by Article 15 of Law No. 99 of 2009.

Disruption of the Freedom of Industry and Commerce

Article 15, paragraph 7, of Law No. 99 of July 23, 2009, titled "Provisions for the Development and Internationalization of Enterprises, as well as in the Field of Energy," introduced Article 25-bis.1 of

the Decree, titled "Crimes against Industry and Commerce." This article establishes the administrative liability of the entity for the following offences:

- Disruption of the freedom of industry or commerce (Article 513 of the Italian Penal Code);
- Unfair competition with threats and violence (Article 513-bis of the Italian Penal Code);
- Fraud against national industries (Article 514 of the Italian Penal Code);
- Fraud in commercial transactions (Article 515 of the Italian Penal Code);
- Sale of non-genuine food substances as genuine (Article 516 of the Italian Penal Code);
- Sale of industrial products with misleading marks (Article 517 of the Italian Penal Code);
- Manufacture and trade of goods made by usurping industrial property rights (Article 517-ter of the Italian Penal Code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517-quarter of the Italian Penal Code).

Corporate Crimes

Article 3 of Legislative Decree No. 61 of April 11, 2002, effective from April 16, 2002, introduced Article 25-ter into the Decree (amended by Article 12 of Law No. 69 of May 27, 2015, Article 6 of Legislative Decree No. 38/2017, and Legislative Decree No. 19/2023), establishing the administrative liability of entities for the commission of so-called corporate crimes, as outlined in Legislative Decree No. 61/2002. These offences include:

- False corporate communications (Article 2621 of the Italian Civil Code);
- False corporate communications by listed companies (Article 2621-bis of the Italian Civil Code);
- False corporate communications to the detriment of shareholders or creditors (Article 2622 of the Italian Civil Code);
- Obstructed control (Article 2625, paragraph 2 of the Italian Civil Code);
- Undue return of contributions (Article 2626 of the Italian Civil Code);
- Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code);
- Unlawful operations on shares or quotas of the parent company (Article 2628 of the Italian Civil Code);
- Operations to the detriment of creditors (Article 2629 of the Italian Civil Code);
- Failure to disclose conflicts of interest (Article 2629-bis of the Italian Civil Code);
- Fictitious capital formation (Article 2632 of the Italian Civil Code);
- Undue distribution of corporate assets by liquidators (Article 2633 of the Italian Civil Code);
- Private corruption (Article 2635 of the Italian Civil Code);
- Instigation of private corruption (Article 2635-bis of the Italian Civil Code);
- Illegal influence over the shareholders' meeting (Article 2636 of the Italian Civil Code);
- Market manipulation (Article 2637 of the Italian Civil Code);

- Obstruction of the exercise of the functions of public supervisory authorities (Article 2638 of the Italian Civil Code);
- False or omitted statements for issuing the preliminary certificate (Article 54 of Legislative Decree No. 19/2023).

Additional Legislative Changes:

The Savings Protection Law (Law No. 262 of December 28, 2005) significantly impacted corporate crimes by introducing, among other things, a new offence of **failure to disclose conflicts of interest** as provided by Article 2629-bis of the Italian Civil Code. It also amended the contents of some corporate crimes under the Civil Code and established, in Article 39, the doubling of financial penalties under Article 25-ter of the Decree.

Law No. 190 of November 6, 2012, introduced the new Article 2635 of the Italian Civil Code, titled **"Private Corruption"**, whose third paragraph falls under the offences covered by the Decree. Article 25-ter was amended (by Law No. 190/2012) to include letter s bis.

Law No. 69 of May 27, 2015, amended Articles 2621 ("false corporate communications") and 2622 ("false corporate communications by listed companies") of the Italian Civil Code, introduced Articles 2621-bis and 2621-ter of the Italian Civil Code, and modified Article 25-ter of the Decree.

Finally, Article 2 of Legislative Decree No. 38 of 2017 introduced Article 2635-bis in the Italian Civil Code, titled **"Instigation to Private Corruption."** Article 6 of the aforementioned Decree included this new offence by amending Article 25-ter of Legislative Decree No. 231/2001, adding it to the list of predicate offences for entities' administrative liability.

Crimes with Terrorist and Subversive Purposes Against the Democratic Order

Article 3 of Law No. 7 of January 14, 2003, introduced Article 25-quarter into the Decree concerning the entity's liability for crimes of terrorism or subversion of the democratic order. Considering the activities carried out by CONCETTI, these crimes are not feasible, even in abstract terms, and therefore will not be considered for this Organization, Management, and Control Model.

Female Genital Mutilation Practices

Article 8 of Law No. 7 of January 9, 2006, titled "Provisions Concerning the Prevention and Prohibition of Female Genital Mutilation Practices," introduced Article 25-quarter.1 into the Decree, relating to the new offence under Article 583-bis of the Italian Penal Code (female genital mutilation practices). Given the activities carried out by CONCETTI, this offence is not feasible, even in abstract terms, and therefore will not be considered for this Organization, Management, and Control Model.

Crimes Against Individual Personality

Article 5 of Law No. 228 of August 11, 2003, included Article 25-inquires in the Decree (as amended by Law No. 199 of October 29, 2016) concerning crimes against individual personality. Specifically, this includes offences such as:

- Slavery
- Child prostitution and pornography
- Human trafficking
- Sex tourism
- Slave trading

Considering the activities carried out by CONCETTI, these offences are deemed to have a very low-risk profile concerning their feasibility and will, therefore, not be considered for this Organization, Management, and Control Model.

It is also noted that Law No. 199/2016 introduced Article 603-bis of the Italian Penal Code among the predicate offences concerning illegal intermediation and labour exploitation.

Market Abuse

Article 9 of Law No. 62 of April 18, 2005, further expanded the criminal offences under the Decree by introducing the Article 25 series relating to insider trading and market manipulation offences. Given the specific nature of the context, these offences will not be considered in this Organization, Management, and Control Model.

Sexual Exploitation of Children and Child Pornography

Article 18 of Law No. 36 of February 6, 2006, titled "Provisions Against the Sexual Exploitation of Children and Child Pornography, including via the Internet," amended the scope of applicability for the offences of child pornography and possession of pornographic material for which the entity's liability was already established. The amendment included scenarios where the pornographic material used depicts virtual images of minors (so-called "virtual child pornography"). Given the activities carried out by CONCETTI, these offences do not appear feasible, even in abstract terms, and therefore will not be considered for this Organization, Management, and Control Model.

Transnational Crimes

With Law No. 146 of March 16, 2006, Italy implemented the United Nations Convention and Protocols against Transnational Organized Crime, adopted by the UN General Assembly on November 15, 2000, and May 31, 2001. Article 10 of this law extended the administrative liability of entities to transnational crimes as defined by Article 3 of the same law, including:

- Criminal association, Mafia-type association, an association aimed at smuggling foreign processed tobacco, an association aimed at drug trafficking;
- Crimes provided for by Article 12, paragraphs 3, 3-bis, and 3-ter of the Consolidated Immigration Act;
- Offences related to obstruction of justice, including inducement not to make statements or false statements to judicial authorities and personal aiding and abetting.

Subsequently, Article 64 of Legislative Decree No. 231 of November 21, 2007, repealed paragraphs 5 and 6 of the aforementioned Article 10, relating to offences under Articles 648-bis and 648-ter of the Italian Penal Code (money laundering and use of money, goods, or benefits of illicit origin, respectively). Article 25-cities of the Decree covers these offences, which will be discussed in Special Section E of this Organization, Management, and Control Model.

Manslaughter and Serious or Very Serious Negligent Injuries

Article 9 of Law No. 123 of August 3, 2007, introduced Article 25-species into the Decree concerning manslaughter and serious or very serious negligent injuries committed in violation of occupational safety, hygiene, and health protection regulations. This article was later amended by Article 300 of Legislative Decree No. 81 of April 9, 2008 (the Consolidated Law on Occupational Health and Safety).

Receiving Stolen Goods, Money Laundering, Use of Money, Goods, or Benefits of Illicit Origin, and Self-Laundering

Legislative Decree No. 231 of November 21, 2007, titled "Implementation of Directive 2005/60/EC on the Prevention of the Use of the Financial System for Money Laundering of Criminal Proceeds and Terrorism Financing, and Directive 2006/70/EC Implementing Measures", introduced Article 25-cities into the Decree. This article addresses offences related to receiving stolen goods, money laundering, and using money, goods, or benefits of illicit origin and repealed paragraphs 5 and 6 of Article 10 of Law No. 146/2006.

Additionally, this Legislative Decree introduced a series of obligations for the Supervisory Body, ensuring compliance and oversight regarding anti-money laundering and counter-terrorism financing.

Crimes Related to Non-Cash Payment Instruments and Fraudulent Transfer of Assets

Article 3 of Legislative Decree No. 184/2021 extended the administrative liability of entities to crimes related to non-cash payment instruments, introducing Article 25-cities.1 into the Decree. This Decree implements Directive (EU) 2019/713 of the European Parliament and Council of April 17, 2019, concerning the fight against fraud and counterfeiting of non-cash payment means, which

pose a security threat as they can serve as income sources for organized crime, facilitating other criminal activities such as terrorism.

The definition of non-cash payment instruments is found in Article 1 of Legislative Decree No. 184/2021, which describes it as:

"A device, object, or intangible or material protected record, or a combination thereof, other than legal tender, which, alone or together with a procedure or series of procedures, allows the holder or user to transfer money or monetary value, including through digital exchange means."

Article 25-cities.1 includes the following offences:

- Unauthorized use and forgery of non-cash payment instruments (Article 493-ter of the Italian Penal Code)
- Possession and distribution of equipment, devices, or software aimed at committing offences related to non-cash payment instruments (Article 493-quarter of the Italian Penal Code)
- Aggravated computer fraud through the execution of a transfer of money, monetary value, or virtual currency (Article 640-ter of the Italian Penal Code)
- Fraudulent transfer of assets (Article 512-bis of the Italian Penal Code)

Copyright Infringement

Article 15, paragraph 7, of Law No. 99 of July 23, 2009, titled "Provisions for the Development and Internationalization of Enterprises, as well as in the Field of Energy," introduced Article 25-movies into the Decree, titled "Crimes Related to Copyright Infringement." These are offences provided under Article 171 of Law No. 633/1941 (Copyright Law).

Statements to Judicial Authorities

Law No. 116 of August 3, 2009, titled "Ratification and Implementation of the United Nations Convention Against Corruption, Adopted by the UN General Assembly on October 31, 2003, as well as Internal Adaptation Rules and Amendments to the Criminal Code and Code of Criminal Procedure," introduced Article 25-decies into the Decree, initially titled "Inducement Not to Make Statements or to Make False Statements to Judicial Authorities." This was later corrected to Article 25-decides by Legislative Decree No. 121 of 2011, addressing a numbering error.

This offence corresponds to Article 377-bis of the Italian Penal Code (Inducement Not to Make Statements or False Statements to Judicial Authorities).

Furthermore, the same law amended Article 322-bis of the Italian Penal Code ("Embezzlement, Extortion, Corruption, and Instigation to Corruption of Members of European Community Bodies and Foreign States"), referenced in Article 25, paragraph 4, of the Decree, adding the following words to the end of paragraph 2, no. 2:

"Or to obtain or maintain an economic or financial activity."

Environmental Crimes

Legislative Decree No. 121 of July 7, 2011, titled "Implementation of Directive 2008/99/EC on the Criminal Protection of the Environment, as well as Directive 2009/123/EC, amending Directive 2005/35/EC on Pollution from Ships and the Introduction of Penalties for Violations," introduced Article 25-undecies concerning environmental crimes into the Decree.

Subsequently, Law No. 68 of May 22, 2015, amended Article 25-undecies of the Decree and the relevant environmental crimes and introduced new crimes against the environment. The offences covered include:

- Environmental pollution (Article 452-bis of the Italian Penal Code)
- Ecological disaster (Article 452-quarter of the Italian Penal Code)
- Negligent crimes against the environment (Article 452-inquires of the Italian Penal Code)
- Trafficking and abandonment of highly radioactive material (Article 452-series of the Italian Penal Code)
- Aggravating circumstances (Article 452-cities of the Italian Penal Code)
- Killing, destruction, capture, removal, or possession of protected wild animal or plant species (Article 727-bis of the Italian Penal Code)
- Destruction or deterioration of habitat within a protected site (Article 733-bis of the Italian Penal Code)
- Import, export, possession, use for profit, purchase, sale, display, or possession for sale or commercial purposes of protected species (Law No. 150/1992, Articles 1, 2, 3-bis, and 6)
- Discharge of industrial wastewater containing hazardous substances; discharge on the ground, underground, and into groundwater; discharge into the sea from ships or aircraft (Legislative Decree No. 152/2006, Article 137)
- Unauthorized waste management activities (Legislative Decree No. 152/2006, Article 256)
- Pollution of soil, subsoil, surface waters, or groundwater (Legislative Decree No. 152/2006, Article 257)
- Illegal waste trafficking (Legislative Decree No. 152/2006, Article 259)
- Violation of communication obligations, record keeping, and forms requirements (Legislative Decree No. 152/2006, Article 258)
- Organized activities for illegal waste trafficking (Article 452-quaternities of the Italian Penal Code)
- False statements on the nature, composition, and chemical-physical characteristics of waste in preparing a waste analysis certificate; insertion of a false waste analysis certificate into the SISTRI system; omission or fraudulent alteration of the hard copy of the SISTRI form-handling area in waste transport (Legislative Decree No. 152/2006, Article 260-bis)
- Intentional pollution caused by ships (Legislative Decree No. 202/2007, Article 8)
- Negligent pollution caused by boats (Legislative Decree No. 202/2007, Article 9)

- Cessation and reduction of the use of harmful substances (Law No. 549/1993, Article 3)

Employment of Third-Country Nationals with Irregular Residence Status

Legislative Decree No. 109 of July 16, 2012, titled "Implementation of Directive 2009/52/EC establishing minimum standards on sanctions and measures against employers of third-country nationals whose residence is irregular," introduced Article 25-duodecies into the Decree. This article concerns the employment of third-country nationals with irregular residence status, establishing the entity's liability for the offence under Article 22, paragraph 12-bis (also introduced by Legislative Decree No. 109/2012) of Legislative Decree No. 286/1998.

The scenarios in which this offence applies include:

- a)** If the number of employed workers exceeds three;
- b)** If the employed individuals are minors below the legal working age;
- c)** If the employed workers are subject to particularly exploitative working conditions, as outlined in Article 603-bis, paragraph 3, of the Italian Penal Code.

Subsequently, Law No. 161 of October 17, 2017, with Article 30, paragraph 4, introduced paragraphs 1-bis, 1-ter, and 1-quater to Article 25-duodecies, also extending the entity's liability to offences related to facilitating illegal entry and abetting illegal immigration, as provided in Article 12, paragraphs 3, 3-bis, 3-ter, and 5 of the Consolidated Immigration Act (Legislative Decree No. 286/1998).

Racism and Xenophobia

Law No. 167 of November 20, 2017, enacted to fulfil obligations arising from Italy's membership in the European Union (European Law 2017), amended Legislative Decree No. 231/2001 by introducing Article 25-tendencies, aimed at combating certain forms and expressions of racism and xenophobia.

The new article includes, among the predicate offences for entity liability, the crimes specified in Article 3, paragraph 3-bis, of Law No. 654 of October 13, 1975, related to propaganda, incitement, and instigation-based, wholly or partly, on the denial of the Holocaust or crimes of genocide, crimes against humanity, and war crimes.

Fraud in Sports Competitions, Unauthorized Gambling or Betting, and Gambling Using Prohibited Devices

Article 5 of Law No. 39/2019 introduced Article 25-quaternities into the Decree, adding the following offences to the list of predicate offences:

- Fraud in sports competitions (Article 1, Law No. 401/1989)
- Unauthorized exercise of gambling or betting activities (Article 4, Law No. 401/1989)

Tax Crimes

The reform of tax crimes introduced by Law No. 157 of December 19, 2019, converting Decree-Law No. 124 of October 26, 2019 (the so-called "fiscal decree"), added Article 25-quinquiesdecies to Legislative Decree No. 231/2001, establishing new predicate offences for entity liability. This article specifies which tax crimes, among those listed in Legislative Decree No. 74/2000 concerning income and value-added tax offences, lead to entity liability. These offences include:

- Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2, paragraphs one and 2-bis, Legislative Decree No. 74/2000)
- Fraudulent declaration by other means (Article 3, Legislative Decree No. 74/2000)
- Issuance of invoices or other documents for non-existent transactions (Article 8, paragraphs one and 2-bis, Legislative Decree No. 74/2000)
- Concealment or destruction of accounting documents (Article 10, Legislative Decree No. 74/2000)
- Fraudulent evasion of tax payments (Article 11, Legislative Decree No. 74/2000)
- False tax return (Article 4, Legislative Decree No. 74/2000)
- Failure to submit a tax return (Article 5, Legislative Decree No. 74/2000)
- Improper compensation of taxes (Article 10-quarter, Legislative Decree No. 74/2000)

Smuggling Crimes

Legislative Decree No. 75/2020 introduced Article 25-sexiesdecies, titled "Smuggling," into Legislative Decree No. 231/2001, establishing entity liability and enabling the application of financial and disqualifying sanctions. Since February 6, 2016, all customs offences punishable by monetary penalties only have been converted into administrative offences. Consequently, only offences involving imprisonment remain within the scope of Article 25-sexiesdecies, which applies to the "crimes" defined in the Consolidated Customs Code (TUD).

With Legislative Decree No. 141 of September 26, 2024, titled "National Provisions Complementary to the EU Customs Code and Revision of the Penalty System in the Field of Excise Duties and Other Indirect Taxes on Production and Consumption," the legislator further amended Article 25-sexiesdecies, including:

- Repeal of the TULD (Consolidated Customs Law, Presidential Decree No. 43 of January 23, 1973)
- Introduction of a new legislative framework under Legislative Decree No. 141/2024, covering Articles 27, 78, 79, 80, 81, 82, 83, 84, 85, 86, 88, and 94, included in Article 25-sexiesdecies of Legislative Decree No. 231/01.

Additionally, Article 25-sexiesdecies now includes offences under Legislative Decree No. 504/1995 (Consolidated Law on Excise Duties), specifically Articles 40, 41, 42, 43, 44, 45, 46, 47, 48, and 49.

A new offence, "Evasion of Assessment or Payment of Excise Duties on Processed Tobacco" (Articles 40-bis et seq. of the Consolidated Law on Excise Duties), has also been introduced.

Crimes Against Cultural Heritage

On March 23, 2022, Law No. 9/2022, titled "Provisions on Crimes Against Cultural Heritage," came into force, introducing two new predicate offences:

- Article 25-septiesdecies, titled "Crimes Against Cultural Heritage"
- Article 25-duodenitis, titled "Laundering of Cultural Assets and Devastation and Plundering of Cultural and Landscape Assets"

Since the Company's activities do not involve cultural assets, even indirectly, these offences are not considered applicable. Therefore, no related operational protocol is required.

1.3. Adoption of the "Organization, Management, and Control Model" as a Potential Exemption from Administrative Liability

Adopting Organization, Management, and Control Models (OMCM) can lead to exemption from administrative liability if the entity has implemented a crime prevention system by adopting appropriate measures to prevent unlawful conduct and reduce the risk of committing offences.

Specifically, Article 6 of the Decree provides that if the offence was committed by individuals in a "top management" position, the entity is not liable if it can demonstrate the following:

- a) That it had adopted and effectively implemented, through its governing body, before the commission of the act, organization and management models suitable for preventing offences of the type that occurred;
- b) That it had entrusted a body (internal or external) with autonomous powers of initiative and control and specific independence and professionalism requirements, with the task of monitoring the operation and compliance of the models and ensuring their updating;
- c) That the individuals committed the offence by fraudulently and intentionally circumventing the organization and management models;
- d) That there was no omission or insufficient supervision by the Supervisory Body mentioned above.

In the case of "subordinate" individuals, Article 7 of Legislative Decree No. 231/2001 stipulates that the entity is liable if the commission of the offence was made possible by the failure to comply with management or supervisory obligations. However, non-compliance with these management or supervisory obligations is excluded if the entity, before the commission of the offence, had

adopted and effectively implemented an organization, management, and control model suitable for preventing offences of the type that occurred.

On the contrary, if the Models are not adopted (or if they are not considered adequate by the judge), the entity remains subject to administrative liability, and shareholders, who may suffer damage to their financial interests, may exercise a liability action against the Directors for the failure to adopt or update the exemption instrument.

Requirements of the Organization, Management, and Control Models

The Organization, Management, and Control Models must, in particular:

- Identify areas at risk of committing offences covered by the Decree;
- Provide specific protocols and procedures to plan the formation and implementation of the entity's decisions concerning the offences to be prevented;
- Establish methods for the identification and management of financial resources to prevent the commission of the relevant offences;
- Establish reporting obligations to the body responsible for monitoring the operation and compliance of the Model;
- Establish an internal disciplinary system capable of sanctioning non-compliance with the measures indicated in the Model.

The procedures and countermeasures to prevent the commission of offences provided for in the Organization, Management, and Control Models must be implemented in the specific corporate reality to be effective.

2. CORPORATE GOVERNANCE AND DELEGATION SYSTEM

2.1 Concetti S.p.A. and its Business Model

Concetti S.p.A. (hereinafter also "CONCETTI" or the "Company") is a company specializing in the production of machines for weighing, bagging, closing, and palletizing bulk products.

The Company designs, develops, and manufactures all its machines in a single plant in Umbria, Italy. Every packaging solution is unique and customized, resulting from close collaboration between the Company and each client.

CONCETTI operates in approximately 60 countries worldwide. In addition to its headquarters in Bastia Umbra, Italy, the Company operates through subsidiaries in the USA and Brazil and local agency relationships in over 50 countries worldwide, with service centres and highly qualified technicians.

2.2 The Corporate Governance Model

CONCETTI's corporate governance structure is based on the traditional Italian model, which—while maintaining the tasks of the Shareholders' Meeting—assigns strategic management to the Board of Directors, the core of the organizational system, and control functions to the Board of Statutory Auditors. The legal audit of the accounts is entrusted to an audit firm appointed by the Shareholders' Meeting.

The Company has established a Restricted Committee, composed of the Chairman and another Board member, within the Board of Directors. This Restricted Committee, acting as an intermediate body between the Board and the delegated structure, primarily serves as a link between the individual business functions.

By its statutory provisions, the Board of Directors has also appointed a General Manager, assigning them the Company's day-to-day management while reserving exclusive authority for particular decisions.

2.3 Organizational Chart and Delegation System

The organizational system defines the Company's organizational structure, including units, roles, and organizational positions. It identifies responsible parties and describes the assigned areas of responsibility in compliance with the principle of segregation of duties, as well as other compliance and governance principles.

The power system is developed in an integrated manner concerning the other elements of the corporate structure and is articulated as follows:

- Powers granting representation in the name and on behalf of the Company, involving commitments to third parties (powers of attorney);
- Powers granting individuals holding a specific organizational position the ability to perform acts that produce internal effects within the Company and/or the spending authority towards third parties within the scope of pre-existing contractual relationships established by other attorneys (delegations).

The Board of Directors (CdA) of CONCETTI may delegate powers for individual acts or categories of acts to other Board members and appoint one or more General Managers, defining their management powers accordingly.

The powers conferred through powers of attorney and/or delegations are always:

- Assigned and updated based on the organizational role, content, and nature of the activities performed;
- Assigned by the organizational hierarchy (superiors hold all powers of the positions hierarchically subordinate to them);

- Limited according to the specific parameters of the activities within their competence, ensuring an adequate distribution along the hierarchical line;
- Exercised consistently with the assigned responsibilities and in compliance with the Code of Ethics, the Organization, Management, and Control Model, company policies, and the associated applicable regulatory instruments.

2.4 Company Sustainability Strategy and Sustainable Practices

Sustainability is a fundamental pillar of the organization, management, and control model that permeates all corporate activities.

The Company is committed to promoting sustainable practices that respect the environment and ensure social equity, contributing positively to economic development while respecting future generations.

The Company's sustainability strategy is implemented through policies aimed at reducing environmental impact, such as:

- Optimizing energy consumption
- Reducing waste
- Increasing the use of renewable resources

In parallel, the Company promotes an inclusive and fair working environment, values diversity, and ensures safe working conditions that respect employees' fundamental rights.

By adopting this integrated approach, the Organization, Management, and Control Model aims to ensure that all business decisions are made considering their economic, social, and environmental impacts, reflecting the Company's commitment to ethically responsible and transparent operations.

3. FUNCTION AND ADOPTION OF THE ORGANIZATIONAL AND MANAGEMENT MODEL

3.1 Objectives pursued by CONCETTI following the adoption of the Model

CONCETTI – mindful of the need to ensure conditions of legality, fairness, and transparency in the conduct of its business and institutional activities, to protect its position and image as well as the work of its employees – has launched a project aimed at analyzing and adapting its organizational, management, and control tools to the requirements set forth by the Decree.

This initiative has been undertaken in the belief that the adoption of the Organizational, Management and Control Model – beyond the prescriptions of the Decree itself – may represent a valid tool to raise awareness among all those who operate in the name and on behalf of the Company, or who have business relationships with it, so that they may follow, in carrying out their

activities, proper and consistent conduct, thereby preventing the risk of committing the crimes covered by the Decree.

To this end, CONCETTI has carried out a mapping of its activities, identifying, in particular, the so-called "at-risk" activities, namely those activities that by their nature fall within the scope of those to be analyzed and monitored in light of the provisions of the Decree.

After examining and assessing the results of this initial phase, CONCETTI has developed an organic system of procedures and control activities formalized in this Organizational, Management and Control Model pursuant to Legislative Decree 231/2001.

3.2 Function of the Model

The purpose of the Organizational, Management and Control Model (hereinafter the "MOGC" or "Model") is the construction of a system of preventive controls, through the formalization of procedures and control activities, aimed at reducing the risk of commission of predicate offenses.

The adoption of the Model pursues the following objectives:

- to inform operators of the risk of incurring penalties, both criminal and administrative, if a predicate offense is committed in the interest or for the benefit of the Company, not only toward themselves but also toward the Company;
- to make it known that any form of unlawful conduct is strongly condemned by the Company, since it is contrary – even in cases where the Company might derive advantage from it – not only to legal provisions but also to the ethical principles to which the Company intends to adhere in the performance of its business;
- to enable the Company, through continuous and systematic monitoring of risk areas, to intervene promptly to prevent or counteract the commission of offences contemplated by the Decree;
- to ensure transparency in corporate governance and safeguard the image of the Company.

The key pillars of the Model, in addition to the principles already mentioned, are:

→ mapping of the "at-risk" activity areas, i.e., activities in which the crimes outlined in the Decree could potentially be committed;

→ assignment to a Supervisory Body of specific oversight duties on the effective and proper operation of the Model;

→ mapping of at-risk operations;

→ compliance with the principle of segregation of duties;

→ traceability of all decision-making and implementation processes;

→ definition of authorization powers consistent with assigned responsibilities;

- verification of conduct and operation of the Model, with consequent periodic updates (ex-post control);
- awareness-raising and dissemination of the behavioural rules and established procedures at all organizational levels;
- establishment of an appropriate disciplinary system in case of violation of the Model.

3.3 Adoption and Implementation of the Model

a) Adoption of the Model

CONCETTI has prepared the Organizational, Management and Control Model, hereinafter referred to as the MOGC or the Model.

The MOGC is approved by the Company's Board of Directors, which is entrusted with the responsibility of incorporating any reports received from the Supervisory Body regarding the updating of the principles contained in the Model, about the adaptation needs that may arise over time.

b) Implementation of the Model and monitoring of its application

The responsibility for implementing the Model about the activities effectively carried out by CONCETTI, as well as for approving the necessary measures to ensure its enforcement, lies with the Company's Board of Directors.

The primary responsibility for supervising the operation and compliance with the Model – according to the procedures described therein – is entrusted to the Company's Supervisory Body.

To this end, during the preparation of the annual budget, CONCETTI shall allocate a financial provision to support the activities of the Supervisory Body.

4. SUPERVISORY BODY

4.1 Identification and Positioning of the Supervisory Body

The task of monitoring (i) the functioning of the Model, (ii) its effectiveness in the corporate structure and its actual capacity to prevent the commission of crimes referred to in the Decree, (iii) compliance with the Model by its recipients, and (iv) its updating, is entrusted to a Supervisory Body endowed with autonomy, professionalism, and independence in the performance of its functions.

For the purposes outlined above, CONCETTI establishes a "Supervisory Body" governed by the following provisions:

The Supervisory Body is composed of three members, appointed by the Board of Directors of CONCETTI, selected from among qualified and expert individuals possessing the characteristics described below.

The members of the Body must meet specific integrity requirements.

In particular:

- external professionals must be selected from among experts (such as academics or freelance professionals) in legal, economic, financial, or technical-scientific fields or, in any case, from among individuals with specialist skills appropriate to the role and/or with adequate knowledge of the organization and its main business processes;
- external professionals must not have family ties with the executives or managers of CONCETTI, nor must they be bound to the company or any group companies by autonomous or subordinate employment relationships, or by other significant professional or financial relationships that would compromise their independence.

In addition to the above, members must meet the following further requirements of integrity, and may not be appointed as members of the Supervisory Body if:

- they have been convicted, by a final judgment or by a non-final judgment (even with a suspended sentence), subject to rehabilitation, for any of the crimes governed by Legislative Decree No. 231/2001. For this provision, a plea bargain under Article 444 of the Criminal Procedure Code also counts as a conviction;
- they have previously held the position of member of a Supervisory Body in an entity against which sanctions under Article 9 of the Decree have been applied – even by non-final decision (including a judgment under Article 63 of the Decree) – due to omitted or insufficient supervision by the members of said body;
- they are in situations of actual or potential conflict of interest with CONCETTI which compromises their independence.

Each member of the Supervisory Body shall, before appointment, submit their curriculum vitae along with a specific declaration of the absence of reasons for ineligibility, made under Presidential Decree 445/2000. The Board of Directors reserves the right to verify the truthfulness of such declarations.

The Supervisory Body shall appoint a Chairperson from among its members.

The members of the Supervisory Body shall remain in office for at least two years unless otherwise resolved by the Board of Directors with appropriate justification.

The Supervisory Body, in the performance of its functions, may avail itself of external professionals, to whom it may assign the task of carrying out periodic audits on compliance with and effectiveness of the Model, through the performance of technical activities. Such external

professionals shall report to the Supervisory Body by means of a written report. The delegation of this kind of task does not relieve the Supervisory Body of its ultimate responsibility as defined by law.

The Supervisory Body shall regulate the aspects related to the continuity of its operations, including scheduling of supervisory and control activities, documentation of meetings, and the drafting of minutes of control activities carried out.

Specifically, in the performance of its ordinary activities, the Supervisory Body monitors:

- The efficiency, effectiveness, and adequacy of the Model in preventing and countering the commission of offenses falling under Legislative Decree 231/2001, including any additional offences that may be introduced in the future and that entail the administrative liability of the legal entity;
- compliance with the provisions of the Model by its recipients, detecting alignment or discrepancies in actual behaviours, through analysis of information flows and reports that the heads of the various organizational functions are required to submit;
- the need to update the Model when changes are necessary, submitting proposals to the appropriate Corporate Bodies whenever violations of the Model occur, significant changes in the organizational or procedural structure take place, or new legislation is introduced;
- The implementation of the personnel training plan;
- the initiation and management of disciplinary procedures in the event of verified violations of the Model.

Supervisory activities follow specific protocols that are developed and constantly updated based on risk analyses and control outcomes.

Regulations of the Supervisory Body

Where the Supervisory Body is established as a collegial entity, it shall exercise its functions and powers according to rules approved unanimously by its members.

4.2 Reporting to Corporate Bodies

The Supervisory Body of CONCETTI shall prepare an annual report on its activities during the year. This report must be submitted to both the Board of Directors and the Board of Statutory Auditors.

Whenever deemed necessary, the Supervisory Body may submit reports directly to the Board of Directors or the Board of Statutory Auditors.

The annual report must contain at least the following elements:

- critical issues encountered in the implementation of the procedures defined by the MOGC;
- the content of the reports received;

- any disciplinary measures taken by the Company;
- general remarks regarding the application and dissemination of the MOGC.

The Supervisory Body may be summoned at any time by the above-mentioned bodies, or may itself request a meeting to report on the operation of the Model or to analyze specific situations that require further examination.

Meetings between the Supervisory Body and the corporate bodies must be recorded in minutes, which shall be prepared and retained by the Supervisory Body.

5. INFORMATION FLOWS TO THE SUPERVISORY BODY

5.1 Reports by Company Representatives or Third Parties

The Supervisory Body has defined, for each function, the specific list of periodic communication flows, which constitute an integral part of the Model. In any case, all documentation provided for in this General Section of the Organization, Management, and Control Model—as well as any other information of any kind, even if received from third parties, relating to the implementation of the Model in the “at-risk” activity areas—must be brought to the attention of the Company’s Supervisory Body.

5.2 Whistleblowing

On December 29, 2017, Law No. 179 came into force, titled “Provisions for the protection of whistleblowers of crimes or irregularities that they have become aware of in the context of a public or private employment relationship.”

The purpose of this law is to encourage employee cooperation in revealing corrupt practices within the organization. Article 2 of Law No. 179/2017 amended Legislative Decree 231/2001 by inserting, within Article 6 (“Top management and organization models of the entity”), a new provision that frames whistleblowing-related measures within the organizational model.

Specifically, pursuant to the new paragraph 2-bis, the Model must include the following additional measures:

- a) One or more channels that allow the individuals identified in Article 5, paragraph 1, letters a) and b), to report, in order to protect the integrity of the entity, detailed reports of unlawful conduct relevant to this Decree and based on precise and consistent factual elements, or of violations of the organization's management model, which they have become aware of in the course of their duties; these channels must ensure the confidentiality of the whistleblower’s identity during the management of the report;

- b)** At least one alternative reporting channel, using IT methods, that guarantees the confidentiality of the whistleblower's identity;
- c)** A prohibition of direct or indirect retaliatory or discriminatory acts against the whistleblower, for reasons directly or indirectly connected to the report;
- d)** In the disciplinary system adopted under paragraph 2, letter e), sanctions against those who violate the whistleblower protection measures, as well as against those who make reports found to be unfounded due to malice or gross negligence.

In compliance with current legislation, **CONCETTI S.p.A.** has adopted a reporting system designed to enable the communication of acts or facts that may constitute a violation of the above-mentioned regulations.

The system and the reporting management process are implemented in accordance with Legislative Decree No. 24/2023, the so-called "Whistleblowing Law."

The reporting process allows for the submission and receipt of reports either explicitly—with disclosure of the reporter's identity—or anonymously, without revealing the reporter's identity.

All reports received will be handled in accordance with the law, with the utmost protection for the individuals involved.

CONCETTI S.p.A. guarantees the confidentiality of the identity of the person making the report (the "Whistleblower") and prohibits any form of retaliation or discrimination against those who make a report or are connected to it.

Anonymous reports will be taken into consideration if they are sufficiently detailed and contain all useful elements for verification, regardless of the knowledge of the Whistleblower's identity. It will still be possible to declare one's identity at a later stage.

To facilitate the submission and management of reports, the Company has made available to the recipients of the System an internal reporting channel via a dedicated online platform ("Platform") accessible at:

<https://concetti.whistlelink.com/>

The Company has also adopted a specific **Whistleblowing Policy**, to which reference is made for further details.

5.3 Reporting Obligations Concerning Official Acts

The following information must be mandatorily forwarded to the Supervisory Body:

- Measures and/or notifications from judicial police authorities, or any other authority, indicating the initiation of investigations—even against unknown persons—related to predicate offences under Legislative Decree No. 231/2001;

- Requests for legal assistance submitted by managers, employees and/or non-subordinate collaborators of the Company in the event of legal proceedings initiated for predicate offences under Legislative Decree No. 231/2001;
- Reports prepared by the heads of other organizational functions in the course of their control activities, from which facts, acts, events, or omissions may emerge that raise concerns regarding compliance with the provisions of the Decree;
- Information concerning the actual implementation of the MOGC (Organization, Management, and Control Model) at all company levels, including disciplinary proceedings undertaken and any sanctions imposed (including measures against employees), or decisions to close such proceedings with justification;
- Summary reports concerning contracts awarded to the Company following tenders or private negotiations;
- Detailed descriptions of how public funds or contributions have been used;
- The system of powers of attorney and proxies adopted by the Company, including any subsequent amendments.

5.4 Methods for Managing Financial Resources

Since financial flows represent a particularly sensitive area, procedures have been adopted for identifying and managing financial resources that are suitable for preventing the commission of predicate offences under Legislative Decree No. 231/2001. On this point, reference is made to the provisions set out in the Special Section of this Model.

6. RECIPIENTS OF THE MOGC, COMMUNICATION AND TRAINING

6.1 Recipients of the MOGC

The MOGC is intended for the members of the corporate bodies, employees (including executives and seconded personnel assigned to CONCETTI), and all those who have contractual relationships with the Company, including those operating in Italy and abroad to achieve the Company's objectives (partners, distributors, intermediaries, agents, suppliers, etc.).

6.2 Dissemination and Communication Activities

The MOGC is widely disseminated both within and outside CONCETTI.

The Supervisory Body monitors the initiatives aimed at promoting dissemination, communication, and training related to the MOGC.

CONCETTI periodically implements a specific training program addressed to all senior and subordinate subjects as referred to in Article 5 of Legislative Decree 231/01, to ensure the effective implementation of the MOGC.

Communication is an essential requirement for the implementation of the MOGC. Therefore, CONCETTI undertakes to facilitate and promote awareness of the MOGC among management and employees through the following means:

- Communication with members of corporate bodies. Each member of the corporate body, at the time of deliberation/review/information regarding the adoption of the MOGC (and its subsequent updates), becomes aware of and adheres to the principles contained therein.
- Dissemination and communication with employeesThe MOGC (General Part) is provided to employees upon hiring. Both the General and Special Parts of the MOGC (including any updates) are made available to employees on the section of the company intranet dedicated to regulatory tools. In addition, the MOGC (General Part) is also posted on company notice boards.
- Dissemination and communication to third parties and the market. The MOGC is communicated to all those with whom CONCETTI has contractual relationships. The MOGC (General Part) is made available to all users via the Company's website.

6.3 Information to Collaborators and Partners

The commitment to comply with the law and the guiding principles of the MOGC by third parties who have contractual relationships with the Company is formalized in a specific clause of the relevant contract. In this regard, a corporate regulatory tool is used to standardize clauses which, depending on the activity governed by the contract, require counterparties to comply with the Decree, the general principles of the MOGC, and the Code of Ethics. Such clauses also provide for specific contractual remedies (such as the right to terminate and/or suspend execution of the contract and/or penalty clauses) in the event of a breach.

6.4 Training

Training on the contents of the Decree and the MOGC is an essential requirement for the implementation of the Model. In this context, CONCETTI is committed to facilitating and promoting knowledge of the MOGC among management and employees, with varying levels of depth depending on position and role, and taking into account the risk level of the various activities performed by personnel.

The training program related to the MOGC is delivered through classroom sessions or webinars, tailored to the course recipients and structured to encourage active participation.

Participation in training sessions is mandatory.

Training is monitored by the relevant company departments to ensure participation and traceability by CONCETTI personnel. Furthermore, these departments assess, in line with the indications of the Supervisory Body, any training needs arising from updates to the MOGC and/or any other relevant changes in the applicable legislative framework, and report on the training delivered to the Supervisory Body.

7. DISCIPLINARY SYSTEM

7.1 General Principles

Under Articles 6(2)(e) and 7(4)(b) of the Decree, the Model can be considered effectively implemented only if it introduces a disciplinary system capable of sanctioning non-compliance with the measures set forth therein.

The application of disciplinary sanctions is independent of the outcome of any criminal proceedings since the rules of conduct and internal procedures are adopted by the Company in full autonomy, regardless of the potential illegality of the conduct in question.

The disciplinary process for imposing sanctions under this system takes into account the specific circumstances and status of the individual involved. In all cases, the Supervisory Body must be involved in the disciplinary procedure.

7.2 Measures Applicable to Employees

Failure to comply with and/or violations of the rules of conduct and procedures required by the MOGC by CONCETTI employees (workers, clerical staff, and middle management) constitutes a breach of the obligations arising from the employment relationship under Article 2104 of the Italian Civil Code and is considered a disciplinary offence.

Such conduct, committed by a CONCETTI employee, also represents a violation of the employee's duty to perform their duties with the utmost diligence and by CONCETTI's directives, as provided for by the applicable National Collective Labour Agreement (CCNL).

Regarding the applicable sanctions, they shall be imposed in compliance with the Company's internal disciplinary system and the procedures set out in the current applicable CCNL. Sanctions may be categorized as either conservative (i.e., non-terminating) or terminating disciplinary measures, and are applied based on the severity of each specific case.

Sanctions shall also be proportionate to the seriousness of the offence by the provisions of the applicable CCNL.

To explicitly clarify the correlation between workers' conduct and disciplinary measures, the following criteria are established:

The employee shall be subject to conservative disciplinary measures if they:

- violate internal procedures or engage in behaviour that does not comply with the provisions of the Model (e.g., by failing to observe prescribed procedures, failing to provide the required information to the Supervisory Body, neglecting to carry out controls, etc.), or engage in conduct in "at-risk" areas that deviates from the Model's provisions, as such behaviour constitutes a failure to comply with orders given by CONCETTI, whether in written or verbal form;

The employee shall be subject to terminating disciplinary measures if they:

- engage in conduct in "at-risk" areas that violate the Model and is aimed at committing an offence punishable under Legislative Decree No. 231/01, as such conduct constitutes a serious breach of workplace discipline or diligence and an act that completely undermines the Company's trust in the employee;
- engage in conduct in "at-risk" areas that blatantly violates the Model's provisions, resulting in the actual imposition of measures against CONCETTI under the Decree, as such conduct causes serious moral or material damage to the Company and makes continuation of the employment relationship, even temporarily, untenable.

The authority to investigate such violations, conduct disciplinary proceedings, and impose sanctions remains with Company management, within the limits of their respective responsibilities.

7.3 Measures Applicable to Executives

When internal procedures under this Model are violated by executives, the most appropriate measures will be applied by the applicable National Collective Labour Agreement (CCNL).

Furthermore, any power of attorney previously granted to the executive may be revoked.

In disciplinary procedures concerning executives, the Supervisory Body must also be involved through appropriate notification.

7.4 Measures Applicable to Directors

In the event of a violation of the Model by CONCETTI directors or statutory auditors, the Supervisory Body shall inform the full Board of Directors and the Board of Statutory Auditors, who shall adopt the appropriate measures by current legislation.

In the most serious cases, the Board of Directors, after consulting with the Board of Statutory Auditors, may propose to the Shareholders' Meeting the removal of the director from office or may apply to the competent court for the removal of the statutory auditor involved.

If the violation is committed by a director who is also an employee of CONCETTI, the applicable disciplinary actions related to their employment status shall remain valid.

7.5 Measures Applicable to Collaborators and Partners

Any conduct by non-employee collaborators or commercial partners of the Company that conflicts with the provisions of the MOGC and poses a risk of committing an offence punishable under the Decree may lead to termination of the contractual relationship, under the specific contractual clauses contained in engagement letters or cooperation agreements.

This is without prejudice to the Company's right to claim compensation for any greater damage suffered as a result of such conduct, especially in cases where a court imposes measures on the Company under the Decree.

8. PERIODIC CHECKS AND UPDATES

8.1 Periodic Checks

The Model shall be subject to two types of checks, carried out by the heads of the department:

- Document checks: An annual review shall be conducted on the main corporate documents and the most relevant contracts entered into by the Company in "at-risk" areas of activity;
- Procedure checks: Periodically, the actual functioning of the present Model shall be reviewed by the procedures established by the Supervisory Body.

Following the periodic or quarterly checks, a report shall be drawn up and submitted to the Board of Directors, highlighting any shortcomings and suggesting actions to be taken.

8.2 Updates to the MOGC

This MOGC has been drafted in compliance with the Law, taking into account the guidelines issued by Confindustria and ABI.

The drafting and updating process aimed to verify the effectiveness of the existing control measures, particularly in activities most exposed to the predicate offence risks outlined in the Decree. For this purpose, a process was initiated to analyze sensitive activities and the safeguards in place to mitigate the identified crime risks.

In defining and updating its Model, the Company proceeded through logical successive steps, specifically:

- Mapping sensitive activities and identifying risk profiles;
- Detecting control safeguards and formalizing risk assessments.

By Article 6(1)(b) of the Decree, the task of updating the MOGC is entrusted to the Supervisory Body. To this end, the Supervisory Body, with the support of corporate departments responsible for monitoring regulatory changes and organizational modifications, identifies and reports to the Board of Directors the need to update the MOGC, also guiding how to carry out the related interventions.

The Board of Directors evaluates the need for updates as reported by the Supervisory Body and resolves on the updates to be made about changes and/or additions that become necessary due to:

- Regulatory changes regarding the administrative liability of entities and significant developments in the interpretation of relevant provisions;
- Identification of new sensitive activities or changes to those previously identified, possibly linked to the launch of new business activities;
- Changes to the Company's internal structure and/or to the methods of conducting business activities;
- Commission of relevant offences by parties subject to the provisions of the Model, or in general, significant violations of the same;
- Identification of deficiencies and/or gaps in the Model following effectiveness reviews.

The Board of Directors identifies the internal departments responsible for implementing the updates and the related methods, authorizing the launch of a specific project.

The designated departments carry out the approved interventions according to the given instructions and, after informing the Supervisory Body, submit the proposed updates resulting from the project to the Board of Directors for approval.

The Board of Directors approves the results of the project, orders the update of the Model, and identifies the departments responsible for implementing the amendments/additions resulting from the project and for disseminating the relevant content both inside and outside the Company.

The approval of the Model's update is immediately communicated to the Supervisory Body, which in turn oversees the correct implementation and dissemination of the updates.

The Supervisory Body shall inform the Board of Directors at least annually about the results of the monitoring activities carried out.

In any case, the Model shall be subject to a periodic revision process every two years, to be initiated by a resolution of the Board of Directors.