



**Organization, Management and Control Model
pursuant to Italian
Legislative Decree 231/2001.**

General Part

LIST OF REVISIONS

REV.	DATE	NATURE OF THE CHANGES	APPROVAL
00	10/02/2025	First Edition	Board of Directors

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TERMS AND DEFINITIONS

Ital. Legislative Decree 231/2001 or	Legislative Decree No. 231 of 8th June, 2001, "Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Article 11 of Law No. 300 of 29th September, 2000," and subsequent amendments and additions.
Model	Organization, management and control model according to the requirements of Legislative Decree 231/2001.
SB	Supervisory Body: internal control body, responsible for supervising the operation of and compliance with the Model, as well as its updating.
Guidelines	Documents issued by trade associations or authoritative public bodies on the subject of Legislative Decree 231/2001.
Risk Assessment	Structured methodology of risk assessment and related controls.
Internal control system or ICS	Set of protocols and actions taken by the company for the purpose of preventing risks.
Employees	Individuals who perform work in favour of the Company, employed by and under the direction of the Company with a permanent or fixed-term contract. Workers with self-employed collaboration contracts, temps and interns are equated with Employees with regard to compliance with the regulations of Legislative Decree 231/2001.
Suppliers	Individuals who provide goods and/or services to the Company under agreements and/or contracts.
Whistleblowing	This is the action of someone who, in a public or private company, detects a danger, fraud (real or only potential) or any other risk capable of harming the company itself, its employees, customers or the reputation of the company. The whistleblower is the person who reports this risk.

INTRODUCTION

This document, accompanied by all its annexes, is the Organization, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter referred to as the Model), adopted by LTE S.r.l. (hereinafter also LTE or the Company). The task of supervising the operation of and compliance with the rules and principles contained in this Model is entrusted to a Supervisory Body endowed with autonomous powers of initiative and control.

LTE S.r.l., established in 1993, is engaged in the development and production of high-tech Fluorinated (FKM/FFKM), Siliconic (VMQ) and Fluorosiliconic (FVMQ) rubber-based compounds for a wide variety of industry sectors including:

- ✚ Automotive: solutions for the under-bonnet area, interior and exterior of the vehicle.
- ✚ Transportation: from infrastructure to rail to aerospace, the company offers numerous proposals.
- ✚ Consumer goods: food sector, sports sector and hobby sector
- ✚ Electrical: materials intended for processing silicon wafers for the production of semiconductors, automotive and industrial cables.
- ✚ Building: curtain wall profiles.
- ✚ Home appliances: components for machines such as washing machines, dryers, ovens.

LTE is certified according to ISO 9001:2015 standards.

1. THE RELEVANT REGULATORY CONTEXT

1.1 Legislative Decree No. 231/2001 and subsequent amendments and additions

Legislative Decree 231/2001 *"Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality"* (hereinafter also Decree), which came into force on 4th July, 2001, introduced into the Italian regulatory system the concept of administrative liability of legal persons, resulting from the commission by a natural person of a criminally relevant unlawful act (crime).

Administrative liability on the part of legal persons or entities is in addition to and does not replace the personal criminal liability of the natural person who materially committed the crime.

Companies can, therefore, be held liable for certain crimes committed or attempted in their interest or to their benefit by:

- a) individuals who hold top management positions (representation, administration, management, even of an organizational unit of the company with financial and functional autonomy) or who exercise, even de facto, the management and control of the company;
- b) individuals subject to the direction or supervision of the aforementioned top executives.

The liability of the company is independent of that of the natural person who committed the act in the interest or for the benefit of the company. Moreover, said liability is excluded in the event that the individual committed the act in his or her own exclusive interest or that of a third party.

The concept of **interest** is closely related to the purpose of the crime: for it to exist, it is sufficient that the crime was committed with the intention of acquiring an economic benefit for the company, without requiring that it actually be achieved.

The term **advantage**, on the other hand, refers to the concrete acquisition of an economic benefit by the company, regardless of the intentions that drove the agent to commit the crime.

Legislative Decree No. 231/2001 diversified the system of company liability based on whether the crime was committed by a person in a senior management position, or by a person under the direction/supervision of a person in a senior management position.

In the event that the crime has been committed by **individuals in a senior management position** (letter a), the liability of the company is presumed. The company will, therefore, have to prove that the crime was committed by fraudulently circumventing the Organizational Model suitable for preventing crimes of the kind that occurred, and that there was no omission or insufficient control by the Supervisory Body, which is responsible for supervising the proper functioning of and effective compliance with this Model.

If the crime was committed by a **subordinate** (letter b), the burden of proof is on the judicial authority. The company will be liable only where the commission of the offence was made possible by a failure to comply with management and supervisory obligations. Failure to comply with these obligations is in any case excluded if the company, prior to the commission of the crime, adopted and effectively implemented an Organization, Management and Control Model suitable for preventing crimes of the kind that occurred.

By express legislative provision (Art. 6 Legislative Decree 231/2001), the Organizational Model must meet the following requirements:

- a) identify the activities within the scope of which the crimes referred to in Legislative Decree 231/2001 may be committed;
- b) provide specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the crimes to be prevented;
- c) identify ways of managing financial resources that are suitable for preventing the commission of crimes;
- d) provide for obligations to report to the SB, which is responsible for supervising the operation of and compliance with the Model;
- e) introduce a Disciplinary System suitable for sanctioning non-compliance with the measures outlined in the Model.

1.2 Predicate crimes and penalties

The legislator initially focused its attention only on crimes against public administration, and subsequently intervened on several occasions to strengthen domestic legislation and bring it in line with international conventions.

The liability of the company does not arise from the commission by the individuals highlighted above of all the types of crimes provided for by the Italian legal system, but is limited only to the presupposed cases specifically provided for by Legislative Decree No. 231/2001.

The latter, organized by category, are as follows:

Crime category	Regulatory Reference
Misappropriation of disbursements, fraud against the State or a public agency or for the purpose of obtaining public disbursements, and computer fraud against the State or a public agency	Art. 24
Computer crimes and unlawful processing of data	Art. 24a
Organized crime provisions	Art. 24b
Conspiracy, undue inducement to give or promise benefits, and bribery	Art. 25
Forgery of money, public credit cards, revenue stamps, and identifying instruments or signs	Art. 25a
Crimes against industry and trade	Art. 25a.1
Corporate crimes	Art. 25b
Crimes for the purpose of terrorism or subversion of democratic order	Art. 25c
Practices of female genital organ mutilation	Art. 25c.1
Crimes against individual personality	Article 25d
Market abuse	Art. 25e
Manslaughter or serious or very serious injury committed in violation of occupational health and safety regulations	Art. 25f
Receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, and self-laundering	Art. 25g
Crimes involving non-cash payment instruments	Art. 25g.1

Copyright infringement crimes	Art. 25h
Crime category	Regulatory Reference
Inducement not to make statements or to make false statements to judicial authorities	Art. 25i
Environmental crimes	Art. 25j
Employment of third-country nationals whose residence is illegal	Art. 25k
Racism and xenophobia	Art. 25l
Fraud in sports competitions, unlawful gaming or betting and gambling exercised by means of prohibited devices	Article 25m
Tax offences	Article 25n
Smuggling	Art. 25o
Transnational crimes	Italian L. 146/2006
Liability of companies for administrative offences in connection with crimes	Art.13 L. 9/2013
Crimes against cultural heritage	Art. 25p
Laundering of cultural property and devastation and looting of cultural and landscape heritage	Art. 25q

Article 9(1) of the Decree identifies **the penalties** that can be imposed on the company if it is found responsible for one of the administrative offences in connection with crimes, namely:

- 1) financial penalty;
- 2) prohibitive sanctions;
- 3) confiscation;
- 4) publication of the judgment.

Specifically, the **prohibitive sanctions** provided for are:

- prohibition from engaging in business;
- suspension or revocation of authorizations, licences or concessions functional to the commission of the offence;
- prohibition from contracting with public administration, except to obtain the performance of a public service;
- exclusion from benefits, financing, contributions or subsidies and the possible revocation of those already granted;
- a ban on advertising goods or services;
- being placed under external administration.

1.3 The Guidelines

By virtue of what is expressly stated in the decree (Art. 6 Legislative Decree 231/2001, third paragraph), Models can be adopted on the basis of codes of conduct or guidelines drawn up by representative and trade associations, and communicated to the Ministry of Justice.

The Guidelines specify the stages through which the company should articulate an effective system for preventing the risks of committing the offences provided for in the decree. The steps are as follows:

1. **Identification of potential risks:** identification of the risk areas, the sector or business process in which it is possible to carry out the offences referred to in the decree, through

- *an inventory of the company's business areas* (map of corporate risk areas and relevant crimes);
 - *analysis of potential risks* (documented map of potential ways of committing offences in risk areas).
2. **Design of the control system** (so-called "**protocols**" for planning the formation and implementation of the company's decisions): preparation of a suitable control system, designed to prevent risks through the adoption of specific protocols, through
- *the evaluation/construction/adaptation of the system of preventative controls* (documented description of the system of preventative controls activated and any necessary adjustments).

The components of a preventative control system that must be implemented in the Model are:

- Code of Ethics;
- Clear and formalized organizational system;
- Authorization system with definition of powers of authorization and signature;
- Operating procedures (manual or computer-based);
- Staff communication and training;
- Monitoring and Reporting System.

The control principles to be followed by the company in building the entire system architecture are:

- "Every operation, transaction, action must be: verifiable, documented, consistent and congruous."
 - "No one can independently manage an entire process."
 - "Controls must be documented."
3. **Identification of a Supervisory Body**, endowed with autonomous powers of initiative and control, and entrusted with the task of supervising the operation of and compliance with the Model and overseeing its updating.
4. **Disciplinary System**, suitable for sanctioning non-compliance with the measures specified in the Model.

This Model is prepared in accordance with the Confindustria Guidelines, in their latest version.

2. THE MANAGEMENT, ORGANIZATION AND CONTROL MODEL ADOPTED BY LTE S.R.L.

2.1 Purpose of the Model

By adopting the Model, LTE S.r.l. aims to provide itself with an internal control system that meets the purposes and requirements of Legislative Decree 231/2001.

In particular, the Model aims to:

- promote and enhance to an even greater extent an ethical culture within the Company, with a view to fairness and transparency in the conduct of business;
- spread the necessary awareness to all those who work in the name of and on behalf of the Company that in the event of violation of the provisions contained in the Model, they may commit an offence punishable on a criminal and administrative level, not only against themselves, but also against the Company;
- emphasize that such forms of illegal behaviour are systematically condemned by the Company, as they are contrary to the ethical and social principles to which it adheres, as well as the provisions of the law;
- inform all interested parties that violation of the requirements contained in the Organizational Management and Control Model will result in the application of sanctions, or termination of the contractual relationship;
- introduce a mechanism to establish a permanent process to analyze the company's activities, aimed at identifying the areas in which the crimes indicated by the Decree may abstractly occur;
- introduce the control principles to which the organizational system must conform so as to be able to prevent in practice the risk of committing the crimes indicated by the Decree, in the specific activities that emerged as a result of the analysis of the sensitive areas;
- appoint the SB (Supervisory Body) with the task of overseeing the proper functioning of and compliance with the Model and ensuring that it is updated.

2.2 Recipients

The Model applies to all those who carry out, even de facto, management, administration, direction or control functions in the Company, employees, as well as consultants, collaborators and, in general, all third parties who act on behalf of the Company within the scope of the activities considered to be at risk (hereinafter the "Recipients" of the Model).

Those to whom the Model is addressed are therefore required to comply fully with all its provisions, including the fulfilment of the duties of loyalty, fairness and diligence arising from the legal labour relations established with the Company.

LTE supervises compliance with the provisions contained in the Model by ensuring transparency of the corrective actions put in place in case of its violation. The Company is committed to disseminating, within its organization and externally, the contents of the Model and subsequent updates in a complete, accurate and continuous manner.

2.3 Methodology and activities for building the Model

For the purpose of preparing the Model, the following steps were taken:

- 1) identifying and mapping sensitive processes: the objective of this phase was to analyze the company context, in order to identify in which area/sector of activity and in what manner the crimes provided for in the Decree could be carried out. A representation of risk areas and sensitive processes, existing controls and any critical issues was established from this;
- 2) evaluating risks and the system of preventative controls: based on the existing situation as ascertained above, risks were assessed and subsequently the necessary initiatives were identified for the purpose of adapting the internal control system and the essential organizational requirements indicated by the Reference Guidelines to the purposes pursued by the Decree;
- 3) defining procedures and protocols, an integral part of a system of controls capable of preventing risks: the Company has approved and implemented within its organization an articulated system of procedures and operating instructions aimed at overseeing company processes and preventing the commission of the crimes provided for in the Decree;
- 4) designing and implementing the Organization, Management and Control Model: it was intended at this stage to define an internal system aimed at planning the formation and implementation of the Company's decisions in relation to the risks/offences to be prevented; this system is made up of the Code of Ethics (which sets the general guidelines and principles that constantly guide the Company's operations) and an Organization, Management and Control Model, specifically aimed at the prevention of the crimes referred to in the Decree.

For the purposes of the practical application of and compliance with the Model, it is essential to raise awareness of the observance of the rules and procedures provided by the same, within all structures and all levels of the company; the establishment of a Supervisory Body with the task of supervising the operation of and compliance with the Model, and proposing its updating.

2.4 Structure of the Model

The Model consists of a General Part and a Special Part. The General

Part describes:

- the regulatory requirements, with a concise review of the Decree and the Guidelines provided by leading trade associations (Confindustria);
- the purpose, structure and elements of the adopted Model;
- the requirements, functions and powers of the Supervisory Body;
- the Disciplinary System adopted;
- communication activities and staff involvement and training on the Model.

The Special Part, divided into Sections, describes:

- the list of individual offences belonging to the category;
- the principles of behaviour adopted by the Company, supplementing the principles contained in the Code of Ethics;
- the list of processes, sensitive activities, functions involved and illegal acts;
- an indication of the type of control tools implemented.

The Annexes to the Model are:

- Annex 1 Code of Ethics
- Annex 2 Disciplinary System
- Annex 3 Risk Assessment
- Annex 4 Governance System (Powers of attorney, delegation of responsibilities and any spending powers)

2.5 Approval, amendment and implementation of the Model

The Model is approved and adopted by resolution of the Board of Directors. The Board of Directors has the task, also based on the indications provided by the Supervisory Body, of updating or supplementing the Model, following:

- regulatory updates;
- significant changes in the organization;
- changes in company processes and activities or business areas;
- occurrence of extraordinary events (serious violations, challenges, penalties, etc.).

Any amendments or additions to the Model, including those proposed by the SB, and to the Model documents are the sole responsibility of the Board of Directors, which is also assigned the task of determining an appropriate budget to be allocated to the Supervisory Body for the proper performance of its duties.

In any case, the Model must be periodically reviewed in order to verify its adequacy and the need for updates in order to maintain its effectiveness over time.

2.6 Elements of the Model

This Model is based on the following elements, which are integrated with each other:

- A. Code of Ethics;
- B. Organizational system;
- C. Powers of authorization and signature;
- D. Actors of control (governance);
- E. System of procedures;
- F. Mapping of risk areas and controls;
- G. Disciplinary System;
- H. Training and information regarding the Model and the Decree.

A. Code of Ethics

LTE has adopted its Code of Ethics (Annex 1), which is an integral part of the Model, in order to ensure compliance with certain shared ethical values and specific norms of behaviour, with the aim of preventing the crimes set forth in Legislative Decree No. 231/2001.

The recipients of the Code of Ethics are employees, directors, the auditor, consultants, suppliers, and in general all persons who may carry out activities on behalf of LTE. The Code of Ethics is therefore also applicable to third parties, for whom compliance with the principles contained in the Code of Ethics is imposed through contractual agreements.

B. Organizational System

LTE's organizational structure is formalized in a corporate organizational chart, from which the roles and responsibilities of each organizational function are identified.

This document is referred to in this Model in order to represent the organizational structure adopted by the Company.

C. Powers of authorization and signature

The authorization system and signatory powers are assigned in line with organizational and managerial responsibilities.

D. Actors of control (governance)

LTE adopts a traditional system of governance, with the presence of:

- General Shareholders' Meeting;
- Board of Directors;
- Independent Auditor.

With the approval of the Organizational Model, the company shall appoint the Supervisory Body pursuant to Legislative Decree 231/01.

E. System of procedures

LTE has approved and implemented a system of procedures within its organization, aimed at overseeing company processes and preventing the commission of the crimes referred to in the decree. These Procedures are foundational parts of the company's management system. They are ISO 9001:2015 certified.

F. Mapping of risk areas and controls

The Mapping of sensitive processes and activities is the prerequisite for the Model adopted by LTE.

The document prepared in accordance with the Confindustria Guidelines identifies the processes and activities in which there is a risk of crimes being committed, and indicates the existing prevention protocols.

The activity of updating the Mapping is the responsibility of the BoD. The SB is responsible for checking its adequacy and proposing any additions and updates.

G. Disciplinary System

The effective implementation of the Model is guaranteed by an adequate Disciplinary System that sanctions non-compliance with the rules contained in the Model and all its constituent elements.

LTE has adopted a Disciplinary System (Annex 2), which is an integral part of the Model with the aim of disciplining non-compliant behaviour, regardless of whether criminal proceedings are instituted.

The Disciplinary System is autonomous and is not a substitute for the regulations governing labour relations such as the Workers' Statute and the National Collective Labour Agreement applied to the Company's employees.

The recipients of the Disciplinary System are employees, directors, auditor, consultants and suppliers, in different ways.

H. Training and information with respect to the Model and the Decree

For the purpose of effective implementation of the Model, LTE promotes communication, training and information activities regarding the Model.

The Company, in collaboration with the SB, promotes the implementation of a specific communication and training plan structured by type of recipient, with the aim of ensuring the dissemination of the contents of the Model and the Decree.

The Model is communicated to the Auditor and the Supervisory Body, which receive an authorized copy. For employees of the Company, it is illustrated through:

- informational meetings on the purpose and content of the model (expressly provided for senior management functions);
- posting the General Part of the Model, the Code of Ethics and the Disciplinary System on the company notice board;
- delivery to new hires of an excerpt of the documentation to be attached to the "information kit" usually provided to the employee.

LTE also promotes full publicity of the Model externally to third parties through:

- publication of the General Part of the Model, the Code of Ethics and the Disciplinary System on the company website;
- disclosure to third parties (customers, suppliers, consultants, etc.).

The training plan involves activating two different types of training:

- general training, aimed at all levels of the organization;
- specific training, which instead concerns senior management or in any case staff involved in crime-risk activities.

General training should provide basic knowledge regarding the Decree, the contents and purpose of the Model, and the duties and powers of the SB.

Specific training should provide knowledge and awareness regarding the risks that can be associated with the company's activities, the control measures to be activated, and risk assessment techniques, so as to provide concrete elements for the detection of possible anomalies or situations of non-compliance.

The requirements that the LTE training plan must meet are as follows:

- participation in training courses is mandatory;
- the instructor must be a competent individual;
- attendance must be functional to corporate action;
- training activities must be recorded and verified.

Training, as also stipulated in trade association guidelines, can be delivered in-person and/or with the support of computer-based platforms for individual and distance learning (so-called e-learning).

3. SUPERVISORY BODY

Legislative Decree 231/2001, based on the provisions of Article 6, paragraph 1, among the indispensable elements for the exemption of companies from administrative liability, provides for the appointment of an internal body within the company (Supervisory Body) with autonomous powers of initiative and control, with the task of supervising the functioning of the Model and taking care of its updating.

As part of the implementation of the regulatory provision and in order to complete its Organization, Management and Control Model, LTE provides for the appointment of the aforementioned body as a board.

The functioning of the SB is regulated through specific SB Regulations adopted by the SB once it is established.

The requirements, duties and information flows to and from the SB are regulated below.

3.1. Requirements of the Supervisory Body

The SB, in accordance with the Decree and the Guidelines from trade associations, must meet the following requirements:

- **autonomy:** complete autonomy, understood as freedom and capacity for decision-making, self-determination and action, must be guaranteed to the SB. This autonomy should be exercised especially with respect to top management. The body must remain free from any form of interference and pressure from senior management.
- **Independence:** the position of the Supervisory Body must be that of a third party, hierarchically placed at the top of the line of command, free from subservience to top management. The SB should not be assigned operational tasks that could affect strategic, operational and financial aspects of the Company.
- **Professionalism:** the requirement of professionalism refers to the specialized technical skills with which the SB must be equipped. In particular, it is necessary for the SB to be made up of individuals with specific knowledge in legal matters, control methodologies and activities, risk assessment and management, business organization, finance, auditing techniques, etc., as well as specific skills in relation to inspection activities and consultancy of analysis of control systems.
- **Continuity of action:** continuity of action should be understood in terms of the effectiveness of supervisory and control activities, and in terms of the temporal constancy of the performance of the functions of the SB.
- **Integrity:** the members of the Supervisory Body, given the role they are called upon to play, must necessarily present an ethical profile of unquestionable value.

3.2 Grounds for ineligibility and incompatibility

The following are considered grounds for ineligibility:

- the presence of any of the circumstances referred to in Article 2382 of the Civil Code in relation to the individual member of the SB;
- the initiation of investigations against the individual member of the SB for crimes sanctioned by Legislative Decree 231/2001;
- a conviction, which has become final, of the individual member of the SB for having committed one of the crimes sanctioned by Legislative Decree No. 231/2001.

By accepting the appointment, the member of the SB certifies that there are no such grounds for ineligibility.

The rules described above apply even if a member of the SB is subsequently appointed to replace another member of the body.

In cases where a judgment of conviction has been issued, the Board of Directors, pending the res judicata of the judgment, may order the suspension of the powers of the member of the Supervisory Body.

In order to guarantee the highest autonomy and independence to the members of the SB, they must not have family ties with top management, nor must they be linked to the Company by significant economic interests or any situation that could generate a conflict of interest.

3.3 Appointment, composition and term of the Supervisory Body

The Supervisory Body is appointed by the Board of Directors, which also determines the compensation paid to each of the members.

The number and qualifications of the members of the SB are decided by the Board of Directors: in the case of LTE, the SB is a collegial body.

The chairperson is responsible for carrying out all formalities, such as convening and setting the agenda for meetings. Provision can be made for the establishment of an SB Secretariat to support, coordinate activities and manage the archives.

Appointment to the Supervisory Body must be communicated to and formally accepted by each appointed member. Subsequently, the BoD shall notify all levels of the organization of the appointment and composition of the Supervisory Body, with evidence of the responsibilities, powers and duties of the Supervisory Body.

The term of office is set by the BoD at the time of appointment and can be renewed by BoD order. In any case, each member remains in office until a successor is appointed (so-called prorogatio imperii).

3.4 Dismissal

The dismissal of a member of the SB (even when limited to a single member of the SB) is the sole responsibility of the BoD.

A member of the Supervisory Body cannot be dismissed without just cause.

Just cause for dismissal may be, by way of example but not limited to:

- the loss of the subjective requirements highlighted above;
- the occurrence of any of the reasons for incompatibility highlighted above;
- gross negligence in the performance of the duties designated to the SB.

A member of the SB may resign from the position at any time, giving reasons to the Board of Directors, with at least 30 days' notice.

3.5 Powers and Functions of the Supervisory Body

The Supervisory Body oversees the effective implementation and updating of the Model.

The tasks entrusted to the SB are:

✚ Verifying the adequacy and effectiveness of the Model:

- verifying the suitability of the Model to prevent the occurrence of unlawful conduct, as well as to detect its possible execution;
- verifying the effectiveness of the Model, i.e., the correspondence between concrete behaviours and those formally stipulated in the Model;

- checking compliance with the principles of behaviour and procedures set forth in the Model and detecting any deviations.
- ✚ Overseeing the updating the Model:
 - taking care of updating the Model, proposing, if necessary, to the Board of Directors the adjustment of the same in order to improve its adequacy and effectiveness (in view of any regulatory interventions, changes in the organizational structure, violations of the Model).
 - ✚ Promoting communication, information and training on the Model and the Decree:
 - promoting and monitoring initiatives aimed at fostering communication, information and training on the Model among all recipients;
 - ✚ Responding with appropriate timeliness to requests for clarification from company departments or resources or the Board of Directors, when related or connected to the Model;
 - ✚ Reporting periodically to the BoD on the status of implementation and operation of the Model.

3.6 Reporting by the Supervisory Body to corporate bodies and top management

The Supervisory Body must report the results of its activities periodically to the Board of Directors.

The SB must feed a reporting line to the entire Board of Directors.

To this end, the SB shall prepare, by the predetermined deadlines, a summary report of its work and a plan of activities for the next reporting period.

The SB may be summoned at any time by top management and the aforementioned bodies and may, in turn, make such a request in order to report on the functioning of the Model or specific situations relating to the implementation of the Model.

3.7 Information flows to and from the Supervisory Body

Information flows to and from the Supervisory Body, also provided for in Article 6 of Legislative Decree No. 231/2001, which expressly speaks of "information obligations," are one of the tools available to the Supervisory Body to verify the validity and effectiveness of the Model.

Information flows can be of different types:

- event-driven flows: resulting from the occurrence of a specific event or situation to be reported to the SB;
- periodic flows: defined on a periodic basis and agreed with company departments;
- reports: these may come from any company employee who detects a danger, possible fraud or other behaviour that may constitute a violation of the Model (whistleblowing).

The Company provides for the establishment of a designated e-mail inbox that enables an exchange of communications between the SB and company contact persons for sending information.

3.8 Legislation on whistleblowing

As of 15th July, 2023, Legislative Decree No. 24/2023, which implemented European Directive No. 1937 of 23rd October, 2019, on "*the protection of persons who report breaches of Union law and setting forth provisions concerning the protection of persons who report breaches of national laws*," came into effect, resulting in an important change in the institution of whistleblowing for companies that adopt Organization, Management and Control Models pursuant to Legislative Decree No. 231/2001.

In fact, Legislative Decree 24/2023 repealed Article 6 paragraphs 2-ter and 2-quater of Legislative Decree 231/01 and amended Article 6 paragraph 2. bis, replaced by the following: "The Models referred to in Paragraph 1(a) provide for, pursuant to the Legislative Decree implementing EU Directive 2019/1937 of the European Parliament and Council of 23rd October, 2019, internal reporting channels, prohibition of retaliation, and the disciplinary system adopted pursuant to Paragraph 2(e)."

The Company has implemented the three-envelope system, suitable for receiving and managing reports, and has also prepared a dedicated procedure, attached to the Model, made known to all internal and external stakeholders.

Reports must be substantiated and may include, but are not limited to:

- ✚ any violation, even potential, of the Code of Ethics and the Model or internal regulations, procedures or other company provisions;
- ✚ actions or omissions, committed or attempted, which may cause injury to employees performing their work at the Company;
- ✚ news of proceedings or investigations into alleged offences under Legislative Decree 231/01 and findings of internal investigations from which violations of the Model have emerged;
- ✚ information from any source concerning the possible commission of crimes or other violations of the Model;
- ✚ other violations of national or EU regulatory provisions that harm the public interest or the integrity of the Company, of which the reporter has become aware in the work context, pursuant to Legislative Decree 24/23. Reports should contain the following elements:
 - ✚ a clear and complete description of the facts;
 - ✚ if known, details of the circumstances of time and place in which the acts were committed;
 - ✚ the particulars that would allow the identification of the person(s) who carried out the reported acts;
 - ✚ indications of any other individuals who may be able to report on the facts being reported;
 - ✚ any other information that may provide useful feedback or any documents that may confirm the existence of the reported facts.

The Company guarantees the confidentiality of the reporter's identity. Whistleblowers are also protected against any form of discrimination, penalization or retaliation for reasons related, directly or indirectly, to the report. At the same time, the protection of the reported person is also guaranteed.

It is the task of the Supervisory Body to make the necessary investigations as quickly as possible and, if necessary, to carry out further checks in accordance with the procedure adopted by the Company. Where the in-depth investigations carried out reveal situations of serious violations of the Model and/or the Code of Ethics, or the Supervisory Body has developed a well-founded suspicion of the commission of a crime relevant under Legislative Decree 231/01, it shall proceed without delay to report its assessments to the Board of Directors.

3.9 Confidentiality

The Supervisory Body has an obligation not to disclose the news and information acquired in the performance of its duties, ensuring absolute confidentiality and refraining from using the information for purposes other than those inherent in its role as Supervisory Body.

All information that comes into the possession of the SB is treated in accordance with current privacy legislation (Legislative Decree No. 196/2003 and subsequent amendments and additions, and European Regulation No. 679/2016).