ORGANIZATION, MANAGEMENT AND CONTROL MODEL

pursuant to Legislative Decree no. 231 of 8 June 2001 and subsequent amendments and additions

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This document consists of 61 pages.

The President of the Board of Directors

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General Section

GENERAL PART

1. LEGISLATIVE DECREE NO 231 OF 8 JUNE 2001

Legislative Decree No 231 of 8 June 2001 laying down the 'Discipline of the administrative responsability of legal persons, companies and associations, including those without legal personality, pursuant to Article 11 of Law No 300 of 29 September 2000' (in short: the "Decree"), which entered into force on 4 July 2000, intended to adapt the Italian legislation, on the liability of legal persons, to the international conventions signed by Italy some time ago, in particular:

- the Brussels Convention of 26 July 1995 on the protection of the European Community's financial interests,
- the Brussels Convention of 26 May 1997 on fighting corruption of public officials of both the European Community and the Member States,
- the OECD Convention of 17 December 1997 on fighting bribery of foreign public officials in economic and international transactions.

With this Decree, a regime of administrative responsibility was introduced into our legal system, for legal persons (in short: "companies"), which is in addition to the liability (1) of the natural person who has materially committed certain unlawful acts and which aims to involve, in the punishment of the same, the companies in whose interest or advantage the crimes in question have been committed.

The liability provided for by the Decree also arises in relation to crimes committed abroad, provided that the State in whose place the crime was committed does not proceed for them.

The liability of the entity exists even if the offender has not been identified and exists even if the offence itself is extinguished against the offender for a reason other than amnesty or statute of limitations.

The administrative sanctions against the entity are subject to a statute of limitations, except in cases where the statute of limitations is interrupted, within 5 years from the date of consummation of the crime.

1.1. Principle of legality

The liability of the entity arises within the limits provided for by law: the entity "cannot be held liable for an act constituting a crime, if its [criminal] liability in relation to that crime and the related penalties are

(1) The "criminal" nature of this liability can be deduced from four elements: 1) it derives from a crime in the sense that the crime is a prerequisite for the sanction; 2) it is ascertained with the guarantees of the criminal trial and by a criminal magistrate; 3) involves the application of penalties of a criminal nature (financial penalties and disqualification sanctions); 4) the role of guilt is central, operating the principle of guilt.

not expressly provided for by a law that came into force before the commission of the act" (art. 2 of the Decree).

1.2. Objective criteria for attributing liability

The objective criteria for attributing liability are of three types:

(a) The commission of a crime indicated in the context of the Decree from art. 24 to art. 25 *duodecies*.

(b) The offence must have been committed 'in the interest or to the advantage of the entity'.

Interest and/or advantage

A further constituent element of the liability in question is represented by the need for the alleged unlawful conduct to have been carried out in the interest or to the advantage of the Entity.

The interest or advantage of the Entity is considered to be the basis of the latter's liability even if the interests or advantages of the offender or third parties coexist, with the sole limit of the hypothesis in which the interest in the commission of the crime by the person in a qualified position within the entity is exclusive to the offender or third parties.

Since no exempt effect has been recognized to the exclusive "advantage" of the offender or third parties, but only – as mentioned – to the exclusive interest of these subjects, the liability of the Entity must be considered even if it does not obtain any advantage or when there is an exclusive advantage of the offender or third parties, provided that the Entity has an interest, possibly concurrent with that of third parties, to the commission of the crime perpetrated by persons in a qualified position in its organization.

Beyond the aforementioned clarifications, the liability provided for by the Decree therefore arises not only when the unlawful conduct has resulted in an advantage for the Entity itself, but also in the hypothesis in which, even in the absence of such a concrete result, the unlawful act has been justified in the interest of the Entity. In short, the two words express legally different concepts and represent alternative assumptions, each with its own autonomy and its own field of application.

On the meaning of the terms "interest" and "advantage", the Government Report accompanying the Decree attributes to the former a markedly subjective value, susceptible to an *ex ante* assessment – so-called utility-focused, as well as to the latter a markedly objective value – thus referring to the actual results of the conduct of the acting party who, although not directly targeting an interest of the entity, he has realized, however, with his conduct an advantage in his favor – susceptible to an *ex post verification*.

The essential characteristics of interest have been identified in: objectivity, understood as independence from the agent's personal psychological convictions and in its correlative necessary rooting in external elements susceptible to verification by any observer; concreteness, understood as the inscription of interest in relationships that are not merely hypothetical and abstract, but actually subsistence, to safeguard the principle of offensiveness; contemporaneity, in the sense that the interest must be objectively subsisting and recognizable at the time the fact was recognized and must not be future and

uncertain, otherwise there is no damage to the property necessary for any offence that is not configured as a mere danger; not necessarily economic importance, but also attributable to a business policy.
In terms of content, the advantage attributable to the Entity – which must be kept distinct from profit – can be: direct, i.e. attributable exclusively and directly to the Entity; indirect, i.e. mediated by results acquired by third parties, but likely to have positive effects for the Entity; economic, although not necessarily immediate.

The "group" interest

The non-exclusivity of the interest of the Entity as well as the possibility of recognizing an interest of the Entity without the advantage of these constitute the basis on which the possibility of recognizing the requirement of interest for corporate groups was built.
In this regard, there are two jurisprudential orientations.
According to a first orientation, the liability of the Entity, for an offence dependent on a crime that has benefited another entity belonging to the same aggregate, would be based precisely on the recognition, by the general legal system, of a group interest, which can be reconstructed through the civil law rules on consolidated financial statements, management responsibility and direction and coordination of companies.
The group interest, recognized as relevant by the legal system (albeit in other sectors), would therefore be common to all the entities belonging to the same aggregate and as such would integrate the assumption of interest for all the entities of the group, allowing each entity to be held liable for offence dependent on a crime provided that the perpetrator, at the time of its perpetration, held a qualified position within the entity to which the dispute is made, with the consequent indiscriminate extension of liability in the group on the basis of relationships that can be reconstructed by virtue of purely formal profiles, such as control or shareholder connection, the powers connected to offices held in the parent company or the nature of holding *company* of one of the entities involved (G.i.p. Trib. Milan, 20 September 2004, in *Foro it.*, 2005, 556)
On the basis of a second jurisprudential orientation, it is not so much the reference to formal rules and criteria of a civil nature, provided for commercial companies and for purposes other than those considered here, that establishes the liability of entities belonging to the same aggregate. Nor is it the future and uncertain allocation of profits that constitutes the distinction of the extension of liability, since it is a phenomenon that pertains to the different requirement of the advantage, which may not even occur even though there is an interest founding the liability of the entity for the tort.
On the other hand, it is considered that, to base the liability of the entity in which the perpetrator of the crime committed in order to obtain advantages for other entities occupies a qualified position, is the existence of links or links between the entities involved that do not allow the favored entity to be considered as a "third party"; this is in consideration of the repercussions that the conditions of one entity have on the conditions of the other and of the fact that the crime is objectively intended to satisfy

the interest of more subjects, including the entity in which the offender occupies a qualified position (G.i.p. Trib. Milan, 14 December 2004, in *Foro it*., 2005, 539).

Interest and/or advantage in negligent offences

The legislation on the criminal liability of entities is usually based on predicate offences of a malicious nature.

The introduction of negligent offences in the field of safety in the workplace – made by Law no. 123 of 3 August 2007 – as well as in the field of environmental crimes has however re-proposed the absolute centrality of the issue inherent in the subjective matrix of the imputation criteria.

From this point of view, if on the one hand it is stated that in negligent crimes the conceptual couple interest/advantage must not refer to the unintended unlawful events, but to the conduct that the natural person has engaged in in the performance of his activity, on the other hand it is argued that the negligent crime, from a structural point of view, it is difficult to reconcile with the concept of interest.

It therefore follows that in this context it will be at most possible to hypothesize how the omission of dutiful conduct imposed by precautionary rules – intended to prevent accidents in the workplace – could translate into a containment of company costs, likely to be qualified *ex post* as an "advantage" (think, for example, of the failure to provide means of protection or the failure to overhaul any type of equipment dictated by the need to save money).

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(c) The criminal offence must have been committed by one or more qualified persons, i.e. "by persons who hold representation, administration or management functions of the entity or of one of its organisational units endowed with financial and functional autonomy", or by those who "exercise, even de facto, the management and control" of the entity (persons in the so-called "top position"); or even "by persons subject to the direction or supervision of one of the top management" (so-called "senior management"). "subordinates").

The perpetrators of the offence from which administrative liability may arise against the entity, therefore, may be: 1) persons in a "top position", such as, for example, the legal representative, the director, the general manager or the director of an establishment, as well as the persons who exercise, even de facto, the management and control of the entity; 2) "subordinate" subjects, typically employees, but also subjects external to the entity, who have been entrusted with a task to be carried out under the direction and supervision of the top management.

If more than one person participates in the commission of the crime (hypothesis of participation of persons in the crime *pursuant to* Article 110 of the Criminal Code), it is not necessary for the "qualified" person to carry out the typical action provided for by criminal law. It is sufficient that he or she makes a consciously causal contribution to the commission of the crime.

1.3. Subjective criteria for attributing liability

The subjective criteria for attributing liability is realized where the crime expresses a connotative direction of the company policy or at least depends on a fault in the organization.

The provisions of the Decree exclude the liability of the entity, in the event that it - before the commission of the crime - has adopted and effectively implemented an "organization, management and control model" (in short: "model") suitable for preventing the commission of crimes of the kind that has been committed.

The liability of the entity, from this point of view, is traced back to the "failure to adopt or comply with due *standards*" relating to the organization and activity of the entity; a defect attributable to the company's policy or to structural and prescriptive deficits in the company organization.

1.4. Types of offences covered

Following the amendments made by means of the regulatory stratification that has progressively updated the Decree through subsequent legislative measures, the original framework of crimes that can give rise to criminal liability of the entity has progressively expanded. To date, the following cases are included:

Art. 24	**Crimes committed in relations with the Public Administration**
	• Embezzlement to the detriment of the State or other public body (Article 316-bis of the Criminal Code). • Undue receipt of contributions, loans or other disbursements from the State or other public body or the European Communities (Article 316-ter of the Criminal Code). • Fraud in public procurement (Article 356 of the Criminal Code). • Truffa (art. 640, co. 2, n.1, Criminal Code). • Aggravated fraud for the achievement of public disbursements (Article 640-bis of the Criminal Code). • Computer fraud to the detriment of the State or other public body (Article 640-ter of the Criminal Code). • Violation and sanctions in the field of Community aid to the agricultural sector (Article 2 of Law No. 898 of 23 December 1986 - Conversion into law, with amendments, of Decree-Law No. 701 of 27 October 1986, containing urgent measures on the control of Community aid to the production of olive oil. Administrative and criminal sanctions in the field of Community aid to the agricultural sector).
Art. 25	**Crimes committed in relations with the Public Administration**

	• Embezzlement (art. 314 Criminal Code). • Embezzlement by profiting from the error of others (Article 316 of the Criminal Code). • Concussione (art. 317 Criminal Code). • Corruption for the exercise of the function (Article 318 of the Criminal Code). • Corruption for an act contrary to official duties (Article 319 of the Criminal Code). • Aggravating circumstances (Article 319-bis of the Criminal Code). • Corruption in judicial acts (Article 319-ter of the Criminal Code). • Undue inducement to give or promise benefits (Article 319-quarter of the Criminal Code). • Corruption of a person in charge of a public service (Article 320 of the Criminal Code). • Penalties for the corruptor (Article 321 of the Criminal Code). • Incitement to corruption (Article 322 of the Criminal Code). • Embezzlement, bribery, undue inducement to give or promise benefits, corruption and incitement to bribery of 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 Criminal Code). • Abuse of office (Article 323 of the Criminal Code). • Trafficking in illicit influence (Article 346-bis of the Criminal Code).
Art. 24-bis	**Computer crimes and unlawful data processing**
	• Electronic documents (Article 491-bis of the Criminal Code), forgery in a public or private electronic document having probative value. • Abusive access to a computer or telematic system (Article 615-ter of the Criminal Code). • Possession and abusive dissemination of access codes to computer or telematic systems (Article 615-quarter of the Criminal Code).
	• Dissemination of equipment, devices or computer programs aimed at damaging or interrupting an IT or telematic system (Article 615-quinquies of the Criminal Code). • Unlawful interception, impediment or interruption of computer or telematic communications (Article 617-quarter of the Criminal Code). • Installation of equipment to intercept, prevent or interrupt computer or telematic communications (Article 617quinquies of the Criminal Code). • Damage to information, data and computer programs (Article 635-bis of the Criminal Code). • Damage to information, data and computer programs used by the State or by another public body or in any case of public utility (Article 635-ter of the Criminal Code). • Damage to computer or telematic systems (Article 635-quarter of the Criminal Code). • Damage to computer or telematic systems of public utility (Article 635-quinquies of the Criminal Code). • Computer fraud of the person who provides electronic signature certification services (Article 640-quinquies of the Criminal Code). • Violation of the rules on the National Cyber Security Perimeter (art. 1, Legislative Decree no. 105 of 21 September 2019).2

2 By Decree of the President of the Council of Ministers no. 131 of 30 July 2020 (which entered into force on 5 November 2020), the methods and procedural criteria for identifying public administrations, public and private bodies and operators to be included in the National Cyber Security Perimeter were defined, to which the Authorities referred to in art. 3 paragraph 2 of the Decree will have to comply, as well as the methods by which the subjects who will be included in this list, within six months of receiving the notification of registration, will then have to register networks, information systems and IT services used by them and notify them to the structure of the Presidency of the Council of Ministers for Technological Innovation and Digitization and to the Ministry of Economic Development.

Art. 24-ter	**Organized crime offenses**
	• Criminal conspiracy (Article 416 of the Criminal Code). • Criminal conspiracy aimed at committing the crimes of reduction or maintenance in slavery or servitude, trafficking in persons, purchase and alienation of slaves and crimes concerning violations of the provisions on illegal immigration referred to in art. 12 of Legislative Decree 286/1998 (art. 416, para. 6, of the Criminal Code). • Criminal association aimed at committing the crimes of child prostitution, child pornography, possession of pornographic material, virtual pornography, tourist initiatives aimed at the exploitation of child prostitution, sexual violence, sexual acts with minors, corruption of minors, group sexual violence, solicitation of minors (Article 416, paragraph 7. of the Criminal Code). • Mafia-type association (Article 416-bis of the Criminal Code).
	• Crimes committed using the conditions provided for by Article 416bis of the Criminal Code for mafia-type associations or in order to facilitate the activity of such associations. • Political-mafia electoral exchange (Article 416-ter of the Criminal Code). • Association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74, Presidential Decree 9 October 1990, no. 309). • Kidnapping for the purpose of robbery or extortion (Article 630 of the Criminal Code). • Illegal manufacture, introduction into the State, offering for sale, transfer, possession and carrying in a public place or place open to the public of weapons of war or war-type weapons or parts thereof, explosives, clandestine weapons as well as several common firearms (Article 407, paragraph 2, letter a), no. 5), Code of Criminal Procedure).
Art. 25-bis	**Offences of counterfeiting coins, public credit cards, revenue stamps and identification instruments or signs**
	• Counterfeiting of coins, spending and introduction into the State, after concert, of counterfeit coins (Article 453 of the Criminal Code). • Alteration of coins (Article 454 of the Criminal Code). • Spending and introduction into the State, without concert, of counterfeit coins (Article 455 of the Criminal Code). • Spending counterfeit coins received in good faith. (Article 457 of the Criminal Code). • Counterfeiting of revenue stamps, introduction into the State, purchase, possession or putting into circulation of falsified revenue stamps. (Article 459 of the Criminal Code). • Counterfeiting of watermarked paper used for the manufacture of public credit cards or revenue stamps. (Article 460 of the Criminal Code). • Manufacture or possession of watermarks or instruments intended for the counterfeiting of coins, revenue stamps or watermarked paper (Article 461 of the Criminal Code). • Use of counterfeit or altered revenue stamps. (Article 464 of the Criminal Code). • Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473 of the Criminal Code). • Introduction into the State and trade in products with false signs (Article 474 of the Criminal Code).
Art. 25-bis.1	**Crimes against industry and commerce**

	• Disturbed freedom of industry or commerce (Article 513 of the Criminal Code). • Unlawful competition with threat or violence (Article 513-bis of the Criminal Code). • Fraud against national industries (art. 514). • Fraud in the exercise of trade (Article 515 of the Criminal Code). • Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code). • Sale of industrial products with false signs (Article 517 of the Criminal Code). • Manufacture and trade of goods made by usurping industrial property rights (Article 517-ter of the Criminal Code) (Article introduced by Article 15, paragraph 1, Law No. 99 of 2009).
	• Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517-quarter of the Criminal Code) (Article introduced by Article 15, paragraph 1, Law No. 99 of 2009).
Art. 25-ter	**Corporate offences**
	• False corporate communications (Articles 2621, 2621 bis and 2622 of the Italian Civil Code). • Falsehood in the reports and communications of the persons responsible for the statutory audit (Art. 27 of Legislative Decree no. 39 of 27 January 2010) □ Prevented control (art. 2625 paragraph 2 of the Italian Civil Code). • Undue restitution of contributions (Article 2626 of the Italian Civil Code). • Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code). • Unlawful transactions on the shares or quotas of the company or of the parent company (Article 2628 of the Italian Civil Code). • Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code). • Failure to communicate the conflict of interest (Article 2629 bis of the Italian Civil Code). • Fictitious formation of capital (Article 2632 of the Italian Civil Code). • Undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code). • Corruption between private individuals (Article 2635 of the Italian Civil Code). • Incitement to corruption between private individuals (art. 2635 bis of the Italian Civil Code). • Unlawful influence on the shareholders' meeting (Article 2636 of the Italian Civil Code). • Rigging (Article 2637 of the Italian Civil Code) and market manipulation (Articles 185 and 187 ter of the TUF). • Obstruction to the exercise of the functions of public supervisory authorities (Article 2638, paragraphs 1 and 2, of the Italian Civil Code).
Art. 25-quater	**Offences with the purpose of terrorism or subversion of the democratic order provided for by the penal code and special laws**

	• Associations with the purpose of terrorism and subversion of the democratic order (Article 270-bis of the Criminal Code). • Aggravating and mitigating circumstances (Article 270-bis.1 of the Criminal Code). • Assistance to members (Article 270-ter of the Criminal Code). • Enlistment for the purpose of terrorism, including international terrorism (Article 270quarter of the Criminal Code). • Organisation of transfers for terrorist purposes (Article 270quarter 1 of the Criminal Code). • Training for the purpose of terrorism, including international terrorism (Article 270-quinquies of the Criminal Code). • Training in terrorist activities, including international terrorism (Article 270quinquies 1 of the Criminal Code). • Theft of assets subject to seizure (Article 270-quinquies 2 of the Criminal Code). • Conduct for terrorist purposes (Article 270-sexies of the Criminal Code). • Attack for terrorist purposes or subversion (Article 280 of the Criminal Code). • Act of terrorism with deadly or explosive devices (Article 280-bis of the Criminal Code). • Acts of nuclear terrorism (Article 280-ter). • Kidnapping for the purpose of terrorism or subversion (Article 289 of the Criminal Code).
	• Instigation to commit any of the crimes provided for in the first and second chapters (Article 302 of the Criminal Code). • Crimes against the safety of air navigation (Law no. 342/1976). • Offences directed against the safety of maritime navigation and offences directed against the safety of fixed installations on the intercontinental shelf (Law no. 422/1989). • New York Convention of 9 December 1999 for the Suppression of the Financing of Terrorism.
Art. 25quater.1	**Female genital mutilation practices**
	• Practices of mutilation of female genital organs (Article 583-bis of the Criminal Code) (inserted by Law no. 7 of 09/01/2006 art. 6).
Art. 25quinquies	**Crimes against the individual personality**
	• Reduction or maintenance in slavery or servitude (Article 600 of the Criminal Code). • Child prostitution (Article 600-bis of the Criminal Code). • Child pornography (Article 600-ter of the Criminal Code). • Possession of pornographic material (Article 600-quarter of the Criminal Code) Virtual pornography (Article 600-quarter.1 of the Criminal Code). • Tourist initiatives aimed at the exploitation of child prostitution (Article 600-quinquies of the Criminal Code). • Trafficking in persons (Article 601 of the Criminal Code). • Trafficking in organs taken from a living person (art. 601-bis) Purchase and alienation of slaves (art. 602 of the Criminal Code). • Illegal intermediation and exploitation of labour (Article 603 bis of the Criminal Code) • Solicitation of minors (Article 609-undecies of the Criminal Code)
Art. 25-sexies	**Market abuse offences**

	• Abuse of inside information (Legislative Decree no. 58 of 24.2.1998, art. 184). • Market manipulation (Legislative Decree no. 58 of 24.2.1998, art. 185). • Abuse of privileged information, administrative sanction (Legislative Decree no. • 24.2.1998, no. 58 art. 187-bis). • □ Market manipulation, administrative offence (Legislative Decree no. 58 of 24.2.1998, art. 187-ter).
Art. 25-septies	**Crimes of negligent homicide and serious or very serious negligent injuries, committed in violation of health and safety regulations at work**
	• Manslaughter (Article 589 of the Criminal Code). • Culpable personal injury (Article 590 of the Criminal Code).
Art. 25-octies	**Receiving stolen goods, laundering and use of money, goods or utilities of illegal origin, as well as self-laundering**
	• Receiving stolen goods (Article 648 of the Criminal Code). • Money laundering (Article 648-bis of the Criminal Code). • Use of money, goods or utilities of illicit origin (Article 648-ter of the Criminal Code). • Self-laundering (Article 648-ter.1 of the Criminal Code).
Art. 25-novies	**Offences relating to copyright infringement**
	• Protection of copyright and other rights related to its exercise (art. 171, art. 171-bis, art. 171-ter, art. 171-septies, art. 171-octies, art. • 174-quinquies of Law 633/1941).
Art. 25-decies	**Inducement not to make statements or to make false statements to the judicial authority**
	• Inducement not to make statements or to make false statements to the judicial authority (Article 377-bis of the Criminal Code).
Art. 25undecies	**Environmental crimes**

	• Offences under the Criminal Code • Killing, destruction, capture, removal, possession of specimens of protected wild animal or plant species (Article 727-bis of the Criminal Code). • Destruction or deterioration of habitats within a protected site (Article 733-bis of the Criminal Code). • Environmental pollution (Article 452-bis of the Criminal Code). • Environmental disaster (Article 452-quarter of the Criminal Code). • Culpable crimes against the environment (Article 452-quinquies of the Criminal Code). • Trafficking and abandonment of highly radioactive material (Article 452-sexies of the Criminal Code). • Aggravating circumstances (Article 452-octies of the Criminal Code). • Organised activities for the illegal trafficking of waste (Article 452-quaterdecies of the Criminal Code). • Offences provided for by the Environmental Code referred to in Legislative Decree no. 152 of 3 April 2006 • Industrial wastewater discharges containing hazardous substances; discharges into the soil, subsoil and groundwater; discharge into sea waters by ships or aircraft (art. 137). • Unauthorized waste management activities (art. 256). • Pollution of soil, subsoil, surface water or groundwater (art. 257). • Violation of the obligations of communication, keeping of mandatory registers and forms (art. 258). • Illegal trafficking of waste (art. 259). • False indications on the nature, composition and chemical-physical characteristics of waste in the preparation of a certificate of analysis of waste; inclusion in SISTRI of a false waste analysis certificate; omission or fraudulent alteration of the paper copy of the SISTRI form - handling area in the transport of waste (art. 260-bis). • Air pollution (art. 279).

	• Offences provided for by Law no. 150 of 7 February 1992 on international trade in endangered specimens of flora and fauna and possession of dangerous animals • Illicit import, export, transport and use of animal species • (in the absence of a valid certificate or license, or in contrast with the requirements dictated by these measures); possession, use for profit, purchase, sale and display for sale or for commercial purposes of specimens without the required documentation; illicit trade in artificially reproduced plants (art. 1, par. 1 and 2 and art. 2, par. 1 and 2) The conduct referred to in art. 1, par. 2, and 2, par. 2, are aggravated in the case of recidivism and crime committed in the exercise of business activities. • Falsification or alteration of certificates and licenses; false or altered notifications, communications or statements in order to acquire a certificate or license; use of false or altered certificates and licenses for the importation of animals (art. 3-bis, para. 1). • Possession of live specimens of mammals and reptiles of wild species or reproduced in captivity, which constitute a danger to public health and safety (art. 6, par. 4). • Offences provided for by Law no. 549 of 28 December 1993 on the protection of stratospheric ozone and the environment • Ozone pollution: violation of the provisions providing for the cessation and reduction of the use (production, use, marketing, import and export) of substances harmful to the ozone layer (Article 3, paragraph 6). • Crimes provided for by Legislative Decree no. 202 of 6 November 2007 on pollution of the marine environment by ships • Culpable spillage of pollutants into the sea from ships (Article 9, paragraphs 1 and 2). • Intentional spillage of pollutants into the sea from ships (Article 8, paragraphs 1 and 2). • The conduct referred to in art. 8, par. 2 and 9, par. 2 are aggravated in the event that the violation causes permanent or particularly serious damage to the quality of the water, to animal species.
Art. 25duodecies	**Employment of illegally staying third-country nationals**
	• Employment of illegally staying third-country nationals (Article 22, paragraph 12-bis, of Legislative Decree no. 286 of 25 July 1998). • Illegal entry (Article 12, paragraphs 3, 3-bis and 3-ter, of Legislative Decree no. 286 of 25 July 1998). • Aiding and abetting illegal immigration (Article 12, paragraph 5, of Legislative Decree no. 286 of 25 July 1998).
Art. 25terdecies	**Crimes of racism and xenophobia**

	• Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination (Article 604-bis of the Criminal Code) • Crime of genocide (art. 6 of Law no. 232 of 12 July 1999). • Crimes against humanity (art. 7 of Law no. 232 of 12 July 1999). • War crimes (art. 8 of Law no. 232 of 12 July 1999). • The aforementioned crimes referred to in Article 604-bis of the Criminal Code must be committed in such a way that there is a real danger of spreading and based in whole or in part on the denial, serious minimization or apology of the Holocaust or crimes of genocide, crimes against humanity and war crimes, as defined in Articles 6, 7 and 8 of the Statute of the International Criminal Court, ratified pursuant to Law no. 232 of 12 July 1999.
Art. 25quaterdecies	**Fraud in sports competitions, abusive gambling or betting and games of chance carried out by means of prohibited machines**
	• Fraud in sports competitions (art. 1 Law no. 401 of 13 December 1989). • Abusive exercise of gaming or betting activities (Article 4 of Law No. 401 of 13 December 1989).
Art. 25quinquesdecies	**Tax crimes**
	• Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2 of Legislative Decree no. 74 of 10 March 2000). • Offence of fraudulent declaration by means of other artifices (Article 3 of Legislative Decree no. 74 of 10 March 2000). • Unfaithful declaration (art. 4 of Legislative Decree no. 74 of 10 March 2000). • Failure to declare (Article 5 of Legislative Decree no. 74 of 10 March 2000). • Issuance of invoices or other documents for non-existent transactions (Article 8 of Legislative Decree no. 74 of 10 March 2000). • Concealment or destruction of accounting documents (Article 10 of Legislative Decree no. 74 of 10 March 2000). • Undue compensation (Article 10-quarter of Legislative Decree no. 74 of 10 March 2000). • Fraudulent evasion of the payment of taxes (Article 11 of Legislative Decree no. 74 of 10 March 2000).
Art. 25 sexiesdecies	**Contraband**
	• Customs duties and border duties. • Smuggling for failure to declare. • Smuggling for unfaithful declaration. • Smuggling in the movement of goods by sea, air and in border lakes. • Smuggling for misuse of imported goods with total or partial reduction of duties

	• Smuggling in the export of goods eligible for refund of duties • Smuggling in temporary export and in special use and processing schemes. • Smuggling of manufactured tobacco • Aggravating circumstances of the crime of smuggling manufactured tobacco • Criminal conspiracy aimed at smuggling manufactured tobacco • Aggravating circumstances of smuggling • Asset security measures. Confiscation
Law 146/2006, arts. 3 and 10	**Transnational crimes**
	• Criminal conspiracy (Article 416 of the Criminal Code). • Mafia-type association (Article 416-bis of the Criminal Code). • Criminal conspiracy to smuggle foreign manufactured tobacco (Article 291-quarter of the consolidated text referred to in Presidential Decree No. 43 of 23 January 1973). • Association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74, Presidential Decree 9 October 1990, no. 309). • Procurement of illegal entry (Article 12, paragraphs 3, 3-bis and 3-ter, of Legislative Decree No. 286 of 25 July 1998) • Aiding and abetting illegal immigration (Article 12, paragraph 5, of Legislative Decree No. 286 of 25 July 1998) • Employment of illegally staying third-country nationals (Article 1) • 22, paragraph 12-bis, of Legislative Decree no. 286 of 25 July 1998) • Inducement not to make statements or to make false statements to the judicial authority (Article 377-bis of the Criminal Code). • Personal aiding and abetting (Article 378 of the Criminal Code).
Law 9/2013, art. 12	**Liability of entities for administrative offences dependent on crime**
	• Adulteration and counterfeiting of foodstuffs (Article 440 of the Criminal Code). • Trade in counterfeit or adulterated foodstuffs (Article 442 of the Criminal Code). • Trade in harmful food substances (Article 444 of the Criminal Code). • Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473 of the Criminal Code). • Introduction into the State and trade in products with false signs (Article 474 of the Criminal Code).
	• Fraud in the exercise of trade (Article 515 of the Criminal Code). • Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code). • Sale of industrial products with false signs (Article 517 of the Criminal Code). • Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517 quarter of the Criminal Code).

1.5. Offences committed abroad

By virtue of art. 4 of the Decree, the entity may be called upon to respond in Italy in relation to certain crimes committed abroad.

The assumptions on which this liability is based are:

a) the crime must be committed abroad by a person functionally linked to the company;

b) the company must have its principal place of business in the territory of the Italian State;

c) the company may respond only in the cases and under the conditions provided for by art. 7, 8, 9 and 10 of the Criminal Code and if the law provides that the culprit - a natural person - is punished at the request of the Minister of Justice, proceedings are taken against the company only if the request is also made against the latter;

d) if the cases and conditions provided for in the aforementioned articles of the Criminal Code are met, the company is liable provided that the State of the place where the act was committed does not proceed against it.

1.6. Penalties

The administrative penalties for administrative offences dependent on crime are:

- Financial penalties;
- Disqualifying sanctions;
- confiscation of assets;
- publication of the judgment.

For the administrative offence of a crime, a financial penalty is always applied. The judge determines the financial penalty taking into account the seriousness of the act, the degree of responsibility of the Company, as well as the activity carried out by it to eliminate or mitigate the consequences of the fact or to prevent the commission of further offences.

The financial penalty is reduced in the event of:

- the offender has committed the act in his or her own interest or in the interest of third parties and the company has not benefited from it or has derived minimal advantage from it;
- the pecuniary damage caused is particularly tenuous;
- the company has fully compensated for the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively worked in this direction;
- the company has adopted and implemented an organisational model suitable for preventing crimes of the kind that occurred.

Disqualifiying sanctions apply when at least one of the following conditions is met:

the company has made a significant profit from the crime - committed by one of its employees or by a person in a top position - and the commission of the crime has been determined or facilitated by serious organizational deficiencies;
in the event of repetition of offences.

In particular, the main disqualification sanctions are:

- the prohibition from exercising the activities;
- the suspension or revocation of authorizations, licenses or concessions functional to the commission of the offense;
- the prohibition of contracting with the public administration, except to obtain the performance of a public service;
- the exclusion from facilitations, financing, contributions and subsidies, as well as the revocation of those that may have already been granted;
- the prohibition of advertising goods or services.

If necessary, disqualifying sanctions can also be applied jointly.

The confiscation of the price or profit of the crime is always ordered against the entity, with the conviction, except for the part that can be returned to the injured party. This is without prejudice to rights acquired by third parties in good faith.
Confiscation can also be carried out by "equivalent", i.e. where confiscation cannot be ordered in relation to the price or profit of the crime, it may relate to sums of money, goods or other utilities of a value equivalent to the price or profit of the crime.

The publication of the conviction may be ordered when a disqualification sanction is applied to the Company.

If the conditions for the application of a disqualification sanction that determines the interruption of the company's activity are met, the judge, instead of applying the sanction, orders the continuation of the company's activity by a commissioner for a period equal to the duration of the disqualification penalty that would have been applied, when at least one of the following conditions is met: a) the company performs a service of public necessity whose interruption may cause serious prejudice to the community; (b) the interruption of the company's activity may, in view of its size and the economic conditions of the territory in which it is situated, have significant repercussions on employment.
The profit from the continuation of the business is confiscated.

Disqualifying sanctions can also be applied definitively.

A permanent ban from exercising the activity can be ordered if the company has made a significant profit from the crime and has already been sentenced, at least three times in the last seven years, to a temporary ban from carrying out the activity.

The judge can definitively apply to the company the sanction of the prohibition to contract with the Public Administration or the prohibition to advertise goods or services when it has already been sentenced to the same sanction at least three times in the last seven years.

If the company or one of its organisational units is permanently used for the sole or predominant purpose of allowing or facilitating the commission of offences in relation to which it is liable, a definitive ban from carrying out the activity is always ordered.

In this context, art. 23 of the Decree, which provides for the crime of "Failure to comply with disqualification sanctions".

This offence is committed if, in the performance of the activity of the Entity to which a disqualifying sanction has been applied, the obligations or prohibitions inherent in such sanctions are violated.

In addition, if the Authority derives a significant profit from the commission of the aforementioned crime, the application of disqualification sanctions is envisaged, even different, and additional, to those already imposed.

By way of example, the offence could arise in the event that the Company, while subject to the disqualifying sanction of the prohibition to contract with the PA, nevertheless participates in a public tender.

1.7. Interdictory and real precautionary measures

A disqualifying sanction may be applied to the company subject to proceedings as a precautionary measure, or preventive or precautionary seizure may be ordered.

The precautionary disqualifying measure – which consists in the temporary application of a disqualifying sanction – is ordered in the presence of two requirements: a) when there are serious indications to consider the existence of the company's liability for an administrative offence dependent on a crime (serious indications exist where one of the conditions provided for by Article 13 of the Decree is met: the company has drawn from the crime - committed by one of its employees or by a person in a top position - a significant profit and the commission of the crime was determined or facilitated by serious organizational deficiencies; in the event of repetition of offences; b) when there are well-founded and

specific elements that suggest a concrete danger that offences of the same nature as the one for which proceedings are being carried out.

The real precautionary measures take the form of preventive seizure and precautionary seizure.
Preventive seizure is ordered in relation to the price or profit of the crime, where the fact of the crime is attributable to the company, it does not matter that there are serious indications of guilt against the company itself.

The precautionary seizure is ordered in relation to movable or immovable property of the company as well as in relation to sums or things due to it, if there is reasonable reason to believe that the guarantees for the payment of the fine, the costs of the proceedings and any other sum due to the State Treasury are missing or dispersed.

Also in this context, art. 23 of the Decree, which provides for the crime of "Failure to comply with disqualifying sanctions".

This offence is committed if, in the performance of the activity of the Entity to which a precautionary interdictory measure has been applied, the obligations or prohibitions inherent in such measures are violated.

Furthermore, if the Authority derives a significant profit from the commission of the aforementioned crime, the application of disqualification measures is envisaged, even different, and additional, to those already imposed.

By way of example, the offence could arise in the event that the Company, while subject to the precautionary measure prohibiting the prohibition of contracting with the PA, participates in a public tender.

1.8. Actions exempting from administrative responsibility

Art. Article 6, paragraph 1 of the Decree provides for a specific form of exemption from administrative liability if the offence has been committed by persons in a so-called "top position" and the Company proves that:

- the management body has adopted and effectively implemented, before the commission of the unlawful act, a model suitable for preventing the commission of offences of the kind that occurred;

- has entrusted an internal body, the so-called "S.p.A. Supervisory Body - with autonomous powers of initiative and control -, the task of supervising the functioning and effective compliance with the model in question, as well as ensuring that it is updated;
- the subjects in the so-called "top position" have committed the crime by fraudulently evading the model;
- there has been no omission or insufficient control by the so-called Supervisory Body.

Art. 6, paragraph 2 of the Decree also provides that the form must meet the following requirements:

- identify business risks, i.e. the activities in the context of which crimes may be committed;
- exclude that any person operating within the Company can justify his or her conduct by invoking ignorance of company regulations and prevent that, in normal cases, the crime may be caused by the error – also due to negligence or inexperience – in the evaluation of company directives;
- introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model;
- identify methods of managing financial resources suitable for preventing the commission of such crimes;
- provide for a system of preventive controls such that they cannot be circumvented except intentionally;
- provide for information obligations towards the Supervisory Body responsible for monitoring the operation and compliance of the model.

Art. Article 7 of the Decree provides for a specific form of exemption from administrative liability if the offence has been committed by the so-called "subordinates" but it is ascertained that the Company, before the commission of the offence, has adopted a model suitable for preventing offences of the same kind as the one that occurred.

In concrete terms, in order to be exempt from administrative liability, the Company must:

- adopt a Code of Ethics that establishes principles of conduct in relation to types of crimes;
- define an organisational structure capable of guaranteeing a clear and organic assignment of tasks, implementing a segregation of functions, as well as inspiring and controlling the correctness of behaviour;
- formalize manual and IT company procedures intended to regulate the performance of activities (a particular preventive effectiveness is the control tool represented by the "segregation of duties" among those who carry out crucial phases of a process at risk);
- assign authorization and signing powers in line with the organizational and managerial responsibilities defined;

- communicate to staff in a widespread, effective, clear and detailed manner the Code of Ethics, company procedures, the sanctioning system, authorisation and signing powers, as well as all other appropriate tools to prevent the commission of unlawful acts;
- provide for an appropriate sanctioning system;
- to set up a Supervisory Body characterized by substantial autonomy and independence, whose members have the necessary professionalism to be able to carry out the required activity;
- provide for a Supervisory Body capable of assessing the adequacy of the model, supervising its operation, updating it, as well as operating with continuity of action and in close connection with the corporate functions.

2. HISTORY AND PRESENTATION OF THE COMPANY

SEAT Industries s.r.l. is a subsidiary of Ama S.p.A. founded in 1990. It designs and manufactures a wide range of seats and steering wheels of the latest generation for the agricultural, earth moving, industrial and goods handling sectors, as well as passenger seats for buses and passenger vehicles.
SEAT Industries is a solid and dynamic company, where innovation and expertise work together to create quality products that improve the standard of living of workers in their daily freight handling activities.

The company's objectives are to
- contribute to the improvement of the quality of life inside and outside the company through production made of materials that respect the environment, to live well today and even better in the future;
- collaborate with customers, a valuable source of information, to produce products of a high standard of quality, which follow market demands and the actual needs of users;
- surround themselves with collaborators, employees and workers eager to bring their own contribution of ideas and suggestions, in full respect of true teamwork;
- to be flexible and innovative in order to respond promptly and punctually to requests for change coming from the domestic and foreign markets.

3. PURPOSE

The Company, in order to ensure conditions of fairness and transparency in the conduct of business and corporate activities, has deemed it necessary to adopt the model in line with the provisions of Legislative Decree no. no. 231 of 2001.

The Model is intended to describe the operating methods adopted and the responsibilities assigned to Seat Industries Srl in line with the provisions of the Organisation and Management Model already adopted by AMA S.p.A.

The purposes of the Model are therefore to:
- prevent and reasonably limit the possible risks associated with the company's activities with particular regard to the risks associated with illegal conduct;
- to make all those who operate in the name and on behalf of Seat Industries Srl in the areas of activity at risk, aware of the possibility of committing, if the provisions of the model are violated, an offence punishable by criminal and/or administrative sanctions not only against them, but also against Seat Industries Srl;
- reiterate that Seat Industries Srl does not allow unlawful conduct;
- inform about the serious consequences that could arise for the company (and therefore indirectly for all stakeholders) from the application of the financial and disqualification sanctions provided for by the Decree and of the possibility that they may also be ordered as a precautionary measure;
- allow the company to constantly monitor and supervise its activities, so as to be able to intervene promptly where risk profiles arise and, if necessary, apply the disciplinary measures provided for by the Model itself.

4. SCOPE OF APPLICATION

The rules contained in the Model apply to those who perform, even de facto, management, administration, management or control functions in the Company, to shareholders and employees, as well as to those who, although not belonging to the Company, operate under the Company's mandate or are contractually bound to it.

Consequently, the following will be recipients of the form, among the persons in top positions: 1) directors 2) managers; 3) mayors; 4) members of the Supervisory Body; among the subjects subject to the direction of others: 1) employees; 2) interns.

By virtue of specific contractual clauses and limited to the performance of the sensitive activities in which they may participate, the following external parties may be subject to specific obligations, instrumental to the adequate execution of the internal control activities provided for in this General Section:

- collaborators, agents and representatives, consultants and in general persons who carry out self-employment activities to the extent that they operate within sensitive areas of activity on behalf of or in the interest of the Company;

- suppliers and commercial partners (also in the form of temporary associations of companies, as well as joint-ventures) who operate significantly and/or continuously in the so-called sensitive areas of activity on behalf of or in the interest of the Company.

The so-called external parties must also include those who, although they have a contractual relationship with another company of the Group, in substance operate in a significant and/or continuous manner within the sensitive areas of activity on behalf of or in the interest of the Company.

Seat Industries Srl discloses this Model in a manner suitable for ensuring effective knowledge by all interested parties.

The subjects to whom the Model is addressed are required to comply with all its provisions in a timely manner, also in fulfilment of the duties of loyalty, fairness and diligence that arise from the legal relationships established with the Company.

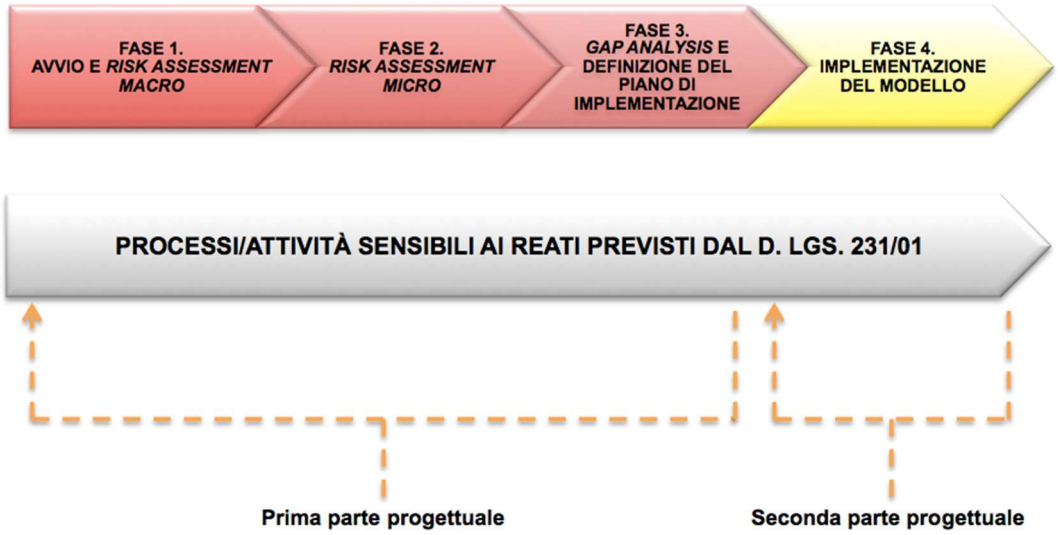
Seat Industries Srl condemns any conduct that does not only comply with the law, but also and above all, as far as is important here, that does not comply with the Model and the Code of Ethics; this also where the unlawful conduct was carried out in the interest of the Company or with the intention of bringing it an advantage.

5. RISK ASSESSMENT IN SEAT INDUSTRIES SRL

5.1. Summary of the project for the preparation and implementation of the Organisation, Management and Control Model, in accordance with Legislative Decree 231/2001 for the Company Seat Industries Srl.

This model has been created following the following phases that will be better detailed in the following paragraphs.

Figure 1: Organisation, Management and Control Model of Seat Industries S.r.l.



5.2. Phase 1: Initiation and *Risk Assessment Macro*

This phase led to the implementation of the following activities:

- Organization, planning, communication and launch of the MOG preparation and development project;
- Collection of documentation/preliminary information;
- Analysis of the company and identification of the risk areas *pursuant to* Legislative Decree 231/01 ("macro areas" of sensitive activities) and the related company managers/roles involved;
- Analysis and evaluation of the control environment of Seat Industries Srl to identify any deficiencies with respect to the key components of the MOG.

The following phase produced specific documentation for the planning, organization, communication and launch of the MOG preparation and development project.

5.3. Phase 2: *Risk Assessment Micro*

This phase led to the implementation of the following activities:

- Detailed analysis of the risk areas identified through interviews;
- Identification of the specific processes/activities sensitive to the crimes provided for by Legislative Decree 231/01 that emerged from the detailed analysis of the areas ("macro areas" of sensitive activities);
- Risk assessment through the mapping of sensitive processes in terms of:
    - prospective and abstractly hypothetical crimes to which each trial is exposed;
    - potential ways of implementing the crime for each trial;
    - organizational functions/company roles involved in the process;
    - level of coverage – through the preparation of preventive protocols – of processes in terms of: system of powers, information systems, document procedures, reporting;
    - description of the process flow.

The mapping of the processes has been reported in this "General Part" and in the individual "Special Parts" of the Organisation, Management and Control Model.

5.4. Phase 3: *Gap Analysis* and Definition of the implementation Plan

This phase led to the implementation of the following activities:

- Identification of the framework of preventive protocols (system and specific) to be applied to each sensitive process ("macro areas" of sensitive activities) in order to prevent the commission of the crimes provided for by Legislative Decree 231/01 and subsequent additions;
- Evaluation of the mapping of sensitive processes – carried out in Phase 2 – in order to identify the deficiencies of sensitive processes with respect to the framework of the identified preventive protocols (*Gap Analysis*);
- Definition of the action plan to be implemented for the development of the MOG within the Company, taking into account the deficiencies that emerged on the processes (*Risk Assessment Micro*) and the recommendations provided in Phase 1 of the project with reference to the control environment and the macro components of the model (*Risk Assessment Macro*).

The result of these activities was reported in the "General Part" and in the individual "Special Parts" of the Organisation, Management and Control Model.

5.5. Phase 4: Implementation of the Organisation, Management and Control Model for Seat Industries Srl

This phase led to the implementation of the following activities:

- Implementation of the improvement action plan – defined in Phase 3 – which led to the definition, sharing and formalization of:
    - macro components of the MOG: Code of Ethics, Organisational Structure, System of Delegations and Powers, Sanctioning System, SB Regulations;
    - preventive protocols – system and specific – and instrumental processes for each "macro area" of sensitive activities, subject to detailed analysis in the related "Special Parts".
    - Formalization of the Organization, Management and Control Model pursuant to Legislative Decree 231/01 reported in full in the annex to this document.

The Organisation, Management and Control Model pursuant to Legislative Decree 231/01 was presented to the Company's top management and subsequently submitted to the Board of Directors and approved – in its first version – by resolution of 22 November 2024.

5.6. Phase 5: Constant updating and adaptation of the MOG to organizational and regulatory changes

Risk analysis must therefore be considered a dynamic activity in order to enable the Supervisory Body and the company in general to always be aware of the risky elements of its management. It is therefore a matter of repeating the entire cycle of analysis on all company activities, adding, if necessary, the legislative changes that have occurred since the last update (e.g. new crimes, new risk management methods, etc.) and the changes to the processes deriving from the organizational interventions carried out and the evolution of the company. Ultimately, the risk profile will have to be recalculated by applying the model and thus identifying both the Inherent and the Residual Risk.

In this updating process, the overall comparison between the current risk profile and the previous one is not important as the two situations refer to organizational and legislative contexts that are not necessarily comparable with each other. Therefore, the improvement or corrective actions will be defined not so much on the basis of a differential between different risk profiles but on the evidence shown by the updated risk analysis. However, even if an overall comparison is not significant, useful indications on activities to be undertaken to prevent the commission of crimes can be given by differentials (positive or negative) in the riskiness of one or more activities. In fact, by evaluating why a certain activity has changed its residual risk, useful indications can be drawn on the most appropriate areas of intervention.

6. STRUCTURE AND FRAMEWORK OF THE MODEL

6.1. Reference models

This Model is inspired by the "Guidelines for the construction of models of organization, management and control deliberated *pursuant to* Legislative Decree no. 231/01" approved by Confindustria on 7 March 2022;

The fundamental phases that the Guidelines identify in the construction of the Models can be schematized as follows:
- a first phase consists of the identification of risks, i.e. the analysis of the company context to highlight where (in which area/sector of activity) and in what ways events may occur that are detrimental to the objectives indicated by the Decree;
- a second phase which consists of the design of the control system (so-called protocols for the planning of training and implementation of the institution's decisions), i.e. the evaluation of the existing system within the entity and its possible adjustment, in terms of its ability to effectively counteract, i.e. reduce to an acceptable level, the identified risks.

From a conceptual point of view, risk reduction involves the duty to intervene on two determining factors: 1) the probability of occurrence of the event; 2) the impact of the event itself.
To operate effectively, however, the system outlined cannot be reduced to an occasional activity, but must translate into a continuous process to be reiterated with particular attention to moments of business change.

It should also be noted that the premise for the construction of an adequate preventive control system passes through the definition of "*acceptable risk*".
If, in the context of the design of control systems to protect *business risks*, the risk is considered acceptable when the additional controls "cost" more than the resource to be protected (e.g. common cars are equipped with an anti-theft device and not also with an armed policeman), in the context of Legislative Decree no. 231 of 2001, the economic logic of costs cannot however be a reference that can be used exclusively. It is therefore important that, for the purposes of applying the provisions of the decree, an effective threshold is defined that allows a limit to be placed on the quantity/quality of the prevention measures to be introduced to avoid the commission of the crimes in question. On the other hand, in the absence of a prior determination of the acceptable risk, the quantity/quality of preventive controls that can be instituted is in fact virtually infinite, with the predictable consequences in terms of business operations. Moreover, the general principle, which can also be invoked in criminal law, of the concrete enforceability of the conduct, summarized by the Latin brocardo *ad impossibilia nemo tenetur*, represents an indispensable reference criterion even if, often, it seems difficult to identify its limit in practice.

The notion of "acceptability" referred to above concerns the risks of conduct deviating from the rules of the organisational model and not also the underlying occupational risks for the health and safety of workers which, according to the principles of current prevention legislation, must in any case be

completely eliminated in relation to the knowledge acquired on the basis of technical progress and, where this is not possible, reduced to a minimum and, therefore, managed.

With regard to the preventive control system to be built in relation to the risk of committing the offences contemplated by Legislative Decree no. 231 of 2001, the conceptual threshold of acceptability, in cases of intentional crimes, is represented by a **prevention system such that it cannot be circumvented except fraudulently.** This solution is in line with the logic of the "fraudulent circumvention" of the organizational model as exempted by the aforementioned legislative decree for the purpose of excluding the administrative liability of the entity (art. 6, paragraph 1, lett. *(c)*, *"the persons committed the crime by* ***fraudulently circumventing*** *the models of organization and management").*

On the other hand, in cases of crimes of manslaughter and negligent personal injury committed in violation of the rules on health and safety at work, the conceptual threshold of acceptability, for the purposes of exemptions of Legislative Decree no. 231 of 2001, is represented by the implementation of conduct (not accompanied by the will of the event-death/personal injury) in violation of the organizational prevention model (and the underlying mandatory obligations prescribed by the prevention regulations) despite the punctual compliance with the supervisory obligations provided for by Legislative Decree no. no. 231 of 2001 by the appropriate supervisory body. This is because the fraudulent circumvention of organizational models appears incompatible with the subjective element of the crimes of manslaughter and culpable personal injury, referred to in art. 589 and 590 of the Criminal Code.

According to the Guidelines, the implementation of a risk management system must be based on the assumption that crimes can still be committed even once the model has been implemented. In the case of intentional crimes, the model and the related measures must be such that the agent will not only have to "want" the criminal event (e.g. bribe a public official) but will be able to implement his criminal purpose only by fraudulently circumventing (e.g. through artifices and/or deceptions) the indications of the entity. The set of measures that the agent, if he wants to commit a crime, will be forced to "force", must be carried out in relation to the specific activities of the entity considered at risk and to the individual crimes hypothetically linked to them. In the case, on the other hand, of culpable crimes, they must be desired by the agent only as conduct and not also as an event.

The methodology for the implementation of a risk management system that will be described below is of general value.
The procedure described can in fact be applied to various types of risk: legal, operational, financial *reporting*, etc. This feature allows the same approach to be used even if the principles of Legislative Decree no. 231 of 2001 are extended to other areas. In particular, with reference to the extension of Legislative Decree no. 231 of 2001 to the crimes of manslaughter and serious or very serious culpable personal injury committed with violation of the rules on health and safety at work, it is appropriate to

reiterate that the current legislative discipline of the prevention of occupational risks dictates the essential principles and criteria for the management of health and safety at work in the company and therefore, In this context, the organizational model cannot disregard this precondition.

Of course, for those organizations that have already activated internal self-assessment processes, even certified, it is a matter of focusing their application, if this is not the case, on all types of risk and with all the methods contemplated by Legislative Decree no. no. 231 of 2001. In this regard, it should be remembered that risk management is a maieutic process that companies must activate internally in the manner deemed most appropriate, obviously in compliance with the obligations established by the legal system. The models that will therefore be prepared and implemented at company level will be the result of the documented methodological application, by each individual entity, of the indications provided herein, according to its internal (organizational structure, territorial structure, size, etc.) and external (economic sector, geographical area) operating context, as well as the individual crimes hypothetically linked to the specific activities of the entity considered at risk.

As for the operating methods of risk management, especially with reference to which corporate subjects/functions can be concretely entrusted with them, there are basically two possible methodologies:
- evaluation by a company body that carries out this activity with the collaboration of line *management* ;
- self-assessment by operational *management* with the support of a methodological tutor/facilitator.

According to the logical approach outlined above, the operational steps that the Company will have to take to activate a risk management system consistent with the requirements imposed by Legislative Decree no. no. 231 of 2001. In describing this logical process, emphasis is placed on the relevant results of the self-assessment activities put in place for the purpose of implementing the system.

Inventory of the company's areas of activity
This phase can be carried out according to different approaches, among others, in terms of activities, functions and processes. It involves, in particular, the carrying out of an exhaustive periodic review of the company's reality, with the aim of identifying the areas that are affected by potential cases of crime. Thus, as far as crimes against the P.A. are concerned, for example, it will be a matter of identifying those areas that by their nature have direct or indirect relations with the national and foreign P.A. In this case, some types of processes/functions will certainly be affected (e.g. sales to the P.A., the management of concessions from local P.A., and so on), while others may not be or may be only marginally affected. On the other hand, with regard to the crimes of homicide and serious or very serious culpable injuries committed in violation of the rules on the protection of health and safety at work, it is not possible to exclude a priori any area of activity, since this case of crimes can in fact affect all company components.

As part of this process of review of the processes/functions at risk, it is appropriate to identify the subjects subject to the monitoring activity which, with reference to intentional crimes, in certain particular and exceptional circumstances, could also include those who are linked to the company by mere para-subordination relationships, such as agents, or by other collaborative relationships, such as business partners, as well as their employees and collaborators.
From this point of view, for the culpable crimes of homicide and personal injury committed in violation of the rules on the protection of health and safety at work, all workers subject to the monitoring activity are the recipients of the same legislation.

In the same context, it is also appropriate to carry out *due diligence* exercises whenever "indicators of suspicion" have been detected during the risk assessment (e.g. conduct of negotiations in territories with a high rate of corruption, particularly complex procedures, presence of new personnel unknown to the entity) relating to a particular commercial transaction.

Finally, it should be emphasized that each company/sector has its own specific areas of risk that can only be identified through a precise internal analysis. A position of evident importance for the purposes of the application of Legislative Decree no. no. 231 of 2001 concern, however, the processes of the financial area.

Analysis of potential risks.
The analysis of potential risks must take into account the possible methods of implementing the crimes in the various business areas (identified according to the process referred to in the previous point). The analysis, preparatory to a correct design of preventive measures, must result in an exhaustive representation of how the types of crime can be implemented with respect to the internal and external operating context in which the company operates.
In this regard, it is useful to take into account both the history of the entity, i.e. its past events, and the characteristics of the other entities operating in the same sector and, in particular, any offences committed by them in the same branch of activity.
In particular, the analysis of the possible implementation methods of homicide and serious or very serious culpable injuries committed with violation of the obligations of protection of health and safety at work, corresponds to the assessment of occupational risks carried out according to the criteria provided for by art. 28 of Legislative Decree no. no. 81 of 2008.

Evaluation/construction/adaptation of the preventive control system
The activities described above are completed by an assessment of any existing preventive control system and its adaptation when necessary, or its construction when the entity does not have one. The system of preventive controls must be such as to ensure that the risks of committing crimes, according

to the methods identified and documented in the previous phase, are reduced to an "acceptable level", according to the definition set out in the introduction. In essence, it is a matter of designing what Legislative Decree no. 231 of 2001 defines *"specific protocols aimed at planning the formation and implementation of the decisions of the entity in relation to the crimes to be prevented"*. The components of an internal (preventive) control system, for which there are consolidated methodological references, are many.

However, it should be reiterated that, for all entities, the system of preventive controls must be such that the same:
- in the case of intentional crimes, it cannot be circumvented except intentionally;
- in the case of culpable crimes, as such incompatible with fraudulent intentionality, it is in any case violated, despite the punctual compliance with the supervisory obligations by the appropriate supervisory body.

According to the indications just provided, the following are listed, with separate reference to the intentional and negligent crimes provided for by Legislative Decree no. 231 of 2001, what are generally considered the **components (the protocols) of a preventive control system**, which must be implemented at company level to ensure the effectiveness of the model.

A) **Preventive control systems for intentional offences**

The most relevant components of the control system, according to the Guidelines proposed by Confindustria, are:

- the Code of Ethics with reference to the crimes considered;
- a formalized and clear organizational system, especially with regard to the attribution of responsibilities;
- manual and IT procedures (information systems) such as to regulate the performance of activities by providing the appropriate control points; in this context, a particular preventive effectiveness is the control tool represented by the separation of tasks between those who carry out crucial phases (activities) of a risky process;
- the authorization and signing powers assigned in line with the organizational and management responsibilities defined;
- the management control system capable of providing timely reporting of the existence and occurrence of situations of general and/or particular criticality;
- communication to staff and their training.

B) **Preventive control systems for the crimes of manslaughter and culpable personal injury committed in violation of the rules on the protection of health and safety at work**

Without prejudice to what has already been specified in relation to the types of intentional crime, in this context, the most relevant components of the control system are:

- the Code of Ethics (or Code of Conduct) with reference to the crimes considered;
- an organisational structure with tasks and responsibilities in the field of health and safety at work formally defined in line with the organisational and functional scheme of the company, starting from the employer to the individual worker. Particular attention should be paid to the specific figures operating in this area.

This approach essentially implies that:
a) in the definition of the organisational and operational tasks of company management, managers, supervisors and workers, those relating to the safety activities for which they are responsible are also made explicit, as well as the responsibilities related to the exercise of the same activities;
b) in particular, the duties of the RSPP and any ASPPs, the Workers' Safety Representative, the emergency management staff and the competent doctor are documented;

- education and training: the performance of tasks that may affect health and safety at work requires adequate competence, to be verified and nurtured through the provision of education and training aimed at ensuring that all personnel, at all levels, are aware of the importance of the conformity of their actions with respect to the organizational model and of the possible consequences due to behaviors that deviate from the rules dictated by the model. In concrete terms, each worker/company operator must receive sufficient and adequate training with particular reference to their workplace and duties. This must take place when hiring, transferring or changing tasks or introducing new work equipment or new technologies, dangerous substances and preparations. The company should organize education and training according to the needs periodically detected;

- Communication and involvement: the circulation of information within the company takes on a significant value to encourage the involvement of all stakeholders and allow adequate awareness and commitment at all levels. Engagement should be achieved through:
  a) prior consultation on the identification and assessment of risks and the definition of preventive measures;
  b) periodic meetings that take into account at least the requests established by the legislation in force, also using the meetings provided for company management.

- Operational management: the control system, with regard to occupational health and safety risks, should be integrated and congruent with the overall management of company processes.

The analysis of business processes, their interrelationships and the results of the risk assessment results in the definition of the methods for safely carrying out activities that have a significant impact on health and safety at work. The company, having identified the areas of intervention associated with health and safety aspects, should exercise a regulated operational management.

In this sense, particular attention should be paid to:
a) recruitment and qualification of personnel;
b) organization of work and workstations;
c) acquisition of goods and services used by the company and communication of the appropriate information to suppliers and contractors;
d) normal and extraordinary maintenance;
e) qualification and choice of suppliers and contractors;
f) emergency management;
g) procedures to deal with discrepancies with respect to the objectives set and the rules of the control system;

- Safety monitoring system: the management of health and safety at work should include a phase of verification of the maintenance of the prevention and protection measures of risks adopted and assessed as suitable and effective. The technical, organisational and procedural prevention and protection measures implemented by the company should be subject to planned monitoring.

  The setting up of a monitoring plan should be developed through:
  a) time schedule of the checks (frequency);
  b) assignment of tasks and executive responsibilities;
  c) description of the methodologies to be followed;
  d) methods of reporting any non-conforming situations.

Therefore, systematic monitoring should be envisaged, the methods and responsibilities of which should be established at the same time as the definition of the methods and responsibilities of operational management.

This **1st level monitoring** is generally carried out by the internal resources of the structure, both in self-control by the operator and by the supervisor/manager but may involve, for specialized aspects (for example, for instrumental checks), the use of other internal or external resources of the company. It is also good that the verification of organisational and procedural measures relating to health and safety is carried out by the subjects already defined when assigning responsibilities (generally managers and

supervisors). Among these, the Prevention and Protection Service is of particular importance, which is called upon to develop, as far as it is concerned, the control systems of the measures adopted.

It is also necessary for the company to conduct periodic **2nd level monitoring** activity on the functionality of the preventive system adopted. Functionality monitoring should allow for strategic decision-making and be conducted by competent staff who ensure objectivity and impartiality, as well as independence from the audited area of work.

According to the Confindustria Guidelines, the components described above must be organically integrated into a system architecture that respects a series of control principles, including:

- *every operation, transaction, action must be verifiable, documented, consistent and congruous*: for each operation there must be adequate documentary support on which checks can be carried out at any time that certify the characteristics and reasons for the operation and identify who authorised, carried out, recorded and verified the operation itself;
- *no one can manage an entire process independently*: the system must guarantee the application of the principle of separation of functions, according to which the authorization to carry out an operation must be under the responsibility of a person other than the person who accounts, operationally executes or controls the operation;
- *documentation of controls*: the control system must document (possibly through the drafting of reports) the performance of controls, including supervision;

It should be noted that non-compliance with specific points of the Confindustria Guidelines does not in itself affect the validity of the Model. The individual Model, in fact, having to be drawn up with regard to the concrete reality of the company to which it refers, may well deviate in some specific points from the Guidelines (which, by their nature, are of a general nature), when this is due to the need to better guarantee the needs protected by the Decree.

On the basis of this observation, the exemplary observations contained in the appendix of the Guidelines (so-called "Guidelines of the Guidelines") must also be evaluated. *case study*), as well as the brief list of control tools provided for therein.

C**) Preventive control systems in environmental crimes**

Without prejudice to what has already been specified in relation to the types of intentional crime, in this context, the most relevant components of the control system are:

- the Code of Ethics (or Code of Conduct) with reference to the crimes considered;

- an organisational structure with tasks and responsibilities in environmental matters formally defined in line with the organisational and functional scheme of the company, starting from the legal representative to the individual worker. Particular attention should be paid to the specific figures operating in this area.
  This approach essentially implies that:
  a) in the definition of the organisational and operational tasks of company management, managers, supervisors and workers, those relating to the environmental activities of their respective competences as well as the responsibilities related to the exercise of the same activities are also made explicit;
  b) in particular, the tasks of the RSGA (Environmental Management System Manager) are documented;

- information, education and training: the performance of tasks that may affect profiles requires adequate competence, to be verified and nurtured through the administration of education and training aimed at ensuring that all personnel, at all levels, are aware of the importance of the conformity of their actions with the organizational model and of the possible consequences due to behaviors that deviate from the rules dictated by the model. In concrete terms, all those involved must receive sufficient and adequate training with particular reference to their workplace and tasks. This must take place when hiring, transferring or changing tasks or introducing new work equipment or new technologies, dangerous substances and preparations. The company must organize training and training according to the needs periodically identified and must acknowledge this by means of documents (to be kept) through which it is possible to deduce the content of the courses, the compulsory nature of participation in them and attendance controls;

- Communication and involvement: the circulation of information within the company takes on a significant value to encourage the involvement of all stakeholders and allow adequate awareness and commitment at all levels. Engagement should be achieved through:
  a) prior consultation on the identification and assessment of risks and the definition of preventive measures;
  b) periodic meetings that take into account at least the requests established by current legislation, also using the meetings provided for company management;

- operational management: the control system, with regard to risks to the environment, should be integrated and congruent with the overall management of business processes.
  In this sense, particular attention should be paid to:
  a) recruitment and qualification of personnel;
  b) organization of work and workstations;

c) acquisition of goods and services used by the company and communication of appropriate information to suppliers and contractors;
d) normal and extraordinary maintenance;
e) qualification and choice of suppliers and contractors;
f) procedures to deal with discrepancies with respect to the objectives set and the rules of the control system.

- Environmental profile monitoring system: the management of environmental protection should include a phase of verification of the maintenance of the risk prevention and protection measures adopted and assessed as suitable and effective. The technical, organisational and procedural prevention and protection measures implemented by the company should be subject to planned monitoring.
  The setting up of a monitoring plan should be developed through:
  a) time scheduling of the tests (frequency);
  b) assignment of tasks and executive responsibilities;
  c) description of the methodologies to be followed;
  d) methods of reporting any non-compliant situations.

Therefore, systematic monitoring should be envisaged, the methods and responsibilities of which should be established at the same time as the definition of the methods and responsibilities of operational management.

This **1st level monitoring** is generally carried out by the internal resources of the structure, both in self-control by the operator and by the supervisor/manager but may involve, for specialized aspects (for example, for instrumental checks), the use of other internal or external resources of the company. It is also good that the verification of the organizational and procedural measures relating to environmental protection is carried out by the subjects already defined when assigning responsibilities.

It is also necessary for the company to conduct periodic **2nd level monitoring** activity on the functionality of the preventive system adopted. Functionality monitoring should allow for strategic decision-making and be conducted by competent staff who ensure objectivity and impartiality, as well as independence from the audited area of work.

The components described above must be organically integrated into a system architecture that respects a series of control principles, including:

- every operation, transaction, action must be verifiable, documented, consistent and congruous: for each operation there must be adequate documentary support on which checks can be carried out at

any time that certify the characteristics and reasons for the operation and identify who authorised, carried out, recorded and verified the operation itself;

- no one can manage an entire process independently: the system must guarantee the application of the principle of separation of functions, according to which the authorization to carry out an operation must be under the responsibility of a person other than the person who accounts, operationally executes or controls the operation;
- Documentation of controls: the control system must document (possibly through the drafting of reports) the performance of controls, including supervision.

6.2. Structure and rules for the approval of the model and its updates

For the purposes of preparing the Model, the following was therefore carried out, in methodological coherence with the proposals of the Confindustria Guidelines:

- to identify the so-called *sensitive activities*, through the prior examination of the company documentation (bylaws, regulations, organization charts, powers of attorney, job descriptions, organizational provisions and communications) and a series of interviews with the persons in charge of the various sectors of company operations (or with the heads of the various functions). The analysis was preordained to the identification and evaluation of the concrete performance of activities in which illegal conduct could be configured at risk of committing the predicate crimes. At the same time, the control measures, including preventive ones, in place and any critical issues to be subjected to subsequent improvement were assessed;

- to design and implement the actions necessary for the purpose of improving the control system and adapting it to the purposes pursued by the Decree, in the light of and in consideration of the Confindustria Guidelines, as well as the fundamental principles of the separation of duties and the definition of authorization powers consistent with the responsibilities assigned. In this phase, particular attention was paid to identifying and regulating the financial management and control processes in risky activities;

- to define control protocols in cases where a hypothesis of risk has been identified as existing. In this sense, protocols for decision-making and implementation of decisions have therefore been defined that express the set of rules and discipline that the subjects responsible for the operational responsibility of these activities have helped to illustrate as the most suitable to govern the identified risk profile. The principle adopted in the construction of the control system is that the conceptual threshold of acceptability is represented by a prevention system such that it cannot be circumvented except fraudulently, as already indicated in the Guidelines proposed by Confindustria. The protocols are inspired by the rule of making the various stages of the decision-making process documented and verifiable, so that it is possible to trace the motivation that led to the decision.

The fundamental moments of the Model are therefore:
- the mapping of the company's risky activities, i.e. those activities in the context of which it is possible to commit the offences provided for by the Decree;
- the preparation of adequate moments of control to prevent the commission of the crimes provided for by the Decree;
- the *ex post* verification of corporate conduct, as well as the functioning of the Model with consequent periodic updates;
- the dissemination and involvement of all company levels in the implementation of the rules of conduct and procedures established;
- the assignment to the SB of specific supervisory tasks on the effective and correct functioning of the Model;
- the creation of a Code of Ethics.

The Model, without prejudice to the specific purposes described above and relating to the exemption value provided for by the Decree, is part of the broader control system already in place and adopted in order to provide a reasonable guarantee regarding the achievement of corporate objectives in compliance with laws and regulations, the reliability of financial information and the protection of assets, even against possible fraud.

In particular, with reference to the so-called sensitive areas of activity, the Company has identified the following key principles of its Model, which, by regulating these activities, represent the tools aimed at planning the formation and implementation of the Company's decisions and ensuring adequate control over them, also in relation to the crimes to be prevented:
- segregation of duties through a correct distribution of responsibilities and the provision of adequate levels of authorization, in order to avoid functional overlaps or operational allocations that concentrate critical activities on a single subject;
- clear and formalised assignment of powers and responsibilities, with express indication of the limits of exercise and in line with the tasks assigned and the positions held within the organisational structure;
- no significant transaction may be undertaken without authorisation;
- existence of rules of conduct suitable for ensuring the exercise of company activities in compliance with laws and regulations and the integrity of company assets;
- adequate procedural regulation of the so-called sensitive business activities, so that: the operational processes are defined by providing adequate documentary support to allow them to be always verifiable in terms of adequacy, consistency and responsibility; operational decisions and choices are always traceable in terms of characteristics and motivations and those who have authorized are always identifiable; carried out and verified the individual activities; methods of managing financial resources suitable for preventing the commission of crimes are guaranteed; the control and supervision activities

carried out on company transactions are carried out and documented; there are security mechanisms that guarantee adequate protection for physical-logical access to company data and assets; the exchange of information between contiguous phases or processes takes place in such a way as to guarantee the integrity and completeness of the data managed.

The principles described above appear to be consistent with the indications provided by the Guidelines issued by Confindustria, and are considered by the company to be reasonably suitable also for preventing the crimes referred to in the Decree.

For this reason, the Company considers it essential to ensure the correct and concrete application of the aforementioned control principles in all areas of so-called sensitive business activities identified and described in the Special Parts of this Model.

6.3. Foundations and contents of the model

The Model prepared by Seat Industries Srl is based on:

- the Code of Ethics, intended to establish the general lines of conduct;
- the organisational structure that defines the assignment of tasks – providing, as far as possible, for the separation of functions or alternatively compensatory controls – and the subjects called upon to control the correctness of behaviour;
- the mapping of sensitive company areas, i.e. the description of those processes in which it is easier for crimes to be committed;
- processes instrumental to sensitive business areas, i.e. those processes through which financial instruments and/or substitute means capable of supporting the commission of crimes in areas at risk of crime are managed;
- the use of formalized company procedures, aimed at regulating the correct operating methods for taking and implementing decisions in the various sensitive business areas;
- the indication of the subjects who intervene to supervise these activities, in the hopefully distinct roles of both executors and controllers, for the purpose of segregating management and control tasks;
- the adoption of a system of corporate delegations and powers, consistent with the responsibilities assigned and which ensures a clear and transparent representation of the company process of formation and implementation of decisions, according to the requirement of the uniqueness of the person in charge of the function;
- the identification of methodologies and tools that ensure an adequate level of monitoring and control, both direct and indirect, the first type of control being entrusted to the specific operators of a given activity and to the person in charge, as well as the second control to management and the Supervisory Body;

- the specification of the information supports for the traceability of monitoring and control activities (e.g. sheets, printouts, reports, etc.);
- the definition of a sanctioning system for those who violate the rules of conduct established by the Company;
- the implementation of a plan: 1) for the training of managerial staff and middle managers working in sensitive areas, of the Board of Directors and of the Supervisory Body; 2) to inform all other interested parties;
- the establishment of a Supervisory Body which is assigned the task of supervising the effectiveness and correct functioning of the model, its consistency with the objectives and its periodic updating.

The documentation relating to the model consists of the following parts:

General Part: Description of the Model and the Company
Special Part A - Code of Ethics
Special Part B - Organisational Structure
Special Part C - Sanctioning system
Special Part D - Regulations of the Supervisory Body
Special Part E - Offences against the Public Administration and against the State
Special Part F - Offences relating to counterfeiting of coins, public credit cards, revenue stamps and identification instruments or signs
Special Part G - Corporate Offences
Special Part H - Offences against the individual personality
Special Part I - Offences relating to safety in the workplace
Special Part J - Offences of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin
Special Part K - Offences relating to computer crime and unlawful processing of data
Special Part L - Offences relating to copyright infringement
Special Part M - Offences against industry and commerce
Special Part N - Offence of inducement not to make statements or to make false statements to the judicial authority
Special Part O - Offences in the field of organised crime
Special Part P - Environmental Offences
Special Part Q – Offence of employment of illegally staying third-country nationals
Special Part R – Tax Crimes
Special Part S – Smuggling Offences

6.4. Code of Ethics

The Code of Ethics is the document drawn up and adopted independently by Seat Industries Srl to communicate to all interested parties the principles of corporate ethics, commitments and ethical responsibilities in the conduct of business and corporate activities with which the Company intends to comply. Compliance is expected from all those who work in Seat Industries Srl and who have contractual relations with it.

The principles and rules of conduct contained in this Model are integrated with the provisions of the Code of Ethics adopted by the Company, although the Model presents a different scope from the Code itself for the purposes it intends to pursue in implementation of the provisions of the Decree.

It should be noted that the Code of Ethics is an instrument adopted independently and susceptible to general application by the Company in order to express a series of principles of corporate ethics that the Company itself recognizes as its own and on which it intends to recall the observance of all its employees and all those who cooperate in the pursuit of the company's purposes, including suppliers and customers; the Model, on the other hand, responds to specific provisions contained in the Decree, aimed at preventing the commission of particular types of crimes for facts that, apparently committed in the interest or to the advantage of the company, may entail administrative liability based on the provisions of the Decree itself. However, in consideration of the fact that the Code of Ethics recalls principles of conduct that are also suitable for preventing the unlawful conduct referred to in the Decree, it acquires relevance for the purposes of the Model and therefore formally constitutes an integral component of the Model itself.

The Company's Code of Ethics is set out in "Special Part A: Code of Ethics".

6.5. Organisational structure

The organisational structure of the Company is defined through the issuance of delegations of functions and organisational provisions (service orders, job descriptions, internal organisational directives) by the Chairman.

The formalisation of the organisational structure adopted is ensured by the Head of Human Resources, who periodically updates the Company's organisational chart and disseminates it.

The organisational structure of Seat Industries Srl, which is an integral and substantial part of the Model, is set out in "Special Part B: Organisational Structure" and represents a map of the areas of the Company and the related functions that are assigned to each area.

6.6. Sensitive Areas of Activity, Instrumental Processes and Decision-Making

The decision-making process relating to sensitive areas of activity must comply with the following criteria:

- any decision concerning operations within the sensitive areas of activity, as identified below, must be evidenced by a written document;
- however, there can never be subjective identity between the person who decides on the conduct of a process within a sensitive area of activity and the one who actually carries it out by bringing it to completion;
- there can never be subjective identity between those who decide and implement a process within a sensitive area and those who are invested with the power to allocate the necessary economic and financial resources to it.

"Omissis"

6.6.1. Archiving of documentation related to sensitive activities and instrumental processes

The activities carried out in the context of sensitive activities and instrumental processes are adequately formalized with particular reference to the documentation prepared within the implementation of the same.

The documentation outlined above, produced and/or available on paper or electronically, is archived in an orderly and systematic manner by the departments involved in the same, or specifically identified in detailed procedures or work instructions.

To safeguard the company's documentary and information assets, adequate security measures are provided to protect against the risk of loss and/or alteration of documentation relating to sensitive activities and instrumental processes or unwanted access to data/documents.

6.6.2. Information systems and software applications

In order to oversee the integrity of the data and the effectiveness of the information systems and/or IT applications used to carry out operational or control activities in the context of sensitive activities or instrumental processes, or in support of the same, the presence and operation of:

- user profiling systems in relation to access to modules or environments;

- rules for the correct use of company information systems and aids (hardware and software supports);
- automated mechanisms for controlling access to systems;
- automated mechanisms for blocking or inhibiting access.

6.7. Company Procedures

The Company has adopted a structure of formalised procedures governing the main activities, available to all employees on the company intranet.

These procedures, implemented at the time of the implementation of the Quality System, are mandatory for all employees and/or collaborators of Seat Industries Srl.

6.8. System of delegations and powers

The authorisation system, which translates into an articulated and coherent system of delegation of functions and powers of attorney of the Company, must comply with the following requirements:

- the delegations must combine each management power with the relative responsibility and an adequate position in the organization chart and be updated as a result of organizational changes;
- each delegation must define and describe in a specific and unequivocal way the managerial powers of the delegate and the person to whom the delegate reports hierarchically;
- the management powers assigned with the delegations and their implementation must be consistent with the company's objectives;
- the delegate must have spending powers appropriate to the functions conferred on him;
- powers of attorney may only be conferred on persons with internal functional delegation or specific assignments and must provide for the extension of powers of representation and, where appropriate, numerical expenditure limits;
- only persons with specific and formal powers may assume, in its name and on its behalf, obligations towards third parties;
- all those who have relations with the Public Administration must have a proxy or power of attorney to that effect;
- the Articles of Association define the requirements and procedures for the appointment of the manager responsible for preparing the accounting and corporate documents.

All powers attributed by delegation or the exercise of powers correspond exactly to the duties and responsibilities as reported in the Company's organization chart.

6.9. Communication and training

6.9.1. Communication

To ensure the effectiveness of the Model, Seat Industries Srl aims to ensure that all Recipients are correctly informed, also in relation to their different levels of involvement in sensitive processes.

To this end, Seat Industries Srl will disseminate the Model in the following general ways:
- the creation on the company server (shared folder) of specific documents, constantly updated, whose contents essentially concern:
1) general information on the Decree and the guidelines adopted for the drafting of the Model;
2) the structure and main operational provisions of the Model adopted by Seat Industries Srl;
3) the procedure for reporting to the Supervisory Body and the standard form for the communication - by persons in top positions and employees - of any behaviour, by other employees or third parties, considered potentially in contrast with the contents of the Model.

At the time of adoption of the Model, a communication will be sent to all employees - by the identified bodies (e.g. Presidency, General Management, etc.) - to warn that Seat Industries Srl has adopted an Organisation, Management and Control Model pursuant to the Decree, referring to the company intranet site for further details and insights. The communication is accompanied by a declaration of receipt and acceptance by the employees, to be sent to the Supervisory Body.

New employees will be given a special information notice on the Model adopted containing an information note, in the body of the letter of employment, dedicated to the Decree and the characteristics of the Model adopted.

6.9.2. Communication to external collaborators and partners

All parties external to the Company (consultants, partners, etc.) will be duly informed about the adoption, by Seat Industries Srl, of a Model including a Code of Ethics. To this end, they will also be asked to formally commit to compliance with the provisions contained in the aforementioned documents.
With regard to external consultants who permanently collaborate with Seat Industries S.r.l., it will be the responsibility of Seat Industries S.r.l. to make contact with them and ensure, through detailed checks, that these consultants are familiar with the Company's Model and are willing to comply with it.

6.9.3. Communication to Group companies

The companies of the Group must be informed of the content of the Model and of the interest of Seat Industries Srl so that the conduct of all its subsidiaries complies with the provisions of the Decree. To this end, the adoption of this Model is communicated to them at the time of adoption itself.

6.9.4. Training

The contents of training programmes on the administrative liability of companies (Legislative Decree no. 231/2001) or, more generally, on criminal matters, must be examined and endorsed by an expert consultant external to the Company or who will also work in concert with the SB.
Formal tracking must be kept of the training.

6.9.5. Training of personnel in the so-called "top" position

The training of the so-called "top" staff, including the members of the SB, takes place on the basis of training and refresher courses, with the obligation to participate and attend, as well as with a final evaluation test – which can also be held orally – capable of certifying the quality of the training activity received.
Training and refresher courses must be scheduled at the beginning of the year and, for any new hires in the so-called "top" position, it is also based on information contained in the letter of employment.

The training of individuals in the so-called "top" position must be divided into two parts: a "generalist" part and a "specific" part.

The "general" part must contain:

- regulatory, jurisprudential and best practice references;
- administrative liability of the entity: purpose, rationale of the Decree, nature of liability, news in the regulatory field;
- addressees of the decree;
- prerequisites for attribution of liability;
- description of predicate crimes;
- types of sanctions applicable to the entity;
- conditions for the exclusion of liability or limitation thereof.

During the training, the following activities will also be carried out:
- those present are made aware of the importance attributed by Seat Industries Srl to the adoption of a system of governance and risk control;
- the structure and contents of the Model adopted, as well as the methodological approach followed for its implementation and updating, are described.

In the context of the training concerning the "specific" part, we focus on:
- on the precise description of the individual types of crime;
- on the identification of the perpetrators of the crimes;
- on the exemplification of the ways in which crimes are committed;
- on the analysis of the applicable sanctions;

- on the combination of the individual types of crime with the specific areas of risk highlighted;
- on the specific prevention protocols identified by the Company to avoid running into the identified risk areas;
- the behaviour to be adopted in terms of communication and training of its hierarchical employees, in particular of personnel operating in company areas considered sensitive, is described;
- the conduct to be adopted towards the Supervisory Body is illustrated, in terms of communications, reports and collaboration in the supervision and updating of the Model;
- the heads of the company functions potentially at risk of crime and their hierarchical employees are made aware of the conduct to be observed, the consequences deriving from failure to comply with them and, in general, with the Model adopted by Seat Industries Srl.

6.9.6. Training of other staff

The training of the remaining type of staff begins with an internal information note which, for new hires, will be delivered at the time of hiring.
The training of personnel other than the so-called "top" staff also takes place on the basis of training and refresher courses, with the obligation to participate and attend, as well as with a final evaluation test – which can also be held orally – capable of certifying the quality of the training activity received.
Training and refresher courses must be scheduled at the beginning of the year.

The training of subjects other than those in the so-called "top" position must be divided into two parts: a "generalist" part and a "specific" part, of a possible and/or partial nature.

The "general" part must contain:

- regulatory, jurisprudential and best practice references;
- administrative liability of the entity: purpose, rationale of the Decree, nature of liability, news in the regulatory field;
- addressees of the decree;
- prerequisites for attribution of liability;
- description of predicate crimes;
- types of sanctions applicable to the entity;
- conditions for the exclusion of liability or limitation thereof.

During the training, the following activities will also be carried out:
- those present are made aware of the importance attributed by Seat Industries Srl to the adoption of a system of governance and risk control;
- the structure and contents of the Model adopted, as well as the methodological approach followed for its implementation and updating, are described.

In the context of the training concerning the "specific" part, we focus on:
- on the precise description of the individual types of crime;
- on the identification of the perpetrators of the crimes;
- on the exemplification of the ways in which crimes are committed;
- on the analysis of the applicable sanctions;
- on the combination of the individual types of crime with the specific areas of risk highlighted;
- on the specific prevention protocols identified by the Company to avoid running into the identified risk areas;
- the behaviour to be adopted in terms of communication and training of its hierarchical employees, in particular of personnel operating in company areas considered sensitive, is described;
- the conduct to be adopted towards the SB is illustrated, in terms of communications, reports and collaboration in the supervision and updating of the Model;
- the heads of the company functions potentially at risk of crime and their hierarchical employees are made aware of the conduct to be observed, the consequences deriving from failure to comply with them and, in general, with the Model adopted by Seat Industries Srl.

With reference to the training concerning the "specific" part, it must be said that it will be intended only for those subjects who are really at risk of carrying out activities attributable to Legislative Decree no. 231 of 2001 and limited to the risk areas with which they may come into contact.

6.9.7. Training of the Supervisory Body

The training of the Supervisory Body is agreed together with an external consultant to the Company, who is an expert either in the field of administrative liability of companies (Legislative Decree no. 231/2001) or, more generally, in criminal matters.

This training is aimed at providing the Supervisory Body with both a high understanding – from a technical point of view – of the Organisational Model and the specific prevention protocols identified by the Company, and the useful tools to proceed adequately with the performance of its control task.

This training - compulsory and controlled - can take place, in general, through participation: 1) in conferences or seminars on the subject of Legislative Decree no. no. 231 of 2001; 2) meetings with experts in the field of administrative liability of companies (Legislative Decree no. 231/2001) or in criminal matters; in particular, with reference to the sole understanding of the Organisational Model and the specific prevention protocols identified by the Company, through participation in training and refresher courses organised for individuals in the so-called "top" position.

The training of the SB must have the contents of the "general" and "specific" training already described, as well as in-depth analysis:

- on the subject of independence;
- on the subject of autonomy;

- on the subject of continuity of action;
- in terms of professionalism;
- on the subject of relations with corporate bodies;
- in terms of relations with the other bodies responsible for internal control;
- on the relationship between the implementation of the Model and the other control systems in the company;
- on the subject of anonymous reports to the SB;
- on the subject of reporting on the SB's activities (inspection minutes, meeting reports, etc.);
- on the subject of examples of checklists for inspection activities;
- Examples of mapping sensitive activities and instrumental processes

6.10. Sanctioning system (special part "C")

The preparation of an effective sanctioning system for the violation of the provisions contained in the Model is an essential condition to ensure the effectiveness of the Model itself.

In this regard, in fact, Article 6, paragraph 2, letter *e*) and Art. 7 paragraph 4 lett. *b*) of the Decree provide that the model must "introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model".

The application of the disciplinary sanctions determined pursuant to the Decree is independent of the outcome of any criminal proceedings, as the rules imposed by the Model and the Code of Ethics are assumed by Seat Industries Srl in full autonomy, regardless of the type of offence that the violations of the Model or the Code itself may cause.

In particular, Seat Industries Srl uses a sanctioning system that:
- it is structured differently according to the recipients: subjects in the so-called "top" position; dependents; external collaborators and partners;
- identifies exactly the disciplinary sanctions to be adopted against persons who carry out violations, infractions, circumvention, imperfect or partial application of the provisions contained in the model, all in compliance with the relevant provisions of the CCNL and the applicable legislative requirements;
- provides for a specific procedure for the imposition of the aforementioned sanctions, identifying the person responsible for imposing them and in general for supervising the observance, application and updating of the sanctioning system;
- introduces suitable methods of publication and dissemination.

Seat Industries Srl has drawn up and applied the sanctioning system in accordance with the above principles, which forms an integral and substantial part of the model as "Special Part C".

6.11. Management of financial resources

Art. Article 6, paragraph 2, letter c) of the Decree provides for the obligation for the Company to draw up specific methods for managing financial resources suitable for preventing the commission of crimes.

To this end, Seat Industries Srl has adopted, as part of its procedures, some fundamental principles to be followed in the management of financial resources:

- all operations related to financial management must be carried out through the use of the Company's bank accounts;
- checks must be carried out periodically on balances and cash transactions;
- the function responsible for treasury management must define and keep up to date, in line with the Company's credit policy and on the basis of adequate separation of duties and accounting regularity, a specific formalised procedure for the opening, use, control and closure of current accounts;
- the top management must define the medium and long-term financial needs, the forms and sources of coverage and highlight them in specific reports.

6.12. Supervisory Body

In compliance with the provisions of art. 6, paragraph 1, letter b, of the Decree, which provides that the task of supervising the operation and compliance with the Model and of ensuring that it is updated, is entrusted to a body of the Company, endowed with autonomous powers of initiative and control, called the Supervisory Body, the Company has identified and appointed this Body. For details, please refer to "Special Part D": Regulations of the Supervisory Body".