



CASAPPA S.P.A.

Organization, Management and Control Model

Pursuant to Legislative Decree 231/2001

General part

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1. Regulations

1.1 Legislative Decree no. 231 of 8 June 2001

In implementation of the delegation referred to in art. 11 of Law No. 300 of 29 September 2000, on 8 June 2001 Legislative Decree No. 231 (hereinafter, referred to as the "Decree" or "Legislative Decree 231/2001") was issued, which came into force on 4 July 2001, with which the Legislator adapted the internal legislation concerning the administrative liability of legal persons, of companies and associations, including those without legal personality, to the international conventions on the liability of legal persons, indicated below, to which Italy had already adhered for some time, outlining the general principles and criteria for attribution.

The purpose of this decree is to bring the national legislation on the liability of legal persons into line with the following international conventions:

- 1) Brussels Convention of 26/07/95 on the protection of the European Community's financial interests;
- 2) Convention of 26/05/97 on the fight against corruption of officials of the European Community or of the Member States;
- 3) OECD Convention of 17/12/97 on Combating Bribery of Foreign Public Officials in Business and International Transactions.

The Decree introduced into the Italian legal system a regime of administrative liability (substantially similar to criminal liability) for entities (to be understood as companies, associations, consortia, etc., hereinafter, for the sake of brevity, also the "Entities") for the crimes exhaustively listed and committed in the Decree in their interest or advantage. The liability of the entity is in addition to the liability (criminal and civil) of the natural person, who materially committed the crime.

Art. Article 5 of the aforementioned Decree holds the entity liable for crimes committed in its interest or to its advantage:

- a) by natural persons who hold representational, administrative or managerial functions or of an organizational unit with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the same¹;
- b) by natural persons under the direction or supervision of one of the above-mentioned entities².

The constituent elements of the interest and advantage of the entity, contemplated in art. 5, as criteria for the ascription of the administrative offence dependent on a crime, have alternative value and different meanings. The interest expresses the finalistic direction of the criminal conduct of the natural person, verifiable in an *ex ante perspective* ("upstream" of the event): the interest relates to the type of activity that is carried out and must, therefore, find a perfect incidence in the suitability of the conduct to cause a benefit for the Entity, without requiring that the utility be actually achieved. The advantage is the material result of the criminal action and therefore takes on objective connotations as it can be achieved by the Entity, even when the natural person has not acted in his interest and is therefore verifiable only *ex post*.

The inclusion of those relating to health and safety at work (Article 25 *septies* of Decree 231) and environmental offences (Article 25 *undecies*) within the predicate offences has posed a problem of logical compatibility between the unintentional nature of the event, typical of negligent offences, and the finality underlying the concept of "interest" of the entity.

On this point, the United Sections of the Court of Cassation in sentence no. 38343 of 24.4.2014 issued "*in the context of the trial for the tragic facts of Thyssen*", clarified that "*in culpable crimes of event the concepts of interest and advantage must necessarily refer to the conduct and not to the unlawful outcome*". It is clarified that this solution "*does not determine any difficulty of a logical nature: it is quite possible that a conduct characterized by the violation of the precautionary discipline and therefore negligent is carried out in the interest of the entity or in any case determines the achievement of an advantage. [...] That interpretative solution [...] merely adapts the original*

¹ By way of example, this category includes persons in top positions, i.e. the Chairman, the Directors, the General Managers, the Director of a branch or division, as well as the de facto director or the sole shareholder who deals with the management.

² All persons having a functional relationship with the institution must be considered "subordinate" to the top management. Therefore, in addition to employees, this category also includes persons who have an agency or commercial representation relationship with the Company, or other relationships of coordinated and continuous collaboration, mainly personal and without the constraint of subordination (project work, temporary work, insertion, summer orientation internship), or any other relationship contemplated by art. 409 of the Code of Civil Procedure, as well as casual workers.

imputation criterion to the changed frame of reference, without altering the criteria for ascribing to it. The adjustment concerns only the object of the assessment, which no longer captures the event but only the conduct, in accordance with the different conformation of the offense. [...] It is quite possible that the agent knowingly violates the caution, or even foresees the event that may arise from it, even if unintentionally, to correspond to instances functional to the strategies of the entity".

The entity is not liable if the persons named have acted in their own interest or in the interest of a third party. In addition, if the offence is committed by persons who hold functions of representation, administration or management of the Entity or of one of its organizational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the same, the Entity shall not be liable if it proves that:

- the management body adopted and effectively implemented, before the offence was committed, organisational and management models suitable for preventing offences of the kind that occurred;
- the task of supervising the functioning and observance of the Models and of taking care of their updating has been entrusted to a body of the Entity with autonomous powers of initiative and control;
- the subjects committed the offence by fraudulently circumventing the Models;
- there has been no omission or insufficient supervision on the part of the control body with regard to the Models.

If, on the other hand, the offence is committed by persons subject to the direction or supervision of one of the above-mentioned subjects, the entity is liable if the commission of the offence was made possible by non-compliance with management and supervisory obligations. Such non-compliance is in any case excluded if the Entity, prior to the commission of the crime, has adopted and effectively implemented Models suitable for preventing crimes of the kind that occurred, according to an assessment that must necessarily be a priori.

Having established the administrative liability of the Entities, art. Article 6 of the Decree also establishes:

- whereas, the Entity is not liable in the event that it demonstrates that it has entrusted to a body (internal or external), endowed with autonomous powers of initiative and control and specific requirements of independence and professionalism, the task of supervising the functioning and observance of the models and of taking care of their updating, and, at the same time,
- that the organisational and management models can be adopted on the basis of the codes of conduct drawn up by associations representing the sector, communicated to the Ministry of Justice.

These organisational, management and control models (hereinafter also referred to as "Models") must meet the following requirements:

- identify the activities in the context of which the offences provided for by the Decree may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the Entity's decisions in relation to the crimes to be prevented;
- identify ways of managing financial resources suitable for preventing the commission of such crimes;
- provide for information obligations towards the body responsible for supervising the functioning and compliance with the Models;
- introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Models;

provide for one or more channels that allow the Recipients to submit, in order to protect the integrity of the Entity, detailed reports of unlawful conduct, relevant pursuant to the Decree and based on precise and consistent factual elements, or violations of the Model, of which they have become aware due to the functions performed.

The provision of administrative liability materially involves in the punishment of offences the assets of the entities that have benefited from the commission of the offence and therefore the economic interests of the shareholders. Among the sanctions that can be imposed, the most onerous for the entity are represented by the disqualification measures, such as the suspension or revocation of licenses and concessions, the prohibition of contracting with the public administration, the

prohibition from carrying out the activity, the exclusion or revocation of loans and contributions, the prohibition of advertising goods and services.

1.2. Offences

The types of offences that may constitute the Company's administrative liability are only those expressly indicated by the legislator in the Decree, which, at the time of its enactment, contemplated only certain offences against the Public Administration. Over the years, the Legislator, also in application of subsequent EU directives, has considerably expanded the catalogue of offences subject to the application of Legislative Decree no. 231/2001, which today includes, in particular:

- Offences against the public administration and against the assets of the public administration (Articles 24 and 25);
- Computer crimes and unlawful processing of data (art. 24-bis);
- Organised crime offences (art. 24-ter);
- Offences relating to counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of identification (Article 25-bis);
- Crimes against industry and commerce (art. 25-bis.1);
- Corporate crimes, including crimes of corruption between private individuals and incitement to corruption between private individuals (Article 25-ter);
- Crimes committed for the purpose of terrorism or subversion of the democratic order (art. 25-quarter);
- Practices of mutilation of female genital organs (art. 25-quarter. 1);
- Offences against the individual personality (art. 25-quinquies);
- Administrative offences and offences of abuse and manipulation of the market (art. 25-sexies);
- Crimes of manslaughter and serious or very serious negligent injuries, committed in violation of accident regulations and on the protection of hygiene and health at work (art. 25-septies);

- Receiving stolen goods, money laundering, use of money, goods or utilities of illicit origin and self-laundering (art. 25-octies);
- Offences relating to non-cash payment instruments (Article 25-octies. 1);
- Offences relating to copyright infringement (art. 25-novies);
- Inducement not to make statements or to make false statements to the judicial authority (art. 25-decies);
- Environmental crimes (art. 25-undecies);
- Employment of illegally staying third-country nationals (Art. 25 – k);
- Crimes of racism and xenophobia (art. 25-terdecies);
- Offences relating to sports fraud, the abusive operation of games or betting on games of chance carried out by means of prohibited machines (Article 25m);
- Reati Tributari (art. 25 quinquiesdecies);
- Smuggling offences (art. 25 sexiesdecies);
- Crimes against cultural heritage (art. 25-septiesdecies);
- Laundering of cultural property and devastation and looting of cultural and landscape property (art. 25-duodecies);
- Transnational crimes (art. 10 Law 146/2006).

For details of the individual types of offences for which administrative liability is provided for pursuant to Legislative Decree 231/2001, please refer to the catalogue attached to this Model **(Annex 1)**.

1.3 Offences committed abroad

According to Art. 4 of Legislative Decree 231/2001, the entity may be called to answer in Italy in relation to crimes - contemplated by the same Legislative Decree 231/2001 - committed abroad. The Explanatory Report to Legislative Decree 231/2001 underlines the need not to leave a frequently occurring criminological situation without a sanction, also in order to avoid easy circumvention of the entire regulatory framework in question.

The conditions (provided for by the law or deducible from the Legislative Decree 231/2001 as a whole) on which the liability of the entity for crimes committed abroad is based are:

- a) the offence must be committed abroad by a person functionally linked to the entity, pursuant to art. 5, paragraph 1, of Legislative Decree 231/2001;
- b) the entity must have its head office in the territory of the Italian State;
- c) The entity may respond only in the cases and under the conditions provided for in Articles 7, 8, 9, 10 of the Criminal Code. This postponement is to be coordinated with the provisions of articles 24 to 25-quinquiesdecies of Legislative Decree 231/2001, so that - also in compliance with the principle of legality referred to in art. 2 of Legislative Decree 231/2001 - in view of the series of offences mentioned in art. 7-10 of the Criminal Code, the company will only be liable for those for which its liability is provided for by an *ad hoc legislative provision*;
- d) the entity may be liable in cases where the State in which the act was committed does not proceed against it;
- e) in cases where the law provides that the offender is punished at the request of the Minister of Justice, proceedings are taken against the entity only if the request is also made against the entity itself.

1.4. Penalties provided for

The penalties provided for administrative offences dependent on a crime are:

- 1) Financial penalties;
- 2) disqualification sanctions;
- 3) Confiscate;
- 4) Publication of the judgment.

Here is a brief examination of each of them.

1) Financial penalties

Financial penalties are administrative in nature and always apply, even if the legal person makes good the consequences of the offence.

The proportionality of the penalty depends on two criteria:

- a) determination of quotas in a number of not less than 100 and not more than 1,000;
- b) attribution to each individual unit of a value ranging from a minimum of € 258.00 to a maximum of € 1,549.00 (based on the economic and financial conditions of the entity).

In concrete terms, the financial penalties may range from a minimum of € 25,822.84 (reducible, pursuant to Article 12 of the Decree, up to half) and a maximum of € 1,549,370.69. The court shall determine the number of shares taking into account:

- a) the seriousness of the offence;
- b) the degree of responsibility of the entity;
- c) of the activity carried out to eliminate or mitigate the consequences of the fact and to prevent the commission of further offences.

2) Disqualification sanctions

These sanctions are in addition to the pecuniary ones and have the function of preventing the repetition of the crime.

When applying these penalties, the judge has particular regard to the activity carried out by the entity, in order to determine a greater invasiveness on the exercise of the activity itself.

This category of sanctions includes the following measures:

- a) disqualification from carrying out the activity;
- b) the prohibition of contracting with the Public Administration;
- c) the suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- d) the exclusion from concessions, loans, contributions and subsidies, and/or the revocation of any concessions already granted;
- e) the prohibition of advertising goods or services.

In the event of multiple offences, the sanction provided for the most serious one shall apply.

The duration of the ban is generally temporary (from a minimum of 3 months to a maximum of 7 years), with the exception of some strict cases, in which the temporary nature of the interdiction is replaced by the finality of the same. By way of example:

- a) in the event of repetition of the criminal act;
- b) in the event of a significant profit;
- c) in the event of recurrence at least three times in the last seven years.

It should also be noted that the activity of the entity may continue (instead of the imposition of the sanction) by a commissioner appointed by the judge pursuant to art. 15 of d. Legislative Decree 231/2001, when one of the following conditions is met:

- a) the entity performs a public service or a service of public necessity, the interruption of which may cause serious harm to the community;
- b) The interruption of the institution's activity may have significant repercussions on employment, taking into account its size and the economic conditions of the territory in which it is located.

3) The confisca

It is a sanction applicable at the same time as the issuance of the mandatory, main and general sentence to be ordered with the sentence of conviction (Article 19 of the Decree) and consists of the confiscation, by the Judicial Authority, of the price or profit generated by the crime, excluding the part of it that can be returned to the injured party.

If confiscation of the proceeds or proceeds of the crime is not possible, sums of money, goods or other benefits of a value equivalent to the price or profit of the crime are confiscated.

In reality, the Decree provides for other forms of asset ablation, even in the absence of a conviction. The first hypothesis is contemplated by art. 6 paragraph 5 which provides for the mandatory confiscation of the profit that the entity has derived from the crime even in the event that the entity is not held responsible, by virtue of the exonerating evidence provided, for the administrative offense dependent on the crime committed by persons in top positions; In this case, the confiscation has the function of compensation, necessary to restore the economic balance altered

by the predicate crime and preventive nature, i.e. it neutralizes any objective risk connected to the relapse of profit in the sphere of the entity.

Art. Article 15, paragraph 4 also provides for the confiscation of the profit deriving from the continuation of the company's activity when this is ordered by the judicial commissioner and instead of the application of the disqualification sanction that determines the interruption of the entity's activity when the requirements are met (the entity performs a public service or a service of public necessity whose interruption may cause serious harm to the community or the interruption of the activity of the institution may have serious repercussions on employment).

Finally, art. Article 23 provides for the confiscation of the profit derived from the continuation of the activity to the entity as the main sanction in violation of the obligations and prohibitions imposed on it through a disqualifying sanction or precautionary measure.

4) Publication of the conviction

The publication of the conviction is ordered when a disqualification sanction is applied to the institution.

The judgment shall be published (at the expense of the convicted legal person) only once, in extracts or in full, in one or more newspapers specified by the court in the judgment, and by posting in the municipality where the entity has its principal seat.

1.5. Attempted Crimes

In the event of the commission of the offences indicated in Chapter I of Legislative Decree 231/2001, the pecuniary sanctions (in terms of amount) and the disqualification sanctions (in terms of time) are reduced from one third to one-half, while the imposition of sanctions is excluded in cases where the entity voluntarily prevents the completion of the action or the realization of the event.

1.6. The Entity's Culpability

Articles 6 and 7 of Legislative Decree 231/2001 provide for the criteria for the subjective attribution of the offence to the entity. These criteria differ according to the function performed by the offender.

In the case of persons who perform functions of representation, administration or management of the Entity or of one of its organizational units with financial and functional autonomy, as well as persons who exercise, even de facto, the management and control of the same, the liability of the entity shall be presumed, unless it demonstrates that:

- 1) the management body has adopted and effectively implemented, before the commission of the act, organisational, **management and control models** suitable for preventing the commission of offences of the kind that occurred;
- (2) the task of supervising the functioning, effectiveness and observance of the models, and of ensuring that they are updated, has been entrusted to a **body with autonomous powers of initiative and control**;
- (3) the persons committed the offence by **fraudulently circumventing** the organisational and management models;
- (4) there has been no omission or insufficient **supervision** on the part of the control body.

If the offence was committed by persons under the direction or supervision of one of the top management, the entity is liable if the prosecution can prove that the commission of the offence was made possible by the failure to comply with the obligations of management or supervision. These obligations are presumed to have been complied with if the entity, prior to the commission of the crime, has adopted and effectively implemented a Model suitable for preventing crimes of the kind that occurred.

The liability of the entity is presumed if the offence is committed by a natural person who holds top positions or responsibilities; Consequently, the burden falls on the entity to prove that it is not involved in the facts. Conversely, the liability of the entity must be demonstrated in the event that the person who committed the offence does not hold top positions within the company's organizational system; In this case, the burden of proof lies with the prosecution body.

In relation to the extension of delegated powers and the risk of committing crimes, the models must meet the following requirements (Article 6, paragraph 2 of Legislative Decree 231/2001):

- identify the activities in the context of which offences may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the crimes to be prevented;
- identify ways of managing financial resources suitable for preventing the commission of crimes;
- provide for information obligations towards the body responsible for supervising the functioning and compliance with the models;
- introduce a private disciplinary system, suitable for sanctioning non-compliance with the measures indicated in the Model.

Art. Finally, Article 6 of the Decree provides that the organisational and management models may be adopted on the basis of codes of conduct drawn up by representative trade associations, communicated to the Ministry of Justice, which, in agreement with the competent Ministries, may formulate observations on the suitability of the models to prevent crimes.

1.7. The rules on the protection of whistleblowers (so-called "whistleblowers"). *Whistleblowing*)

Article 2 of Law No. 179/2017, amending Article 6 of Legislative Decree No. 231 of 8 June 2001, inserted, in principle, within the Decree itself the regulation of the protection of whistleblowers of offences or irregularities of which they have become aware by reason of the functions performed in the context of a private employment relationship, known as *Whistleblowing*.

Subsequently, the protection of the whistleblower of offences in the context of work (so-called "Criminal Offences"). "Whistleblowing") was governed by Legislative Decree no. 24 of 10 March 2023 - which amended paragraph 2 bis and repealed paragraphs 2 ter, 2 quarter of art. 6 of Legislative Decree no. 231/2001, previously introduced by Law no. 179/2017 - published in the Official Gazette no. 63 of 15 March 2023, which transposed EU Directive 2019/1937 at national level.

This amendment expands the objective scope of application of the legislation, with reference to the violations reported, as well as the subjective scope of application of the institution. It also reinforces the safeguards put in place to protect against retaliatory treatment of "whistleblowers" who have become aware, within their work context, of any violations and also provides for the activation, subject to agreement with the trade unions, of special internal reporting channels. This regulatory provision has provided for the obligation for the Company to provide channels that allow the reporting of wrongdoing, guaranteeing the utmost confidentiality regarding the identity of the whistleblower.

Legislative Decree no. 24 of 10 March 2023 thus collects in a single regulatory text the entire discipline of reporting channels and the protections granted to whistleblowers in both the public and private sectors. This results in an organic and uniform discipline aimed at greater protection of the whistleblower (so-called "Whistleblower"). *Whistleblower*), in order that the latter is more incentivized to report wrongdoing within the limits and in the manner indicated in the aforementioned Decree.

This regulatory scenario has provided for the obligation for the Company to provide channels that allow the reporting of wrongdoing, guaranteeing the utmost confidentiality regarding the identity of the whistleblower. For the scope of application referred to in this Model, all recipients who become aware of unlawful conduct, relevant pursuant to Legislative Decree 231/01, or violations of the Company's Organization, Management and Control Model, due to the functions performed, must therefore promptly report such conduct through specific communication channels.

In consideration of the above, the Company has set up a whistleblowing management system, the scope of which is considerably broader and includes unlawful conduct, relevant pursuant to Legislative Decree 231/01, as mentioned above, as well as:

- disputes, claims or requests related to a personal interest of the Whistleblower or of the person who has filed a complaint with the judicial or accounting authority that relate exclusively to their individual employment relationships, or inherent to their employment relationships;
- reports of violations that are already compulsorily regulated by European Union or national acts concerning financial services, products and markets and the prevention of money

laundering and terrorist financing, transport security and environmental protection, or by national acts that constitute implementation of European Union acts indicated in Part II of the Annex to EU Directive 2019/1937;

- reports of breaches in the field of national security, as well as of procurement relating to defence or national security aspects, unless such aspects fall under the relevant secondary legislation of the European Union.

In particular, the conducts, acts and omissions that harm the public interest or the integrity of Casappa S.p.A. can be divided into the following categories:

- infringements of national and European provisions consisting of offences in the following areas: public procurement, services, financial products and markets, and the prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and protection of personal data and security of networks and information systems;
- infringements of European provisions consisting of: (i) acts or omissions affecting the financial interests of the Union; (ii) acts and omissions relating to the internal market; (iii) acts and conduct which defeat the object or purpose of the provisions of Union acts in the areas referred to above;
- infringements of national provisions consisting of: (i) administrative, accounting, civil or criminal offences; (ii) relevant unlawful conduct pursuant to Legislative Decree 231/2001 or violations of organizational and management models;
- violations of regulatory instruments pertaining to the areas defined in the Company's compliance or concerning facts or conduct contrary to (or in contrast with) the Company's responsibility to respect the human rights of individuals or communities, and attributable to the following categories: (i) health, safety and security of local communities; (ii) violation of workers' rights, and (iii) occupational health and safety.

The above therefore provides for the use of specific reporting channels, i.e. a whistleblowing management system through the use of a Platform, equipped with security measures such as to guarantee, also through encryption tools, the maximum protection and confidentiality of the

identity of the Whistleblower, of the legal persons and in any case mentioned in the Report, both of the reporting persons and of the subject of the reports and its relative documentation.

Reports concerning Casappa S.p.A. may be made in the following ways described in the Whistleblowing Procedure attached to this Model (**Annex 3**).

The chosen Digital Platform is equipped with security measures to guarantee the confidentiality of the identity of the Whistleblower, of the persons involved and in any case mentioned in the Report, as well as of the content of the same and the related documentation.

Each report must provide an exhaustive description of the subject of the report, the parties involved, the period in which the violation was committed, attaching, if available, the documentation supporting what was reported. All reports are handled confidentially and transparently.

1.8. Confindustria Guidelines

Art. Article 6, paragraph 3 of Decree 231 establishes that organizational models can be adopted on the basis of codes of conduct (or guidelines) drawn up by the representative trade associations and communicated to the Ministry of Justice.

In particular, Confindustria published its "Guidelines for the construction of organisational, management and control models pursuant to Legislative Decree 231/2001" as early as March 2002, updating them, following the various amendments undergone by Decree 231, in March 2008, in July 2014 and, most recently, on 25 June 2021, also considering the legislative changes, jurisprudence and application practice that have intervened in the meantime.

Compared to previous versions, the new Guidelines focus on a number of topics, such as the integrated risk management system, control systems for tax compliance purposes, whistleblowing and non-financial information disclosures. The section dedicated to the Supervisory Body takes up the previous Guidelines, placing particular emphasis and reinforcing the point relating to the budget allocated to the SB and the importance of collaboration between the SB and the Board of Statutory

Auditors, recalling the principles established in the "Corporate Governance Code".

The fundamental points that the Guidelines identify in the construction of the Models can be summarized as follows:

- identification of **risk areas**, aimed at highlighting the corporate functions within which it is possible to carry out the detrimental events provided for by the Decree;
- preparation of a **control system** capable of preventing risks through the adoption of appropriate protocols. The most important components of the control system designed by Confindustria are:
 - Code of Ethics;
 - organizational system;
 - manual and computerized procedures;
 - authorization and signature powers;
 - control and management systems;
 - communication to staff and their training.

The components of the control system must be guided by the following principles:

- verifiability, documentability, coherence and congruence of each operation;
- application of the principle of separation of functions (no one can manage an entire process independently);
- documentation of controls;
- provision of an adequate sanctioning system for the violation of the rules of the Code of Ethics and the procedures/protocols provided for by the Model;
- identification of the requirements of the supervisory body, which can be summarised as follows:
 - autonomy and independence;
 - professionalism;
 - continuity of action.
- provision of methods for managing financial resources;
- information obligations of the control body;

- configuration of an internal disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model.

Failure to comply with specific points of the aforementioned Guidelines does not affect the validity of the Model. In fact, the Model adopted by the Entity must necessarily be drawn up with specific reference to the concrete reality of the Company, and therefore it may also deviate from the Confindustria Guidelines, which, by their nature, are of a general and programmatic nature.

It is also underlined the dynamic nature of the Guidelines issued by Confindustria, which, over time, may undergo updates and revisions that will have to be taken into account during the analysis.

2. The Model

2.1 Adoption and recipients of the Model

The Company is sensitive to the need to ensure conditions of fairness and transparency in the conduct of business and corporate activities, to protect its position and image, the expectations of its shareholders and the work of its employees, and is aware of the importance of having an internal control system suitable for preventing the commission of unlawful conduct by its directors, employees, collaborators, representatives, partners. For this reason, Casappa S.p.A. has decided to launch a project to analyse and adapt its organisational, management and control tools, in accordance with the requirements of the Decree.

This initiative was taken in the belief that the adoption of the Model can be a valid tool for raising awareness and ethical training for all those who operate in the name and on behalf of the Company, so that they behave correctly and consistently in the performance of their activities, such as to prevent the risk of committing the crimes provided for by the Decree itself. In particular, through the adoption of the Model, the Board of Directors intends to pursue the following objectives:

- determine, in all those who operate in the name and on behalf of Casappa S.p.A., in the context of "sensitive corporate activities", the awareness of being able to incur, in the event of violation of the provisions set forth therein, an offence liable to disciplinary and/or contractual consequences as well as criminal and administrative sanctions that may be

imposed not only against them but also against the Company itself;

- reiterate that such forms of unlawful conduct are strongly condemned by the Company, as they (even if the Company were apparently in a position to take advantage of them) are in any case contrary not only to the provisions of the law, but also to the ethical principles to which Casappa S.p.A. intends to comply in the exercise of its business activities;
- allow Casappa S.p.A., thanks to a continuous and organic monitoring action on the so-called "S.p.A.", to allow Casappa S.p.A. areas at risk, to intervene promptly to prevent or counter the commission of the crimes themselves and sanction conduct contrary to its Model and the commission of the crimes contemplated by the Decree;
- ensure the transparency of corporate governance and the Company's image.

Although the adoption of the Model is provided for by law as optional and not mandatory, Casappa S.p.A., in accordance with art. 6, paragraph 1, letter a) of Legislative Decree 231/2001 which requires the Model to be an "act of emanation of the management body", originally adopted its own Model with the resolution of the Board of Directors and, subsequently, this update of the Model is approved by resolution of the Board of Directors on 19 March 2024.

Given that the Model is an act of emanation of the Company's Board of Directors, it is the duty of the latter to implement the requests of the Supervisory Body regarding the updating of the principles contained in the Model itself in relation to a recent corporate reorganization operation that has taken place, to the new types of offences provided for by the Legislator and to the adjustment needs determined over time.

Casappa S.p.A. has also set up its own Supervisory Body with the task of supervising the functioning, effectiveness and observance of the Model itself, as well as ensuring that it is updated and controls are carried out in accordance with the procedures indicated. To this end, the Company provides, when preparing the annual budget, to provide financial provision for the activities of the Supervisory Body.

With the formal adoption of the Model, this becomes an imperative rule for the Company, for:

- the members of the Corporate Bodies (meaning the Board of Directors and the Board of Statutory Auditors of the Company and their members);

- employees and managerial staff (who perform representation, administration, management and control functions) of Casappa S.p.A. (if any) – even if hired after the adoption of the Model, in particular those who carry out sensitive activities;
- third parties who, although not employees of the Company, operate in any capacity on behalf of or in the interest of the Company itself and under its supervisory direction (e.g.: temporary staff, seconded staff, project collaborators, etc.);
- other third parties, other than those mentioned in the previous point, such as consultants, suppliers, partners, etc ... with total managerial and operational autonomy whose relations with the Company are regulated by specific contracts.

(hereinafter collectively referred to as the "Recipients").

The Company requires, through the provision of specific contractual clauses, consultants, collaborators, suppliers and partners to comply with the provisions of the Decree and the Code of Ethics and Conduct of the same. To this end, contracts, including those with Group companies and/or third parties, must include an express declaration by the counterparty that it is aware of and undertakes to comply with the regulations set out in the Decree and the Code of Ethics of the same, as well as to adopt, in carrying out activities covered by the contract, principles of conduct and control measures consistent with those referred to in the Company's Model.

The adoption and effective implementation of this system allow the Company to benefit from the exemption from liability provided for by Legislative Decree 231/2001 and to reduce the risk of prejudicial events to acceptable levels by intervening directly on the probability of the event occurring and its impact.

2.2 Purpose of the Model

The purpose of the Organizational Model is the construction of a structured and organic system of procedures and control activities that has the objective of preventing the crimes referred to in Legislative Decree 231/2001, through the identification of activities exposed to the risk of crime and their consequent proceduralization.

Through the adoption of the Model, Casappa S.p.A. aims to pursue the following main objectives:

- establish the values of ethics and respect for legality;
- to make the Recipients of the Model aware that they may incur, in the event of violation of the provisions set forth therein, the commission of offences punishable by criminal sanctions that may be imposed on them and administrative sanctions that may be imposed on the Company;
- reiterate that such forms of unlawful conduct are strongly condemned by Casappa S.p.A., as they (even if the Company were apparently in a position to take advantage of them) are in any case contrary not only to the provisions of the law, but also to the ethical principles to which it intends to comply in the exercise of its business activities;
- allow the Company, thanks to a monitoring action on the areas of activity at risk, to intervene promptly to prevent or combat the commission of the crimes themselves.

A critical concept in the construction of the Model is that of acceptable risk. In fact, for the purposes of applying the provisions of the decree, it is important to define a threshold that allows a limit to be placed on the quantity and quality of the prevention tools to be introduced to inhibit the commission of the crime. In relation to the risk of committing the crimes referred to in Legislative Decree 231/2001, the threshold of acceptability is represented by a preventive system such that it cannot be circumvented unless intentionally, i.e., for the purposes of excluding the administrative liability of the entity, the persons who committed the crime must have acted by fraudulently circumventing the Model and the controls adopted.

2.3 Structure and characteristics of the Model

This Model, built taking into account the issues identified by the Legislator and the Guidelines issued by Confindustria, consists of:

- a "General Part", which describes the relevant legislation and the general rules of operation of the Model and the Supervisory Body.
- a "Special Section", focused on the safeguards (Protocols and Procedures) covering the areas of activity considered "sensitive", which include the rules of conduct and other control tools deemed relevant in relation to the crimes to be prevented.

The Company undertakes to design and implement the Model, to constantly adapt it to changes in the internal and external context and guarantees its observance and operation by applying specific methodologies, adopting the operating methods deemed most appropriate each time and respecting mandatory control principles.

The Model is part of the broader system of organization and control already existing in the Company, which is intended to be integrated with the following qualifying elements:

- the **detailed mapping of "sensitive" business activities and processes** – meaning the activities in which, by their nature, crimes may potentially be committed with respect to the commission of the crimes provided for by Legislative Decree 231/2001 and therefore, to be subjected to periodic analysis and monitoring;
- an internal control system, defined in **the relevant procedures pursuant to Legislative Decree 231/01** and in **the Decision Protocols**, aimed at governing the risk profiles pursuant to Legislative Decree 231/01, identified following the mapping of corporate activities that integrate the **current organizational and control system**;
- analysis of **the Protocols** in place and definition of any **implementations aimed**, with reference to sensitive activities, at ensuring:
 - the separation of functions 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;
 - the clear and formalised assignment of powers and responsibilities, with an express indication of the limits of exercise and in line with the duties assigned and the positions held within the organisational structure;
 - the existence of ethical-behavioural rules suitable to ensure the exercise of company activities in compliance with laws and regulations and the integrity of the company's assets;
 - the adequate detection of business processes as they relate to "sensitive activities" in order to:

- define and regulate the methods and timing of the performance of the activities themselves;
- guarantee the "traceability" of decision-making and implementation processes, deeds, operations and transactions through adequate documentary supports that attest to the characteristics and motivations of the operation and identify the subjects involved in various ways in the operation itself (authorization, execution, registration, verification of the operation);
- ensure, where necessary, the objectification of decision-making processes, in order to limit business decisions based on subjective choices not linked to predefined objective criteria;
 - the existence and documentation of control and supervision activities carried out on corporate transactions;
 - the existence of security mechanisms that guarantee adequate protection/physical-logical access to company data and assets;
- the rules of conduct, also included in the **Code of Ethics**, aimed at preventing the occurrence of the crimes provided for in Legislative Decree 231/2001 (**Annex 2**);
- the assignment to a **Supervisory Body** (hereinafter Supervisory Body) of the Company of the tasks of supervising the effective and correct functioning of the Model;
- the definition of **information flows** to the Supervisory Body;
- the definition and application of appropriate disciplinary provisions and, therefore, of a **sanctioning system** suitable for ensuring the effective implementation of the Model, containing the disciplinary provisions applicable in the event of non-compliance with the measures indicated in the Model itself;
- the rules and responsibilities for the **adoption**, implementation and subsequent modifications or **additions/updates of the Model**, as well as for the **continuous verification** of the functioning and effectiveness of the Model itself as well as its periodic updating;
- the definition of **awareness-raising, information and dissemination activities at all company levels and dissemination** to all external Recipients in relation to compliance with the regulatory principles referred to in the Decree and the rules of conduct and procedures established.

2.4 Model Construction Phases

The process of defining the Organizational Model is divided into the following phases:

1) Preliminary analysis of the business context

The purpose of this phase was to carry out a preliminary examination, through documentary analysis and interviews with those informed in the context of the corporate structure, the organisation and the activities carried out by the various Functions, as well as the business processes in which the activities are articulated.

2) Identification of areas of activity and business processes at "risk of crime"

Through the above-mentioned preliminary analysis of the business context, the following were identified:

- the areas of activity "sensitive" to the commission of crimes, i.e. the activities in the context of which opportunities may hypothetically be created for the implementation of the unlawful conduct provided for by the Decree,
- the trials "instrumental" to the commission of the crimes referred to in the Decree, i.e. the trials in which, in principle, the conditions and/or tools for committing crimes could be created.

The results of this activity have been formalised in a specific document called "Map of 231 risk areas" which, shared and approved by the company representatives, remains available to the Supervisory Body for the institutional activity entrusted to it.

3) Model Design

As a result of the activities described above, Casappa S.p.A. has deemed it appropriate to define the operating principles and the reference "protocols" of the Organizational Model it intends to

implement, taking into account:

- the provisions of the Decree;
- the Code of Ethics adopted by the Company;
- the Guidelines drawn up on the subject by Confindustria.

It is understood that any choice not to adapt the Model to some of the indications referred to in the aforementioned Guidelines does not affect the validity of the Model. In fact, the Model adopted by the Entity must necessarily be drawn up with specific reference to the concrete reality of the Company, and therefore it may also deviate from the relevant Guidelines, which, by their nature, are of a general nature.

Specifically, following the identification of the activities at risk and on the basis of the relevant existing control system, the Company has prepared specific "Decision Protocols" and/or, where existing, updated the Company Procedures deemed relevant pursuant to Legislative Decree 231/2001, in accordance with the provisions of art. 6 c. 2 lett. b) of Legislative Decree 231/2001, which, together, contain a set of rules and principles of control and conduct deemed suitable to govern the identified risk profile.

There are many components (decision-making protocols/procedures) of a preventive internal control system. In identifying the actions to adapt to the internal control system, we reasoned in systemic terms, assessing the adequacy of each control component with reference to all the elements of the system and the degree of priority assigned to that particular process.

The adjustment process has taken into account, in any case, that the preventive control system must, in any case, be such as to ensure that the risks of committing crimes are reduced to an "acceptable level", according to the definition provided by the Confindustria guidelines. In relation to the risk of committing the crimes referred to in Legislative Decree 231/2001, the threshold of acceptability is represented by a preventive system such that it cannot be circumvented unless intentionally, i.e., for the purposes of excluding the administrative liability of the entity, the persons who committed the crime must have acted by fraudulently circumventing the Model and the controls adopted.

For each risk area not deemed sufficiently covered by the internal procedural body, a new Decision Protocol was created or an existing Procedure was integrated. The Protocols and Procedures are inspired by the rule of making the various phases of the decision-making process documented and verifiable, in order to trace the motivation that guided the decision.

Within each component (Protocol/Procedure) there are specific elements capable of identifying:

- the purpose of the document;
- the roles and responsibilities of the actors involved in the activity;
- operational activities or control principles;
- the principles of conduct;
- information flows to the Supervisory Body;
- documentation and archiving.

The control principles set out in the Procedures or Protocols refer to:

- authorization levels;
- functional segregation of authorization, operational and control activities;
- specific controls;
- traceability of decision-making.

In order to make the rules of conduct official and mandatory for all those who carry out the activity in the context of which a risk profile has been identified, the involvement in the process of issuing and approving the Protocol or Procedure of the functions responsible for the processes and the personnel involved in the activity is envisaged.

The task of verifying the constant application of these documents, as well as their adequacy and updating, is delegated by the Company, to the heads of the Company Departments/Functions and by these, if necessary, to their direct collaborators. To this end, these managers must interface continuously with the Supervisory Body, which must be kept constantly informed and from which opinions and indications of principle and guidance may be requested.

4) Amendments and additions to the reference principles of the Model

Subsequent amendments and additions to the reference principles of the Model, aimed at allowing

the Model itself to continue to comply with any subsequent provisions of the Decree, are the responsibility of the Board of Directors.

5) Implementation of the Model and implementation of controls on sensitive areas of activity

It is the responsibility of the Board of Directors (or of a person formally delegated by it) to implement the Model, by evaluating and approving the actions necessary for the implementation of the fundamental elements of the Model.

To identify these actions, the Board of Directors avails itself of the support of the Supervisory Body. The Board of Directors must also ensure, also through the intervention of the Supervisory Body, the updating of the areas of "sensitive corporate activities" and of the Model, in relation to the adjustment needs that may be necessary in the future.

Finally, the effective and concrete implementation of the Model adopted is also guaranteed by the heads of the various organizational structures (Departments, Divisions, Functions, Organizational Units) of the Company in relation to the "sensitive corporate activities" delegated to them.

2.5 Model and Code of Ethics

Casappa S.p.A. intends to base the performance of its activities, the pursuit of the corporate purpose and the growth of the Company on compliance not only with the laws and regulations in force, but also with shared ethical principles. To this end, it has adopted a Code of Ethics, approved by the Board of Directors, aimed at defining a series of principles of "corporate ethics" that the Company recognizes as its own and which it requires to be observed by the corporate bodies, its employees and all those who cooperate in any capacity in the pursuit of the company's purposes. The Code of Ethics has a general scope and represents an instrument adopted autonomously, even if it recalls principles of conduct relevant for the purposes of the Model.

2.6 Updating the Model

Subsequent amendments or additions, including those proposed by the Supervisory Body, are the responsibility of the Company's Board of Directors.

In order to make all the formal and non-substantial changes to the Model that may be necessary over time, the Board of Directors of the Company, in its decision-making autonomy, has the right to assign to one of its members the power to make the aforementioned changes, with the obligation for the Director vested with such power to formally notify the Board of Directors of the changes made

3. General principles of the organisational and control system

3.1 Organizational structure

The organizational structure, bodies and *governance* methods of Casappa S.p.A. represent the organizational framework of reference to which all the Recipients of this Model refer in the exercise of their operational activities.

3.2 Company Control System

This Organisational, Management and Control Model, without prejudice to the specific purposes described in the previous paragraphs and relating to Legislative Decree 231/2001, is part of the broader management and control system already in place in the company and adopted in order to provide a reasonable guarantee of the achievement of the company's objectives in compliance with laws and regulations. the reliability of financial information and the protection of assets, including against possible fraud.

In particular, Casappa S.p.A. has identified the following components as specific 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:

Organizational system and separation of roles

The organizational system must comply with the requirements of: (i) clarity, formalization and communication, with particular reference to the assignment of responsibilities, the definition of hierarchical lines and the assignment of operational activities; (ii) separation of roles, i.e. the organisational structures are structured in such a way as to avoid functional overlaps and the concentration on a single person of activities that present a high degree of criticality or risk.

In order to guarantee these requirements, the Company adopts organizational tools (organizational charts, organizational communications, codified procedures, etc.) based on general principles of: (i) knowability within the Company; (ii) clear description of the carry-over lines; (iii) a clear and formal delimitation of roles, with a description of the tasks and responsibilities assigned to each function.

Delegation of powers

The system of proxies concerns both the internal authorization powers, on which the Company's decision-making processes regarding the transactions to be carried out depend, and the powers of representation for the signing of deeds or documents intended externally and suitable for binding the Company (so-called special or general "powers of attorney"). The system of proxies must comply with the following conditions: a) the delegation must be in writing; b) the delegate must possess all the requisites of professionalism and experience required by the specific nature of the delegated functions; (c) the delegation must confer on the delegate all the powers of organisation, management and control required by the specific nature of the delegated functions; (d) the delegation must give the delegate the autonomy of expenditure necessary to carry out the delegated functions; (e) the delegation must be accepted by the delegate.

To this end, the Company undertakes to ensure the timely updating of the delegations of powers, establishing the cases in which the delegations must be assigned, modified and revoked (assumption of new responsibilities, transfer to various tasks incompatible with those for which it was conferred, resignation, dismissal, etc.).

The powers refer to the system assigned by the Board of Directors with formal delegation and can be found in the formalized documentation, which is summarized below.

The powers attributed to the Chief Executive Officer to be exercised with a single signature are of the following nature:

General, relating to sales, relating to purchases of raw materials and indirect purchases, tax, finance and banking relationships, real estate, Human Resources and environmental, health and safety for the determined thresholds.

The powers attributed to the Chief Executive Officer but to be exercised with the joint signature of another Chief Executive Officer of Casappa S.p.A. they relate to: sales, relating to purchases of raw materials and indirect purchases, tax, finance and banking relationships, real estate, human resources and environmental, health and safety for the thresholds determined.

Traceability

Every transaction must be properly recorded. The process of decision-making, authorisation and carrying out of the activity must be verifiable *ex post*, including through appropriate documentary media and, in any case, the cases and methods of the possible deletion or destruction of the recordings made or of the supporting documentation must be regulated in detail.

In compliance with the general principle of traceability of each transaction, for the prevention of certain types of crime, including money laundering and self-laundering, particular emphasis is placed on the need for all the Company's financial flows (both incoming and outgoing) to be adequately traced, not only those referring to normal business operations (collections and payments), but also those relating to financial needs (loans, risk coverage, etc.), extraordinary or capital transactions (mergers, acquisitions, disposals, capital increases, liquidations, exchange of shareholdings, etc.).

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 above-mentioned control principles in all areas of business activities/processes identified as potentially at risk of crime during the mapping phase and listed in chapter 2.4 above.

4. Supervisory Body

4.1 Identification and appointment

On the basis of the provisions of the Decree, the task of supervising the functioning and observance of the Model and of ensuring that it is updated is entrusted to a body of the entity with autonomous powers of initiative and control (Article 6.1, b) of Legislative Decree 231/2001), called the Supervisory Body (hereinafter also "O.d.V.").

The Supervisory Body must carry out specialized activities that require knowledge of *ad hoc* tools and techniques and must be characterized by continuity of action.

Except in small bodies, it cannot be identified in the Board of Directors.

The Board of Statutory Auditors may carry out the functions of the Body on the basis of the provisions of paragraph 4-bis art.6 of Legislative Decree 231/01 as supplemented by paragraph 12 of art. 14 of Law no. 183 of 12.11.2011, even if it is more suitable for small bodies.

The Supervisory Body carries out its functions outside the Company's operational processes and is free from any hierarchical relationship within the company organization chart.

The Supervisory Body is a body that reports directly to the top management of the Company, both operational and controlling, in order to guarantee its full autonomy and independence in the performance of the tasks entrusted to it. The Supervisory Body must meet the integrity requirements provided for by current legislation and is identified from among persons external to the Company who have adequate knowledge and technical skills necessary to carry out the tasks of the Supervisory Body.

Casappa S.p.A. considers conferring the status of Supervisory Body on a single-member body:

- composed in a single-member form and external to the Company, appointed by the Board of Directors, particularly qualified and experienced in matters relevant to the purposes of Legislative Decree 231/2001, in order to guarantee the Body adequate competence in

accounting, *risk assessment*, *internal auditing*, as well as in possession of the necessary integrity requirements.

- the external member must be independent from Casappa S.p.A. and therefore:
 1. must not be linked to the Company by another employment relationship or by financial relationships that compromise its independence;
 2. must not be related to directors that could reduce their independent judgment;

The Supervisory Body:

- reports directly to the Board of Directors;
- It has autonomous powers to intervene in the areas of competence. To this end, and with the desire to ensure assiduous verification of the adequacy and suitability of the Model, the Body may make use of internal staff and/or external collaborators;
- it has its own regulation, called the "Regulations of the Supervisory Body" drawn up by the Body itself on the occasion of the verification of settlement;
- it has an expenditure *budget* for the period in which it remains in office, approved by the Board of Directors. The Supervisory Body defines autonomously and independently the expenses to be carried out within the limits of the *approved budget*; the related expenditure commitments must be signed by the persons with the power to sign in Casappa S.p.A. In the event of a request for expenses exceeding the aforementioned *budget*, the Supervisory Body must be authorized by the Chairman of the Board of Directors of Casappa S.p.A. within the limits of his powers or directly by the Board of Directors.

The Supervisory Body is appointed in office for a period of 3 years.

The Body typically meets quarterly, even if this is not binding, also by videoconference, and in any case according to what it has resolved in its "operating regulations".

In order to better understand and properly monitor the corporate context, the Supervisory Body may require the presence at its meetings, even on a permanent basis, of persons such as, for example, the members of the Board of Statutory Auditors and the heads of those corporate functions (e.g.: Personnel, Legal, Quality, etc.) related to control issues. They attend meetings only

as guests.

The following are grounds for ineligibility and incompatibility with the qualification of Supervisory Body, also to guarantee the integrity requirement:

- be a member of the Board of Directors of Casappa S.p.A. or of its subsidiaries and/or affiliates, as well as of parent companies and/or participants;
- have conjugal relationships, kinship or affinity up to the fourth degree with the subjects mentioned above;
- have performed, in the last three years, administrative, managerial or supervisory functions in companies subject to bankruptcy, compulsory administrative liquidation or equivalent procedures;
- have been sentenced by a sentence, even if not irrevocable, to a prison sentence that entails disqualification, even temporary, from public office or temporary disqualification from the managerial offices of ordinary legal persons;
- have been convicted with a sentence, even if not irrevocable, and also following the application of the penalty on request pursuant to articles 444 and 447 of the Code of Criminal Procedure, for non-negligent crimes and for crimes punished by way of wilful misconduct or negligence referred to in the context of Legislative Decree 231/2001.

4.2 Revocation and Replacement

In order to protect the autonomy and independence of the Body, changes to its structure (appointment, dismissal, etc.), to its powers and to its functioning may only be made by means of resolutions adopted by the Board of Directors.

The revocation of individual members of the Supervisory Body can only take place for just cause.

In this regard, just cause shall be understood as:

- a serious breach of duty;

- a sentence of condemnation of the Company or a plea bargain sentence pursuant to the Decree, which shows "the omitted or insufficient supervision" on the part of the Supervisory Body;
- the violation of confidentiality obligations (also with reference to the provisions of Article 6, paragraph 2, letter e) of Legislative Decree 231/2001).

In all cases of precautionary application of a disqualification sanction provided for by the Decree, the Board of Directors, having taken the appropriate information, may eventually revoke the Supervisory Body, if it finds that there is a hypothesis of omitted or insufficient supervision on its part.

In the event that the requirements of autonomy, independence and professionalism are no longer met, or in the event of the occurrence of one of the causes of ineligibility identified above, the Board of Directors, after carrying out the appropriate investigations and hearing the interested party, establishes a deadline, not less than thirty days, within which the situation of incompatibility must cease. If this period has elapsed and the aforementioned situation has not ceased, the Board of Directors must declare the forfeiture of the Body.

Likewise, a serious illness that makes the Supervisory Body unfit to carry out its supervisory functions, or an infirmity that, in any case, determines the absence from the workplace for a period of more than six months or the failure to attend more than three consecutive meetings without justified reason will result in the declaration of forfeiture of the same, to be implemented according to the procedures identified above.

In the event of resignation, revocation or forfeiture of the Supervisory Body, the Board of Directors shall appoint a replacement in a timely manner, failing the minimum number of members indicated above.

In any situation, the Supervisory Body may in any case adopt any measure that it deems essential to deal with emergency situations.

4.3 Requirements

They can be traced back to:

- autonomy and independence. These aim to ensure that the Supervisory Body is not directly involved in the management activities that are the object of its control activity and, above all, the possibility of carrying out its role without direct or indirect conditioning by the controlled parties; these requirements are ensured by the absence of operational tasks and the right to report directly to the Board of Directors;
- professionalism. The Supervisory Body is a body with technical-professional and specialist skills appropriate to the functions it is called upon to perform (e.g. interview techniques, *flow charting*, risk analysis techniques, etc.). These characteristics, combined with independence, guarantee objectivity of judgment;
- continuity of action. The O.d.V. is an adequate body in terms of structure and dedicated resources, as well as lacking operational tasks that could limit the commitment necessary to carry out the assigned functions.

In order to give the Supervisory Body adequate ability to retrieve information, the information flows to and from the Supervisory Body are established through this Model and, through specific internal organizational documents issued by the Board of Directors or the Supervisory Body.

4.4 Functions and powers

The Supervisory Body of Casappa S.p.A. is generally entrusted with the task of supervising:

- a. on the effectiveness and compliance with the Model by employees, corporate bodies, consultants and counterparty companies to the extent that it is required of each of them;
- b. the effectiveness and adequacy of the Model in relation to the corporate structure and the effective ability to prevent the commission of the offences referred to in Legislative Decree 231/2001 (the Offences);
- c. the advisability of updating the Model, where there is a need to adapt it in relation to changed business and/or regulatory conditions;
- d. the adequacy, application and effectiveness of the sanctioning system.

The Body will be entrusted, on an operational level, with the task of:

1. implement the control procedures provided for by the Model;
2. constantly verify the effectiveness and efficiency of the current Model, with the help of the competent Functions, as well as the Safety Manager (RSPP) with regard to issues relating to the hygiene, health and safety of workers;
3. conduct reconnaissance on the company's activities for the purpose of updating the mapping of sensitive activities and instrumental processes;
4. periodically carry out checks on certain transactions or specific acts carried out by Casappa S.p.A., in particular in the context of sensitive or "instrumental" activities to the implementation of the same;
5. coordinate with the Chairman of the Board of Directors or Functions delegated by him for staff training programs;
6. monitor initiatives for the dissemination of knowledge and understanding of the Model and preparation of the internal documentation necessary for the operation of the Model, containing instructions, clarifications or updates;
7. collecting, processing and storing relevant information regarding compliance with the Model, as well as indicating the type of information that must be transmitted to the Model or kept at its disposal, constituting the "formal" archive of internal control activities;
8. coordinate with the other company functions in carrying out the monitoring activities within their competence and provided for in the protocols;
9. verify the adequacy of the internal control system in relation to current legislation;
10. verify that the elements envisaged for the implementation of the Model (adoption of standard clauses, completion of procedures, etc.) are in any case adequate and meet the requirements of compliance with the provisions of the Decree, adopting or suggesting the adoption, if not, of an update of the elements themselves;
11. verify the need to update the Model;
12. periodically report to the Chairman of the Board of Directors, through the latter, the Board of Directors and the Board of Statutory Auditors, on the company policies for the implementation of the Model;
13. check the actual presence, regular maintenance and effectiveness of the archive in support of the activity pursuant to Legislative Decree 231/2001.

For the purpose of carrying out the above-mentioned tasks, the Body is granted the following powers:

- a) issue provisions aimed at regulating the activities of the Body itself;
- b) access to company documents relevant to the performance of the functions assigned to the Body pursuant to Legislative Decree 231/2001;
- c) use external consultants of proven professionalism in cases where this is necessary for the performance of verification and control activities or updating of the Model;
- d) provide that the Heads of the various Functions promptly provide the information, data and/or news requested from them in order to identify aspects related to the company's activities relevant pursuant to Legislative Decree 231/01 and to verify the effective implementation of the Model by the company's organizational structures.

4.5 Methods and frequency of reporting to corporate bodies

The Supervisory Body of Casappa S.p.A. operates according to two reporting lines:

- the first, upon request, directly to the Chairman of the Board of Directors;
- annually, through a written report on its activities for the Board of Directors and the Board of Statutory Auditors.

The presence of the above-mentioned functional relationships, even with bodies without operational tasks and therefore not linked to management activities, is a factor capable of ensuring that the task is carried out by the Supervisory Body with the greatest guarantees of independence.

The Supervisory Body may be convened at any time by the Board of Directors and the Board of Statutory Auditors or may in turn submit requests to this effect, to report on the functioning of the Model or on specific situations.

Furthermore, the Supervisory Body may address communications to the Chairman of the Board of Directors and/or to the Board of Directors and/or the Board of Statutory Auditors whenever it deems it necessary or appropriate and in any case must send them the aforementioned information

report on an annual basis, concerning:

1. the supervisory activity carried out by the Body during the reference period;
2. any critical issues that have emerged both in terms of conduct or internal events of Casappa S.p.A., and in terms of the effectiveness of the Model;
3. the suggested corrective and improvement interventions and their state of implementation.

Meetings with the subjects and bodies indicated above must be recorded and copies of the minutes will be kept by the Supervisory Body and by the bodies involved from time to time.

4.6 Reporting

The obligation to provide information is incumbent on all personnel (top management and subordinate to the management and supervision of the latter) who come into possession of information relating to the commission of crimes or conduct that is not in line with the rules of conduct. The reporting obligations are also addressed to third parties who operate, in any capacity, on behalf of or in the interest of the Company in the context of the company's activities at risk and to whom the Company provides adequate information regarding the Organizational Model adopted.

Reports must be substantiated and factually accurate, consistent and consistent.

The channels dedicated to the transmission of reports must guarantee the confidentiality of the identity of the whistleblower in the management of the report in compliance with the provisions of art. 6 of Legislative Decree 231/2001.

In addition:

- in the event of reporting or denunciation made in the forms and within the limits set forth in Article 6 of Legislative Decree 231/2001, the pursuit of the interest in the integrity of the entity, as well as in the prevention and repression of embezzlement, constitutes just cause for the disclosure of information covered by the obligation of secrecy referred to in articles 326 (Disclosure and use of official secrets), 622 (disclosure of professional secrecy) and 623

- (disclosure of scientific or professional secrets) of the Criminal Code and Article 2105 (duty of loyalty) of the Civil Code;
- the preceding provision does not apply in the event that the obligation of professional secrecy is imposed on the person who has become aware of the information by reason of a professional consultancy or assistance relationship with the institution, company or natural person concerned;
 - When information and documents that are communicated to the body responsible for receiving them are subject to business, professional or official secrecy, disclosure in a manner exceeding the purposes of eliminating the offence and, in particular, disclosure outside the communication channel specifically set up for this purpose constitutes a breach of the relevant obligation of secrecy.

The Company protects whistleblowers from acts of retaliation or discrimination, direct or indirect, for reasons related, directly or indirectly, to the report, as described in the paragraph on Whistleblowing, to which reference is made in full.

A. *Procedures for the transmission of information and reports to the supervisory body and their evaluation*

With reference to the methods of transmission of reports, the following provisions apply:

- Reports from whomsoever they receive, including those relating to any violation or suspected violation of the Model, its general principles, or to relevant unlawful conduct pursuant to Legislative Decree 231/2001, must be made in writing. The Body acts in such a way as to guarantee the authors of the reports against any form of retaliation, discrimination, direct or indirect, penalization or any consequence deriving from the same, ensuring anonymity towards third parties, without prejudice to legal obligations and the protection of the rights of Casappa S.p.A. or of the persons wrongly accused and/or in bad faith;
- reports must be sent by the data subject directly to the Supervisory Body in accordance with the procedures set out in the previous paragraphs;
- the Body evaluates the reports received and any consequent measures at its reasonable discretion and responsibility, possibly listening to the reporter and/or the person responsible

for the alleged violation. The Supervisory Body also adopts the measures deemed necessary for the purpose of adapting the Model, initiating the communications useful for the application of any sanctions; it must give written reasons for the reasons for the decisions and any refusals to proceed with an internal investigation. The consequent measures are applied in accordance with the provisions of the sanctioning system referred to in Chapter 6 below;

- all recipients of the disclosure obligations are required to cooperate with the Body, in order to allow the collection of all the information deemed necessary by the Body itself for a correct and complete assessment of the report. Failure to cooperate or reticence may be considered violations of the Model with the consequences also provided for in terms of disciplinary sanctions.

It should be noted that the Supervisory Body is not obliged to act every time a report is made, as the decision to act and take action is left to its discretion and responsibility.

As part of the specific company procedures, dedicated information channels are set up by the Supervisory Body, with the function of:

- facilitate the flow of information and reports to the Body and to quickly resolve uncertain and doubtful cases;
- ensure, in the event of reports, the confidentiality of the identity of the whistleblower.

The methods of transmission and communication of reports, including of offences or irregularities pursuant to current legislation, must be made through the e-mail address dedicated to the Supervisory Body: organismodivigilanza@CASAPPA.com

B. Collection and Retention of Information

All information, reports sent to the Body are stored by the latter in a special *database* (computer or paper) for a period of 10 years.

The Supervisory Body defines the rules and procedures for accessing the database in compliance with current legislation on confidentiality and data protection and, in particular, in compliance with the provisions of Law 179/2017.

5.6 Other activities

The Supervisory Body must coordinate with the competent functions present in the Company for the various specific profiles, namely:

- with the Heads of the Administration and Finance Department, for corporate obligations that may have relevance with respect to the commission of corporate crimes and for the analysis of management dynamics of economic and financial impact;
- with the Chairman of the Board of Directors or with another delegated function both with regard to the dissemination of information and with regard to staff training and disciplinary proceedings;
- with the Safety Manager (RSPP) for compliance with all the rules set by law and internal company procedures on health, safety and hygiene at work;
- with any other Function deemed relevant to its activities from time to time.

5. How financial resources are managed

The Supervisory Body suggests to management indications relating to appropriate additions to the management systems of both incoming and outgoing financial resources, (e.g. detection of anomalies in particular transactions or payments of consideration that are not justified in order to ascertain whether they conceal non-accounting items or corrupt hypotheses) with a view to detecting the existence of atypical cash flows characterized by greater margins of discretion than what is previously the case. ordinarily provided.

All transactions relating to atypical or unusual activities or services must be specifically and clearly motivated and communicated to the Supervisory Body.

The financial resources management system must ensure separation and independence between those who contribute to the decision-making of the use of resources, those who implement those decisions and those who are entrusted with the control of such use.

All transactions involving the use or use of financial resources must have an adequate reason and be documented and recorded, by manual and computerized means, in accordance with the

principles of professional and accounting fairness; The relevant decision-making process must be verifiable.

6. Disciplinary System

6.1 General principles

Pursuant to Articles 6(2)(e) and 7(4)(b) of Legislative Decree 231/2001, the organisational, management and control models, the adoption and implementation of which (together with the other situations provided for in the aforementioned Articles 6 and 7) constitutes a *sine qua non condition* for the exemption of the Company from liability in the event of the commission of the offences referred to in the Decree, they can be considered to be effectively implemented only if they provide for a disciplinary system suitable for sanctioning non-compliance with the measures indicated therein.

This system must address both employees and collaborators, managers and third parties who operate on behalf of the Company, providing for appropriate disciplinary sanctions in the first case, of a contractual/negotiated nature (e.g. termination of the contract, removal from the supplier list, etc.) in the second case.

The application of disciplinary sanctions is independent of the establishment, initiation or outcome of any criminal proceedings, in the event that the violation constitutes a hypothesis of a relevant crime pursuant to Legislative Decree 231/2001, as the organizational models and internal procedures constitute binding rules for the Recipients, the violation of which must, in order to comply with the dictates of the aforementioned Legislative Decree, be sanctioned regardless of whether an offence has actually been committed or whether it is punishable. The principles of timeliness and immediacy of the sanction make it not only unnecessary but also inadvisable to delay the application of the disciplinary sanction pending criminal judgment.

The penalties that can be imposed are diversified according to the nature of the relationship between the infringer and the Company, as well as the extent and seriousness of the violation

committed and the role and responsibility of the perpetrator.

With specific reference, for example, to violations of the Model on health and safety at work, the sanctionable behaviors are those relating to failure to comply with the obligations provided for by the Consolidated Safety Act (as specified in Articles 55 to 59 of the same document), in line with the National Collective Agreement applied.

In general, violations can be traced back to certain behaviors, which are detailed below, and classified as follows:

- violations connected, in any way, to the activities indicated as "at risk 231", violations of one or more procedural and/or behavioral rules provided for in the Model or in the Whistleblowing Management Procedure, which can be configured as minor deficiencies, and provided that one of the violations provided for below is not used;
- violations connected, in any way, to the 231 risk activities indicated in the Model, violations of one or more procedural and/or behavioral rules that can be configured as more serious failures if they do not result in prejudice to the Company's normal activities, violations referred to in point I if they are repeated, and provided that one of the violations provided for below is not occurred;
- violations capable of integrating the objective element of one of the offences that may give rise to the liability of the Entity, in accordance with the provisions of the Decree, violations of one or more procedural and/or behavioural rules provided for in the Model or in the Whistleblowing Management Procedure that cause financial damage to the Company or expose it to an objective situation of danger to the integrity of the company's assets;
- violations aimed at committing one of the offences capable of founding, in accordance with the provisions of the Decree, the liability of the Entity or in any case capable of generating the risk that the Company's liability pursuant to the Decree will be contested.

The Supervisory Body must always be involved in the disciplinary system.

6.2 Penalties for employees and managers

With regard to employees, the disciplinary system relating to non-managerial employees applied in Casappa S.p.A. is specifically regulated by the current National Collective Labour Agreement for

personnel employed by motorway and tunnel concessionaires (hereinafter CCNL), as well as by the Disciplinary Rules and Internal Regulations adopted by the Company ("Regulations").

Articles 36 and 37 of the CCNL provide for verbal reprimand, written warning, a fine not exceeding 4 hours of daily wage, suspension from service and pay for up to 10 days, dismissal as penalties and defines, in general, the procedures for contesting the charges and imposing the same sanctions.

The Company "Regulations" expand and clarify the aforementioned provisions, providing a more detailed regulation of the sanctioning hypotheses, and indicating, by way of example, some situations in which individual sanctions may be imposed.

In order to comply with the provisions of the Decree with regard to the adoption of a disciplinary system suitable for sanctioning non-compliance by non-executive employees with the measures provided for in the Model, the Company makes use of the aforementioned disciplinary system.

Failure to comply with and/or violation of the Model, the Code of Ethics and company procedures, by employees of the Company, constitute a breach of the obligations arising from the employment relationship and, therefore, a disciplinary offence (Article 2104 of the Italian Civil Code) as such, may result in the imposition of sanctions provided for by current legislation and collective bargaining.

The adoption by an employee of the Company of conduct that can be qualified, on the basis of what is indicated in the previous paragraph, as a disciplinary offence, also constitutes a violation of the obligation of workers to perform with the utmost diligence, in accordance with the Company's directives, the tasks entrusted to them, as provided for by the applicable CCNL in force.

The principle of proportionality between the offence and the sanction will necessarily be respected in the imposition of the disciplinary sanction and any circumstances mitigating the seriousness of the conduct (activity aimed at removing or preventing harmful consequences, extent of the damage or consequences, etc.) will be taken into account.

In order to make explicit in advance the criteria for the correlation between workers' behaviour and

the disciplinary measures adopted, it is envisaged that:

- 1) A **worker shall** be subject to precautionary disciplinary measures if:
 - violates internal procedures or behaves in a manner that does not comply with the provisions of the Model and the Code of Ethics (e.g., fails to comply with the prescribed procedures, fails to provide the Supervisory Body with the required information, fails to carry out checks, etc.) or adopts, in carrying out activities in areas at risk, conduct that does not comply with the provisions of the Model, such conduct must be considered a non-execution of the orders given by the Company both in written and verbal form;
- 2) A worker shall be subject to disciplinary measures if:
 - adopts, in carrying out activities in "at risk" areas, conduct that does not comply with the provisions of the Model and the Code of Ethics and is unequivocally aimed at committing an offence sanctioned by the Decree, as such conduct must be considered a serious breach of discipline or diligence at work and an act such as to radically undermine the Company's trust in the worker;
 - adopts, in carrying out activities in "at risk" areas, a behaviour that is clearly in violation of the provisions of the Model and the Code of Ethics, such as to determine the concrete application to the Company of the measures provided for by the Decree, since such conduct must be considered an act that causes serious moral or material damage to the Company and that does not allow the continuation of the relationship even temporarily. In addition, any power of attorney granted to the employee may also be revoked.

And again, by way of example:

1. the provision of a **VERBAL WARNING** or **WRITTEN WARNING will be** incurred by the worker who carries out minor actions or omissions by disregarding the internal procedures provided for in this Model (for example, who does not comply with the prescribed procedures, fails to communicate the prescribed information to the Supervisory Body, fails to carry out his control function, including on subjects subject to his management, etc.) or adopts, in carrying out activities in areas at risk, behaviour that does not comply with the provisions of the Model itself;

2. a FINE **may be imposed** on a worker who repeatedly disregards the internal procedures provided for in this Model or repeatedly adopts, in carrying out activities in areas at risk, conduct that does not comply with the provisions of the Model itself; this regardless of whether the individual violation is ascertained and contested;
3. SUSPENSION FROM SERVICE AND REMUNERATION **will be** imposed if the worker performs acts that expose the company to an objective situation of danger by disregarding internal procedures or behaving (in carrying out activities in risk areas) that does not comply with the provisions of the Model. In fact, such behaviors can be seen as the determination of damage or a situation of danger to the integrity of the company's assets;
4. the measure of DISMISSAL WITH INDEMNITY IN LIEU OF NOTICE **will be imposed** on the worker who, in carrying out activities in areas at risk, behaves in a manner that does not comply with the provisions of this Model and that determines the commission of an offence provided for by the Decree, since such conduct must be recognized as a significant damage or a situation of considerable prejudice;
5. DISMISSAL WITHOUT NOTICE **may be** imposed on a worker who, in carrying out activities in areas at risk, behaves in a manner that is clearly in violation of the provisions of the Model and such as to determine the concrete application of the measures provided for by the Decree to the Company. In fact, such conduct is such as to radically undermine the Company's trust in the worker as it can cause serious damage to the company.

The ascertainment of the aforementioned infringements, possibly on the recommendation of the Supervisory Body, the management of disciplinary proceedings and the imposition of sanctions remain the responsibility of the relevant functions.

With particular regard to managerial staff, failure by them to comply with the provisions of the Model, and all the documentation that forms part of it, including the violation of the obligations to inform the Supervisory Body and control the conduct of its employees, as well as the regulations on the protection of the whistleblower in the context of an employment relationship, determines the application of sanctions on the basis of the provisions of the Workers' Statute and the National Collective Labour Agreement applicable to Managers.

In the event of a violation of the general principles of the organizational model or company procedures, the competent body to detect infringements and apply sanctions is the Board of

Directors or the person or body delegated by it, which will take the measures deemed appropriate and proportionate against the persons responsible according to the violations committed, taking into account that they constitute breaches of the obligations and requirements arising from the relationship of work.

The ascertainment of any violations, as well as inadequate supervision and failure to promptly inform the Supervisory Body, may result in the suspension of workers with managerial qualifications as a precautionary measure, without prejudice to the manager's right to remuneration. The same sanctioning regime applies in cases where the manager is involved in episodes involving violations of whistleblowing legislation.

By way of example, the following sanctions may be imposed on managerial staff:

- written reprimand and intimation to comply with the provisions of the Model, in the event of a non-serious violation of one or more rules of conduct or procedure provided for in the Model and in the Code of Ethics and Conduct. Furthermore, in the field of whistleblowing, this sanction is envisaged, for example, in cases where a manager carries out, within the workplace and with negligence, an obstacle or an attempted obstacle to the reporting of wrongdoing, or even in cases where a manager has not adopted procedures for the management of whistleblowing systems, i.e. to carry out the verification and analysis of the reports received;
- precautionary suspension from work - without prejudice to the right of the same managers to remuneration, as well as, again on a provisional basis and possibly for a period not exceeding three months, the assignment to different positions, in compliance with art. 2103 of the Italian Civil Code – in the event of a serious violation of one or more of the rules of conduct or procedure set out in the Model and in the Code of Ethics and Conduct. In addition, with regard to whistleblowing, this sanction is envisaged, for example, in cases where a manager carries out, within the workplace and with intent, an obstacle or attempted obstacle to the reporting of wrongdoing, or even in cases where a manager has not adopted procedures for the management of reporting systems, i.e. to carry out the verification and analysis of the reports received.
- dismissal for just cause, in the event of repeated and serious violations of one or more provisions of the Model and the Code of Ethics and Conduct such as to irreparably damage

the relationship of trust, not allowing the continuation of the employment relationship, even temporarily. This sanction is applied, for example, in the event that a manager repeatedly violates the measures provided for the protection of whistleblowers in the context of an employment relationship or makes repeated malicious reports against another person within the workplace, which prove to be false and unfounded.

The adequacy of the disciplinary system to the provisions of the Decree will be constantly monitored by the Supervisory Body, which must be guaranteed an adequate flow of information regarding the types of sanctions imposed and the circumstances underlying them. The Employer is responsible for ascertaining the aforementioned infringements, possibly on the recommendation of the Supervisory Body, the management of disciplinary proceedings and the imposition of sanctions.

The type and extent of each of the above-mentioned sanctions will also be applied, taking into account:

- the intentionality of the conduct or the degree of negligence, imprudence or inexperience with regard also to the foreseeability of the event;
- the overall conduct of the worker with particular regard to the existence or not of the employee's disciplinary record, within the limits permitted by law;
- the worker's duties;
- the functional position of the persons involved in the facts constituting the lack;
- the extent of the danger and/or the consequences of the infringement for the Company and for all employees and stakeholders of the Company;
- of the other particular circumstances that accompany the disciplinary offence.

6.3 Measures against employees of other Group companies on secondment

If, any workers belonging to an associated company who operate in the name and on behalf of the Company on the basis of a secondment (total or partial), are responsible for violations or conduct

that does not comply with the provisions of the Model and/or the Code of Ethics, the Board of Directors, after consulting the Supervisory Body, will inform the management bodies of the posting company without delay so that any measure deemed appropriate and compatible is adopted with the current legislation and according to the internal sanctioning rules of the same company providing the service.

6.4 Measures against directors

In the event of an ascertained violation of the provisions of the Model, including those of the documentation that forms part of it, by one or more Directors, the Supervisory Body shall promptly inform the Board of Directors, so that it can take or promote the most appropriate and appropriate initiatives, in relation to the seriousness of the violation detected and in accordance with the powers provided for by current legislation and the Articles of Association.

In particular, the implementation of actions or conduct that do not comply with the provisions of the Model, including all its components and/or the Code of Ethics and Conduct, and failure by directors to comply with the regulations on the protection of whistleblowers in the context of an employment relationship is sanctioned, depending on the seriousness of the infringement and in consideration of the particular nature of the relationship, with the following disciplinary measures:

- 1) suspension from office for a period of between one month and six months;
- 2) the revocation of the director's proxies;
- 3) the reduction of the director's emoluments without proxies;
- 4) the convocation of the Shareholders' Meeting for the adoption of the revocation measure pursuant to art. 2383 of the Italian Civil Code (i.e. revocation).

In particular, in the event of a violation of the provisions of the Model, including those of the documentation that forms part of it, by one or more Directors, the Board of Directors may proceed directly, based on the extent and seriousness of the violation committed, to the imposition of the sanctioning measure of a formal written warning or the revocation, even partial, of the delegated powers.

In the event of violation of the provisions of the Model, including those of the documentation that forms part of it, by one or more Directors, unequivocally aimed at facilitating or instigating the

commission of a relevant crime pursuant to Legislative Decree 231/2001 or to commit it, the sanctioning measures (such as, by way of example, temporary suspension from office and, in the most serious cases, revocation from office) must be adopted by the Shareholders' Meeting, on the proposal of the Board of Directors.

In the event of ascertained violation of the provisions of the Model by the entire Board of Directors, including the documentation that forms part of it, the Supervisory Body shall immediately inform the Shareholders' Meeting, so that it can promote the consequent initiatives.

Finally, if the violation is alleged against a Director who is also linked to the Company by an employment relationship, the sanctions provided for Executives will also be applied. In this case, if the sanction of dismissal is imposed, with or without notice, the revocation of the Director from office must also be ordered, and vice versa, if the measure of revocation of the office and/or of the director's proxies is ordered, the dismissal will also be ordered, with or without just cause.

6.5 Measures against the members of the Supervisory Bodies

In the event of violation of this Model by one or more members of the Control Bodies, the Supervisory Body will inform the entire Board of Statutory Auditors and the Board of Directors, which will take the appropriate measures including, for example, the convening of the Shareholders' Meeting in order to adopt the most appropriate measures provided for by law.

6.6 Measures against consultants and third parties

Any conduct carried out by collaborators, consultants or other third parties connected to the Company by a non-employee contractual relationship, in violation of the provisions of Legislative Decree 231/2001, may result in the application of penalties or, in the event of serious non-compliance, the termination of the contractual relationship, without prejudice to any claim for compensation if such conduct results in damage to the Company, even independently of the termination of the contractual relationship.

To this end, with particular attention to the activities entrusted to third parties in "outsourcing", the inclusion in the contracts of specific clauses that acknowledge at least the knowledge of the

Decree by the third party contractor, require the assumption of a commitment by the third party contractor and by the employees and collaborators of the latter to refrain from conduct suitable to constitute the hypotheses of crime referred to in the Decree itself and to adopt suitable systems of control (regardless of the actual consummation of the offence or its punishability) and that govern the consequences in the event of violation of the provisions of the clause; i.e. a unilateral declaration of "certification" by the third party or collaborator regarding the knowledge of the Decree and the commitment to base its activity on compliance with the provisions of the law.

6.7 Measures in the event of violation of the measures to protect the whistleblower and against those who make unfounded reports with intent or gross negligence

The disciplinary system adopted pursuant to Article 6, paragraph 2, letter *e*) of Legislative Decree no. 231/2001, provides for sanctions to be applied against those who violate the measures to protect the whistleblower as well as those who make unfounded reports with intent or negligence. The sanctions mentioned above are applied to those who make unfounded reports with intent or negligence.

The adoption of discriminatory measures against whistleblowers may be reported to the National Labour Inspectorate, for the measures within its competence, not only by the whistleblower, but also by the trade union organisation indicated by the same.

Retaliatory or discriminatory dismissal of the reporting party is null and void. Any change of duties pursuant to Article 2103 of the Civil Code, as well as any other retaliatory or discriminatory measure taken against the whistleblower, are also null and void. It is the employer's responsibility, in the event of disputes related to the imposition of disciplinary sanctions, or to demotion, dismissal, transfer, or subjection of the whistleblower to other organizational measures having negative effects, direct or indirect, on working conditions, subsequent to the submission of the report, to demonstrate that such measures are based on reasons unrelated to the report itself.

7. Training and Information

7.1 Selection

The Supervisory Body, in coordination with the Departments in charge, evaluates the methods through which to establish and/or update a specific personnel evaluation system during the selection phase, which takes into account the company's needs in relation to the application of Legislative Decree 231/2001.

7.2 Information and Training

For the purposes of the effectiveness of this Model, it is the objective of Casappa S.p.A. to ensure correct disclosure and knowledge of the rules of conduct contained therein with regard to the resources already present in the company and those to be included, with different degrees of detail in relation to the different level of involvement of the same resources in the activities at risk.

The information and continuing education system is supervised and integrated by the activities carried out in this field by the Supervisory Body, which supervises the activity in collaboration with the Chairman of the Board of Directors or other delegated function and with the heads of the functions involved in the application of the Model from time to time.

This Model is communicated to all the resources present in the company at the time of its adoption. To this end, the Company undertakes to make available, in paper/electronic format, at the reception or in the common areas, the material dedicated to the subject duly updated.

New hires are given an information document, consisting of the Model and the Code of Ethics, in order to bring the employee to the attention of the main issues *pursuant to* Legislative Decree 231/01. The above-mentioned topics are the subject of the training activity.

For all employees³ of the Company, who must be given copies of the Model, Legislative Decree 231/01 and the Code of Ethics, it is also required to complete a formal "declaration of commitment", acquired in the written form that is reported below:

³ In the Company's opinion, only employees assigned to operational tasks that may not in any way involve the exercise of sensitive activities for the purposes of Legislative Decree 231/2001 may be excluded from the list of employees required to declare their commitment. Also for these employees, it should be noted that this Organizational Model constitutes to all intents and purposes a company regulation, an expression of the employer's power to issue instructions for the execution and discipline of work and, as it is available in a place accessible to all, it will also constitute a disciplinary code.

I, the undersigned, _____

I DECLARE THAT:

- *I was provided with a copy of the Code of Ethics and a copy of the Organisational, Management and Control Model (hereinafter the "Model"), adopted by CASAPPA S.p.A. (hereinafter the "Company"), as well as a copy of Legislative Decree no. 231 of 8 June 2001 (hereinafter the "Decree");*
- *I have carefully read the Code of Ethics, the Model and the Decree and I undertake to comply with the provisions contained therein.*

That being said, I declare that I have understood the content of the Code of Ethics, the Model and the Decree.

Signature

Date

The training activity, aimed at disseminating knowledge of the regulations referred to in Legislative Decree 231/2001, is differentiated in terms of content and delivery methods according to the qualification of the recipients, the level of risk of the area in which they operate, and whether or not they have representative functions of the Company.

It is the duty of the Chairman of the Board of Directors or other delegated function:

- provide for the definition of an annual updating program to be shared with the Supervisory Board of Casappa S.p.A., which provides, in accordance with the provisions of the Model, a specific path for managerial staff and subordinate staff;

- prepare an annual calendar to be communicated, together with the summary content of the program, to the Supervisory Board of Casappa S.p.A.

On the other hand, it will be the responsibility of the Supervisory Body, the Chairman of the Board of Directors or other delegated function regarding:

- amendments to the relevant legislation in order to provide for supplementary training sessions;
- the need for supplementary training actions resulting from the detection of errors and/or deviations from the correct execution of operating procedures applied to the so-called "sensitive activities".

8. Periodic checks of the Model

The supervisory activity carried out continuously by the Supervisory Body to: **a)** verify the effectiveness of the Model (i.e., the consistency between the concrete conduct of the recipients and the Model itself), **b)** carry out the periodic assessment of the adequacy, with respect to the needs of prevention of crimes referred to in Legislative Decree 231/2001, of the codified procedures governing activities at risk and **c)** indicate the need to proceed with the appropriate updates to the Model.

The control system is designed to:

- ensure that the operating procedures meet the requirements of the Model and the provisions of the law in force;
- identify areas that need corrective actions and/or improvements and verify the effectiveness of corrective actions;
- develop, in the company, the culture of control, also in order to better support any inspection visits by other subjects deputed, in different capacities, to verification activities.

To this end, this control activity is carried out by the O.d.V. through:

- a) the flow of information;
- b) periodic targeted checks on "sensitive activities" ("Work Plan");

c) meetings with key personnel of the company.

Internal audits are managed by the Supervisory Body. In order to carry out the planned verification activities, the Supervisory Body may avail itself of the collaboration of personnel from other functions, not involved in the audited activities, with specific skills, or external consultants.

The Supervisory Body shall take care of the keeping of documentation, the updating of files and the consistency of the procedures followed over time, as well as the transmission of the relevant documentation to the other corporate bodies concerned, by means of special archives (paper or computer).

The "Work Plan" (Monitoring) covers one year (January - December of each fiscal year) and indicates for each controlled activity:

- the frequency of the checks;
- sample selection;
- the information flows (information flow of the operational staff to the Supervisory Body) defined for each control carried out;
- the activation of any training actions (activities to resolve procedural and/or information deficiencies) for each anomaly found.

The business areas to be audited and the frequency of audits depend on a number of factors such as:

- risk pursuant to Legislative Decree 231/2001, in relation to the results of the mapping of sensitive activities;
- assessment of existing operational controls;
- results of previous audits.

Extraordinary controls not included in the "Work Plan" are planned in the event of substantial changes in the organization or in some process, or in the case of suspicions or communications of non-compliance or in any case whenever the Supervisory Body decides on occasional *ad hoc*

controls.

In order to facilitate periodic checks on the effectiveness and updating of the Model by the Supervisory Body, the collaboration of the various company functions is required from time to time. All company functions must therefore support the efficient performance of control activities as much as possible, including internal contacts who manage the relationship with consultants and business partners and are in turn required to adequately document the activity carried out. The functions in charge of selecting employees, partners and suppliers will have to ensure that the up-to-date profiles of partners and suppliers are maintained.

The results of the checks are always recorded and transmitted according to the required reporting methods and periodicity.

Casappa S.p.A. considers the results of these audits to be fundamental for the improvement of its Organizational Model. Therefore, also in order to ensure the effective implementation of the Model, the findings of the checks relating to the adequacy and effective implementation of the Model are discussed within the Supervisory Body and trigger, where relevant, the Disciplinary System described in this Model.