	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							


ORGANISATION, MANAGEMENT AND CONTROL MODEL ITALIAN LEGISLATIVE DECREE (D. LGS.) 231/2001 0201-SI-001

COMPANY DOCUMENT APPROVAL STATUS		
DOCUMENT ISSUED FOR	INTERNAL USE	
DOCUMENT STATUS	SIGNED (NAME & INITIALS)	DATE DD/MM/YY
A - APPROVED WITH NO COMMENTS. WORKS CAN PROCEED		
B - APPROVED WITH COMMENTS AS NOTED. CONTRACTOR CAN PROCEED WITH WORK IMPLEMENTING THE COMMENT INDICATED BY COMPANY		
C - NOT APPROVED: REVISE AND/OR RESUBMIT. CONTRACTOR CANNOT PROCEED WITH WORKS		
D - RECEIVED FOR INFORMATION ONLY AND REVIEWED		

DOCUMENT REVISIONS

04	Text approved by the Board of Directors of Sicim S.p.A. in the session of 29 June 2021				29/06/2021
03	Text approved by the Board of Directors of Sicim S.p.A. in the session of 27 November 2018				27/11/2018
02	Text approved by the Board of Directors of Sicim S.p.A. in the session of 15 December 2015				15/12/2015
01	Text approved by the Board of Directors of Sicim S.p.A. in the session of 11 July 2013				11/07/2013
00	Text approved by the Board of Directors of Sicim S.p.A. in the session of 28 APRIL 2012				28/04/2012
Rev.	Description	Prepared <small>(name & initials)</small>	Checked <small>(name & initials)</small>	Approved <small>(name & initials)</small>	Date <small>DD/MM/YY</small>

This document is the property of SICIM spa who will safeguard its rights according to the civil and penal provisions of the law.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

GENERAL PART

DEFINITIONS.....	7
GENERAL PART	8
1. LEGISLATIVE DECREE NO. 231/2001	9
1.1 Recipient bodies and their administrative responsibilities	9
1.2 Categories of crimes.....	10
1.3 Sanctions	15
1.4 Exclusion of the administrative responsibility of the Bodies.....	16
2. FUNCTION OF THE MODEL.....	18
2.1 Structure and purposes of the Model	18
2.2 Recipients of the Model	19
2.3 Adoption of the Model.....	20
2.4 Amendments to the Model	20
3. THE ORGANISATIONAL STRUCTURE OF SICIM S.P.A.	20
3.1 Introduction.....	21
3.2 The internal organisation of Sicim S.p.A.	21
3.2.1 Company Purpose	21
3.2.2 Corporate governance.....	21
3.3 General Principles of the organisation and control system.....	23
3.3.1 Organisational system and separation of roles	23
3.3.2 Delegation of powers.....	23
3.3.3 Operating procedures.....	24
3.3.4 Control and monitoring activities	24
3.3.5 Traceability	25
4. METHOD FOLLOWED TO IDENTIFY THE SENSITIVE ACTIVITIES AND DRAFT THE MODEL	25
4.1 Introduction.....	25



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			

GOVERNANCE

4.2	Preparatory phases of constructing the Model	26
4.3	Drafting the Model	28
5.	SICIM S.P.A. SUPERVISORY BODY	28
5.1	Structure of the supervisory body	28
5.2	Members of the Supervisory Body and their duration in office	30
5.3	Operations of the Supervisory Body	31
5.4	Functions and powers of the Supervisory Body	32
5.5	Obligations concerning the provision of information to the Supervisory Body	33
6.	RECRUITMENT, TRAINING AND INFORMATION.....	36
6.1	EMPLOYEES	36
6.2	EXTERNAL COLLABORATORS	37
7.	REQUESTS FOR INFORMATION AND REPORTING OF BREACHES OF THE MODEL	37
8.	DISCIPLINARY SANCTIONS	38
8.1	GENERAL PRINCIPLES	38
8.2.	MEASURES TAKEN FOR MIDDLE MANAGEMENT AND OFFICE WORKERS.....	39
8.3.	MEASURES TAKEN TOWARDS MANAGEMENT STAFF	41
8.4.	MEASURES TAKEN TOWARDS DIRECTORS	41
8.5.	MEASURES TAKEN TOWARDS COLLABORATORS OR COMMERCIAL PARTNERS	41
9.	PERIODICAL INSPECTIONS	41
SPECIAL PART A		43
1	CRIMES COMMITTED AGAINST THE PUBLIC ADMINISTRATION.....	44
1.1	TYPES OF CRIMES.....	44
1.2	RISK AREAS.....	45
1.3	BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS.....	45



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04

DOCUMENT TITLE MODEL 231

GOVERNANCE

1.3.1 General principles of behaviour 46

1.3.2 Specific principles of behaviour 47

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY 51

SPECIAL PART B 52

1 CORPORATE CRIMES 53

1.1 TYPES OF CRIMES 53

1.2 RISK AREAS 57

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS 57

1.3.1 General principles of behaviour 57

1.3.2 Specific principles of behaviour 59

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY 60

SPECIAL PART C 61

1 CRIMES RELATED TO SAFETY AT WORK 62

1.1 TYPES OF CRIMES 62

1.2 ROLES AND RESPONSIBILITIES 63

1.3 RISK AREAS 73

1.4 GENERAL PRINCIPLES 73

1.5 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY 74

- PROTOCOL - 77

CHECKING COMPLIANCE CONCERNING HEALTH AND SAFETY AT WORK 77

1. Scope and Specific principles of behaviour 77

2. Area of Application 79

3. Protocol Manager 79

4. Risk Assessment Document 80

5. Periodical audits of the safety management system 81



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			

GOVERNANCE

SPECIAL PART D82

1 ENVIRONMENTAL CRIMES83

1.1 TYPES OF CRIMES..... 83

1.2 RISK AREAS..... 84

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS..... 84

 1.3.1 General principles of behaviour84

 1.3.2 Specific principles of behaviour86

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY 87

SPECIAL PART E.....88

1. CRIME OF EMPLOYING CITIZENS OF OTHER COUNTRIES WHOSE RESIDENCY IS IRREGULAR89

1.1 TYPES OF CRIMES 89

1.2 RISK AREAS 90

1.3. RULES OF CONDUCT WITHIN RISK AREAS 90

 1.3.1 General principles of conduct90

 1.3.2 Specific procedural principles of conduct90

1.4 TASKS OF THE SUPERVISORY BODY 91

SPECIAL PART F92

1 TAX CRIMES AND SMUGGLING.....93

1.1 TYPES OF CRIMES..... 93

1.1.bis – Update downline of the PFI Directive..... 93


1.2 RISK AREAS..... 94

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS..... 94

 1.3.1 General principles of behaviour94


 1.3.2 Specific principles of behaviour96

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY 99

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

ANNEXES


0200-SI-001-00 – Code of Ethics

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

DEFINITIONS

In addition to the other definitions contained in this document, the following terms with Capital Letters have the following meanings:

- **Sensitive Activities:** indicates the corporate operations or activities in which there is a risk of the Crimes being committed;
- **Collaborator(s):** indicates the consultants, external collaborators, commercial/financial partners, agents, representatives and, generally, third parties operating on behalf of or in any case in the interests of Sicim S.p.A.;
- **Board of Auditors:** indicates the Board of Auditors of Sicim S.p.A.;
- **Board of Directors:** indicates the Board of Directors of Sicim S.p.A.;
- **Employee(s):** indicates the persons bound by a subordinate work contract to the Company, including Senior Managers or those in Management Positions pursuant to art. 5, lett. b) of the Decree;
- **Decree:** indicates Italian Legislative Decree no. 231 of 8 June 2001 and amendments;
- **Body or Bodies:** indicates the body or bodies to which the Decree applies;
- **Sicim S.p.A., Sicim or the Company:** indicates the company Sicim S.p.A.;
- **Model or Organisational Model:** indicates this organisation, management and control model, as laid down in articles 6 and 7 of the Decree;
- **Supervisory Body or SB:** indicates the internal body of **Sicim S.p.A.**, with autonomous powers of initiative and control, appointed to supervise the operation of and compliance with the Model, as laid down in the Decree;
- **Public Administration or P.A.:** indicates any body of the Public Administration, including the officials and parties appointed to manage public services;
- **Crimes:** indicates the crimes to which the provisions of the Decree apply, also subsequent to any amendments;
- **Senior Management or those in Senior Management Positions:** indicates the people holding offices of representation, administration or management of the Company, as well as any persons who in practice manage and control the Company pursuant to art. 5, lett. a) of the Decree.


	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

ORGANISATION, MANAGEMENT AND CONTROL

MODEL

PURSUANT TO D. LGS. NO. 231 OF 08 JUNE 2001

GENERAL PART

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1. LEGISLATIVE DECREE NO. 231/2001

1.1 RECIPIENT BODIES AND THEIR ADMINISTRATIVE RESPONSIBILITIES

On 4 July 2001 Italian Legislative Decree no. 231 of 8 June 2001 entered into force, concerning the “*Regulation on administrative responsibility of legal persons, companies and associations also with no legal personality*”, which introduced to Italian legislation the responsibility of Bodies over administrative offences deriving from crimes committed in the interests of or to the advantage of the same Bodies.


The Decree applies in the private sector to companies, associations and bodies with legal personality, while in the public sector only to economic public bodies (with the explicit exclusion of the State, territorial public bodies, non-economic public bodies and bodies which hold functions of constitutional importance).

The Decree is complex and innovative, as in addition to the criminal responsibility of physical persons committing a crime it introduces that of the Body in the interests of which or to the advantage of which the crime itself was committed.

In fact, art. 5 of the Decree states that the Body responds any time certain crimes (specified in the Decree) are committed “*in its interest or to its exclusive advantage*”, by the following parties:

- Persons holding positions of representation, administration or management of the Body or an organisational unit with financial and functional autonomy, as well as persons who also in practice exercise management and control functions of the Body (so-called Senior Management or those in Management Positions);
- Persons subject to the management or supervision of one of the parties listed in letter a) above.

The responsibility of the Body is defined by the legislator as administrative, also within criminal proceedings, and is also characterised by its full autonomy compared to the physical person committing the crime. In fact, pursuant to article 8 of the Decree, the Body may be declared responsible even if the material perpetrator of the crime is not punishable or has not been identified and even if the crime has been discharged on grounds other than amnesty. According to the same principle, any charges of responsibility falling on the Body as a result of the committed crime do not exclude the personal criminal responsibility of the perpetrator of the crime.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.2 CATEGORIES OF CRIMES


The responsibility of the Body is not bound to any crime, but is rather limited to the criminal acts listed in articles 24, 24-bis, 24-ter, 25, 25-bis.1, 25-ter, 25-quater, 25-quater.1, 25-quinquies, 25-sexies, 25-septies, 25-octies, 25-novies, 25-decies, 25-undecies, 25-duodecies, 25-terdecies 25-quaterdecies, **25-quinquiesdecies and 25-sexiesdecies** of the Decree (as amended since its entry into force until now) and, more precisely:

- (i) **Crimes against the Public Administration**, referred to in articles 24 and 25 of the Decree and subsequent amendments and additions¹;
- (ii) **Crimes against the public faith**, listed in art. 25-bis, introduced to the Decree by Italian Law no. 99 of 23 July 2009, amended by D. Lgs. no. 125/2016²;

¹ Art. 25 was amended by Law no. 3 of 9 January 2019, "Measures to fight crimes against the Public Administration as well as on the matter of statute of limitations and transparency of political parties and movements" (the so-called Bribe Destroyer Law), in force since 31 January 2019. Following the coming into force of the Law in question, the list of predicate crimes under Italian Legislative Decree (D. Lgs.) no. 231/2001 was further extended with the introduction in paragraph 1 of the crime of "trading in influence" [art. 346-bis Italian Penal Code (c.p.)], which also underwent a major reform, both in terms of extending the scope of the crime category and in terms of tightening up penalties for the same, which have increased from one to three years imprisonment to one to four years and six months. In addition, paragraph 5 of art. 25 tightens up the prohibitory sanction provided for in paragraphs 2 and 3 of art. 25, i.e. for the offences of extortion, direct bribery, bribery in legal proceedings, undue inducement to give or promise benefits and instigation to commit direct bribery. The prohibitory sanction shall be "not less than four years and not more than seven years" in cases in which the predicate crime has been committed by a person in a senior position and "not less than two years and not more than four years" in cases in which the predicate crime has been committed by a person subject to the management and control of the person in a senior position, thereby departing from the general provision laid down in art. 13 of the Decree, which sets the maximum duration of the prohibitory sanction at two years. The new paragraph 5-bis has introduced a reduced prohibitory sanction ("not less than three months and not more than two years") in relation to the above-mentioned crimes committed against the PA applicable if, prior to the judgement of first instance, the body has effectively taken action to: prevent the criminal activity from having further consequences; guarantee the evidence of the crimes and the identification of the perpetrators or the seizure of sums of money or other benefits; and eliminate the organisational shortcomings that enabled the crime, by adopting and implementing organisational models capable of preventing crimes of the kind committed. Art. 24 was last amended by art. 5 para 1, lett a) of Legislative Decree 75/2020, entitled "Implementation of Directive (EU) 2017/1371, on the fight against fraud to the Union's financial interests by means of criminal law". This intervention entailed (i) the amendment of the heading of art. 24 to "Undue receipt of grants, fraud to the detriment of the State or other public body or the European Union aimed at the obtaining of public grants; computer fraud to the detriment of the State or other public body, and fraud in public procurement"; (ii) the introduction of art. 356 of the Penal Code, fraud in public procurement, relevant to the cases listed in paragraph 1 of art. 24, as well as the insertion of the words "or the European Union" after the words "public body" (iii) and the addition to art. 24 of paragraph 2 bis, which provides that "the sanctions provided for in the preceding paragraphs are applied to the body in relation to the commission of the crime referred to in art. 2 of Law no. 898 of 23 December 1986", i.e. the presentation of false data or information, in order to obtain, for oneself or for others, aid, premiums, indemnities, refunds, contributions or other grants in whole or in part from the European Agricultural Guidance and Guarantee Fund and the European Agricultural Fund for Rural Development.

Art. 25 was amended by art. 5, paragraph 1, lett. b) of Italian Legislative Decree 75/2020. This intervention led to the amendment of the heading of art. 25 to "Embezzlement, extortion, undue inducement to give or promise benefits, corruption and abuse of office" and the introduction in paragraph 1 of art. 25 of the following sentence "the same sanction shall apply, when the act harms the financial interests of the European Union, in relation to the commission of the offences referred to in Articles 314 (Embezzlement), first paragraph, and 316 (Embezzlement by taking advantage of another's error) and 323 (Abuse of office) of the Penal Code".

²These crimes include: counterfeiting of money, legal tender and official stamps (art. 453 c.p.); alteration of coinage (art. 454 c.p.); non-complicit spending and circulation in the country of counterfeit coinage (art. 455 c.p.); spending of counterfeit coinage received in good faith (art. 457 c.p.); counterfeiting of official stamps, circulation in the country, purchase, holding and circulation of counterfeit official stamps (art. 459 c.p.); counterfeiting of watermarked paper for use in the manufacture of legal tender or official stamps (art. 460 c.p.); manufacture or holding of watermarks or instruments intended for the counterfeiting of currency, official stamps or watermarked paper (art. 461 c.p.); use of counterfeit official stamps (art. 464 c.p.); counterfeiting, alteration or use of distinguishing signs, brands, patents, models or drawings (art. 473 c.p.); circulation in the state and sale of products with false markings (art. 474 c.p.). Legislative Decree no. 125 of 21 June 2016 "Application of Directive 2014/62/EU on the protection of the euro and other currencies against counterfeiting by criminal law, and replacing Council Framework Decision 2000/383/JHA (16G00136)" published in the Official Gazette on 12/07/2016, amended two crime categories relating to the offences of counterfeiting money, legal tender and official stamps referred to in Legislative Decree 231/2001: (i) Counterfeiting of money, unauthorised use

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- (iii) **Crimes against industry and trade**, listed in article 25-bis.1, introduced *to* the Decree by Italian Law no. 99 of 23 July 2009³;
- (iv) **Corporate crimes**, listed in article 25-ter, introduced to the Decree by D. Lgs. no. 61 of 11 April 2002 and by Italian Law no. 69/2015⁴;
- (v) **Crimes of terrorism or subversion of the democratic order**; listed in article 25-quater, introduced to the Decree by Italian Law no. 7/2003;⁵
- (vi) **Crimes related to female genital mutilation**, listed in art. 25-*quater*.1, introduced to the Decree by Italian Law no. 7 of 9 January 2006⁶;
- (vii) **Crimes against the individual**; listed in art. 25-*quinques*, introduced to the Decree by Italian Law no. 228 of 11 August 2003⁷;

and introduction into the State of falsified tender (art. 453 c.p.); (ii) Manufacture or possession of watermarked paper or other instruments designed for the counterfeiting of money, official stamps or watermarked paper (art. 461 c.p.).

³These crimes include: Disruption of the freedom of industry or trade (art. 513 c.p.); unlawful competition using threats or violence (art. 513-bis c.p.); fraud against national industries (art. 514 c.p.); trade fraud (art. 515 c.p.); fraudulent sale of non genuine foodstuffs (art. 516 c.p.); sale of industrial products with false markings (art. 517 c.p.); manufacture and trade of goods produced through the illicit use of industrial property rights (art. 517-ter c.p., new crime); counterfeiting of geographical indications or designations of origin of food products (art. 517-*quater* c.p., new crime).


⁴ As better detailed in the relevant Special Part B of this Model.

⁵ These are “*crimes for the purpose of terrorism or subversion of the democratic order laid down in the penal code and special laws*”, as well as other crimes, “*which are in any case committed in breach of the provisions of Article 2 of the International Convention for the suppression of the financing of terrorism signed in New York on 9 December 1999*”. This Convention punishes anyone who, illegally or maliciously provides or collects funds knowing that they will, even partially, be used to carry out: (i) acts aiming to cause the death or serious injury of civilians, when the action aims to intimidate a population or coerce a government or international organisation; (ii) acts considered crimes pursuant to the conventions concerning: flight and seafaring safety, protection of nuclear material, protection of diplomatic agents, suppression of attacks using explosives. The category of “crimes of terrorism or subversion of the democratic order, as laid down in the penal code and the special laws” is mentioned generically by the Legislator, without indicating any specific regulations the breach of which would lead to the application of this article.

We can in any case identify the following as the main predicate crimes to which it refers: subversive associations (art. 270 c.p.), association for the purpose of national and international terrorism or subversion of the democratic order (art. 270-bis c.p.) and assistance to those associated in such activities (art. 270-ter c.p.), recruitment for the purpose of national and international terrorism (art. 270-*quater* c.p.), training activities for the purpose of national and international terrorism (art. 270-*quinquies* c.p.), financing of conduct for the purpose of terrorism (art. 270-*quinquies*.1 c.p.), misappropriation of goods or money subjected to distraint (art. 270-*quinquies*.2 c.p.), conduct for the purpose of terrorism (art. 270-*sexies* c.p.), attack for the purposes of terrorism or subversion (art. 280 c.p.), act of terrorism with deadly weapons or explosives (art. 280-bis c.p.), acts of nuclear terrorism (art. 280-ter c.p.), kidnapping for the purposes of terrorism or subversion (art. 289-bis c.p.), instigation to commit any of the crimes referred to in the first and second items (art. 302 c.p.), political conspiracy by agreement (art. 304 c.p.), political conspiracy by association (art. 305 c.p.), formation of and participation in an organised gang (art. 306 c.p.), assistance to the participants of conspiracies or armed gangs (art. 307 c.p.), seizing, hijacking and destruction of an aeroplane (art. 1 Law no. 342/1976), damage to onshore installations (art. 2 Law no. 342/1976), penalties (Law no. 422/1989, art. 3), active repentance (Legislative Decree no. 625/1979, art. 5).

⁶This refers to the practice of female genital mutilation as laid down in art. 583-bis c.p.

⁷These crimes include: enslavement (art. 600 c.p.); child prostitution (art. 600-bis c.p.); child pornography (art. 600-ter c.p.); possession of pornography material (art. 600-*quater* c.p.); tourism for the purposes of child prostitution (art. 600-*quinques* c.p.); slave trading (art. 601 c.p.); alienation and purchase of slaves (art. 602 c.p.). Legislative Decree no. 39/2014 - issued in implementation of Directive 2011/93/EU - on combating the sexual abuse and sexual exploitation of minors and child pornography, came into force on 6 April 2014. Among other things, it introduced some significant changes to Legislative Decree no. 231/2001 regarding these types of incriminating circumstances, aimed at protecting the healthy development and sexuality of minors, which are included, alongside other crimes against the individual, in Article 25-*quinquies* of Legislative Decree no. 231/2001. The new provision, in fact, increases the category of special aggravating circumstances provided for in art. 602-ter of the Penal Code for this type of offence, and ensures that the sentences envisaged in Articles 600-bis [Child prostitution], 600-ter [Child pornography], 600-*quater* [Possession of pornographic material], 600-*quater*.1, [Virtual pornography] and 600-*quinquies* [Tourism initiatives aiming at the exploitation of child prostitution] will be increased where the crime is committed by a group of several persons, is committed by a person belonging to a criminal association in order to facilitate the activity of the same or is committed with serious violence or causes, due to the repetition of the conduct, serious harm to the child. It also provides for an increase in the penalty of up to but not exceeding two thirds in cases in which the above-mentioned offences are committed using equipment capable of preventing the identification of computer network login data. In addition to these innovations, Legislative Decree no. 39/2014 extends the scope of the administrative liability of bodies to include a further

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- (viii) **Market abuse**, listed in art. 25-sexies, introduced to the D. Lgs. 231/2001 by art. 9 of Italian Law no. 62 of 18 April 2005⁸;
- (ix) **Crimes of manslaughter or serious injury committed in breach of the accident prevention and health and safety at work regulations**, listed in art. 25-septies, introduced to the Decree by art. 9 of Italian Law no. 123 of 3 August 2007;⁹;
- (x) **Crimes of possession of stolen goods, laundering and use of money, goods or assets of illegal origin, as well as self-laundering**, listed in art. 25-octies, introduced to the Decree by art. 63 of D. Lgs. no. 231 of 21 November 2007¹⁰;
- (xi) **Copyright crimes**, listed in art. 25-novies, introduced to the Decree by Italian Law no. 99 of 23 July 2009¹¹;
- (xii) **Computer crimes, listed in art. 24-bis**, introduced to the Decree by Italian Law no. 48 of 18 March 2008 and amended by Legislative Decrees no. 7 and 8/2016¹²;

criminal offence and introduces new punishable obligations for employers. Art. 3 provides that “in para 1, letter c), of art. 25-quinquies of Legislative Decree no. 231/2001, after the words “600-quater.1,” the following shall be inserted: “as well as for the offence referred to in Article 609-undecies”. The crime of solicitation of minors is punishable by imprisonment from one to three years for soliciting a person under 16 years of age to commit one of the acts provided for, and punishable by the provisions laid down to protect the sexuality of minors from these types of criminal offence. Pursuant to art. 609-undecies c.p. “the term ‘solicitation’ refers to any act intended to gain the minor’s trust through deception, flattery or threats, including through the internet or other networks or means of communication”. Law no. 199 of 29 October 2016 also included among the types of crimes referred to in this article “illegal brokering and labour exploitation” (so-called “caporalato”) referred to in art. 603 of the Penal Code, which punishes with imprisonment from one to six years and with a fine ranging from 500 Euro to 1,000 Euro per worker recruited, anyone who recruits labour for the purpose of assigning it to work for third parties in exploitative conditions, taking advantage of the workers’ state of need, and anyone who uses, hires or employs labour, including through the aforementioned brokering activity, subjecting workers to exploitative conditions and taking advantage of their state of need.


⁸ These crimes include: abuse of privileged information (art. 184 TUF - Finance Law) and market manipulation (art. 185 TUF) as laid down in the Finance Law, D. Lgs. no. 58 of 28 February 1998.

⁹ It should be noted that Articles 589 and 590 of the Penal Code “Manslaughter” and “Serious Injury” have been recently modified, as of 15 February 2018, by Law no. 3 of 11 January 2018. To this effect, the following paragraph from art. 12, para. 2 of the aforementioned law has been added: “If the offence is committed during the unauthorised practice of a profession which requires a special licence from the State or from a medical practice, the penalty is imprisonment for a period of between three and ten years.”

¹⁰ These crimes include: possession of stolen goods (art. 648 c.p.), money laundering (art. 648-bis c.p.), use of stolen money, goods or assets (art. 648-ter c.p.), self-laundering (art. 648-ter.1 c.p.)

¹¹ The aforementioned Italian Law no. 99/2009 punishes: the unauthorised publishing on an electronic network of a protected intellectual work or part thereof; the unauthorised use of the work of others not destined for publication; the duplication of computer programmes or the distribution, sale etc. of programmes contained in supports not marked by the Italian Authors and Editors Society (SIAE); the duplication, reproduction, etc. of intellectual works destined for television, cinema, etc.; producers or importers of supports not marked “SIAE”; the production, installation, etc. of apparatus used to decipher audio-visual broadcasts with conditioned access.

¹² These crimes include: unlawful access to a computer or telematic system (art. 615-ter c.p.); unlawful possession or dissemination of access codes to computer or telematic systems (art. 615-quater c.p.); distribution of equipment, devices or programmes aiming to damage or interrupt the operation of a computer system (art. 615-quinquies c.p.); interception, hindering or interruption of computer or telematic communications (articles 617-quater and 617-quinquies c.p.); damage to computer systems (art. 635-bis c.p.); damage to information, data and computer programmes used by the state or other public body or public utility (art. 635-ter c.p.); damage to information, data and computer programmes (art. 635-quater c.p.); damage to computer or telematic systems of public utility (art. 635-quinquies c.p.); falsification of computer documents (art. 491-bis c.p.); computer fraud by the party providing electronic signature certification services (art. 640-quinquies c.p.). Art. 24-bis was amended by Law no. 133 of 18 November 2019, the law converting Italian Decree-Law no. 105 of 21 September 2019 on “urgent provisions on the national cyber security perimeter”. The above-mentioned Law provides that art. 24-bis, para. 3, of Legislative Decree no. 231 of 2001 shall be supplemented with a reference to the “crimes referred to in art. 1, para. 11, of Decree-Law no. 105 of 21 September 2019”.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- (xiii) **Organised crimes**, listed in art.24-ter, introduced to the Decree by Italian Law no. 94 of 15 July 2009 and amended by Italian Law no. 69/2015¹³;
- (xiv) **Cross-border crimes**, art. 10 of Italian Law no. 146 of 16 March 2006 provides for the administrative responsibility of Bodies also referring to the crimes laid down in the same law which are of a transnational nature¹⁴;
- (xv) **The crime of making false statements to judicial authorities**, listed in art. 25-decies, introduced to the Decree by Italian Law no. 116 of 3 August 2009, replaced by art. 2, comma 1, D. Lgs.no. 121 of 07 July 2011;
- (xvi) **Environmental crimes**, listed in art. 25-undecies, introduced to the Decree by art. 4, paragraph 2, Law no. 116 of 3 August 2009, as replaced by art. 2, comma 1, D. Lgs. no. 121 of 7 July 2011, and successive amendments and integrations¹⁵;
- (xvii) **The crime of employing citizens of other countries whose residency is irregular**, listed in art. 25-duodecies and introduced to the Decree by D. Lgs. no. 109/2012 and amended by Italian Law no. 161/2017¹⁶;
- (xviii) **The crime of racism and xenophobia**, referred to in art. 25-terdecies, introduced by Law no. 167 of 20 November 2017¹⁷;

¹³These crimes include: criminal association (art. 416 c.p.); national and international Mafia association (art. 416-bis c.p.); political Mafia clientelism (art. 416-ter c.p.); kidnapping for the purposes of extortion (art. 630 c.p.); association for the purposes of drug trafficking [art. 74 Presidential Decree (D.P.R.) n. 309/1990]; maximum duration of judicial investigations (art. 407, paragraph 2, letter a), number 5) of the Italian Code of Penal Procedure - c.p.p.).


¹⁴In this case no further provisions are included in the text of D. Lgs. no. 231/2001. The responsibility of the Bodies derives from an autonomous provision in the aforementioned art. 10 of n. 146/2006, which sets out the specific administrative sanctions applicable to the crimes, underlining in the last paragraph that “*administrative offences laid down in this article are subject to the provisions of D. Lgs. no. 231 of 8 June 2001*”.

¹⁵ As better detailed in the relevant Special Part D of this Model. It should be noted as of now that Legislative Decree 21/2018 repealed art. 260 of Legislative Decree 152/2006, introducing the new crime of “organised activities for the illegal trafficking of waste” under art. 452-*quaterdecies* of the Penal Code. As specified in the transitional measures of the aforementioned Legislative Decree, the reference to art. 260 of Legislative Decree 152/2006 made by art. 25-*undecies* of Legislative Decree 231/2001 shall be understood as referring to the new art. 452-*quaterdecies* of the Penal Code. Moreover, Decree-Law 135/2018, converted in Law no. 12 of 11 February 2019, abolished the waste tracking control system (SISTR) referred to in art. 188ter of Legislative Decree 152/2006. In virtue of the aforementioned legislation, the Ministry of the Environment has introduced a “national electronic waste tracking register”, which is not yet operational. In the meantime, those required to track the waste through SISTR (and now through the electronic register) shall comply with the requirements of Legislative Decree no. 152 of 3 April 2006, in the version prior to amendment by Legislative Decree 205/2010; in particular, the traceability of waste shall be guaranteed through the use of the traditional “paper-based” system, without prejudice to the possibility to use the “digital” data transmission methods provided for by Art. 194-*bis* of Legislative Decree 152/2006.

Currently, the sanctions applicable in the event of violations committed from 1 January 2019 onwards are, therefore, those provided for by Art. 258 of the aforementioned Legislative Decree (in the version in force prior to the amendments made by Legislative Decree 205/2010) and no longer those imposed by Art. 260-bis of the same Legislative Decree, which are implicitly repealed as they are, broadly speaking, “accessory” to the SISTR standard. This impacts the scope of the predicate crimes referred to in art. 25-*undecies* of the Decree, by rendering no longer applicable the reference to art. 260-*bis* of Legislative Decree 152/2006. However, the text of Legislative Decree 231/2001 has not yet been updated regarding the above.

¹⁶ Art. 25-*duodecies* was amended by Law no. 161/2017, as better detailed in Special Part E of this Model.

¹⁷ Art. 25-*terdecies* was inserted by Law no. 167/2017, published in the Official Gazette on 27 November 2017 under Chapter II (“Provisions on justice and security”), art. 5, para. 2 (“*Provisions for the full implementation of Council Framework Decision 2008/913/JHA on combating certain forms and expressions of racism and xenophobia by means of criminal law - EU Pilot Case 8184/15/JUST*”). This predicate crime envisages that the crimes to which it refers punish people who frequent organisations, associations, movements or groups whose purposes include incitement to discrimination or

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- (xix) the crime of corruption among private parties and instigation to corruption among private parties, governed respectively by the amended art. 2635 of the Italian Civil Code, now entitled "Corruption among private individuals", and by art. 2635-*bis* of the Italian Civil Code, referred to in art. 25-*ter*, para. 1, letter s-*bis* introduced into the Decree by the so-called "Anti-Corruption Law" no. 190/2012, as amended by Legislative Decree no. 38 of 15 March 2017 and by Law no. 3 of 9 January 2019¹⁸;
- (xx) fraud in sporting competitions, unlawful gaming or betting and gambling using prohibited devices (art. 25-*quaterdecies*)¹⁹;
- (xxi) illegal sale of admission tickets to sporting events (art. 1-*sexies* Decree-Law no. 28 of 24 February 2003)²⁰;
- (xxii) tax crimes (art. 25-*quinqüesdecies*)²¹;

violence on racial, ethnic, national or religious grounds, the propaganda or instigation and incitement, committed in such a way as to give rise to the actual risk of dissemination, based in whole or in part on the denial, the serious minimisation or the condoning of the Holocaust or of genocides, crimes against humanity and war crimes.


In this context, it should be noted that on 22 March 2018, Legislative Decree no. 21 of 1 March 2018 on "Provisions implementing the principle of delegating code reservation in criminal matters" was published in the Official Gazette. The decree aims to rationalise criminal law in order to make it more comprehensible and avoid the chaotic production of sectoral lawmaking activities. To this end, the decree introduces the "code reservation" principle, on the basis of which provisions providing for crimes can only be introduced into the legal system if they amend the Penal Code or if they are included in organic laws. On the basis of this principle, the decree has repealed a number of crime categories provided for by special laws, including crimes relating to racism and xenophobia (art. 3 of Law 654/1975) and the crime of organised activities for the illegal trafficking of waste (art. 260 of Legislative Decree 152/2006), both of which are referred to in the list of predicate crimes in Decree 231 through a reference to the regulations indicated (art. 25-*terdecies* and art 25-*undecies*). The provisions are not without criminal relevance given the fact that the same categories of crime were introduced into the Penal Code, in art. 604 bis c.p. (crimes of propaganda and incitement to commit racial, ethnic and religious discrimination) and art. 452 quaterdecies c.p. (the crime of organised activities for the illegal trafficking of waste), respectively. By means of a coordinating provision, the decree requires that references to the repealed provisions be understood as referring to the new provisions of the Penal Code. As a result, liability under 231 for the above-mentioned crimes remains unaffected.

¹⁸ Italian Legislative Decree no. 38 of 15 March 2017, published in the Official Gazette on 30/03/2017, implemented Framework Decision 2003/568/JHA on combating corruption in the private sector, modifying the wording of the crime of corruption among private parties (including among the punishable parties also those within the bodies performing work activities with managerial functions; envisaging as punishable conduct the giving and solicitation of the payment of money or other benefits) and introducing the crime category of instigation to corruption (art. 2635-*bis* of the Italian Civil Code), tightening up the financial penalties and introducing prohibitory penalties. Law 3/2019 also repealed prosecution on complaint of the crime of corruption among private parties referred to in art. 2635 of the Italian Civil Code, and of the crime of instigation to corruption among private individuals, referred to in art. 2635-*bis* of the Italian Civil Code, referred to in Article 25-*ter* of the Decree, making them indictable offences.

¹⁹ Art. 25-*quaterdecies* was inserted by art. 5 Law no. 3/2019 ("Ratification and implementation of the Council of Europe Convention on the manipulation of sports competitions, signed in Magglingen on 18 September 2014"), published in the Official Gazette on 16 May 2019. Article 25-*quaterdecies* refers to the commission of the crimes referred to in articles 1 (fraud in sporting competitions) and 4 (abusive exercise of gambling or betting activities) of Law no. 401/1989.

²⁰ Art. 1-*sexies* of Decree Law 28/2003 was amended by Decree Law 53/2019, converted by Law no. 77/2019. As well as impacting paragraph 1 of the article, this amendment inserted paragraph 1-*bis*, which states that "the provisions of paragraph 1, first and second periods, shall also apply to the parties referred to in art. 1, paragraph 2, of Legislative Decree 231/01".

²¹ Article introduced by art. 39, para. 2 of Decree-Law no. 124 of 26 October 2019 and subsequently amended by the converting Law no. 157 of 19 December 2019. Art. 25-*quinqüesdecies* refers to the crimes provided for by art. 2 et seq. of Legislative Decree 74/2000, i.e. the crime of fraudulent misrepresentation through the use of invoices or other documents for non-existent transactions (referred to in art. 2, para. 1 and para. 2-*bis*) for which different financial penalties are payable depending on whether the amount of the fabricated passive elements is above or below 100,000 Euro; the crime of fraudulent misrepresentation through other stratagems (referred to in art. 3); the crime of issuing invoices or other documents for non-existent transactions (referred to in art. 8, para. 1 and para. 2-*bis*), for which different financial penalties are payable depending on whether the false amount indicated in the invoices or documents is above or below 100,000 Euro per tax period; the crime of concealment or destruction of accounting documents (referred to in art. 10) and the crime of fraudulent evasion of taxes (referred to in art. 11). Art. 25-

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

(xxiii) smuggling (art. 25-*sexiesdecies*)²².

*

Considering the purpose of the activities of Sicim S.p.A. and the specific characteristics of the body, for the purposes of drawing up this Model it was deemed appropriate to handle only the Crimes considered relevant, excluding from the analysis those which are only abstractly envisageable within the Company.

In particular, for the purposes of this Model the following were considered:

- Crimes committed against the Public Administration (articles 24 and 25 of the Decree);
- Corporate Crimes (art. 25-ter of the Decree);
- Crimes related to health and safety at work (art. 25-septies of the Decree);
- Environmental Crimes (art. 25-undecies of the Decree);
- Crime of employing citizens of other countries whose residency is irregular (art. 25-duodecies of the Decree);
- Tax Crimes (art. 25-*quinquiesdecies* of the Decree) and Smuggling (art. 25-*sexiesdecies* of the Decree),

The remaining crimes have been left aside as they are only abstractly envisageable within the Company.


For a detailed examination of the Crimes analysed, please refer to the Special Part of the Model.

1.3 SANCTIONS

The sanctions laid down in art. 9 of the Decree applicable to the company as a consequence of an actual or attempted criminal act described above are:

- Fine of up to 1,549,370.69 EUR (and preliminary attachment);
- Prohibitory sanctions (applicable also as a precaution) of a duration of not less than three months and no more than two years, which in turn may consist in:
 - Ban from exercising business activities;

²² *quinquiesdecies* was subsequently amended by art. 5, paragraph 1, lett c) of Italian Legislative Decree no. 75/2020, entitled “Implementation of Directive (EU) 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law” concerning the transposition of the so-called PFI Directive. This amendment introduced within the scope of the crimes covered by the Decree the crime categories referred to in art. 4 of Legislative Decree 74/2000, false declaration, art. 5 of Legislative Decree 74/2000, omitted declaration and art. 10 quater of Legislative Decree 74/2000, undue compensation; the relevance of these offences under the Decree is also subject to the crimes being committed “in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of not less than ten million Euro”. Art. 5, para. 1, letter d) of Legislative Decree 75/2020 introduced into the Decree art. 25-*sexiesdecies*, which adds to the category of predicate crimes under the Decree the criminal offences referred to in Presidential Decree no. 43 of 23 January 1973 (Consolidated Law on Customs).

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Suspension or withdrawal of authorisations, licences or permits relating to the offence committed;
- Ban from working with the public administration;
- Exclusion from subsidies, funding, contributions or other supports and withdrawal of any already granted;
- Ban from advertising goods or services;
- Seizure (and preliminary attachment);
- Publication of the sentence in the case of the application of prohibitory sanctions.

1.4 EXCLUSION OF THE ADMINISTRATIVE RESPONSIBILITY OF THE BODIES


Articles 6 and 7 of the Decree provide for the exemption of responsibility of the Body for Crimes committed by persons in Senior Positions and Employees if the Body can prove that it has adopted and effectively implemented organisation, management and control models aiming to prevent the occurrence of such criminal offences. In this regard, the system involves the establishment of an internal control body appointed to supervise the actual effectiveness of the Model.

According to these provisions, the Body is not responsible pursuant to the Decree if it demonstrates that:

- The management body has adopted and effectively implemented, prior to the crime being committed, organisation and management models aiming to prevent crimes of the nature of the one reported;
- The task of supervising the operation and compliance of the models and the management of their updating has been appointed to an internal body granted autonomous powers of initiative and control (the Supervisory Body);
- The persons committing the crime fraudulently evade the organisation and management models;
- The Supervisory Body is not found to have omitted to carry out its supervisory tasks, or to have carried them out insufficiently.

The Decree also states that the organisation and management models must respond to the following requirements (refer to art. 6, paragraph 2, of the Decree):


- They must identify the activities in which the Crimes may be committed;
- They must include specific procedures aiming to plan training and implement the resolutions of the body concerning Crimes to prevent;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- They must identify methods for managing financial resources that are suitable for preventing Crimes from being committed;
- They must include requirements concerning information to the Supervisory Body;
- They must introduce a disciplinary system that sanctions the breach of the measures laid down in the Model.

The exclusion of the responsibility of the Body is based on the verdict of suitability of the internal organisation and control system passed by the judge in the event of any criminal proceedings held against the material perpetrator of the offence. Therefore, the preparation of the Model and the organisation of the control body activities must set out to assure the positive outcome of such verdict of suitability. This particular purpose requires that the Bodies assess the suitability of their own procedures to the aforementioned requirements.

Therefore, in fact, the adoption of a Model that is appropriate and complete becomes compulsory if the Body intends to benefit from the exclusion of administrative responsibility for Crimes committed by persons in Senior Positions and by Employees.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

2. FUNCTION OF THE MODEL

2.1 STRUCTURE AND PURPOSES OF THE MODEL

In order to guarantee conditions of legality, correctness and transparency in the execution of its activities, Sicim S.p.A. has deemed it appropriate to adopt and implement this Model.

The Model was drafted considering both the provisions of the Decree and the guidelines issued by Confindustria (the Italian employers' federation) on 7 July 2002, integrated on 28 June 2004 and on 31 March 2008, as well as the new version of the same guidelines issued on 31 July 2014, for the development of organisation, management and control models (hereinafter the “**Confindustria Guidelines**”) which, among other provisions, contain methodological instructions for identifying risk areas and the structure that should be adopted in implementing the Organisational Model.

*

In the light of the general principles illustrated above and in consideration of the provisions of the Guidelines, this Model comprises a "General Part" and six single "Special Parts", drawn up according to the type of crimes contemplated in the Decree, the committing of which are considered to be of greatest risk to the Company.


The General Part aims to define the purposes of the Organisational Model and the general principles referred to by the Company for the management of its business, while each Special Part sets out to identify the behavioural principles to adopt and the preventive measures to take concerning potentially committable offences.

The Special Part also sets out the specific tasks of the Supervisory Body in relation to each type of Sensitive Crime pursuant to the Decree considered for the purposes of drawing up the Organisational Model.

The purpose of this Model, in relation to the Company's Sensitive Activities, is the creation of an organic system built of procedures/procedural principles and control activities that aim to prevent Crimes from being committed.

In particular, the Model has the following purposes:

- To raise the awareness of those carrying out "risk activities" concerning the committing of offences, in the event of the breach of the procedures laid down in the Model, that may be pursued both criminally (for the perpetrator of the crime) and administratively (for the Company);

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- To underline that behaviour that does not comply with the law or with the Code of Ethics of Sicim S.p.A., here enclosed in Annex no. 1 (hereinafter the “**Code of Ethics**”), is strongly condemned by the Company;
- To permit the Company to supervise risk activities in order to facilitate the prevention of the Crimes.


The inspiring principles of this Model are:

- The dissemination within the Company and to all Collaborators of the behavioural rules and procedural principles and/or procedures implemented by the Company, as well as a staff training plan on all elements of the Model;
- A Code of Ethics and conduct which sets out the ethical principles and general guidelines for behaviour that the Senior Management, Employees and Collaborators are bound to comply with in the execution of their respective activities;
- The identification of "risk areas" in the Company, meaning areas in which there is a higher possibility that Sensitive Crimes listed in the Decree may be committed;
- The existence of consolidated practices and/or procedures that indicate the operating methods for work activities both generally and in particular in the identified "risk areas";
- A system of internal managerial appointments and powers of attorney to represent the Company externally which ensures the clear allocation of duties, coherently with the organisational structure and the control and management system;
- A management and control system for the Company's financial resources which allows the timely identification of any critical situations that may occur;
- An appropriate disciplinary system to sanction any breaches of the Model and the Code of Ethics;
- The appointment of the task of supervising the operation and compliance of the Model and managing its updating to a body within the Company (the Supervisory Body).

2.2 RECIPIENTS OF THE MODEL

The rules laid down in this Model address:

- People holding positions of representation, administration or management of Sicim S.p.A. or who in practice exercise management and control functions within Sicim S.p.A. (Senior Management Positions);

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- The employees of Sicim S.p.A. subject to the management or supervision of one or more parties in senior management positions (Employees);
- Consultants, external collaborators, commercial/financial partners, agents, representatives and, generally, third parties operating on behalf of or in any case in the interests of Sicim S.p.A. (Collaborators);

all jointly referred to as the “**Recipients**”.

The Model and its contents are notified to interested parties using methods that are appropriate for ensuring their effective understanding, as laid down in chapter 6 below; therefore, the Recipients of the Model are bound to strictly comply with all provisions, also in fulfilment of all duties of correctness and diligence deriving from their legal relationship with the Company.

2.3 ADOPTION OF THE MODEL

The Company intends to ensure that its Employees, Senior Management and anyone acting on behalf of the Company do not commit offences which may not only damage the image of the Company but may also lead to the application of one of the fines and/or prohibitory sanctions laid down by the Decree in the event of Crimes that are to the advantage of or in the interests of Sicim S.p.A..

For this purpose, the Company has decided to adopt this Model, aiming to introduce a system of principles and rules of conduct which must inspire the behaviour of all parties belonging to the Company in their relations with Italian or foreign stakeholders.


2.4 AMENDMENTS TO THE MODEL

The Model was adopted by the Company for the first time by resolution of the Board of Directors on 28 April 2012.

It was updated, in its current wording, by a resolution of the Company's Board of Directors on 11 July 2013, on 15 December 2015, on [●] 2018 and, subsequently, in its current wording, by a resolution on [●] 2021.

This Model may be modified and/or integrated by the Board of Directors at the proposal of and/or in consultation with the Supervisory Body.

3. THE ORGANISATIONAL STRUCTURE OF SICIM S.P.A.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

3.1 INTRODUCTION

In order to identify the Sensitive Activities laid down in the Decree reference must be made to the special features of the body which intends to adopt the Model and its concrete operations.

Therefore, it is firstly appropriate to describe the organisational structure of Sicim S.p.A., with particular reference to the activities carried out and its administration and control system.

3.2 THE INTERNAL ORGANISATION OF SICIM S.P.A.

3.2.1 COMPANY PURPOSE


The company's business purpose is the following activity:

- the design, supply of materials and construction of natural gas and oil pipelines, aqueducts and similar pipelines;
- the design, supply of materials and construction of industrial and civil wastewater treatment plants and all types of industrial plants;
- the construction of tanks, pumping stations and oil and gas treatment plants;
- the design, supply of materials and installation of electrical, instrumental and cathodic protection systems;
- the maintenance of pipelines and of all types of industrial plants;
- the rental of working machines to third parties;
- to supply materials and services to third parties;
- the performance of consultancy and assistance services for third parties;
- financing and technical and financial coordination for companies and bodies;
- the execution of financial leasing;
- issuing of securities and bonds also on behalf third parties.

The company may also, not in a prevailing manner and not towards the public, carry out any commercial, industrial and financial (not towards the public), tangible or intangible operations deemed useful and connected to the company purpose, as well as obtain shares or interests in other businesses and companies; all in observance and within the envisaged limits of the regulations in force at the time of activity execution.

3.2.2 CORPORATE GOVERNANCE

The central bodies of the Company are:

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- The Shareholders' Meeting;
- The Board of Directors;
- The Chairman;
- The Board of Auditors.

3.2.2.1 SHAREHOLDERS' MEETING

The Shareholders' Meeting may be ordinary or extraordinary pursuant to the law.

The Ordinary Shareholders' Meeting must be convened at least once a year, within one hundred and twenty days from the closure of the financial year.


The Extraordinary Shareholders' Meeting may be convened whenever deemed appropriate by the administrative body or when the circumstances required by law arise.

For the constitution of the Meeting and the validity of the resolutions, articles 2368 and 2369 of the Italian Civil Code (c.c.) apply;

3.2.2.2. BOARD OF DIRECTORS

The Board of Directors hold all powers to carry out all acts of ordinary and extraordinary administration without any exceptions, as they are mandated with all powers other than those which the law or the Articles of Association reserve unquestionably for the Shareholders' Meeting. The Board of Directors is composed of 5 members and may allocate part of its powers to one or more of its members, and may also appoint from among its members one or more managing directors, establishing the limits of their appointment and the relative remuneration. The Managing Directors are vested, severally among them, with the widest powers for ordinary and extraordinary administration, without exclusion, except for what is imperatively reserved to the competence of the Board of Directors and the Shareholders' Meeting. The Board of Directors may appoint General Directors, and grant powers of attorney "*ad negotia*" for given acts or categories of acts, establishing their powers and honorarium. The Company is represented, before third parties and the courts, by the Chairman of the Board of Directors, the Vice Chairman, the Managing Directors and the proxies, where appointed, in the limits of their granted powers.

The Board has appointed one of its members as "employer" for the purposes of Legislative Decree no. 81/2008, for the protection of the health and safety of workers in the workplace.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

3.2.2.3 CHAIRMAN

The Chairman of the Board of Directors currently holds all the widest powers, exercised with free and several signature, for the ordinary management of the Company.

3.2.2.4 THE BOARD OF AUDITORS

The Board of Auditors is composed of three statutory members and two deputy members, appointed pursuant to the law. The Auditors remain in office for three financial years and their office expires on the date of the Meeting convened to approve the financial statements relative to the last financial year of their office. The Board of Auditors is also entrusted with the statutory auditing of the Company's accounts.

3.3 GENERAL PRINCIPLES OF THE ORGANISATION AND CONTROL SYSTEM

This Organisational Model constitutes an extension to the management and control system already in force in the Company and was adopted with the aim of providing a reasonable guarantee of the achievement of the institutional objectives of complying with laws and regulations, assuring the reliability of the financial information and protecting the Company assets.

3.3.1 ORGANISATIONAL SYSTEM AND SEPARATION OF ROLES


The Company's organisational system must comply with the following requirements:

- Clarity, formalisation and communication, with particular reference to the allocation of responsibility, the definition of hierarchical lines and the assignment of operational activities;
- Separation of roles, meaning the clear definition of operational processes in order to avoid functional overlapping and, above all, the concentration of activities with a high degree of criticality or potential risk in a single party.

3.3.2 DELEGATION OF POWERS

The delegation of powers concerns both internal authorisational powers on which the Company's decision-making processes relating to activities to be implemented depend, and the powers of representation for the signature of externally bound deeds or documents that bind the Company, also in economic terms, to third parties.

The delegation of powers must:

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Be defined and formally granted by the Board of Directors;
- Be coherent with the responsibilities and tasks delegated and with the positions covered by the proxies within the organisational structure;
- Include exercising limits that are coherent with the assigned roles, with particular attention to powers of expenditure and authorisational powers and/or signature concerning operations and deeds that are considered within the company to be "at risk";
- Be updated in line with changes in the company organisation.

3.3.3 OPERATING PROCEDURES


The Company processes and operational activities, as described above, are supported by general and specific principles of conduct and/or internal procedures formalised also in the light of the integrated certification system (quality ISO 9001– environment ISO 14001– safety **ISO 45001** (formerly OHSAS 18001)) applied within the Company, as well as the system of proxies which reflect the following requirements:

- Regulation of the methods for carrying out activities;
- Definition of responsibilities for activities, in compliance with the principle of separation of roles, between the party initiating the decision-making process, the party that carries out or concludes it and the party that controls it;
- Traceability of deeds and operations in general through appropriate supporting documentation that certifies the characteristics and justifications of the activities implemented and identifies the various parties involved in the operation (authorisation, implementation, recording, checking);
- Adoption of specific control mechanisms (also through external consultants) that guarantee the integrity and completeness of the data managed and the information exchanged in and outside the company structure.

3.3.4 CONTROL AND MONITORING ACTIVITIES

The control and monitoring activities must involve different parties and bodies, including: the Board of Directors, the Board of Auditors, external consultants and the Supervisory Body and, more generally, the Company staff, and represent an inalienable element of the company's day-to-day activities.

The control tasks carried out by these parties are defined in consideration of the following control activities:

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Supervision of the correct administration of the Company, the suitability of the organisation and the compliance with the law and the Articles of Association;
- Internal auditing, aiming to identify anomalies and breaches of the proxy system and/or procedures;
- External auditing, aiming to check the regularity of the company accounts and the financial statements in compliance with the applicable accounting principles.

3.3.5 TRACEABILITY

Every operation/activity must be appropriately recorded. It must be possible to monitor the decision-making - authorisation - implementation of activities process ex post, also through appropriate supporting documentation (paper and/or electronic records) and, in any case, the cases and methods of any possibility to delete or destroy the records made must be accurately governed.

*

The Company considers that the above-described principles to be coherent with the instructions given in the Guidelines issued by Confindustria and reasonably suitable for preventing the crimes contemplated in the Decree.


In the light of the above considerations, the Company deems it indispensable to guarantee the correct and effective application of the aforementioned control principles in all areas of activity/company processes identified as potentially at risk of offence, during the mapping process.

Finally, the Company considers that the task of checking the constant application of the aforementioned principles, as well as their appropriateness, coherence and updating must be done both by the Supervisory Body and by the representatives of the Company and their collaborators.

4. METHOD FOLLOWED TO IDENTIFY THE SENSITIVE ACTIVITIES AND DRAFT THE MODEL

4.1 INTRODUCTION

Art. 6.2 lett. a) of the Decree indicates, as one of the requirements of the Model, the identification of the so-called “sensitive areas” or “risk areas”, meaning those processes and areas of company activity which could contain the risk of committing one of the crimes expressly referred to in the Decree.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

It therefore analysed the company operations in the company sectors in which it is possible to commit crimes, highlighting the most important moments and processes.

Parallel to this, an investigation was carried out into the underlying elements of sensitive crimes within the Company activities, in order to identify the concrete behaviour which, within the company context, could constitute a potential crime.

4.2 PREPARATORY PHASES OF CONSTRUCTING THE MODEL

Considering the provisions of the Decree, the Company implemented a project to draw up this Model, granting a specific mandate to external consultants with the necessary *know-how*.

The production of the Model was preceded by a series of preparatory activities, divided into the following phases:

1) Preliminary analysis of the company context


This phase aimed to examine the organisation and activities of the Company, based on a documentary analysis, and to examine the company processes the activities are divided into - specifically through *ad hoc* interviews with some members of the Board of Directors and the managers of the company functions.

2) Identification of the Sensitive Activities and “As-is analysis”

Through this analysis process it was possible to identify, within the Company structure, a series of Sensitive Activities, in the execution of which Crimes could hypothetically be committed. Following this investigation, the next step assessed the management methods applied to Sensitive Activities, the existing control system and the compliance of the system to the commonly accepted principles governing internal control.

The analysis covered the Sensitive Activities concerning the committing of the offences laid down in articles:

- 24 and 25 of the Decree (so-called “Crimes against the Public Administration” committed towards the state or other public body);
- 25-ter of the Decree (so-called “Corporate crimes”)
- 25-septies of the Decree (so-called “Crimes related to health and safety at work”);
- 25-undecies of the Decree (so-called “Environmental Crimes”);
- 25-duodecies of the Decree (the so-called “Crime of employing citizens of other countries whose residency is irregular”):

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- 25-*quinquiesdecies* of the Decree (the so-called “Tax Crimes”); and
- 25-*sexiesdecies* of the Decree (the so-called “Smuggling”).

After a careful preliminary assessment, supported both by the cycle of interviews and the verification of the documentation as stated above, the analysis excluded the crimes not explicitly considered in the Special Parts of this Organisational Model, as, although it cannot be fully excluded that they may potentially occur, there is only an abstract possibility that they could concretely occur, both considering the operational reality of the Company and in consideration of the elements required to commit the crimes in question (with particular reference in some cases to the psychological element of the crime).

3) Implementation of the “Gap analysis”

According to the existing situation of controls and procedures in place for Sensitive Activities and the provisions and purposes of the Decree, improvement actions for the current internal control system and the essential organisational requirements for the definition of this Model were identified.


For the identified sensitive instrumental processes and areas of activity, the potential crime risks were identified, along with the possible methods of committing such crimes and the parties (employees and others) normally involved.

The results of the risk area mapping activities, the currently implemented controls (“*As-is analysis*”) and the identification of weaknesses and areas of improvement in the internal control system (“*Gap analysis*”) are described in the documentation held in the Company records.

*

The project then proceeded with an assessment of the level of potential risk associated to each sensitive activity/process, assessed according to qualitative criteria that consider factors including:

- Frequency of occurrence/execution of the activity described and other economic-quantitative indicators pertinent to the company activity or process (e.g.: economic value of the operations or acts implemented, number and type of parties involved, etc.);
- Severity of the potential sanctions applicable to one of the Crimes laid down in the Decree in the execution of the said activity;
- Probability of occurrence of the hypothesised crime in the operating context;
- Potential benefit to the Company as a result of the hypothesised crime being committed and which

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

could constitute a reason for committing the crime by company staff;

- Any precedents concerning committed crimes in Sicim S.p.A..

4.3 DRAFTING THE MODEL

Following the above-described activities, the Company defined the operating principles and the referred “protocols” for the drafting of the Model it intends to implement, considering:

- The provisions of the Decree;
- The Code of Ethics;
- The Confindustria Guidelines.

It is understood that any choice to not adapt the Model to some of the indications given in the aforesaid Confindustria Guidelines shall not affect the validity of the document. In fact, the Model adopted by the Body must necessarily be drawn up with specific reference to the concrete reality of the Body, and therefore may also deviate from the relative Confindustria Guidelines, which by nature are general.


The compliance with the Code of Ethics is an instrument that promotes the prevention of crimes within the Sensitive Activities as it represents the formal commitment of the Company to act according to transparent behavioural standards as well as comply with the specific laws in force. The regulation of the Code of Ethics aims to guarantee compliance with the principles of competition, democratic principles, as well as the respect for fair competition and the protection of a good image. The Code of Ethics also lays down the internal behavioural rules addressed to all company collaborators who respond to the Company, on a professional and ethical level, concerning their behaviour in implementing any characteristic activities which have been identified as particularly sensitive in the Model.

Finally, the Code of Ethics expresses the principles of behaviour acknowledged by Sicim S.p.A. that each Director, Employee or Collaborator is bound to strictly comply with in the execution of his/her activities.

5. SICIM S.P.A. SUPERVISORY BODY

5.1 STRUCTURE OF THE SUPERVISORY BODY

Article 6 paragraph 1, letter b) of the Decree states that the task of monitoring the operation and compliance of the Organisational Model, and managing the relative updating, must be assigned to a body, (the “**Supervisory Body**”), with autonomous powers of initiative and control.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The members of the Supervisory Body must possess subjective requirements that assure the autonomy, independence and professionalism of the body in the execution of its activities.

The characteristic of autonomy in its powers of initiative and control mean that the Supervisory Body must be:

- In a position of independence compared to those on which it shall carry out the supervision;
- Without operational tasks;
- With financial autonomy.


In consideration of the above provisions, the Supervisory Body cannot be the Board of Directors, which has managerial powers.

The appointment must be granted to a body with a high hierarchical position within the company organisation chart, highlighting the need for this position to be accompanied by the non-assignment of operational tasks which, making the body take part in decision-making and managerial activities, would "pollute" its judgement when checking the behaviour it is called on to supervise and the appropriateness of the Organisational Model.

Considering the above and the company operations, the Company has deemed it to be appropriate and coherent for the Supervisory Body to be composed of 3 members, appointed by the Board of Directors.

The Board of Directors has therefore deemed that the composition of the Supervisory Body that best responds to the requirements laid down in the Decree be a collective organ composed of three parties identified as follows:

- One member, external to Sicim with a strong reputation of honour and professionalism, acting as Chairman of the Body;
- Two members, chosen either externally with the same characteristics as the Chairman and/or among the employees and/or collaborators of the Company, preferably from among the following functions:
 - Board of Auditors;
 - Finance and control;
 - Human resources;
 - Safety;
 - Environment.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The professionalism of the Supervisory Body is assured by:

- The specific professional competence of its members;
- The faculty acknowledged to the Supervisory Body of having access to autonomous financial resources in order to appoint external consultants and the specific professional services of the managers of the various company functions and of collaborators.

The Supervisory Body reports directly to the senior operational and control management staff of the Company, in order to assure the full autonomy and independence of the tasks appointed to it.

In particular, the Supervisory Body is a collective body which:

- Reports to the Board of Directors on the results of its supervision and control activities;
- Has autonomous powers of intervention in its fields of competence. For this purpose, and to guarantee the continuity of the monitoring activities concerning the appropriateness and suitability of the Model, the Supervisory Body makes avail of internal staff and/or external collaborators;
- It has an annual budget for its exclusive use;
- It works as a group and has its own "operating regulation" drawn up and approved by the Body itself.


The continuity of the Supervisory Body's activities is guaranteed by the circumstance that it operates within the Company itself. The aspects concerning the continuity of the Supervisory Body's actions, including the planning and implementation methods of its monitoring activities, the minuting of meetings, the methods and specific contents of information flows concerning crime-risk areas, as well as the specific methods of internal operation, are defined in a specific work plan issued by the Supervisory Body.

5.2 MEMBERS OF THE SUPERVISORY BODY AND THEIR DURATION IN OFFICE

The Board of Directors appoints the Supervisory Body through a specific resolution, and establishes any remuneration.

In order to guarantee the requirements of independence and autonomy, the following are considered to be incompatible with the appointment of member of the Supervisory Body from the time of appointment and for the whole duration in office:

- Being an executive and/or non-independent member of the Board of Directors of Sicim;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Having ties of blood or marriage or the like up to the fourth degree with the aforementioned members of the Board of Directors;
- Carrying out operational or business functions in the Company;
- Holding significant business relations with Sicim, its subsidiaries or associated company, or holding significant business relations with the members of the Board of Directors of the Company who hold powers of attorney;
- Having been employed by or worked for, during the past three years, bodies with which or towards whom the Crimes laid down in the Decree may potentially be committed;
- Having been found guilty of having committed one of the Crimes (or other similar administrative offences).

The members of the Supervisory Body are bound to undersign, on an annual basis (if the appointment lasts for more than one year) a statement confirming the requirements of independence laid down above, and, in any case, to immediately notify the Board of Directors and the Supervisory Body in the event of the occurrence of any conditions preventing the performance of the assignment.

The duration in office of the members of the Supervisory Body is set for three years, and may be renewed by resolution of the Board of Directors; without prejudice to the hypotheses of automatic expiry (including in the event of the incompatibilities stated above), the members of the Body may be revoked from office exclusively by the Board of Directors and only for just cause.


Each member of the SB may withdraw from the appointment at any time, with notice of at least 1 (one) month, without having to provide any justification.

In the event of the withdrawal or automatic expiry of a member of the Supervisory Body, the latter shall promptly notify the Board of Directors, which shall take all decisions required in a timely manner.

The Supervisory Body is deemed to be expired in the event of the withdrawal or expiry of the majority of its members. In this case, the Board of Directors shall appoint all members ex novo.

5.3 OPERATIONS OF THE SUPERVISORY BODY

The Supervisory Body meets on a quarterly basis; the meetings are held in person, by videoconference or teleconference (or a combination thereof) and in any case any time at least 1 (one) member so requires.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Directors, auditors, managers, function managers or external consultants may be called to join the meetings of the Supervisory Body if their presence is required.

The decisions of the Supervisory Body are taken unanimously; if there is no unanimity, decisions may be taken by majority vote, and this is reported immediately to the Board of Directors.

The Supervisory Body reports on its activities to the Board of Directors, and draws up:

- A six-monthly report on the activities carried out during the period, the controls effected and their relative outcome;
- An annual report providing a description of all the activities undertaken during the year, the controls and checks carried out, and updating the map of crime-risk areas and/or the Organisational Model.

The meetings of the Supervisory Body are minuted and copies of the minutes are stored by the Body itself.

In implementing its activities, the Supervisory Body may make use of the services of internal or external collaborators, and remain directly responsible for the precise fulfilment of the supervision and control obligations laid down in the Decree. Collaborators are required to comply with the obligations of diligence and confidentiality laid down for the members of the Supervisory Body.


5.4 FUNCTIONS AND POWERS OF THE SUPERVISORY BODY

The main functions of the Supervisory Body are:

- Supervision of the effective application of the Organisational Model, through the production and implementation of a supervision and control programme / work plan;
- Supervision of the appropriateness of the Organisational Model, i.e. its effectiveness in preventing Crimes;
- Supervision of the duration over time of the effectiveness requirements of the Organisational Model;
- Promotion of the updating of the Organisational Model, where necessary.

In particular, the Supervisory Body has the following powers:

- Demanding from the management and company divisions information and documentation concerning the operations and acts carried out in the areas at risk of Crimes being committed;
- Adopting and/or implementing control procedures in order to check the compliance with this

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							


Organisational Model;

- Carrying out sample inspections on given operations and/or specific acts carried out in the areas at risk of Crimes being committed;
- Carrying out investigations in order to identify and/or update the "risk areas" in which Crimes may be committed;
- Promoting and/or developing together with the relative company functions appropriate initiatives for the dissemination, knowledge and understanding of this Organisational Model;
- Providing clarifications and instructions for the compliance with this Organisational Model;
- Consulting with other company functions and/or external consultants in order to guarantee the effectiveness of this Organisational Model;
- Collecting, processing and storing the information concerning this Organisational Model;
- Reporting periodically to the Board of Directors concerning the state of implementation and the operations concerning this Organisational Model;
- Assessing and proposing to the Board of Directors modifications and/or updates to be made to this Organisational Model;
- Disposing of the appropriate resources for the development, monitoring and evaluation of the effectiveness of this Organisational Model.

5.5 OBLIGATIONS CONCERNING THE PROVISION OF INFORMATION TO THE SUPERVISORY BODY

The Supervisory Body must be promptly informed of:

- Any reports and/or news concerning the breach of this Organisational Model;
- Proceedings and/or sentences issued by police bodies or any judicial authority concerning the committing, or even potential committing, of any crime contemplated in or the breach of this Organisational Model;
- Company disciplinary proceedings and/or action initiated/adopted following the breach of this Organisational Model;
- Any proposed amendment to this Organisational Model;
- Any initiative concerning the prevention of Crimes or in any case the effective operation of this Organisational Model;
- The system of powers of attorney to directors and any amendment thereto;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- The system of company signature and any amendment thereto;
- Reports and/or news concerning Crimes in which the Company or one of its Employees or in any case Recipients may be involved.

In particular, the Recipients are bound to report any suspected breach of the Model to the Supervisory Body, preferably by sending an e-mail to odv@sicim.eu (although any other means of communication may be used).

The Body will act in such a way as to protect the reporting party acting in good faith from any retaliation, discrimination or penalisation, and shall ensure the confidentiality of their identity, without prejudice to legal obligations and the protection of the rights of the Company or the involved parties, as well as the reputation of the reporting party(ies).


The Supervisory Body carefully and impartially evaluates the reports received and may carry out all investigations and controls it considers necessary.

If a report potentially concerns the (direct or indirect) responsibility of one of the members of the Supervisory Body, or the function in which the said member works, the Body proceeds to assess the case having heard the interested party, but with his/her exclusion from the evaluation and decision-making process.

In addition to the reports described above, the Supervisory Body must be immediately informed by anyone with information concerning:

- Requests for legal support sent by Employees in the case of criminal proceedings being started for Crimes;
- Any sentences and/or news from police bodies or any other judicial authority which refer to investigations within the company, also against persons unknown, concerning the Crimes;
- The evidence of disciplinary proceedings held and any sanctions ordered specifically concerning the Crimes, or the dismissal of said proceedings and the relative justifications;
- Any movement of money between Sicim and its subsidiaries or associate companies that is not justified by a specific contract concluded at market conditions;
- Any anomaly or irregularity found during the checking of invoices issued or received by the Company.

The members of the Supervisory Body must fulfil their appointment with the diligence required by the nature of the appointment, the nature of the activities carried out and their specific competences. They are bound to

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

the strictest confidentiality and professional secrecy concerning the information they are party to in the execution of their appointment in order to avoid any leakage of confidential information. This obligation is not binding towards the Board of Directors.


With regard to information flows, it is important to note the entry into force of Law no. 179 of 30 November 2017 "Provisions for the protection of workers reporting offences or irregularities of which they have become aware in the context of a public or private employment relationship" (system known as "whistleblowing"), which introduces at a national level a system of protection of the employee or collaborator ("whistleblower") who reports wrongdoing in the private sector. This has been done by adding paragraphs 2-bis, 2-ter and 2-quater to art. 6 of the Decree.

To this end, each body undertakes to create:

- one or more information channels to protect its own integrity (including at least one alternative reporting channel which can ensure, through computer technology, the confidentiality of the identity of the whistleblower), which allow members of senior management and persons subject to the direction or supervision of others (i.e. whistleblowers) to submit detailed reports of conduct constituting crimes under the Decree or violations of the Model itself, which have come to their knowledge by virtue of their functions, but which are based on accurate and congruous facts.
- all appropriate measures to ensure respect for the anonymity²³ of the whistleblower and the prohibition of direct or indirect retaliatory and/or discriminatory actions (including discriminatory dismissal or change of duties pursuant to art. 2103 of the Italian Civil Code) against the whistleblower for reasons directly or indirectly connected with the reporting, as well as the obligation for companies to provide for disciplinary action to be taken against anyone violating the measures for the protection of the whistleblower, as well as against anyone submitting a report, with intent or gross negligence, that proves to be unfounded;

In the above-described context, in addition to the SB's dedicated e-mail address, the Company has already implemented an alternative system for transmitting the reports; in particular, the whistleblower may send an e-mail report to the following address: stefanobussolati.odvsicim@gmail.com; verification of access to this

²³ With regard to potential reporting or notifications made in the public or private sector, it should be noted that art. 3 of Law 179/2017 has introduced as a just cause for revealing business, professional (art. 622 of the Penal Code), scientific and industrial secrets, or for violating the obligation of loyalty to their employer, the pursuit - by the public or private employee who reports wrongdoing - of the interest in the integrity of the administrations (both public and private) and the prevention and repression of embezzlement. Just cause, therefore, acts as a justification, in cases in which there is an overriding interest (in this case interest in the integrity of the administration) which imposes or permits such disclosure.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

tool, also with a view to better protecting whistleblowers, is the responsibility of Stefano Bussolati, a member of the SB.

6. RECRUITMENT, TRAINING AND INFORMATION

6.1 EMPLOYEES

For the purposes of implementation of this Model, it is the objective of Sicim S.p.A. to guarantee that both present and future staff (Employees, Collaborators and proxies) possess correct knowledge concerning the rules of conduct laid down herein, at different levels of detail according to their level of involvement in the Sensitive Activities.


In this light, at the time of employment of candidates for positions at risk, checks shall be made concerning any criminal records, working relations with the public administrations, ties of blood and/or marriage to public administration employees.

In the event of one of the aforementioned conditions, the candidate in question may be employed only on condition that the administrative management (i.e. the referred function) makes the necessary evaluations and authorises the post.

The provision of information to staff concerning this Model may be done through one of the following initiatives:

- Hand delivery and/or by e-mail of a copy of this Organisational Model (including all annexes) with a request to sign a statement confirming receipt of the document;
- Display of the Model and the disciplinary code in the notice boards around the company that are accessible to all;
- Publication of the Model and the Code of Ethics on the company website;
- *e-mail* providing information, also for sending periodic updates of the Model.

The Company shall carry out all training activities towards its Employees using appropriate computer tools (presentations, e-learning, etc.) describing the contents of the Decree, its implications on company life, and an update of the main characteristics of the adopted Model. In this regard, the sending of the e-mail updates is an integral part of the staff training.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

6.2 EXTERNAL COLLABORATORS

When appointing external collaborators (such as for example agents, consultants, etc.) if the person must hold relations with the Public Administration, checks must be made to verify if the collaborator has a criminal record, working relations with the public administrations, ties of blood and/or marriage with Public Administration employees.

If the person is employed by the Public Administration, the Managing Director shall decide on the opportunity to grant the appointment, having carried out all required evaluations.

External collaborators shall be informed of the contents of the Model and the Company requirement that their behaviour comply with the provisions of the Decree.

For this purpose, contracts with third parties (subcontractors, collaborators, consultants, partners, suppliers, etc.) working with the Public Administration or involved in activities at risk, shall:

- Be drawn up in writing, establishing all terms and conditions;
- Contain standards that ensure the compliance with the Decree;
- Contain a specific statement by them in which they confirm that they are aware of the regulations laid down in the Decree and undertake to behave in compliance with such regulations;
- Contain a specific clause governing the consequences of breach of the regulations laid down in the Decree (e.g. express termination clause, penalties).

7. REQUESTS FOR INFORMATION AND REPORTING OF BREACHES OF THE MODEL


Anyone has the right to access formal communication links with the Supervisory Body which, with independent operations, is not and must not be reached through the standard hierarchical channels.

It is necessary to distinguish information from reports.

Requests for "information" concern operational issues of understanding and use of the Model and may be sent by the applicants to the Supervisory Body in a non-anonymous form, by e-mail.

These requests must be sent to the following parties:

- to the Supervisory Body to the e-mail: odv@sicim.eu

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Alternatively, in the same manner, it is possible to request an appointment with the Supervisory Body in order to be able to communicate directly.

"Reports" on the other hand refer to reports of effective or suspected Crimes or behaviour that is not in line with the provisions of this Model, in other words breaches or suspected breaches of its general principles.

In this case it is also possible to request a meeting in order to report to the Supervisory Body, in a non-anonymous form, also by e-mail.

8. DISCIPLINARY SANCTIONS

8.1 GENERAL PRINCIPLES


The establishment of an effective system of sanctions, pursuant to art. 6, second paragraph, letter e) of the Decree, is an essential requirement of the Model for the purposes of exempting the responsibility of the Company.

The establishment of such a system of sanctions renders the action of the Supervisory Body efficient and guarantees the effectiveness of the Model itself.

Therefore, Sicim S.p.A. has established an appropriate system of sanctions applied to breaches of the Model in order to guarantee its compliance, in conformity with the Disciplinary Code laid down in the CCNL national bargaining contract in force and in compliance with the procedures laid down therein. This disciplinary system is addressed to employees, management, directors, external collaborators, suppliers and partners.

The application of disciplinary sanctions is also independent from the outcome of any criminal or civil proceedings undertaken by the judicial authorities in the event that the behaviour in question also constitutes a crime pursuant to the Decree.

For the purposes of complying with the Decree, breaches of the Model include but are not limited to any action or behaviour that does not comply with the provisions of the Model and/or the principles of the Code of Ethics, or the omission of any action or behaviour required in the Model, in the execution of activities which are at risk of crimes listed in the Decree being committed.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

8.2. MEASURES TAKEN FOR MIDDLE MANAGEMENT AND OFFICE WORKERS

The breach by employees of the provisions laid down in this Model shall lead to the application of disciplinary sanctions which are proportionate and appropriate to the position held and to the nature and severity of the breach, without prejudice to any personal civil or criminal liability.

The sanctions which may be applied as a result of the breach of this Model include those laid down in the relative CCNL contract and are applied in compliance with the procedures laid down in art. 7 of Italian Law no. 300 of 20 May 1970 (the so-called Workers' Statute) and successive amendments and integrations and by the CCNL bargaining contract.

In particular, it is laid down that:


- a) Workers who negligently commit a non-serious breach of the provisions of this Model shall receive a preliminary recorded warning (“*verbal warning*”) and thereafter a written warning;
- b) Workers who negligently commit one or more breaches of this Model may be subjected to a fine, or in more serious or repeated cases of breach, suspension from work in any case for no more than the maximum time laid down in the applicable CCNL, as established on a case-by-case basis;
- c) Workers who intentionally or through gross negligence adopt behaviour in serious breach of this Model, and such behaviour may abstractly constitute a Crime or in any case concretely increase the risk of committing a Crime, shall be dismissed. Dismissal may be inflicted upon employees who, alone or with other parties also external to the Company, are involved in circumstances that include, but are not limited to, the following:

The warnings listed in point a) and issued to employees include, but are not limited, to the following cases:

- Failure to use the required PPE.
- Failure to comply with workers’ health and safety regulations.
- Failure to comply with environmental regulations.

The fines or suspension applied to employees include, but are not limited, to the following cases:

- Donations of a moderate amount made without the prior authorisations required, or in breach of the provisions, if any, of this Model;
- Conclusion of consulting contracts that are not in written form and/or without the prior authorisations;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							


- Hindrance of controls, impediment of access to information or documentation by the Supervisory Body;
- Omission to report or provision of incomplete information to the Management concerning accidents or injuries;
- Omission to report or provision of incomplete information to the Management concerning environmental accidents;
- Unjustified absence from training events they have registered for;
- Unjustified absence from periodical check-ups with the occupational health doctor;
- Unlawful waste disposal;
- Discriminatory behaviour;

Repeated breach or imminent danger linked to:

- Failure to use the required PPE.
- Failure to comply with workers' health and safety regulations.
- Failure to comply with environmental regulations.

Dismissal may be inflicted upon employees who, alone or with other parties also external to the Company, are involved in circumstances that include, but are not limited to, the following:

- Generally, in the execution of Sensitive Activities, behaviour that does not comply with the provisions of the Model or the execution of acts that are contrary to the interests of the Company and therefore damage the Company;
- Making of donations not of a modest amount in favour of persons beyond any limits established in mandates granted to them and/or company processes and/or without complying with the instructions of this Model or the Code of Ethics;
- Making of payments in cash or in kind beyond such cases that are strictly established in mandates granted to them and/or company processes and/or without complying with the instructions of this Model and/or the Code of Ethics;
- Falsification of documents and/or false statements made for the purpose of proving one's own compliance and/or that of other employees with the law and/or this Model.
- Repeated behaviour or breaches listed in point b).

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

8.3. MEASURES TAKEN TOWARDS MANAGEMENT STAFF

In case of breach by managers of the provisions of this Model, measures will be taken that are proportionate and appropriate to the position held and the nature and severity of the breaches, in conformity with the National Collective Bargaining Contract for Management staff and the civil regulations in force.

8.4. MEASURES TAKEN TOWARDS DIRECTORS

In the case of breach of the laws in force or non-compliance with internal procedures laid down in the Model and/or the Code of Ethics by directors of the Company, the Supervisory Body notifies the Board of Directors, which shall take the necessary measures laid down in the applicable laws.

8.5. MEASURES TAKEN TOWARDS COLLABORATORS OR COMMERCIAL PARTNERS

In the case of breach of the Model by Collaborators or commercial partners and according to the severity of the breach, the Supervisory Body, together with the Board of Directors, shall assess whether to terminate the relationship and shall establish any sanctions laid down in any specific clauses of the contract. Such clauses may also provide for the faculty to terminate the contract and/or the payment of penalties.


9. PERIODICAL INSPECTIONS

Supervisory activities are carried out continuously by the SB to:

- Check the effectiveness of the Model (in other words, the coherence between the behaviour of the recipients and the provisions of the Model itself);
- Carry out a periodical evaluation of the appropriateness of the procedural principles laid down in this Model and/or the procedures adopted and/or the system of proxies which govern the activities at risk against the requirements of preventing the Crimes laid down in the Decree; and
- Proceeding with the required updates of the Model.

The control system aims to:

- Ensure that the operational methods satisfy the statutory requirements,
- Identify any areas requiring corrective actions and/or improvements and check the effectiveness of the corrective actions;
- Prepare the company for any inspections by third party bodies.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

To carry out the planned inspection activities, the SB may use the collaboration of staff from other functions, not involved in the activities being audited, who have specific skills, or may use external consultants.

The company areas to be audited and the frequency of the controls depend on a series of factors, which include:

- The risk pursuant to the Decree according to the mapping of the Sensitive Activities;
- The assessment of the existing operational controls;
- The results of previous audits.

Extraordinary controls may be planned in the event of substantial modifications to the organisation or process, or in the event of suspected or reported non-conformities or in any case any time the SB decides to carry out random *ad hoc* audits.

The results of the controls are always minuted and disseminated according to the methods and frequency of reporting laid down in chapter 5.3. above.

Sicim S.p.A. considers the results of these audits to be fundamental for the improvement of its Organisational Model. Therefore, also in order to guarantee the effective implementation of the Model, the results of the audits concerning the appropriateness and effective implementation of the Model are discussed during the Supervisory Body meetings and may lead to the implementation of the Disciplinary System described in Chapter 8 of this Model.



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04


DOCUMENT
TITLE

MODEL 231

GOVERNANCE

SPECIAL PART A

CRIMES COMMITTED IN RELATIONS
WITH THE PUBLIC ADMINISTRATION

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1 CRIMES COMMITTED AGAINST THE PUBLIC ADMINISTRATION

1.1 TYPES OF CRIMES²⁴


Crimes against the Public Administration, which if committed may imply the administrative responsibility of the Company, include the following (cf. articles 24, 25 and **25-decies of the Decree**):

- Art. 317 c.p. Extortion;
- Art. 318 c.p. Corruption relating to official actions; Corruption for the exercise of a function²⁵;
- Art. 319 c.p. Corruption relating to actions contrary to official duties (aggravated pursuant to art. 319-bis c.p.);
- Art. 319-ter, para. 1, c.p. Judicial corruption;
- Art. 319-quater c.p. Undue inducement to give or promise benefits (so-called extortion by induction)
- Art. 320 c.p. Corruption of a person in charge of a public service;
- Art. 321 c.p. Sanctions for the corrupter;
- Art. 322 c.p. Instigation to corruption;
- Art. 322-bis c.p. Misappropriation, extortion, corruption and instigation to corruption of members of European Community bodies or officials of the European Community and foreign countries;
- Art. 346-bis c.p. Trading in influence;
- Art. 314, para. 1, c.p. Embezzlement;
- Art. 316 c.p. Embezzlement by taking advantage of another's error;
- Art. 323 c.p. Abuse of office;
- Art. 640, para. 2, no. 1 c.p. Defrauding the State or other public body or the European Communities;
- Art. 640-bis c.p. Aggravated fraud to obtain public funds²⁶;
- Art. 640-ter c.p. Computer fraud;
- Art. 316-bis c.p. Embezzlement of state or other public funds;

²⁴ As amended by Italian Law no. 69/2015.

²⁵ The aforementioned Law no. 69/2015 has reintroduced, as an active party to the crime, a person in charge of a public service.

²⁶ As amended by art. 30, para. 1, Law no. 161/2017.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Art. 316-ter c.p. Improper receipt of contributions, funding or other financing from the state or another public body or the European Communities;
- Art. 377-bis c.p. Induction to not make declarations or to make false statements to the judicial authorities;
- Art. 356 c.p. Fraud in public procurement;
- Art. 2 L. 898/1986 Fraud to the detriment of the European Agricultural Fund.


1.2 RISK AREAS

Concerning the above-listed crimes, the areas of activity at risk which appear to be most critical with particular reference to the activities carried out by the Company are the following:

- Management of institutional relations with persons from the Public Administration;
- Participation in public tenders;
- Management of relations with public officials for regulatory matters and for inspections and audits concerning compliance with such regulations (in which the risk is related to administrative management, staff management, management of relations with public officials - including the Health Service, Fire Brigade, etc.;
- Management of relations with public bodies/officials for the issue of administrative authorisations (in which the risk is related to the presentation of applications for building permits, municipal authorisations, waivers, approval of building designs, commencement notices);
- Management of relations with the authorities;
- Notification of company data and information;
- Purchases from suppliers close to and/or indicated by the Public Administration.

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS


Generally speaking, Recipients are forbidden from behaving or collaborating in or inciting conduct that, individually or collectively constitutes or potentially constitutes the crimes listed in articles 24, 25 and 25-decies of the Decree. It is also forbidden to act in any way that could produce situations of conflict of interest with representatives of the Public Administration.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.3.1 GENERAL PRINCIPLES OF BEHAVIOUR

In particular, in coherence with the ethical principles inspiring the Company and in consideration of the relations the Company holds with the Public Administration in carrying out its activities, it is strictly forbidden to:

- Promise or pay money to representatives of the Public Administration for purposes that are not institutional or required by law;
- Promise or grant favours of any kind (e.g. promise of employment) to representatives of the Italian or foreign Public Administration, in order to influence the independence of judgement or induce the assurance of any advantages for the Company;
- Provide services or payments to collaborators, suppliers, consultants, partners or other third parties working on behalf of the Company, which are not suitably justified in the context of the contractual relationship established with such parties, the type of appointment carried out and local practice;
- Promote, in the purchasing processes, collaborators, suppliers, consultants or other third parties as indicated by representatives of the Public Administration, as a condition for the execution of subsequent activities;
- Distribute gifts beyond normal company practice (i.e. all forms of gifts that exceed standard commercial practices or courtesy, or that in any case aim to acquire favourable treatment in the implementation of any company activities). In particular, it is strictly forbidden to give any kind of gifts to public officials or their relatives, which may influence their independence of judgement or induce the assurance of any advantages for the Company. Any gifts permitted must always be characterised by their moderate value or must aim to promote initiatives of a charity or cultural nature, or which aim to promote the Company image. Any gifts - with the exception of those of modest value - must be documented appropriately to allow the necessary controls by the Supervisory Body;
- Provide or promise confidential information and/or documents;
- Behave fraudulently in a manner that may lead the Public Administration in error in their technical and economic assessment of the presented documentation;
- Present documents and data that are false or have been tampered with;
- Omit required information in order to turn decisions of the Public Administration in the favour of the Company.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The Recipients of these ethical principles and those laid down in the Company's Code of Ethics are bound by the following provisions:

- In the event of attempted extortion, the interested party must: (i) Not comply with the request; (ii) Promptly notify the Board of Directors and send formal notice to the Supervisory Body.
- In the event of even potential conflict of interest within the relations held with the Public Administration, the interested party must promptly notify the Board of Directors and send formal notice to the Supervisory Body.
- In the event of doubts over the correct implementation of the ethical principles laid down in the Model and those expressed in the Company's Code of Ethics during the course of their operational activities, interested parties must promptly inform the Board of Directors and send formal notice to the Supervisory Board.


Moreover, towards third party contractors (e.g.: collaborators, consultants, partners, suppliers, etc.) working with the Public Administration on behalf of and in the interests of the Company, the relative contracts must:

- Be drawn up in writing, establishing all terms and conditions;
- Contains standard clauses, agreed also by external legal consultants, in order to comply with the provisions of the Decree;
- Contain a specific statement by them in which the aforementioned parties confirm that they are aware of the regulations laid down in the Decree and undertake to behave in compliance with such regulations;
- Contain a specific clause governing the consequences of breach of the regulations laid down in the Decree (e.g. express termination clause, penalties).


1.3.2 SPECIFIC PRINCIPLES OF BEHAVIOUR

The rules and prohibitions described in the previous paragraph concretely translate into behavioural principles that must be complied with in the operations of the Company.

All Recipients of the Model are bound, in managing their relations with the Public Administration (and therefore also when the Company participates in tenders in which the Public Administration also plays a role), to comply with the following behavioural procedures:

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Relations with the Public Administration must be modelled on the utmost transparency, collaboration, availability and in full compliance with the institutional role and statutory requirements also referred to in the Code of Ethics of the Company.
- Relations with the Public Administration must be managed exclusively by duly authorised parties according to the assigned powers of attorney.
- In the event of situations arising that cannot be resolved within the ordinary management of the relations with the Public Administration, the Recipient must immediately notify his/her direct superior (if he/she has one) or the Board of Directors of the situation.
- The Recipient may not act on any situation of potential conflict of interests or attempts of extortion or misconduct by a public official of the Public Administration; in such case, the Recipient must immediately notify his/her direct superior (if he/she has one) or the Board of Directors of the situation.
- Relations with representatives of the Public Administration must - as far as possible and according to the importance for the Company of the contents of such meeting - be held in the presence of two persons from the Company.
- In the event of audits by public officers or persons appointed by a public service, the management of such contacts is governed by procedure no. 0904-SI-009 - Controls and Inspections in the workplace, paragraph 4; in any case, it is recommended that, subsequent to the conclusion of the auditing activities by the public officers, the persons taking part and/or presiding over the meetings draw up a document, where not already reported in the minutes drawn up by the authorities, indicating: the names of the persons involved in the inspections, the purpose of the inspection and any resulting decisions.
- The information the Recipient enters into possession of during the execution of his/her activities, whatever role is covered, shall always be deemed to be "reserved and confidential". This information must therefore not be disclosed to third parties (including parties linked directly or indirectly to the Public Administration) for the purposes of obtaining any potential form of benefit.
- The employment of staff or collaborators must be based on the evaluation of professional skills and the overall remuneration shall be in line with that paid to others with similar functions and responsibilities, without privileging anyone who, directly or indirectly, could carry out activities or

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

play roles linked to the Public Administration. In any case all company procedures in force must be complied with at all times²⁷.

- In the processes to validate expenditure for the granting of contracts, the choice must be based on quotations received from several suppliers, comparable in terms of products/services offered, and the evaluation of the best price-quality ratio. The rules for choosing suppliers must comply with the company procedures as well as the provisions of the Code of Ethics, in order to avoid the risk of suppliers being chosen on the basis of conditioning or in the hope of obtaining advantages through the selection of suppliers who are "close" to parties linked to the Public Administration, with the risk of committing offences linked to extortion or corruption²⁸.
- The decision to sign a contract with the Public Administration must be taken by the Board of Directors of the Company or other duly authorised parties and the relative contract must be signed by the Chairman of the Company or the duly authorised party. All relative documentation must then be kept in the Company records.
- As representatives of the Company, the Recipients must not attempt to influence the judgement of any employees or representatives of the Public Administration, or any party connected thereto, promising or bestowing money, gifts or loans, or by way of any other illegal incentives.

All Recipients are therefore bound to comply with:


- The above-described principles of conduct;
- The procedures adopted by the Company; and
- The Code of Ethics,

Moreover, in the execution of their activities, all Recipients are also bound to comply with the instructions given in the following Protocols.

*

²⁷ In particular, the staff recruitment process must be carried out in compliance with the provisions of the specific section of the document adopted by the Company entitled “*Responsibilities of the organisation-Job Description*”.

²⁸ See comment in previous note.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							


In addition to the above, all Recipients of this Model, and all other parties bound to comply with its (general and/or specific) principles laid down herein, must comply with the following rules of conduct in their management and fulfilment of the requirements of the Public Administration:

- Fulfilment of requirements laid down by the Public Administration and production of the relative documentation must be done in compliance with the statutory provisions and the behavioural standards laid down in the Code of Ethics and this Special Part.
- The requirements laid down by the Public Administration must be fulfilled with the utmost diligence and professionalism in order to provide clear, accurate, complete and truthful information, avoiding and in any case reporting situations of conflict of interest in the most suitable manner. Documents must be produced promptly and in a clear, exhaustive language.
- All documentation must be checked and undersigned by the competent person in charge; the latter is also directly responsible for filing and conserving all documentation (in paper and/or electronic form) produced as part of his/her activities, including that transmitted to the Public Administration electronically.

This documentation includes, but is not limited to:

- Licenses, authorisations and the like connected to the activities of the Company;
- Agreements with contractual parties that are public bodies/representatives of public services;
- Deeds, minutes, balance sheets, forms, statements concerning the management of legal, tax and corporate business or management of administrative and social security matters concerning staff;
- Reports concerning inspections, audits or similar;
- Deeds concerning civil, criminal, administrative, tax disputes, etc.;
- Where requirements must be fulfilled using electronic/computer systems run by the Public Administration, the Company forbids the alteration of such systems or the data contained therein in any manner whatsoever, causing damage to the Public Administration; the party implementing such activities is bound to produce a report which describes the data sent and the reason for sending. The aforementioned report must then be filed in hard copy and/or electronic format to allow the control of the data transmission activities to the Public Administration.

Anyone belonging to the Company (directors, Employees, Collaborators, etc.) holding relations with the Public Administration is bound not only to comply with all the principles and regulations laid down in this

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Model and/or other official documents of the Company (including the Code of Ethics), but shall also undersign a description of sensitive operations carried out at the invitation of the Sicim administrative body.

*

In consideration of the current company structure, it should be noted that article 4 of the Decree states that:

“1. In the cases and at the conditions laid down in Articles 7, 8, 9 and 10 of the penal code, those bodies whose main headquarters lie in the territory of the State shall respond also for crimes committed abroad, if the case is not brought before the courts in the state in which the crime was committed.

2. In the case in which the law requires that the guilty party be punished at the request of the Ministry of Justice, action is taken against the body only if the request is made also towards the latter”.


It should be noted in this regard that the crime must be committed abroad by a party who is functionally linked to the body, pursuant to art. 5, paragraph 1, of the Decree; it must therefore be a Senior Manager or a subordinate employee of the top management of a body with its main headquarters in Italy.

Therefore, the crimes to which this Special Part refers could apply in reference to activities carried out by Senior Management (or their subordinates) of the Company working in any branch opened by the Company in many foreign countries (in Europe and beyond)

It is therefore recommended that these parties comply as far as possible with the provisions laid down in the Model and the company procedures also during activities carried out outside of the Italian territory on behalf of the Company.


1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY

In addition to the provisions of this Special Part, anyone coming into contact with the Public Administration for inspections, audits or checks is bound to promptly notify the SB of any anomalies or extraordinary matters arising in the relations with the Public Administration governed by this Special Part.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

SPECIAL PART B

CORPORATE CRIMES

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1 CORPORATE CRIMES

1.1 TYPES OF CRIMES²⁹

The corporate crimes laid down by the Decree in art. 25-ter are the following:

- Art. 2621 c.c. False company communications;
- Art. 2621-bis c.c. Minor offences;
- Art. 2622 c.c. False company communications of listed companies;
- Art. 2625 c.c. Obstruction of controls³⁰;
- Art. 2626 c.c. Wrongful repayment of contributions;
- Art. 2627 c.c. Illegal distribution of profits and reserves;
- Art. 2628 c.c. Illegal operations in shares or capital shares or of the holding companies;
- Art. 2629 c.c. Operations prejudicial to creditors;
- Art. 2629-bis c.c. Failure to report a conflict of interests;
- Art. 2632 c.c. Fictitious creation of capital;
- Art. 2633 c.c. Improper distribution of company assets by liquidators;
- Art. 2635 c.c. Corruption among private parties;
- Art. 2636 c.c. Illegal influence over shareholders' meetings;
- Art. 2635-bis c.c. Instigation to corruption among private parties;
- Art. 2637 c.c. Illegal speculation;
- Art. 2638 c.c. Obstruction of the duties of public supervisory authorities.


*

1.1. bis – Corruption among private parties

Without prejudice to the above list of corporate crimes indicated by art. 25-ter of the Decree, the Company deems it appropriate to treat under a separate heading - also from the perspective of principles of conduct - the crime of corruption among private parties (and of the crime of corruption in general). This crime was added to the category of predicate crimes contained in the Decree following the promulgation of Law no. 190

²⁹ As amended by Italian Laws no. 69/2015 and no. 3/2019.

³⁰ Article 37, paragraph 35, of Italian Legislative Decree no. 39 of 27 January 2010, amended article 2625, first paragraph, of the Civil Code, excluding the revision from the group of activities of which the law sanctions impediment by the directors.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

of 6 November 2012, the so-called "Anti-Corruption Law", the object of which was "Provisions for the prevention and repression of corruption and illegality in the public administration" (published in Official Gazette no. 265 of 13 November 2012) and amended by Legislative Decree no. 38/2017 which, in force as of 14 April 2017, implemented the delegating provided for in Article 19, Law no. 170 of 12 August 2016, (European Delegation Law of 2015), transposing into Italian law Framework Decision 2003/568/JHA of the Council of the European Union on combating corruption in the private sector that harms the economy and distorts competition.

With respect to the first transposition attempt implemented with Law no. 190 of 6.11.2012, the penalties for the liability of bodies have been tightened and instigation to corruption among private parties has been made a criminal offence.

What is substantially new in the reform is undoubtedly the elimination of the causal relationship between dereliction of duty and loyalty and 'harm to the company'.

Thus, the objective element of the damage suffered by the company is no longer required in order for the crime to be committed, but is radically removed from this category of crime.


With regard to possible perpetrators of the crime, not only those who hold middle-management administrative and supervisory positions are now included, but also those who perform management activities in private companies or bodies.

Also of importance is the extension of the crime category to private non-corporate bodies, including not only non-profit organisations but also foundations (e.g. banks), political parties and trade unions.

In addition, in the context of both active and passive bribery, the mode of conduct 'through a third party' is now expressly typified, with additional liability for the intermediary, the insider or the outsider.

The aforementioned Legislative Decree 38/2107 therefore amended the wording of art. 2635 of the Italian Civil Code (the text of which follows) and is referred to in the Decree itself under art.25-ter, para. 1, letter s-bis.

Lastly, Law no. 3 of 9 January 2019 amended the regime for prosecuting the crime by eliminating the requirement for a complaint by a party and making both the crime of corruption and that of instigation to corruption among private parties indictable offences.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Art. 2635 of the Italian Civil Code - Corruption among private parties

“Unless the act constitutes a more serious offence, directors, general managers, executives in charge of drafting the company’s accounting documents, auditors and liquidators, of private companies or bodies who, also through a third party, solicit or receive, for themselves or for others, undue money or other benefits, or accept the promise of the same to perform or omit an act in breach of the obligations inherent to their position or to their obligations of loyalty, are punished by imprisonment from one to three years. The same penalty shall apply if the offence is committed by a person who, within the organisational framework of the company or private body, works in a management capacity different from that of the persons referred to in the sentence above.

The penalty of imprisonment for up to one year and six months applies if the act is committed by a person subject to the management or supervision of one of the persons indicated in the first paragraph.

Any person who, also through third parties, gives or promises undue money or other benefits to the persons indicated in the first and second paragraph are punished according to the applicable penalties.

The penalties laid down in the preceding paragraphs are doubled in the case of companies with stocks listed in regulated markets in Italy or another state of the European Union, or shares held substantially by the general public pursuant to article 116 of the consolidated law of provisions concerning financial intermediation, as laid down in Legislative Decree no. 58 of 24 February 1998 and amendments.

Without prejudice to article 2641, the measure of confiscation for equivalent value shall not be less than the value of the benefits given, promised or offered.”.


*

Art. 2635-bis c.c. Instigation to corruption among private parties (as introduced by D. Lgs. no. 38 of 15 March 2017)

With the introduction of art. 2635 bis, the crime of instigation to corruption among private parties - the text of which is reproduced below - entered our legal system.

“Whoever offers or promises undue money or other benefits to directors, general managers, executives in charge of drafting the company's accounting documents, auditors and liquidators of private companies or bodies, as well as to persons working in them in a management capacity, to perform or omit an act in breach of the obligations inherent to their position or to their obligations of loyalty, shall be subject, if the offer or promise is not accepted, to the penalty laid down in the first paragraph of article 2635, reduced by one third.

The penalty referred to in the first paragraph shall apply to directors, general managers, executives in charge of drafting company’s accounting documents, auditors and liquidators of private companies or bodies, as well as to persons working in them in a management capacity, who solicit for themselves or for others, including through a third party, a promise or gift of money or other

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

benefits, in order to perform or omit an act in breach of the obligations inherent to their position or to their obligations of loyalty, if the solicitation is not accepted.”

On the active side, anyone who offers or promises undue money or other benefits to an internal party in order to make them perform or omit acts in breach of the obligations inherent to their position or to their obligations of loyalty shall be punished, if the offer or promise is not accepted (art. 2635-bis, para. 1).

On the passive side, an internal party who solicits a promise or gift of money or other benefits in order to perform or omit acts in breach of the same obligations is punishable, if such proposal is not accepted (art. 2635-bis, para. 2).

The legislation, in both cases (active and passive instigation), establishes the penalty of imprisonment from 8 months to two years, or a fine, as detailed in art. 2635, reduced by a third.


*

With regard to the crime in question, an inspection of the safeguards that the Company has put in place has estimated the risk of commission of the crime in question as “low”.

The Company, however, deems it advisable to identify and indicate hereafter the principles of conduct relating to the prevention of the crimes in question, as opposed to the other so-called “corporate crimes” listed above, for which the provisions listed in paragraphs 1.2 - 1.3 below apply.

To this end, the Company recommends that all Recipients comply with the following rules:

- avoid any conduct that could give rise to a charge of the crime of corruption among private parties;
- adhere scrupulously to internal practices and procedures with regard to negotiations with clients and/or suppliers (particularly concerning the obligation to respect the provisions of procedure 0502-SI-002, entitled “Assessment of Suppliers and Procurement”);
- Suppliers shall be selected in compliance with the aforementioned procedure 0502-SI-002;
- comply with the provisions of the contracts stipulated with clients and suppliers;
- not to diverge - particularly as regards the sale of products supplied by the Company - from the list prices established by the Company, or from the margins of discount that can be granted to clients on the basis of the guidelines supplied by the Company, and follow the provisions of the procedure entitled “In-house Sales Activities”, no. 0804-SI-010;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- any exceptions with regard to the above, which have to be justified in writing, must be formally authorised by the person responsible for the function involved; the documentation relating to such exceptions shall, in any case, be kept.

1.2 RISK AREAS

The Crimes listed in the previous paragraph protect, among others, (i) the truthfulness, transparency and correctness of company information; (ii) the effectiveness and integrity of the company capital and assets and (iii) the regular and correct operation of the Company.

Therefore, the following are considered to be risk areas:

- The drafting of the financial statements and corporate communications;
- The drafting, compilation and collection of documentation and data required for the drafting of the financial statements and corporate communications;
- The communication of company data;
- Extraordinary capital operations (e.g. reduction of capital, mergers, etc.).


The parties at risk are the Directors and the Managers of the various Functions of the Company.

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS

1.3.1 GENERAL PRINCIPLES OF BEHAVIOUR

Recipients who, by way of their appointment or function are involved in the management of general accounts or the drafting of the financial statements must:


- Comply with the rules and principles laid down in the following documents:
 - The Code of Ethics;
 - Any other documentation concerning the internal control system;
- In the execution of their activities for the drafting of the financial statements, periodical accounts and other corporate communications, maintain a correct, transparent conduct that fully complies with the statutory requirements, in order to provide the shareholders and the general public with truthful and complete information concerning the economic, financial and asset situation of the Company and the evolution of its activities;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Ensure the regular operation of the Company and the company bodies, guaranteeing and facilitating all forms of internal control on the statutory company management and the free and correct will of the general meeting, and shall maintain the traceability of all required documentation delivered to the control bodies as well as that used for the company meetings;
- Promptly, correctly and completely make all statutory communications to the public Supervisory Authorities, without hindering in any way the functions exercised by such bodies;
- Avoid compromising the integrity, reputation and image of Sicim in any way.

It is also explicitly forbidden to:

- Produce or communicate false, incomplete data or that in any case does not offer a correct description of the actual economic, financial and asset position of Sicim;
- Behave in a manner that materially prevents, or in any case hinders the execution of management control and auditing activities by the Board of Auditors, through the concealment of documents or the use of other fraudulent means;
- Omit data and information required by law concerning the economic, financial and asset position of the Company;
- Present to meetings simulated or fraudulent deeds with the purpose of altering the opinion-forming process of the meeting;
- Repay contributions to shareholders or waive their obligation to make contributions, beyond the cases of capital reduction permitted by law;
- Divide profits or advances on profits that have not effectively been attained or are destined by law to reserves, or distribute reserves that cannot be distributed;
- Reduce the share capital, implement mergers or divisions, in breach of the statutory provisions protecting creditors, causing damage to them;
- Proceed to the fictitious creation or increase in share capital, allocating shares at a value lower than their face value during the increase in share capital;
- Divert company assets, during the liquidation of the Company, from their destination to creditors, distributing them among the shareholders before paying creditors or setting aside the amounts needed to satisfy them;
- Take any action that is **not compliant** with the formal procedures and rules, thus causing a substantial deviation from the provisions of the Organisational Model of what is actually carried out in practice;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Behave in a manner that impedes inspections and controls by the Supervisory Body.

1.3.2 SPECIFIC PRINCIPLES OF BEHAVIOUR


In drafting company communications, Recipients are bound to carry out the following controls, each concerning his/her own area of competence:

- Periodically check the balances of the general accounts in order to ensure that they balance with the respective ledgers and the separate accounts, also with reference to the branches that the Company opens in foreign countries (in Europe and beyond);
- Identify the resources affected by the data and information that must be provided, as well as the relative timing, for the drafting of the financial statements;
- Check that the data and information provided by the aforementioned resources is complete and correct, and initial the analysed documentation;
- Carry out and formalise the analysis of any deviations compared to the data of the previous period, reporting any justifications underlying major deviations.

The “Financial & Accounting” Manager checks and validates the draft annual financial statements and the infra-annual reports and submits them to the Managing Director, who in turn presents them to the Chairman and the Board of Directors for approval.

When it is required or appropriate, according to the specific professional skills demanded by the nature of the activities or appointment, to use the services of consultants or external professionals who, in the interests of the Company, carry out activities involving the production of company communications, the Recipients are bound to comply with the following provisions:

- “Financial & Accounting” identifies the consultant or external professional, according to their professional skills and competences and, if required, requests a quotation for their services;
- “Financial & Accounting” drafts the contract, which includes specific information on the Organisational Model, as well as on the consequences deriving from conduct that is in contrast to the provisions laid down therein;
- The “Financial & Accounting” Manager presents the contract to the Managing Director, who signs

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

it for acceptance;

- “Financial & Accounting” checks the services delivered by the professional, authorises payment in line with the contractual agreements, takes all steps required in the event of problems during the contract, promptly notifying the Managing Director;
- “Financial & Accounting” keeps all the documentation produced concerning the execution of the contract.

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY

The parties involved in the process are bound to promptly notify the Supervisory Body of any exceptional behaviour or unusual event, indicating the reasons for any deviations and acknowledging the authorisation procedure followed.

Moreover, the parties involved for various reasons are bound to provide the Supervisory Body, at least every six months, with any further information that may be specifically requested, including:

- Reports by the Board of Auditors following the audits carried out periodically;
- Important modifications to the company organisation and any cases of exclusion of the right to vote for certain categories of shareholders.

Each for their own area of competence, the Recipients guarantee the traceability of the process, filing all documentation in an orderly archive and making it available to the Supervisory Body as necessary.




(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			

GOVERNANCE

SPECIAL PART C

CRIMES RELATED TO SAFETY AT WORK

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1 CRIMES RELATED TO SAFETY AT WORK

1.1 TYPES OF CRIMES

This Special Part covers the principles of conduct and control regarding crimes related to health and safety at work, as identified in article 25-*septies*³¹ of the Legislative Decree.

The following crimes are considered by the Legislative Decree:

- Manslaughter (art. 589, c.p.);
- Serious or very serious culpable personal injury (art. 590, para. 3, c.p.).

Injuries are considered serious in the event in which: a) the event leads to an illness which puts the life of the worker in danger; or an illness or incapacity to attend to ordinary tasks for more than forty days; b) the event leads to the permanent deficiency of a sense or organ (art. 583, para. 1, c.p.).


Injuries are considered very serious if they lead to: a) a certain or probable permanent illness; b) the loss of a sense; c) the loss of a limb or a mutilation which makes the limb unusable, or the loss of the use of an organ or the ability to procreate, or a permanent and serious speech difficulty 4) deformation or permanent facial disfigurement (art. 583, para. 2, c.p.).

These crimes are confirmed only where committed through the breach of the accident prevention regulations or those concerning health and safety at work.

The sanction system applicable to the Company for crimes concerning health and safety at work involve both fines and bans.

It should be noted that, in contrast to the general predicate crimes laid down in the Decree, which are of a malicious nature, the crimes considered in this Special Part are culpable (i.e. the consequence of negligence, imprudence or incompetence).

³¹ In this context, it should be noted that articles 589 and 590 of the Penal Code were recently amended by Law no. 3/2018 which introduced - for both criminal cases - more severe penalties if the crime is committed “*during the unauthorised practice of a profession which requires a special licence from the state or from a medical practice*”.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The provisions contained in this Special Part of the Organisational Model aim to ensure that the Recipients adopt behaviour that complies with the procedures laid down in the prevention and protection system pursuant to D. Lgs 81/2008, as well as the requirements and supervisory obligations imposed by the Organisational Model.

The problem has also been posed of reconciling the fundamental criterion of attributing responsibility for bodies as defined in article 5 of the Decree (“*the body is responsible for crimes committed in its interest or advantage*”) with the subjective element that marks the aforementioned offences (where typically the event is not intentional even though foreseeable).

An injurious event suffered by a worker can rarely be translated into an interest or advantage for the company, unless the breach of accident prevention regulations is read in terms of the lower costs borne through the breach.


The last version of the Confindustria Guidelines – deemed by the Ministry of Justice to be “*on the whole suitable and appropriate for achieving the objective set out in art. 6, paragraph 3, of D. Lgs. no. 231/2001*” – fully ratifies the system of measures imposed by the accident prevention laws (Italian law no. 123/2007 and D. Lgs. no. 81/2008).

The principal regulations (Law no. 123/2007 and D. Lgs. no. 81/2008), the internal documentation drawn up by Sicim concerning the scheduled controls carried out, as well as the single procedures adopted to manage the identified risk areas, constitute the natural assumption for describing the “Principles of Conduct” the Recipients must comply with and for the drafting of the protocol entitled “Checking the compliance with Health and Safety at Work requirements”.

Before listing the principles of conduct concerning health and safety at work and the procedures underlying the protocol established for the prevention of offences to which this Special Part refers, it is appropriate to refer to the principal figures referred to in the sector regulations (D. Lgs. no. 81/2008 and successive amendments).

1.2 ROLES AND RESPONSIBILITIES

As far as the organisational structure for prevention purposes in the field of health and safety at work is concerned, the Risk Assessment Document described in articles 17 and 28 of D. Lgs. 81/2008 adopted by

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

the Company identifies the parties that the current regulations indicate as recipients of specific responsibilities and competences in the field of safety. In particular, in Sicim, these are:

Employer

At the top of the company organisation chart is the Employer, who, pursuant to art. 2 of D. Lgs. 81/2008, is the main guarantor for safety inside the company; more specifically this is the “party in charge of the work relationship with the worker, or in any case the party that, according to the type and organisation of the company, is responsible for the company or for the production unit, being the party holding the decision-making and expenditure powers”.


The Employer has the following main obligations:

- exclusively, the following non-delegable obligations:


- appointment of the Prevention and Protection Service Manager (RSPP) (article 17 D. Lgs. 81/2008);
- production and updating of the “Risk Assessment Document” (art. 17 of D. Lgs. 81/2008).

The Employer also has other obligations imposed under art. 18 of D. Lgs. 81/2008 (extended also to Managers in line with the competences and powers conferred to them) as listed below:

- a. appointing the company doctor in charge of health surveillance in such cases provided in the Legislative Decree;
- b. appointing workers in charge of fire prevention and fire-fighting measures, evacuation of the place of work in the event of serious and imminent danger, rescue work, first aid and in any case emergency management;
- c. appointing tasks to workers, considering their ability and conditions regarding health and safety;
- d. supplying workers with the necessary and suitable personal protective equipment, having heard the prevention and protection service manager and the company doctor, where present;
- e. taking the appropriate measures to assure that only workers having received suitable information and specific training have access to areas which expose them to serious and specific risks;
- f. demanding the compliance by single workers of the laws in force and the company provisions concerning health and safety at work, and the use of collective and personal protective devices made available to them;
- g. requesting the company doctor to comply with the obligations imposed on him/her under this decree;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- h. adopting the required measures to control risk situations in the event of an emergency and to give instructions to ensure that in the case of serious, imminent and inevitable danger the workers leave their place of work and the danger zone;
- i. informing workers exposed to serious and imminent danger of the risk and the protection measures taken/to be taken, as soon as possible;
- j. complying with the information and training requirements laid down in articles 36 and 37 of D. Lgs. 81/2008;
- k. without prejudice to duly substantiated situations driven by the need to protect health and safety, abstaining from requesting workers to return to work in a situation in which a serious and imminent danger persists;
- l. allowing workers to check, through their safety representative, that the appropriate measures for the protection of health and safety of the workers have been taken;
- m. promptly delivering to the workers' safety representative, at his request and to allow him to exercise his function, a copy of the document referred to in article 17, paragraph 1, letter a) of D. Lgs. 81/2008, and allowing the representative to access the data referred to in letter r);
- n. producing the document referred to in article 26, paragraph 3 of D. Lgs. 81/2008, and, at the request of the latter and to allow him to exercise his function, promptly providing a copy to the workers' safety representative;
- o. taking appropriate measures to prevent the technical measures adopted from causing risks for the health of the population or damaging the external environment, periodically checking that the risks remain absent;
- p. sending INAIL or IPSEMA (Compensation institute for the maritime sector), depending on their respective competences, for statistical and informative purposes, the data relative to personal accidents/injuries in the workplace which cause an absence from work of at least one day (excluding the day of the accident itself) and, for insurance purposes, all information relative to personal accidents/injuries at work which lead to an absence from work of more than three days;
- q. consulting the workers' safety representative in the cases referred to in article 50 of D. Lgs. 81/2008;
- r. adopting the necessary measures for fire prevention and evacuation from the place of work, as well as for cases of serious and imminent danger, according to the provisions laid down in article 43 of D. Lgs. 81/2008;
- s. within the activities carried out under contracts or subcontracts, providing the workers with special identification badges with a photo indicating their personal details and the name of the Employer;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- t. in production units with more than 15 workers, convening periodical meetings as laid down in article 35 of D. Lgs. 81/2008;
- u. updating the prevention measures in line with changes in the organisation or production which affect health and safety at work, or in line with the evolution of prevention and protection techniques;
- v. informing INAIL of the names of the workers' safety representatives on an annual basis;
- w. supervising the workers who are subject to the health surveillance to ensure that they do not carry out specific tasks without being certified to do so.

The Employer provides information to the prevention and protection service and the company doctor concerning:

- 1) the nature of the risks;
- 2) the organisation of work, the planning and implementation of preventive and protective measures;
- 3) the description of the plants and production processes;
- 4) the data referred to in letter r) above and that concerning occupational diseases;
- 5) the measures adopted by the supervisory bodies.

Principal - Employer for works appointed by works tender according to art. 26 D. Lgs. no. 81/2008


The Employer is the party defined above, who contracts work to subcontractors or autonomous workers in its own company or a single production unit of the company, or within the whole production cycle of the company.

This party holds the following obligations under art. 26, paragraph VII, D. Lgs. no. 81/2008:

- a. checking, in the methods laid down in the aforementioned decree in article 6, paragraph 8, letter g) of D. Lgs. no. 81/2008, the professional and technical competence of the subcontractors or autonomous workers for the works contracted or assigned to them;
- b. providing the workers with detailed information on the specific risks existing in the place of work and the prevention and emergency measures adopted for their activities.

In the above hypothesis, the employer, including subcontractors:

- Cooperate in the implementation of prevention and protection measures against the risks in the work place affecting the working activities contracted;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Coordinate the prevention and protection activities concerning the risks to which the workers are exposed, providing mutual information in order to eliminate any risks due to interference between the works of different companies involved in the execution of the works as a whole.

The Principal-Employer promotes coordination and cooperation as described above, drawing up a single risk assessment document that lists the measures adopted to eliminate, or if this is not possible, reduce to a minimum, the risks of interference. This document is annexed to the works contract. The provisions laid down herein do not apply to specific risks inherent in the activities carried out by the subcontractors or individual autonomous workers.

Senior managers

This term refers to the staff who, by way of their professional competence or hierarchical and functional powers suited to the nature of the appointment, implement the instructions of the Employer, organising and supervising the work activity.


Concerning the tasks for which the Managers are responsible, refer to the part regarding the Employer, from letters a) to w).

Prevention and Protection Service Manager

This is the person in possession of at least the requirements laid down in art. 32 D. Lgs. no. 81/2008, appointed by the Employer having consulted the Safety Representative, to implement the procedures laid down in art. 33 of D. Lgs. no. 81/2008.

The professional risk prevention and protection service:

- a. identifies the risk factors, assesses the risks and identifies measures for the health and safety of work environments in compliance with the legislation in force on the basis of specific knowledge of the corporate organisation;
- b. draws up, as far as he/she is competent, the preventive and protective measures referred to in art. 28, para. 2 of D. Lgs. no. 81/2008, and the systems for controlling such measures;
- c. draws up the safety procedures for the various company activities;
- d. makes proposals regarding workers' information and training programmes;
- e. participates in consultations concerning health and safety at work, and the periodic meeting laid down in art. 35 of D. Lgs. no. 81/2008;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

f. provides workers with the information referred to in art. 36 of D. Lgs. no. 81/2008.

The members of the prevention and protection service are bound to secrecy concerning the working processes they become familiar with in exercising their functions as laid down in this legislative decree.

Company Doctor

This refers to the doctor appointed by the Employer who is specialised in occupational health or preventive medicine and possesses the authorisation referred to in art. 55 of D. Lgs. no. 277 of 15 August 1991.

Health surveillance is assured by the company doctor:


- a. in the cases provided for in the current legislation, the EU directives and the instructions given by the Consultative Commission referred to in art. 6 of D. Lgs. no. 81/2008;
- b. when so requested by a worker and such request is deemed by the company doctor to be correlated to work risks.

Health surveillance includes:

- a. medical check-ups to check that there are no contraindications to the work the worker is expected to perform in order to ascertain his/her fitness for the specific job;
- b. periodic medical check-ups to check the state of health of the workers and express a judgement of fitness to work. The frequency of such examinations, if not specified in the relative regulation, is generally once a year. The frequency may differ as decided by the company doctor according to the risk assessment;
- c. medical check-up at the request of the worker, if such request is deemed by the company doctor to be correlated to occupational risks or conditions of health that may worsen as a result of the work activity, in order to express a judgement of fitness for the specific job;
- d. medical check-up when changing jobs, in order to assure the worker's fitness for the new job;
- e. medical check-up on leaving the company in such cases as required by the current legislation.

The aforementioned medical check-ups cannot be carried out:

- prior to employment;
- to ascertain cases of pregnancy;
- in other cases forbidden by the regulations in force.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The medical check-ups are at the Employer's expense and responsibility, including clinical and biological tests and diagnostic investigations concerning the risk as deemed necessary by the company doctor.

Based on the results of the medical check-ups, the company doctor expresses one of the following judgements on the specific job:

- Fitness;
- Partial, temporary or permanent fitness, with conditions or limitations;
- Temporary unfitness;
- Permanent unfitness;


Whenever a judgement of temporary unfitness is expressed, the time limits for the validity of said judgement must be specified.

Workers' Safety Representative (RLS)

This refers to a person elected or appointed to represent the workers for issues concerning health and safety at work.

According to the provisions of art. 50 of D. Lgs. no. 81/2008, the RLS:

- a. visits the workplaces in which the work processes are carried out;
- b. provides advice, both preventively and in a timely manner regarding risk assessment and the identification, planning, implementation and checking of prevention measures in the company or production unit;
- c. provides advice on the appointment of the prevention service manager and staff, the fire prevention activities, first aid, evacuation of the work place and the company doctor;
- d. provides advice concerning the organisation of training as laid down in art. 37 of D. Lgs. no. 81/2008;
- e. receives information and company documentation regarding risk assessment and prevention measures relative and inherent to hazardous substances and compounds, equipment, plant, organisation and work environments, accidents/injury and occupational diseases;
- f. receives information from the supervisory board;
- g. receives appropriate training, which in any case is not less than that laid down in art. 37 of D. Lgs. no. 81/2008;
- h. promotes the development, identification and implementation of appropriate prevention measures for protecting the health and physical integrity of the workers;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- i. makes observations during visits and audits carried out by the competent authorities which normally interview him;
- f. participates in the periodic meeting as laid down in art. 35 of D. Lgs. no. 81/2008;
- g. makes proposals with regard to prevention activities;
- h. alerts the management as to the risks identified during the course of his activities;
- i. may make recourse to the competent authorities if he/she considers that the preventive and protective measures adopted by the Employer or the Managers and the methods used to implement them are not suitable for guaranteeing health and safety during working activities.

The workers' safety representative, at his/her request and to allow him to exercise his/her function, receives a copy of the document referred to in art. 17, para. 1, letter a) of D. Lgs. no. 81/2008.

The workers' safety representatives respectively of the Principal-Employer and the subcontractors, at their request and to allow them to exercise their function, receive a copy of the risk assessment document referred to in Article 26, paragraph 3 of D. Lgs. 81/2008.

The functions of the workers' safety representative are incompatible with the appointment of prevention and protection service manager or officer.


Supervisor

This refers to the person who, by way of his/her professional competence and the powers granted, implements the Employer's instructions, organising and supervising the work activity.

The Supervisor is responsible, within his/her organisational functions, for compliance with the safety regulations by employees who have received appropriate information and training.

The Supervisor is in particular responsible for the following tasks as per art. 19, D. Lgs. 81/2008:

- a. supervising the compliance by all workers of the legal requirements and the company provisions concerning health and safety at work and the use of collective and personal protective equipment made available to them and, in the event of repeated non-compliance, informing their direct superiors;
- b. checking that only workers having received suitable training have access to areas which expose them to serious and specific risks;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- c. demanding compliance with the measures to control risk situations in the event of an emergency and to give instructions to ensure that in the case of serious, imminent and inevitable danger the workers leave their place of work and the danger zone;
- d. informing workers exposed to serious and imminent danger of the risk and the protection measures taken/to be taken, as soon as possible;
- e. without prejudice to duly substantiated situations, abstaining from requesting workers to return to work in a situation in which a serious and imminent danger persists;
- f. reporting to the employer or manager in a timely manner any insufficiency of vehicles, work equipment or personal protection equipment, as well as any other hazardous condition arising in the workplace, of which he/she is aware of on the basis of the training received;
- g. attending specific training courses as laid down in art. 37 of D. Lgs. no. 81/2008.

First Aid Officer

This is the person in charge of first aid and emergency medical care.

In the Company, the Employer has appointed a number of First Aid Officers suited to the company structure and the activities carried out.

The First Aid Officers are in particular in charge of the following tasks:

- correctly fulfilling his/her first aid tasks;
- guaranteeing, within his/her area of activity, compliance with the first aid procedures.


Fire Prevention and Emergency Management Officer

This is the person in charge of fire prevention and emergency management tasks.

In the Company, the Employer has appointed a number of Fire Prevention and Emergency Management Officers suited to the company structure and the activities carried out.

The Fire Prevention and Emergency Management Officers are in particular in charge of the following tasks:

- correctly fulfilling his/her fire prevention tasks;
- guaranteeing, within his/her area of activity, compliance with the procedures concerning fire-fighting and evacuation of the work place.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							


Workers

This refers to anyone, whatever their type of contract, who carries out work activities within the organisation of the Company, with or without remuneration, even only for the purposes of learning a trade or profession, excluding those working in domestic and family services.

In particular, the Workers must:

- Comply with the directions and instructions provided by the Employer, Managers and Supervisors with a view to guaranteeing collective and individual protection;
- Make correct use of machinery, equipment, tools, hazardous substances and compounds, transport vehicles and other work equipment, as well as safety devices;
- Appropriately use the protective equipment made available to them, in order to establish, for each type of activity, the PPD to be used in each department of the Company;
- Immediately report to the Employer, Manager or Supervisor any unsuitability or shortcomings of the protective equipment described in the previous points, as well as any other hazardous conditions they may become aware of, working directly in the event of an emergency, in their area of competence and to the extent of their possibilities, to eliminate or reduce such shortcomings or hazards, informing the Workers' Safety Representative. If the Employer, Manager or Supervisor take no action within an acceptable time to effectively remedy the shortcomings or hazards they are informed of, the Workers shall report the matter to the Supervisory Body;
- Not remove or modify the safety, signalling or control devices without authorisation;
- Take care of the personal protective equipment made available to them, without modifying anything at their own initiative;
- Not carry out any operations or manoeuvres at their own initiative that are not in their area of competence or which may compromise their own safety and that of other workers;
- Participate in the training programmes organised by the Employer;
- Undergo the medical check-ups required in order to define and implement workers' health care in all departments in the Company.

Workers from companies working as subcontractors for the Company must always display their identification badges.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Third Party Recipients

In addition to the above-described parties, in the field of health and safety at work importance is also given to those parties who, though external to the organisational structure of Sicim, carry out activities that potentially affect the health and safety of the workers.

For this purpose, "Third Party Recipients" refer to:

- parties who are appointed to tasks by way of a tender contract or contract of employment;
- manufacturers and suppliers;
- designers of work stations, work environments and systems;
- installers and assemblers of systems, work equipment and other technical means.

The SPP also monitors and analyses the trends concerning the number of injuries during the annual safety meeting and, where required, promotes further improvements on the actions already undertaken during the year.

Reference is made in both the General Principles and the Protocol laid down in this Special Part to the above-defined functions.

1.3 RISK AREAS


Although any activity carried out in the Company can abstractly be considered sensitive for the purposes of the occurrence of events which may lead to the committing of some health and safety at work offences referred to in this Special Part C, it should be noted that the greatest risks for the workers relate to the execution of activities in the work sites in which the Company operates (in Italy and abroad).

Equally at risk - although indirectly - are the activities linked to the execution of contracted works at the Company.

1.4 GENERAL PRINCIPLES

For the purposes of application of this Special Part, the Recipients must:

- Take care of their own safety and health and that of others in the work place they are responsible for, in compliance with their appointed roles and the means made available by the Employer;
- Comply with and respect the company orders and regulations concerning safety issued by the

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

Employer for collective and individual protection;

- Comply with the instructions for use of machinery and equipment in the work place, as well as the means of transportation and safety and protective devices;
- Promptly notify the Employer of any shortcoming or hazardous situation concerning the aforementioned instruments;
- Contribute, in their area of competence, to the regular maintenance of the environments, equipment, machinery and systems, with particular attention to safety devices in compliance with the manufacturers' instructions;
- Take direct action, in the case of an evident emergency, to eliminate or reduce hazardous situations relating to the use of machinery and the risk of accidents.
- Observe ergonomic principles in the design of work places, the selection of equipment and the definition of working and production methods;
- Be subjected, according to the envisaged schedules and position held, to health surveillance plans;
- Collaborate, together with the Employer, in observing the sector regulations with the aim of protecting and guaranteeing the health and safety of workers in the work place;
- Take part in company initiatives, in accordance with the set agenda, concerning training and information on the use of machinery and the risk of accidents.


Recipients also have the right to:

- Be informed, trained, consulted and participate in issues concerning health and safety at work;
- Receive appropriate instructions, also through specific training programmes, on these issues of health and safety at work in general, the implementation of internal company provisions and the use of individual machines;
- Undergo planned medical check-ups in line with the health plan drawn up.

1.5 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY

The parties responsible for the identification, implementation and control of safety, hygiene and health measures in the work place are bound to provide information to the Supervisory Body.

In particular, the Employer - assisted by the Prevention and Protection Service Manager - at defined intervals:

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Informs the SB of the outcome of audits on the correct implementation of the current regulations and keeps it constantly updated on the status of any suggestions made during the audits;
- Presents statistics concerning the incidents occurring in the work place, specifying their cause, the recognition of injuries and relative severity;
- Informs of all variations that require or have required the updating of the risk assessment;
- Provides a list of investments required for accident-prevention and health, safety and hygiene requirements, integrated with a list of relative purchases made in the period considered in emergency and extra-budget situations;
- In the case of serious or repeated breaches of the provisions, or in the event of the need for prompt interventions, notification to the Supervisory Body must be immediate;
- Informs promptly of any action and/or intervention of the Judicial Authorities or the police (including the Health Board in its judicial function), in the event of inspections to monitor compliance with the health and safety laws.


In the area of its competence, the Supervisory Body may grant mandates to qualified external consultants selected using specific procedures, to carry out inspection to obtain formal evaluations of the following aspects:

- The correct method for identifying, assessing, measuring and controlling health and safety risks concerning workers as well as the mechanisms used to update such methods;
- The compliance of the measures adopted to prevent risks stated in the previous point with the laws in force and with this Organisational Model;
- The compliance of the methods and measures of prevention described in the previous points with the best practices in use in the sector in which the Company operates in.

The results of the evaluation carried out by external consultants are notified in a special report to the Supervisory Body.

In the light of the results of the above report, although it has no operational role the Supervisory Body carries out the following tasks:

- Examines the reports made concerning any breaches of the Organisational Model, including the lack of prompt action taken by the competent parties following reports made to them of any unsuitability


	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

or shortcomings of the work places and equipment or the protective equipment made available by the Company, or concerning a hazardous situation connected to health and safety at work;

- Monitors the functioning of the general prevention system adopted by Sicim, being the most appropriate body to ensure the objectivity, impartiality and independence of the company area being audited;
- Proposes to the Board of Directors any updates to the Organisational Model or the procedures for its implementation, which may be necessary or appropriate considering any shortcomings reported, or following significant breaches or changes in the organisational structure of the Company as a result of scientific and technological progress.

The Supervisory Body, which must be sent a copy of the periodic reports on health and safety at work and all data concerning any injuries that occur at work in the Company, must notify the Board of Directors and the Board of Auditors, in the terms and methods laid down in the Organisational Model, of the results of its own supervisory and control activities.

Each for their own area of competence, the Recipients guarantee the traceability of the process, filing all documentation in an orderly archive and making it available to the Supervisory Body as necessary.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- PROTOCOL -

CHECKING COMPLIANCE CONCERNING HEALTH AND SAFETY AT WORK

1. SCOPE AND SPECIFIC PRINCIPLES OF BEHAVIOUR

This Protocol identifies and governs the methods adopted by Sicim to comply with for the prevention of accidents at work and, generally, risks for the health and safety of workers.


It is therefore worth underlining that the Company, with a view to guaranteeing the best management of these areas, has obtained and maintains certification according to the Standard OHSAS 18001:2007 (now ISO 45001) which constitutes an (albeit partial) exemption of the responsibilities laid down in D. Lgs. 231/2001 connected to crimes concerning health and safety at work.

In this procedural context, the Company applies the prevention and control provisions laid down by law, as identified in D. Lgs. 81/2008, including the adoption of the Risk Assessment Document, pursuant to articles 17 and 28 of D. Lgs. 81/2008, where required by the laws in force.

The policy for health and safety at work adopted by the Company constitutes a fundamental reference for all Recipients and for all those who, outside of Sicim, enjoy relations with the Company.

Sicim must therefore carry out its activities in compliance with the following principles, harmonising them with the aforementioned certification system:

- Accountability of the whole company organisation, from the Employer to each worker, in managing the health and safety at work system, each in their own area of responsibility and competence, in order to prevent the prevention activity from being considered the exclusive competence of only a few parties with the consequent lack of active participation by some Recipients;
- Commitment to consider the health and safety system as an integral part of the company management, the recognition of which must be guaranteed for all Recipients;
- Commitment to continuous improvement and prevention;
- Commitment to provide the human and instrumental resources required, assessing the opportunities for investment in new systems, and in these assessments considering not only the economic and financial aspects but also those concerning safety and the protection of workers' health;
- Commitment to promote collaboration with the Competent Authorities (e.g. INAIL, ASL, etc.) in

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

order to establish effective communication channels for the continuous improvement of performances in the field of workers' health and safety;


- Commitment to constantly monitor the situation concerning injuries in the company in order to guarantee control, identify criticalities and relative corrective actions/training needs;
- Commitment to the periodic review of the health and safety policy adopted and the relative management system implemented to guarantee their constant suitability for the organisational structure of Sicim.

Moreover, the Company provides appropriate training to all workers in the issues of safety at work, the contents of which, in line with the provisions of the Consolidated Law on Safety, are easily understandable and assure the acquisition of the necessary knowledge and skills.

In this regard it should be specified that:

- The RSPD and the company doctor must participate in the drafting of the training plan;
- The training must be appropriate to the risks inherent in the tasks each worker is practically assigned to;
- Every worker must be provided statutory training and training in any other subject which, on a case-by-case basis, is considered necessary in order to achieve the company's safety objectives;
- Workers who change jobs or are transferred must receive specific additional and/or preventive training, where required for their new tasks;
- Persons appointed to specific emergency tasks (e.g. fire prevention, evacuation and first aid officers) must receive specific training;
- Emergency drills shall be carried out periodically, and proof of these must be given (such as for example in a report on the drill describing the methods of execution and the results);
- New employees – with no previous professional experience or appropriate qualifications – must not be allowed to work autonomously in activities that are considered to be most at risk of injury until they have acquired a level of professional skills deemed suitable for the execution of the tasks, through a period of training of not less than three months following employment, or longer in the case of the acquisition of more specific skills.

All the above-described training activities must be recorded in supporting documents, also in the form of reports, and where foreseen must be repeated periodically.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The Protocol described in this Special Part, therefore, sets out to establish – together with the procedures already adopted by the Company - a control on the effectiveness and appropriateness of the system for the prevention of accidents at work, through the formal coding of an information and inspection system that places the Supervisory Body in a condition to be in possession of and to be familiar with the company documentation drawn up concerning its prevention programme adopted to assure health and safety at work.

Specifically, this Special Part aims to:

- Detail the procedures the Company Recipients are required to comply with for the purposes of the correct application of the Model;
- Provide the SB, and the managers of other company functions which cooperate with the SB, with the executive tools required to assure the foreseen control, monitoring and inspection activities.

2. AREA OF APPLICATION

This Protocol applies to all Recipients working in the Company, each in the field of their own tasks and competences.

It applies also to anyone who, externally to the Company, enjoys contractual relations with Sicim as a result of work or supply contracts (art. 26, D. Lgs. 81/2008).

As explained above, the Company also works through secondary branches and/or work sites opened not only in Italy but also abroad, in both European and non-European countries.


In this context, the Company always pays close attention to guarantee an appropriate level of management of all (Italian and foreign) workers working both inside and beyond the Italian territory.

At the start of any project, the Company ensures at least the compliance with local safety legislation, through expert staff made available by Sicim and using local professionals who work alongside the Company staff.

Refer also to the following point 5 concerning safety audits carried out on Company work sites.

3. PROTOCOL MANAGER

Concerning health and safety at work, the Company has an organisational structure that complies with the laws in force, with a view to eliminating, and where this is not possible, reducing, and therefore managing, risks for workers.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

4. RISK ASSESSMENT DOCUMENT

The risk assessment document (DVR) adopted by the Company, represents the documentary evidence of a permanent process to prevent health and safety risks for workers.

The DVR is the document drawn up by the Employer, in collaboration with the Prevention and Protection Service Manager and the Company Doctor in such cases that involve compulsory health surveillance, following consultation with the Workers' Safety Representative, and contains:

- a) A report on the assessment of risks for health and safety at work, which specifies the criteria adopted for the assessment, which is carried out in relation to the nature of the company activities;
- b) The identification of the prevention and protection measures and the personal protective equipment to be used as a result of the assessment described in letter a);
- c) The plan of measures deemed appropriate for guaranteeing the improvement of levels of safety over time.

The document is stored at Sicim.


For the identification of the risk factors and/or criticalities, and more generally the contents, please refer to the observations and comments made therein.

The risk assessment document (or similar document) is drawn up also for single work sites opened in other countries, with a view to ensuring a high level of management - extending the procedural methods adopted in Italy also abroad – concerning the issues of worker safety.

*

The Company has also drawn up Unified Interference Risk Assessment Documents (DUVRI) pursuant to art. 26, para. 3, of D. Lgs. 81/2008, in order to promote cooperation and coordination among subcontractors working in the Company, providing the information required to eliminate risks due to interference among the activities of the various companies.

In the case of works contracted (or subcontracted) to external companies or autonomous workers, the Employer draws up the “Interference Risk Assessment Document”, which indicates the measures adopted to eliminate risks due to interference with the works of the various companies involved and to promote cooperation and coordination among them.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

The document in question concerns exclusively the risks of interference among the activities of the principal and the activities of the contracted company(ies) or autonomous workers and does not cover the specific risks inherent in the activities of the contractors or autonomous workers.

For the identification of such criticalities, refer to the observations and comments described therein.

5. PERIODICAL AUDITS OF THE SAFETY MANAGEMENT SYSTEM

Again with a view to guaranteeing high standards in terms of safety at work, work sites opened outside of the Italian territory are also subject to the internal procedures of the Company certified to the international standard OHSAS 18001:2007 (now ISO 45001); the Company also carries out audits – at least on an annual basis, depending on the level and extent of the risks - on the safety management system operating in these work sites.

All activities carried out on site are analysed to identify the hazards present and any (actual or potential) organisational or operational aspects that could significantly affect health and safety at work with a view to continuously improving the already high level of management the Company guarantees its own employees.




(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			

GOVERNANCE

SPECIAL PART D

ENVIRONMENTAL CRIMES

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1 ENVIRONMENTAL CRIMES

1.1 TYPES OF CRIMES³²


This Special Part focuses on the principles of behaviour and control concerning environmental crimes, as identified in Article 25-undecies of the Legislative Decree and relative references to D. Lgs. no. 152 of 3 April 2006, listed as “Environmental Regulations” (hereinafter the “**Environmental Decree**”).

In this Special Part we have not indicated all the crimes listed in art. 25-undecies of the Decree (and thus of the Environmental Decree), most of which are not currently of relevance to the Company, but have limited our considerations to only the criminally sanctionable conduct, essentially falling into five macro-categories, which are:

- Water discharge activities (art. 137 of the Environmental Decree, concerning the discharge of industrial waste water);
- Atmospheric emissions of plants and activities (art. 279 of the Environmental Decree, concerning the running of a plant or activity in breach of the emission limit values or the provisions of the obtained authorisation);
- Waste management and reclamation of polluted sites (articles 255 and following of the Environmental Decree, concerning for example littering, unauthorised waste management and the breach of reporting requirements, record keeping and forms required for waste management);
- Combustion of materials or substances other than waste (art. 296 of the Environmental Decree concerning the combustion of waste in breach of environmental regulations);
- Breach of reporting requirements, record keeping and forms required for waste management (art. 258 of the Decree).³³

³² Law no. 68/2015 introduced into the category of the predicate crimes referred to in Legislative Decree no. 231/2001, among other things, the crime of environmental pollution (art. 452 *-bis* c.p.), environmental disaster (art. 452-*quater* c.p.), trafficking and dumping of highly radioactive material (art. 452-*sexies* c.p.), with a higher penalty if such crimes are committed in association in aggravated form, and with a reduction of the penalty in the event of commission through negligence of the crimes referred to in articles 452-*bis* c.p. and 452-*quater* c.p. It should also be noted that the Legislative Decree no. 21 of 1 March 2018, on “Provisions implementing the principle of delegating code reservation in criminal matters pursuant to article 1, para. 85, letter q), of Law no. 103 of 23 June 2017” repealed art. 260 of Legislative Decree no. 152/2006 (the so-called Consolidated Law on the Environment) introducing at the same time the new crime of “Organised activities for the illegal trafficking of waste” pursuant to art. 452 quaterdecies c.p. As specified in the transitional measures of the aforementioned Legislative Decree no. 21 of 1 March 2018, the reference to art. 260 of the Environmental Code provided under art. 25 undecies of the Decree shall be understood as referring to the new art. 452 quaterdecies c.p.

³³ Moreover, Decree-Law 135/2018, converted in Law no. 12 of 11 February 2019, abolished the waste tracking control system (SISTRI) referred to in art. 188ter of Legislative Decree 152/2006. In virtue of the aforementioned legislation, the Ministry of the Environment has introduced a

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.2 RISK AREAS

Referring to the types of crimes identified in the previous paragraph and in consideration of the activities of the Company, the following risk areas have been identified:

- Discharge of industrial waste water;
- Waste management and disposal;
- Management of hazardous substances; and
- Emissions into the atmosphere.

The QHSE function coordinates the functions and staff involved in the activities connected to environmental aspects, defines the internal supporting documentation, the methods of execution and manages the correlated technical documentation.

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS

1.3.1 GENERAL PRINCIPLES OF BEHAVIOUR


For the purposes of application of this Special Part, the Recipients must:

- Comply with the provisions of the company procedures connected to environmental aspects;
- Promptly report to the manager any shortcomings in the system adopted by the Company;
- Promptly report to the manager any shortcomings in the organisational system of the operator appointed for waste disposal and generally any operator carrying out activities connected to environmental aspects on behalf of the Company.

Moreover, the Recipients are strictly forbidden from:

- Carrying out activities that lead to water discharge without the required authorisation;


“national electronic waste tracking register”, which is not yet operational. In the meantime, those required to track the waste through SISTRI (and now through the electronic register) shall comply with the requirements of Legislative Decree no. 152 of 3 April 2006, in the version prior to amendment by Legislative Decree 205/2010; in particular, the traceability of waste shall be guaranteed through the use of the traditional “paper-based” system, without prejudice to the possibility to use the “digital” data transmission methods provided for by Art. 194-bis of Legislative Decree 152/2006. Currently, the sanctions applicable in the event of violations committed from 1 January 2019 onwards are, therefore, those provided for by Art. 258 of the aforementioned Legislative Decree (in the version in force prior to the amendments made by Legislative Decree 205/2010) and no longer those imposed by Art. 260-bis of the same Legislative Decree, which are implicitly repealed as they are, broadly speaking, “accessory” to the SISTRI standard. This impacts the scope of the predicate crimes referred to in art. 25-undecies of the Decree, by rendering no longer applicable the reference to art. 260-bis of Legislative Decree 152/2006. However, the text of Legislative Decree 231/2001 has not yet been updated regarding the above.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- Carrying out activities that lead to water discharge with parameters that exceed the limits of acceptability laid down by the competent authorities;
- Carrying out activities which lead to emissions into the atmosphere which do not have the required authorisations;
- Carrying out activities which lead to emissions into the atmosphere that exceed the limit values and which are beyond the provisions established by the competent authorities;
- Carrying out waste disposal activities that do not comply with the principles of behaviour laid down herein or with the company procedures;
- Managing, handling or disposing of hazardous substances in a manner that is not in compliance with the principles of behaviour laid down herein or with the company procedures;
- Transmitting data reports to the competent authorities containing false information.

In its waste management activities, the Company undertakes to guarantee that:

- The production, storage, classification and disposal of waste and substances classified as hazardous are carried out in full compliance with the environmental laws in force, in both its regulated and non-regulated activities, and in order to be able to certify the implementation of the necessary requirements to public control bodies;
- The company procedures with direct or indirect importance (e.g. qualification of companies and qualified sectors) in the area of waste disposal, are subject to constant monitoring by the competent company functions (e.g. General Services and Procurement) in order to periodically assess the opportunity to update the system according to any anomalies reported in the activities, and according to information received from the Recipients;
- The choice of suppliers is done in full compliance with the company procedures, in order to be able to constantly assess the existence of technical and legal requirements for exercising the activities they have been appointed to, and so ensure that the selection is based exclusively on economic criteria (in order to avoid the use of "unqualified" companies that work at low costs by virtue of the use of illegal methods);
- Awareness raising activities are carried out towards Recipients on the level of risk of such activity in terms of the potential infiltration of criminal organisations (so-called "ecomafia") using, in this regard, any reports drawn up by parliamentary commissions, environmental organisations, etc. (e.g. the ecomafia report drawn up annually by Legambiente).

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

In the management of waste, the QHSE function is in particular appointed the task of:


- Checking the authorisations of suppliers appointed to transport operations (as contractors or subcontractors) and the places of destination, both for disposal and recycling operations;
- Correctly and truthfully completing the waste loading and unloading register and the identification form for the transportation of waste, abstaining from committing any crimes of conceptual or material falsity (for example concerning information on the qualitative or quantitative characteristics of the waste);
- Checking that a copy of the identification form has been returned signed and dated, and reporting any anomalies in the document to the Managing Director;
- Carefully completing the Environmental Declaration Form;
- Constantly supervising the correct management of waste, reporting any irregularities to the Managing Director (such as for example tampering with classification documents, suspected abandonment of waste by the transporter in illegal disposal sites, etc.), to allow the Company to take the required administrative or contractual action as well as any legal action before the competent authorities;
- Carefully storing the loading and unloading register and relative forms in a special archive;
- Ensuring the control by an external specialised company of the level of emissions on an annual basis, in order to guarantee compliance with the legal thresholds.

1.3.2 SPECIFIC PRINCIPLES OF BEHAVIOUR

Without prejudice to the above, the Recipients are bound to full compliance with the Code of Ethics and the provisions of the procedures implemented by the Company for environmental matters, also in consideration of the environmental certification to ISO 14001 obtained by the Company.

In this regard, to complete and integrate the provisions of this Model and the Code of Ethics, each Recipient is bound to comply with the provisions of the specific environmental management system manual, and with specific reference to the above-identified risk areas, with the following procedures:

- Concerning waste management and disposal, the procedures 0904-SI-103 and 0904-SI-106, as well as procedure 0904-SI-111, concerning the monitoring of environmental data in order to check the results obtained and ensure continuous improvement;
- Concerning emissions into the atmosphere, procedure 0904-SI-105, for the management and control

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE		MODEL 231					
GOVERNANCE							

- also through external laboratories - of emissions;
- Concerning substances classified as hazardous, procedure 0904-SI-107, which governs the offloading, handling, storage and use of the said substances;
- Concerning water discharges, procedures 0904-SI-116 - Management of **environmental** resources and pollution prevention, paragraph 6.1 and 0904-SI-111 - Monitoring of environmental data, paragraph 4.7, which govern the management and control of water resources.

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY

The parties involved in the process are bound to promptly notify the Supervisory Body of any exceptional behaviour or unusual event, indicating the reasons for any deviations and acknowledging the authorisation procedure followed.




(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04

DOCUMENT TITLE MODEL 231

GOVERNANCE

SPECIAL PART E

**CRIME OF EMPLOYING CITIZENS OF OTHER COUNTRIES WHOSE
RESIDENCY IS IRREGULAR**

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1. CRIME OF EMPLOYING CITIZENS OF OTHER COUNTRIES WHOSE RESIDENCY IS IRREGULAR

1.1 TYPES OF CRIMES

Crimes concerning residence permits, the commission of which may imply the administrative liability of the Company, are as follows (see arts. 25-*duodecies* of the Decree):


- art. 22, para. 12-bis (D. Lgs. 286/1998): Use of foreign workers with no residence permits
- art. 12, para. 3, 3-bis, 3-ter and 5 (D. Lgs. 268/1998): Conduct of the person who directs, organises, finances and arranges the transportation of foreign citizens into Italy or facilitates their stay in the country in order to profit unjustly from their condition of irregular residency

Legislative Decree no. 109 of 16 July 2012 transposed Directive 2009/52/EC, designed to strengthen cooperation among EU countries in combating illegal immigration.

Law no. 161/2017 “*Amendment to the Antimafia code and to the preventive measures contained in Legislative Decree no. 159 of 6 September 2011, to the Penal Code and to the other implementing, coordinating and transitional provisions of the Code of Criminal Procedure and other provisions. Delegation of power to the Government for the protection of employment in seized and confiscated companies. (17G00176) (Official Gazette no. 258 of 4 November 2017)*” provides, with art. 30, para. 4, the introduction of paragraphs 1-bis, 1-ter and 1-quater to art. 25-*duodecies* of the Decree, which has extended the category of predicate crimes and tightened up the penalties for the same.

Therefore, due to the legislative references contained in art. 25-*duodecies* of the Decree, any body that employs foreign workers who do not possess residence permits, or whose permit has expired (and which has not applied for renewal within the legal term), has been revoked or cancelled, is subject to a fine from 100 to 200 quotas, up to a maximum of 150,000 Euro. This provision, however, generates administrative liability for the body pursuant to the Decree within the limits laid down in art. 22, para. 12-bis, of Legislative Decree no. 286/1998, i.e., if the workers employed by the organisation are:

- more than three;
- minors under working age;
- exposed to very dangerous situations, taking into account the characteristics of the work to be carried out and the working conditions.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.2 RISK AREAS

To date, the Company has employed only one foreign citizen (in the sense relevant to the crime in question) and therefore the crime in question cannot be classified as significant; among other things, from a prudential perspective, the company deems it advisable to identify below the business areas at risk that present or could present more critical aspects in terms of the crime under consideration:

- selection and hiring of personnel; and
- management of personnel.

1.3. RULES OF CONDUCT WITHIN RISK AREAS

1.3.1 GENERAL PRINCIPLES OF CONDUCT

In coherence with the ethical principles inspiring the Company, Recipients are forbidden from:


- behaviour that could fall within the scope of the offences described above;
- behaviour that, although in itself does not fall within the scope of the offences considered above, could potentially evolve in that direction.

1.3.2 SPECIFIC PROCEDURAL PRINCIPLES OF CONDUCT

The rules described in the previous paragraph concretely translate into behavioural principles that must be complied with in the operations of Sicim.

All Recipients of the Model are bound to observe the following behavioural procedures:

- the roles and responsibilities of the functions and/or departments responsible for the recruitment of personnel must be clearly defined, so as to guarantee - in the case of foreign workers - continuous monitoring of the existence, at the time of recruitment, and permanence throughout the period of employment, of a residence permit and any other requisites which allow continuation of the work relationship;
- avoid the recruitment or promise of recruitment or upholding the employment of workers who do not hold a valid residence permit because: they have no permit, their permit has been revoked, their permit has expired and no application for renewal has been submitted;

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

- avoid using intermediaries for the recruitment of personnel, with the exception of employment agencies authorized by the Ministry for Labour pursuant to D. Lgs. no. 276 of 2003. In such cases, it is mandatory to ask the agency at the time of requesting personnel to issue a declaration of the worker's regular position;
- behave in a correct, transparent and collaborative manner, in compliance with the law and company procedures and observe, with the utmost diligence and strictness, all the provisions laid down by the law against illegal immigration;
- report any anomalies encountered directly to the Supervisory Body.

Anyone who is part of the Company, operating in the personnel recruitment area or having anything to do with the process of hiring new personnel is required to ensure that the contracts stipulated with the workers and with the manpower agencies that supply them contain clauses regulating the consequences of violation by those parties of the principles contained in this Model, with particular reference to the lack of, failure to renew, revocation or cancellation of the residence permit of any personnel employed.

1.4 TASKS OF THE SUPERVISORY BODY

The Supervisory Body has the following duties concerning assessment of effectiveness of procedures and compliance with the provisions of the Model on the subject of the employment of foreign citizens whose residency is irregular:

- to monitor effectiveness and compliance with internal procedures for the prevention of the crime described;
- to perform periodical audits on compliance with internal procedures for the hiring and continued employment of foreign citizens;
- to examine any specific reports made by executives and/or employees and carry out any checks deemed necessary or advisable in relation to the reports received.

If, in the performance of the above duties, the Supervisory Body should discover any breaches of the rules and principles contained in the Model by executives and/or employees, it shall communicate such information immediately. If the breaches are attributable to directors or to the Chairman of the Company, the Supervisory Body shall report to the Board of Directors as a whole.



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04


DOCUMENT
TITLE

MODEL 231

GOVERNANCE

SPECIAL PART F

TAX CRIMES AND SMUGGLING

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1 TAX CRIMES AND SMUGGLING

1.1 TYPES OF CRIMES

The crimes laid down by the Decree in art. 25-quinquiesdecies and 25-sexiesdecies are the following:

- Art. 2 Legislative Decree 74/2000 Fraudulent misrepresentation through the use of invoices or other documents for non-existent transactions;
 - Art. 3 Legislative Decree 74/2000 Fraudulent misrepresentation through other stratagems;
 - Art. 4 Legislative Decree 74/2000 False declaration;
 - Art. 5 Legislative Decree 74/2000 Omitted declaration;
 - Art. 8 Legislative Decree 74/2000 Issuing invoices or other documents for non-existent transactions;
 - Art. 10 Legislative Decree 74/2000 Concealment or destruction of accounting documents;
 - Art. 10-*quater* Legislative Decree 74/2000 Undue compensation;
 - Art. 11 Legislative Decree 74/2000 Fraudulent evasion of taxes;
- Presidential Decree no. 43 of 23 January 1973 Consolidated Law on Customs.


*

1.1.BIS – UPDATE DOWNLINE OF THE PFI DIRECTIVE

Legislative Decree 75/2020, entitled “Implementation of Directive (EU) 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law”, implemented the so-called PFI Directive by making certain changes to the category of Tax Crimes covered by the Decree. In particular, a reference has been added to the crimes provided for in Legislative Decree 74/2000 in the following articles:

- 4, false declaration;
- 5, omitted declaration;
- 10 quater, undue compensation.

The relevance of the latter crimes under the Decree is, moreover, subject to their being committed “*in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of not less than ten million Euro*”.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.2 RISK AREAS

In relation to the above-listed crimes, the areas of activity that present (or could present) critical aspects as regards the activities carried out by the Company follow below:

- Supplier selection and qualification;
- Handling of negotiations and defining of contractual supply conditions;
- Issue of the purchase orders;
- Verification of the effective provision of services and stock management;
- Invoices payable;
- Payments;
- Intercompany relations management;
- Sales management;
- Invoices receivable;
- Management of import/export activities;
- Tax declarations, payment of taxes and management of further tax obligations;
- Management of reimbursement of expenses;
- Extraordinary transactions.


The persons exposed to "risk of crime" are the Directors and function managers of the Company, and all those who have the authority to make binding decisions for the Company externally.

1.3 BEHAVIOURAL PRINCIPLES WITHIN RISK AREAS

1.3.1 GENERAL PRINCIPLES OF BEHAVIOUR

Recipients who, by way of their appointment or function, are involved in the activities listed in paragraph 1.2 above must:

- Comply with the rules and principles laid down in the following documents:
 - The Code of Ethics;
 - Any other documentation concerning the internal control system;
- Promptly, correctly and completely make all statutory communications to the Public Authorities,

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

without hindering in any way the functions exercised by such bodies;

- Avoid compromising the integrity, reputation and image of Sicim.

Additionally, personnel is explicitly obliged to:

- comply with the rules governing the correct, complete and transparent recording in the corporate accounts of facts relating to the management of the Company;
- cooperate to ensure that facts relating to corporate management are correctly and promptly recorded in the accounts, with each entry reflecting exactly what is shown in the supporting documentation;
- ensure that each transaction is not only correctly recorded, but also authorised, verifiable, legitimate, consistent and appropriate;
- ensure that each operation is backed up by appropriate documentation so that the checks attesting to its characteristics and motivations can be duly performed at any time, identifying the parties who authorised, performed, recorded and verified it;
- behave in a correct, transparent and cooperative manner, in compliance with the law, accounting principles and internal company procedures, in all activities concerning the preparation of income tax returns and any other documentation of fiscal importance;
- implement a control system for checking clients and suppliers in order to prevent the Company from coming into contact with sham bodies, such as so-called 'shell' companies;
- refrain from providing services, making payments and/or donations of any kind to third parties that are not sufficiently justified by the type of contractual relationship established with them and/or in relation to the type of assignment to be carried out, or that could serve to secure favourable conditions not agreed upon or not due;
- promptly report any irregularities to the Supervisory Body.

It is also explicitly forbidden to:

- present or transmit data - in financial statements, reports or other corporate communications, including to Financial Administration or Customs Administration - that are false, incomplete or, at any event, not congruent with the Company's economic, equity and financial situation;
- behave in a manner that materially prevents, or in any case hinders the execution of control activities, including by the Board of Auditors and/or the Competent Authorities, through the concealment and/or destruction of documents or the use of other fraudulent means;
- omit data and information required by law concerning the economic, financial and asset position of the Company;



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			


GOVERNANCE

- use non-institutional instruments to carry out transactions involving the transfer of money or other benefits;
- take action in violation of the formalised procedures or rules adopted by the Company;
- behave in a manner that impedes inspections and controls by the Supervisory Body.

1.3.2 SPECIFIC PRINCIPLES OF BEHAVIOUR

In the management of activities relating to Tax Crimes and Smuggling and in compliance with their own spheres of competence, all Recipients of the Model are obliged to:

- ensure compliance with the formal definition of the types of expenses reimbursable, any limits on the amount of such reimbursements and the related accounting methods of the same;
- examine the supporting documents provided to ensure that they correspond to the amounts claimed and check that the costs incurred are consistent with the activities carried out;
- ensure that the person checking the expense claims is different from the person issuing authorisation for reimbursement;
- comply with the operating procedure implemented by the Company entitled "8304-SI-001-00_Travel policy 2015-approved-2" which provides, among other things, the limits for reimbursable expenses;
- guarantee the separation of roles between those requesting and those authorising a purchase, the traceability of the transactions carried out and the identification of the responsibilities of the functions involved;
- use, wherever possible, management systems that check to ensure that the information relating to purchases and suppliers matches, and which - if possible - block purchasing processes if the data entered do not match those pre-set in the system;
- when qualifying suppliers, subject them to a selection process that is not based solely on an economic assessment of the service they provide but also takes into account additional criteria (e.g. ability to respond to an emergency, business references);
- preserve the documentation relating to the purchase of goods and/or services, in order to guarantee traceability of the entire process and facilitate any subsequent checks;
- share the relevant documentation pursuant to the Decree and the Code of Ethics with those who are party to a consultancy or supply/work contract;
- monitor the performance of consultants, contractors and/or suppliers, keeping the documentation on

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

file to allow for subsequent checks and tracking of activities;


- add to contracts clauses that cover:
 - ✓ compliance by third parties with the principles contained in Legislative Decree 231/2001, the Model and the Code of Ethics;
 - ✓ express termination of the contract (pursuant to Article 1456 of the Italian Civil Code) in the event of failure to comply with the above requirements;
- comply with procedure 0502-SI-002 adopted by the Company, entitled “Assessment of Suppliers and Procurement”;
- ensure that relations with clients are managed exclusively by persons with appropriate powers, within the scope of their sphere of competence;
- ensure the traceability of relations with customers, duly reporting to their direct superior, guaranteeing the certainty and reliability of the information transmitted, and documenting negotiations with clients;
- report without delay to their direct superior any behaviour by personnel working for their commercial counterparts aimed at obtaining favours or other benefits (e.g. a request to over-invoice for services), also to third parties;
- guarantee the traceability of any sales activities carried out;
- comply with procedure 0804-SI-010 adopted by the Company, entitled “In-house Sales Activities”;
- Periodically check the balances of the general accounts in order to ensure that they balance with the respective ledgers and the separate accounts, also with reference to the branches that the Company has opened in foreign countries (in Europe and beyond);
- determine with clarity and completeness the data and information that each function is bound to provide, the accounting criteria for the processing of the same, and the method and time frame for any relevant communications;
- in accounting activities, comply with the rules designed to guarantee clear, correct and complete records;
- when assessing economic and financial assets, follow the principles of reasonableness and prudence, clearly illustrating the criteria used to estimate the value of the asset;
- guarantee the regular reporting of incoming and outgoing movements resulting from any business transactions in accordance with good accounting principles;
- ensure that all movements of financial flows are conducted with the aid of traceable instruments;



(St)	Proj	Unit	Type	Dev.	Serial	Rev.
(0)	-	00	0201	YES	001	04
DOCUMENT TITLE			MODEL 231			

GOVERNANCE

- impose limits on the autonomous use of financial resources, by defining quantitative thresholds consistent with the organisational roles and responsibilities assigned to the various individuals;
- promptly inform their direct superior in the event of any suspicious and/or unlawful requests, e.g. relating to the criteria for calculating and classifying financial assets;
- ensure the separation of roles between those responsible for calculating taxes and preparing tax returns and those involved in checking the information and signing the returns;
- ensure that the calculation of customs charges are carried out, where necessary, with the support of an external consultant and are regulated by a specific service contract;
- ensure compliance with the obligations and deadlines defined by customs legislation;
- guarantee the correctness and completeness of the data used to fulfil the customs formalities required by the applicable legislation;
- periodically check the activities carried out by the consultant appointed by the Company to handle relations with Customs Administration and the obligations deriving from the same;
- ensure that the documentation pertinent to relations with the Public Administration - in particular that regarding Financial Administration and Customs Administration - is properly filed, even if the work is carried out by consultants on behalf of the Company;
- ensure, where possible, the separation of roles between those requesting payments, those authorising the payments and those making the payments;
- carry out verification activities (e.g. reconciliation between the management systems and the system used for payments) in order to pinpoint any inconsistencies in transactions, e.g. to avoid double payments or over-invoicing;
- carry out intercompany transactions in accordance with the instructions provided in the so-called “masterfile” on transfer pricing;
- check the completeness and accuracy of the processes for recording and processing invoices receivable and payable; to this end, check the correctness of the information contained in the invoices and its consistency with the costs contained in the supply/work contract, and that the individual invoice matches the purchase/sales order and the entry/exit of the goods.

	(St)	Proj	Unit	Type	Dev.	Serial	Rev.
	(0)	-	00	0201	YES	001	04
DOCUMENT TITLE				MODEL 231			
GOVERNANCE							

1.4 INFORMATION FLOWS TOWARDS THE SUPERVISORY BODY

The parties involved in the process are bound to promptly notify the Supervisory Body of any exceptional behaviour or unusual event, indicating the reasons for any deviations and acknowledging the authorisation procedure followed.

Moreover, the parties involved for various reasons are bound to provide the Supervisory Body, at least every six months, with any further information, including:

- any reference reports by the Board of Auditors following the audits carried out periodically;
- any objections raised by Financial Administration, Customs Administration and/or the Italian finance police, the Guardia di Finanza.

Each for their own area of competence, the Recipients guarantee the traceability of the process, filing all documentation in an orderly archive and making it available to the Supervisory Body as necessary.