



**Organizational, Management  
and Control  
Model pursuant to the  
Legislative Decree 231/2001**

*"This document represents the English translation of the original Italian one. In case of doubt or differences of interpretation, the Italian version shall prevail over the English text".*

***General Part***

Approved by Board of Directors of Ursa Italia Srl  
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## **1. REGULATORY FRAMEWORK: LEGISLATIVE DECREE NO. 231/2001 AND ITS EVOLUTION**

### **1.1. Legislative Decree no. 231 of June 8, 2001**

The Legislative Decree no. 231 of June 8, 2001 disciplines the “liability of entities for administrative crimes resulting from a crime” (hereinafter, also the “Decree 231” or “L.D. 231/2001”), has immediately implemented the legislative delegation contained in art. 11 of Law no. 300 of September 29, 2000 in which Parliament had established principles and criteria for the regulation of the administrative liability of legal persons and bodies without legal personality for crimes committed by subjects operating within the entity, in the interest or for the benefit of the same entity.

The Decree 231, has included in the Italian legal system for bodies (those with legal personality, the companies and associations, even without legal personality; hereinafter, also collectively referred to as 'Entities' and individually as 'Entity'; the State, the territorial public bodies, the non-economic public bodies and those that perform functions of constitutional importance are excluded), a regime of administrative responsibility (from the practical point of view, similar to a real criminal responsibility) in the assumptions in which some specific types of offenses are committed, in the interest or to the benefit of the same Entities, by (as specified in article 5 of the Decree):

- a) individuals who are representatives, directors or managers of the company or of one of its organizational unit that has financial and functional independence, or by individuals who are responsible for managing or controlling the company (individuals in apical positions or “apical”);
- b) Individuals who are managed or supervised by an individual in an apical position (individuals under the command of others, hereinafter also “subjected”).

Articles 6 and 7 identify the subjective criteria of imputation, since, for the purposes of configurability of the administrative liability for a crime, the mere reconciliation, on the objective level, of the crime to the Entity is not sufficient, but it is necessary to be able to formulate an opinion of reproach to the Entity

Not all the crimes committed by the aforementioned subjects entail an administrative responsibility attributable to the Entity, given that only specific kind of crimes are considered relevant (so-called “predicate crimes”)<sup>1</sup>.

To this end, Section III of Chapter I of Decree 231 outlines the list of predicate crimes, whose commission may lead to the administrative responsibility of the Entity, if committed by a person placed in an apical position or subjected to other management.

## **1.2. The crimes laid down in Decree 231**

The determination of responsibility may entail the application of serious sanctions (according to the article 9 of the Decree 231) that might damage the very life of the entity, such as:

- a) Financial penalties;
- b) Disqualification sanctions;
- c) Confiscation;
- d) Publication of the judgment.

From a general point of view, it should be specified that competence for the administrative crimes of entities is attributed to criminal courts.

The Entity is held responsible for the crimes identified by the articles 24 and ff. (with the exception of the cases referred to in Article 25-*septies*) even if these were carried out in the form of the *attempting*. In such cases, financial and interdictive sanctions are reduced to half.

According to the art. 26 of the Decree, the Entity does not respond when it voluntarily prevents the completion of the action or the realization of the event.

### **I. Financial penalties**

The financial penalties are regulated by articles 10, 11 and 12 of the Decree and apply in all cases in which the liability of the Entity is recognized.

The financial penalties are applied for "quotas", in a number not less than 100 and not more than a thousand, while the amount of each “quota” goes from a minimum of € 258 to a maximum of € 1.549. The Judge determines the number of “quota” based on the indices

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<sup>1</sup> It must also be considered that the “catalogue” of the predicate offenses (relevant according the Decree) is constantly expanding. If, on the one hand, there is a strong attention by the community bodies, on the other, also at the national level, numerous bills have been presented aimed at inserting further cases. For a period it was also under study (see, works of the Pisapia Commission) the hypothesis to directly include the responsibility of the Institutions within the penal code, with a consequent change of the nature of the responsibility (which would become, for all effects, criminal and not more - formally - administrative) and the expansion of the relevant cases. More recently, proposals have been made to modify the Decree aimed at reaping the fruits of the application experience of the same and, ultimately, aimed at ‘healing’ certain aspects that have appeared excessively burdensome.

identified by the first paragraph of the art. 11 of the Decree, while the amount of the fee is set based on the economic and asset conditions of the involved Entity.

## II. Disqualification sanctions

Disqualification sanctions, identified by paragraph II of the art. 9 of the Decree and which can be issued in the cases strictly required and only for certain crimes, are:

- a) the disqualification from exercise of the activity;
- b) the suspension or revocation of authorizations, licenses or permits functional to the commission of the unlawful act;
- c) the provisional or definitive prohibition against negotiating with the Public Administration, other than obtaining a public service;
- d) the exclusion from incentives, loans, grants or subsidies and possible revocation of the ones already granted;
- e) the ban on advertising goods or services.

As financial penalties, type and duration of disqualification sanctions are determined by the criminal judge, taking into account the elements specified in art. 14 of the Decree 231. In any case, the disqualification sanctions have a minimum duration of three months and a maximum of two years.

One of the most interesting aspects is that disqualification sanctions can be applied to the Entity both to the outcome of the judgement (once the guilt of the judgement has been ascertained) either as a precautionary measure, or when:

- a) there are serious indications to believe that the Entity is liable for an administrative offense dependent on a crime;
- b) there are well-founded and specific elements that lead us to believe that there is a real danger that illicit acts will be committed;
- c) the Entity has made a substantial profit.

It must be remembered that the art. 23 of the Decree punishes non-compliance with disqualification sanctions, which occurs if a sanction or a precautionary restrictive measure has been applied to the Entity and, despite this, the entity transgresses the obligations or prohibitions inherent to sanctions.

## III. Confiscation

The confiscation of the price or profit of the crime is a mandatory sanction that follows the eventual sentence (art. 19).

Confiscation consists in the State's coercive acquisition of the proceeds or profits of the Offence, except for the part that can be returned to the damaged party and without prejudice to the rights acquired in good faith by third parties; when it is not possible to execute confiscation in-kind, the above mentioned confiscation may concern sums of money, property or other assets of an equivalent value to the proceed or the profit of the Offence.

#### IV. The publication of the judgment

The publication of the judgment can be ordered when a disqualification sanction is applied to the Entity (Art. 18).

Finally, it must be taken to account that the Judicial Authority can, also dispose: a) the preventive seizure of the things for which confiscation is allowed (article 53); b) the conservative seizure of the movable and immovable properties of the Entity, if payment of the pecuniary sanction, costs of the proceedings or other sums due to the State are missing (article 54).

### **1.3. The adoption and implementation of the Organizational, Management and Control Model as an exemption in case of crimes**

The Legislator recognizes, in the articles 6 and 7 of the Decree, specific forms of exemption from administrative liability of the Entity.

The Decree introduces (art. 6 paragraph 1) particular forms of exemption from the liability in question, if the Entity demonstrates:

- a) to have adopted and effectively implemented, through the operational committee, before the commission of the fact, organizational, management and control models (hereinafter, also "**Model**" or "**Models**") suitable for preventing the aforesaid crimes similar to those occurred;
- b) to have entrusted the task of overseeing the functioning and observance of the models, as well as of updating them, to a body of the entity, endowed with independent power of initiative and control (hereinafter, also "**Supervisory Body**" or "**SB**");
- c) that the people who committed the offence acted by fraudulently evading the aforementioned organizational and management models;
- d) that there is no omission or insufficient supervision by the body referred to the previous lett.b).

The Decree also establishes that, regarding the extension of delegated powers and the risk of committing crimes, the organizational, management and control model must meet the following requirements (Art. 6, paragraph 2):

- a) identify the sensitive areas at risk of commission of the crimes established by the Decree;
- b) to provide specific protocols aimed at planning for development and implementation of the decisions of the Entity in order to prevent crimes;
- c) to provide for the identification and management of financial resources suitable to impeding the commission of these crimes;
- d) to prescribe obligations to inform the body deputed to supervise the functioning and observance of the Model itself;
- e) to introduce an appropriate internal disciplinary system to punish the failure to comply with the measures set out in the Model.

Furthermore, following the entry into force of the Law 30 November 2017, n. 179, in the matter of “*whistleblowing*” have been included in the body of the art. 6 three new paragraphs. In particular, paragraph II bis requires that the Organizational, Management and Control Models provide for:

- a) one or more channels that allow subjects mentioned in the art. 5, paragraph 1, lett. a) and b), to present, detailed reports of unlawful conduct, relevant pursuant to the Decree and based on precise and concordant facts, or violations of the entity's Model; furthermore, these channels must guarantee the confidentiality of the identity of the reporting person;
- b) at least one alternative signaling channel suitable to guarantee, with computerized methods, the confidentiality of the identity of the reporting person;
- c) the prohibition to act or discriminate, directly or indirectly, to the report;
- d) at least one alternative signaling channel suitable to guarantee, with computerized methods, the confidentiality of the identity of the informant;
- e) in the disciplinary system, care for those who violate the measures for the protection of the informant, as well as for those who face serious and serious reports that prove to be unfounded.

In the case of subjects in a subordinate position, the adoption and effective implementation of the Model entail that the Entity will be required to respond only in the event that the crime was



made possible by non-compliance with the obligations of management and supervision (combined referred to in paragraphs I and II of article 7).

The following paragraphs III and IV introduce two principles which, although placed within the framework mentioned above, appear relevant and decisive for the purposes of the exemption from liability of the Entity for both the hypotheses of crime referred to in art. 5, lett. a) and b). In particular, it is expected that:

- a) the Model must provide appropriate measures both to guarantee the carrying out of the activity in compliance with the law, and to promptly discover risk situations, taking into consideration the type of activity carried out and the nature and size of the organization;
- b) the effective implementation of the Model requires a periodic verification and modification of the same if significant violations of the legal provisions are discovered or if significant changes occur in the organization or regulations; the existence of a suitable disciplinary system (condition, indeed, already provided for by letter e), sub art. 6, paragraph II).

Furthermore, it must be added that with specific reference to the preventive effectiveness of the Model with reference to the (negligent) crimes concerning occupational health and safety, art. 30 of the T.U. n. 81/2008 states that *"the organization and management model suitable for having extenuating effectiveness of the administrative liability of legal persons, companies and associations even without legal personality as per legislative decree 8 June 2001, n. 231, must be adopted and effectively implemented, ensuring a corporate system for the fulfillment of all related legal obligations:*

- a) compliance with technical and structural standards of law relating to equipment, plants, workplaces, chemical, physical and biological agents;*
- b) risk assessment activities and preparation of consequent prevention and protection measures;*
- c) activities of an organizational nature, such as emergencies, first aid, contract management, periodic safety meetings, consultations with workers' safety representatives;*
- d) health surveillance activities;*
- e) information and training activities for workers*
- f) supervisory activities with reference to compliance with the procedures and work instructions in safety by workers;*

- g) *the acquisition of documents and certifications required by law;*
- h) *periodic checks on the application and effectiveness of the procedures adopted<sup>2</sup>.*

The adoption and effective implementation of a Model does not constitute an obligation, but only a faculty for the Entities, which could well decide not to comply with the Decree without incurring, for that reason alone, in any sanction.

However, the adoption and effective implementation of a suitable Model is an indispensable prerequisite for organizations to benefit from the exemption envisaged by the Legislator.

It is also important to take into account that the Model is not intended as a static tool, but must be considered as a dynamic apparatus that allows the Entity to eliminate, through a correct and targeted implementation of the same during the course of time, any deficiencies that, at the time of its creation, could not be identified.

## **2. CONFINDUSTRIA GUIDELINES**

The first representative Association of the category to draw up a guideline document for the construction of the Models was Confindustria which, in March 2002, issued Guidelines, then partially modified and updated first in May 2004, subsequently, in March 2008 and finally in March 2014 (hereinafter also “Guidelines”).

In drawing up the Model, account was taken of the provisions of the Confindustria Guidelines.

## **3. ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL OF URSA**

### **3.1 URSA Italia profile**

Ursa Italia Srl is a modern Italian company with 60 years of insulation expertise.

URSA’s history dates back to 1949, when POLIGLAS was established in Spain. In 1988 it was acquired by Uralita Group. The German firm Pfeleiderer AG also entered the insulation business in 1991. The lives of these two companies run parallel – POLIGLAS growing predominantly in Western Europe through the construction of new factories, while Pfeleiderer grew the business

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<sup>2</sup> According to the art. 30: “The model must provide suitable systems for recording the completion of activities. The organizational model must in any case provide, in coherence with the nature and size of the organization and with the type of activity performed, a set of functions that ensures the technical skills and powers necessary for the verification, assessment, management and control of risk, as well as a disciplinary system. The organizational model must also provide for a suitable control system on the implementation of the same model and on the maintenance over time of the conditions of suitability of the measures adopted. The review of the organizational model must be adopted, when significant violations of the norms relating to the prevention of accidents and hygiene at work are discovered, or in the event of changes in the organization and activity in relation to scientific progress and technological. In the first application, the organizational models defined in accordance with the UNI-INAIL Guidelines for an health and safety management system of 28 September 2001 or with the British Standard OHSAS 18001: 2007 are presumed to comply with the requirements referred to in this article for the corresponding parts.

especially in Eastern Europe – until in 2002 Uralita Group purchased Pflaederer’s insulation division. In 2004 URSA was officially born and since then it has not stopped expanding (within Europe and beyond), launching innovative and award winning insulation products. Starting in 2017, URSA Italia joined the Xella Group.

The Bondeno plant covers an area of approximately 5,000 m<sup>2</sup> and can have an external storage area of approximately 60,000 m<sup>2</sup>.

The plant was inaugurated in December 2014 after being completely destroyed by the earthquake that also affected the Ferrara area on May 20<sup>th</sup>, 2012.

### **3.2 The adoption of the Model by URSA Italia Srl**

URSA Italia Srl has formalized its Organizational, Management and Control Model after carrying out an analysis of the entire organizational structure of the company and its internal control system, in order to verify its adequacy with respect to the prevention of the negligent crimes provided for by the Decree (art. 25- *septies* and article 25-*undecies*).

To do this, the Company has set up a working group composed of the company resources qualified for this, assisted by external consultants from a primary consultancy firm and a law firm with proven experience in the sector.

The Model has been prepared on the basis of the provisions of the Decree and the Guidelines drawn up by Confindustria.

### **3.3 Preparatory activities for the adoption of Model 231: the methodology and components of the Control System**

In line with the already mentioned Guidelines, the Working Group has, on this occasion, developed a methodology that can be divided into the following phases:

- 1. *The mapping of activities “at risk”*:** in detail, all the activities aimed at identifying the processes / areas at risk which may present the potential risks of committing the predicate offenses pursuant to Legislative Decree no. 231/2001;
- 2. *Risk Assessment and Gap Analysis*:** all the activities aimed at identifying and analyzing the internal control system defined to mitigate the potential risks of committing the predicate offenses identified in the previous phase. This phase also includes the identification of areas that can be improved;

3. **Definition and updating of the Model:** drafting of the Model 231 and implementation of the suggested actions. These activities include all possible actions aimed at further strengthening the Company's internal control system.

In detail:

**Phase 1: The mapping of activities “at risk”**, which is composed of the following activities:

- **Collection and analysis of information**, that is of the preliminary documentation (organization charts, business documents, procedures, etc.) necessary both for understanding the organizational structure and company processes, and for defining the scope of the analysis;
- **Identification of areas at risk of crime**, within the scope of this activity, interviews are carried out (so-called risk assessment interviews) with the main company referents (eg including the Plant Manager and the HSE Function) with whom proceeded, where possible, to identify the business areas as well as to obtain feedback and information regarding the performance of company activities. the Working Group has identified the so-called crime risk areas, the business areas and / or processes with respect to which the risk of consumption of the offenses considered with exclusive reference to crimes relating to health, safety at work and the environment;
- **Identification of potential commission of crimes**: in this activity, the Work Group has identified, in correspondence with the crimes subject to analysis, some of the possible commission of crimes of said crimes, ie. the concrete ways in which the crimes referred to from art.25-septies and 25-undecies of Decree 231 they could, abstractly, be implemented in the performance of the Company's business activities.

**Phase 2: Risk Assessment and Gap Analysis**, which is composed of the following activities:

- **Identification and evaluation of specific risk factors and existing controls**: for each area at risk of crime and / or for each type of crime under analysis, the Work Group has identified:
  - specific risk factors;
  - for each of the specific risk factors detected, through interviews with the managers of the activities, the controls to monitor the risk factors themselves.
- **Prioritization of risk areas**, through which the Work Group identified, at the outset, the areas with the highest risk level;

- Identification of improvement actions, through which the Work Group, on the basis of the information acquired during the interviews relating to the existing control points, for each area subject to analysis, identified the aspects susceptible to possible improvements.

***Phase 3: Definition and updating of the Model***, to be intended as a definition of the summary document of the organization, management and control model.

In the phases prior to the preparation of this document, the Work Group has provided for the detection and analysis of company controls, especially those that derive from operating practices or methods of execution of certain activities, even if not already formalized in specific and specific company procedures, - analyzing and verifying the Organizational System, the Proxy and Delegation attribution system, the procedures and other documents deemed relevant for analysis purposes (so-called *is-is analysis*) - as well as the subsequent identification of the improvement actions, with the formulation of appropriate suggestions and the definition of a Plan for the implementation of deficient or missing control principles (so-called *gap analysis*).

Taking into account the provisions of Confindustria Guidelines relating to negligent crimes, the Working Group carried out some analyzes with respect to the following components of the Preventive Control System:

- **Code of Conduct:** in this context the principles of conduct that inspire the conduct of the Company have been analyzed in order to ensure that the conduct carried out by Company's personnel are aimed at protecting the health and safety of all Ursa Italia workers as well as protecting the environment and disseminated / known to the entire Company organization. In this regard, URSA Italia has adopted the Code of Conduct defined for all Xella Group Companies (to which also URSA Italia belongs), and which envisages in Chapter 5 how the Group "*undertakes to protect the environment*", as well as "*how safety in the workplace and the safety of our products are a fundamental principle*".
- **Organizational structure:** the organizational system has been analyzed and verified, the clear responsibilities assigned and the hierarchical dependency lines have been clearly defined, the existence of the contraposition of functions or the balancing of powers, the correspondence between the activities actually performed and how much foreseen by the missions and responsibilities provided in the Company's organization chart.

Particular attention was paid to verifying that functions, especially the more operational ones, guarantees both the possession of technical skills and the powers necessary to assess, manage and control risks for health and safety at work as well as for the management of environmental impacts related to installations.

To this end, the main figures in charge of protecting workers and the environment have been taken into consideration, such as, for example, the Employer, Safety Delegates, the Health & Safety Manager (hereinafter also “RSPP”), the Competent Physician, Prevention and Protection Service staff members, the Emergency workers in case of fire, first aid providers, health and safety representative, Responsible for environment, etc. in order to verify / adapt, in particular, the appointment and powers in line with the regulatory provisions of reference and that the identified subjects had the necessary technical requirements to perform the assigned functions.

For preventing negligent crimes, health safety and environmental risk assessment was checked in terms of completeness and correctness. This analysis required a significant integration of the level of processes in order to take into account not only risks immediately attributable to company operations but also risks that are able to significantly affect the business (so-called exogenous risks).

- **Training and development:** with reference to the subject of training, and specifically to training in the field of health, safety and the environment, the practices and / or operating practices regulating said activities were detected and analyzed, from the identification of the requirements up to the actual disbursement and registration of the activities provided, with particular reference to the training courses imposed by the Legislator. In particular, for the specific figures envisaged by the accident prevention regulations, steps were taken to verify the completion of the training and professionalizing qualification procedures, provided for each of them in accordance with the law, proposing, where necessary, the adoption of monitoring measures, of summarizing and reporting. Furthermore, considering the need for initiatives aimed at implementing Decree 231 and the Model 231 itself, a plan has been planned aimed at training personnel in general, as well as in particular those operating in the areas identified as being at risk. In this way, each Company Function is put in a position to have immediate knowledge of the risk areas and of the sensitive activities that see it involved, as well as the control systems specifically established with reference to the single decision-making process examined;

- **Communication and involvement:** involvement of personnel with respect to health, safety and environment issues were detected and analyzed, also in consideration of the current regulatory provisions (eg. preparation / updating of the contents of the Risk Assessment Document, periodic meetings, etc.) and the quality of the information communicated with a view to favoring moments of confrontation with the Workers as well as the opportunities for notifying them of the needs or problems encountered as well as the dissemination of the collected performance data (eg. accidents, environmental accidents, almost accidents, etc). Also in this case it was necessary to strengthen the operating methods through which the relevant information circulates and / or is disseminated within the Organization and / or the formalization of the moments of confrontation and involvement of the personnel.
- **Operational management:** in this case, formalized procedures that regulate activities carried out by the structures in the risk areas have been drafted. They were also taken into account phases and operating flows as well as the control points to be inserted and / or improved. Particular attention has been dedicated to:
  - the work organization: an inspection along the production lines as well as in all the functional areas of the production process (eg. offices, warehouses, goods loading / unloading areas, silo, etc.) permitted to identify potential health safety and environmental risks and to suggest appropriate measures to further strengthen protection levels;
  - purchases of goods and services: the verification of types of goods and services purchased allowed to assess the presence, providing for the subsequent integration / implementation, of contractual safeguards (eg. compliance to the the Model 231 of URSA Italia and contractual safeguards in the event of breaches by the supplier) and / or the correct preparation of specific documentation (eg. single documents for the assessment of risks from interference) and / or the request, analysis of documentation related to goods received in order to guarantee the correct management of safety and environmental issues;
  - the qualification of suppliers and contractors (eg. for ordinary and extraordinary maintenance activities, for waste disposal, for new works, renovations, etc.): the verification concerned the analysis of the evaluation and qualification process with particular reference to the ethical-moral requirements, the technical-professional requisites, the possession of the authorizations and the qualifications to carry out the activities, etc;

the management of plant accesses: the verification concerned both the provision of specific contractual precautionary clauses for URSA Italia and, at the time of provision, the correct information on the risks present in the plant / headquarters of URSA Italia and the management methods of the emergency;

- waste management: the verification mainly concerned the existence of specific company protocols aimed at directing the work of the employees, in line with the reference legislation (for example, compliance with time constraints, volumes and spaces dedicated physicists for temporary storage of materials destined for disposal; checks on the accesses of third-party companies involved in the transport and disposal of waste, etc.);
  - the management of health surveillance and Personal Protective Equipment;
  - the management of atmospheric emissions, dangerous substances and water discharges;
  - general maintenance management of systems and equipment.
- **Monitoring system:** operational methods was analyzed to ensure a monitoring on the technical, organizational and procedural preventive measures adopted by the Company, in terms of: *i)* planning of audits, *ii)* roles and responsibility for carrying out checks, *iii)* verification methods, *iv)* reporting to the top management of any discrepancies found. To this end, it was necessary to strengthen the presence of the structures in charge of monitoring and monitoring the measures defined for the protection of workers and the environment.

Together with the risk assessment and assessment of the Control System, the Work Group has also carried out a careful survey of the remaining necessary components of the Model, in particular:

- a) Supervisory Board;
- b) Code of Conduct;
- c) Disciplinary System.

On the basis of these criteria, both with reference to the preventive control system, and with reference to the other elements of the control system (operating procedures, ethical principles, staff training, disciplinary system) the actions were initiated by the competent bodies and functions improvements deemed necessary.



Together with these activities, URSA Italia, as required by art. 6, paragraph I, lett. b), Legislative Decree no. 231/2001, has appointed a *Supervisory Body* whose regulations are based on:

- responsibility and activity of the SB;
- disclosure obligations to and from the SB;
- planning and execution of verification and monitoring activities.

### **3.4 URSA Italia Model's Recipients**

Rules and principles contained in the Model must be respected, first of all, by persons who have an apical position within the Company; secondly, by its employees, including managers, without exceptions; finally, by all those who, even outside the Company, operate, directly or indirectly, for URSA Italia (eg, attorneys, agents, collaborators of any kind, consultants, suppliers, business partners, hereinafter referred to as “Third Party Recipients” defined as a whole, hereinafter “Recipients” or, individually, “Recipient”).

#### **3.4.1 Apical subjects (e.g. Senior Management)**

According to art. 5, paragraph I, lett. a) of the Decree, apical subjects are persons “*holding positions of representation, administration or management of the Company or of one of its organizational units with financial and functional autonomy*” as well as subjects who “*exercise the management or control*” of the Entity.

To this end, members of the Board of Directors of URSA Italia has an important role. Persons who work for the auditing company (hereinafter referred to only as an “Auditor”) play an important role too.

Furthermore, although it is an external subject to the Company, the Auditor is equated with Directors, as expected by the Disciplinary System.

#### **3.4.2 Employees of URSA Italia**

The term “employees” of URSA Italia includes all subjects linked to the Company by an employment relationship, regardless of the contract applied, the qualification and / or corporate classification recognized (for example, non-“apical” managers, middle managers, office workers, workers, temporary workers, workers with insertion contracts, etc., hereinafter also “Employees”).

This category also includes the employees to whom they are assigned, or who perform functions and / or specific tasks in the field of health and safety at work (for example, Health & Safety Manager and Prevention and Protection Service staff members first aid providers, the Emergency workers in case of fire, health and safety representative etc.).

### **3.4.3 Recipient Third Party**

The category “Recipient Third Party” includes, in particular, all those who do not hold an “apical” position as specified in the preceding paragraphs and who have to comply with the Model by virtue of the function performed in relation to the corporate structure and organizational structure of the Company, for example because they are functionally subject to the management or supervision of an “apical” subject, or because they operate, directly or indirectly, for URSA Italia (hereinafter collectively also referred to as “Recipient Third Party”).

Within this category, they can be returned:

- a) all those who have a non-subordinate employment relationship with URSA Italy (eg. project collaborators, consultants, temporary workers);
- b) collaborators in any capacity;
- c) attorneys, agents and all those acting in the name and / or on behalf of the Company;
- d) the subjects to whom they are assigned, or who carry out in any case, specific functions and duties in the field of health and safety at work (for example, the Competent Physicians and, if external to the company, and Health & Safety Managers);
- e) contractors and partners.

### **3.5 The structure of URSA Italia’s Model 231**

This Model’s summary document (hereinafter also “Summary Document”) is composed of a General Part complete of two attachments, and a Special Part structured in two chapters, as follow.

In the General Part, in addition to a brief but necessary illustration of the *ratio* and principles of the Decree, and a summary recognition of the provisions of the document “Discipline and duties of the Supervisory Body”, are summarized the protocols relating to the prevention of the following negligent crimes which constitute the present Model:

- a) the governance model and the organizational system of URSA Italia;

- b) the delegations and proxies system;
- c) the operational management (guides and IT procedures);
- d) the Health and Safety at work control system (operational management and monitoring);
- e) Code of Conduct;
- f) the communication and involvement of staff, as well as their training;
- g) the Disciplinary System.

The Special Part is, in turn, divided into two parts:

- a) Special Part A - Manslaughter crimes and serious or very serious injury committed in violation of the rules on the protection of health and safety at work;
- b) Special Section B - Environmental crimes.

In Special Part A, relating to the prevention of crimes on Health and Safety at Work, the following main aspects are indicated:

- the risk factors existing in the business activity carried out by the Company;
- the URSA Italia organizational structure regarding Health and Safety at Work;
- the principles and standard rules for the Company;
- the duties and tasks of each category of subjects operating within the URSA Italia organizational structure relating to Health and Safety at Work;
- the role of the Supervisory Body concerning Health and Safety at Work;
- principles of the Health and Safety at Work corporate procedures.

In Special Part B, relating to the prevention of environmental crimes, the following main aspects are identified:

- i) areas at risk of crime;
- ii) abstractly conceivable crimes;
- iii) corporate functions involved in the execution of the activities and which could commit the crimes provided by the Decree;
- iv) main controls envisaged for those activities that are carried out in the “crime risk” areas.

Finally, as mentioned, General Part presents the Attachment A, which contains a list of the “relevant types of crime following the risk assessment activity and related commission methods”. These crimes can be hypothesized with reference to the sensitive processes and activities identified.

These documents, collectively considered, compose the Company's Model adopted pursuant to the Decree.

#### **4. THE GOVERNANCE MODEL AND THE ORGANIZATIONAL SYSTEM OF URSA ITALIA**

The governance model of URSA Italia and, in general, its entire organizational system, is entirely structured in order to ensure the implementation of strategies and the achievement of objectives to the Company.

The structure of URSA Italia was created considering the necessity to equip the Company with an organization that would guarantee it the maximum efficiency and operational effectiveness, in compliance with an effective mechanism for preventing predicate crimes.

##### **4.1. The governance model of URSA Italia**

The corporate governance system of URSA Italia is currently structured as follows:

###### **Sole Shareholder:**

The share capital of URSA Italia is wholly owned by Uralita Holding B.V Company.

###### **Board of Directors:**

The Board of Directors is invested with the widest powers for the administration of the Company and for the implementation and achievement of the corporate purpose, within the limits allowed by the Law and the Statute. Therefore, the Board of Directors is given the power to define the strategic guidelines of the Company, as well as to verify the existence and efficiency of the organizational and administrative structure.

In compliance with the Statute, the Board of Directors may be composed from 2 to 9 directors. At the time of adoption of this document, the directors in charge are 2: the Chairman of the Board of Directors and a second director who also plays the role of General Manager of URSA Italia Srl.

###### **External audit firms:**

In compliance with the Statute, the Shareholder of URSA Italia has appointed an external Audit firm, registered in the specific Register of Legal Auditors, who is responsible for the audit and accounting control of the Company's accounts.

## **4.2 The organizational system of URSA Italia**

### **4.2.1. Functions of URSA Italia**

The organizational structure of URSA Italia is divided in two functions:

- operational functions that mainly ensure production and commercial activities;
- control functions that ensure the monitoring of business risks and the functioning of prevention and mitigation measures.

In particular, this structure is as follows:

- Chairman of the Board of Directors;
- A member of the Board of Directors, as well as General Manager of the Italian Business Unit of URSA, on which he depends:
  - Customer Service Manager;
  - Technical and Marketing Manager;
  - Sales Manager;
  - Sales Manager (East Area - North Area - Central Area - South Area);
  - Plant Manager (with functional reporting to the Group Chief Technology Officer);
  - Human Resources Manager;
  - Finance Manager;
  - Legal Manager;
  - ISP (Information Systems and Processes) Manager.

For these latter business processes (Human Resources, Finance, Legal and Information Technology) URSA Italia uses competent Group structures that provide specific services based on contracts signed between the various Group companies, such as:

- Human Resources;
- Finance;
- Information Technology;
- Procurement;
- Legal.

Reporting to the Plant Manager of URSA Italia, located in Bondeno (FE), also operate:

- Production manager;
- Maintenance Manager;
- HSE Manager;
- Logistics Manager.

Below, the purposes to which each Role / Function is appointed, are represented.

The **Chairman of the Board of Directors** is the Company's legal representative **jointly with the Board Member**.

**The Chairman** covers also the role of Employer pursuant to art. 2 of Legislative Decree 81/08, carrying out, among others, the following activities:

- confers, with appropriate appointment, the role of Prevention and Protection Service Manager (as well as in Italian "RSPP");
- evaluates all the risks and approves the related Risk Assessment Document (as well as in Italian "Documento di Valutazione dei Rischi – DVR") according to the art. 28 and 29 of Legislative Decree 81/08;
- confers powers to one or more company subjects specifically identified on the basis of the skills and experience acquired pursuant to art. 16 of Legislative Decree 81/08 - Safety Delegate;
- supervises the correct fulfillment of the delegated tasks and intervenes in the event of failure to act by the specifically delegated party;
- is working, with the support of the Prevention and Protection Service Manager, to eliminate / remove any critical issues through the use of appropriate instruments for purpose.

The same Chairman also provides the directives for the protection of the environment in order to guarantee compliance with the applicable legislation.

The **General Manager** of Italy Business Unit:

- oversees the commercial area, in collaboration with the Group functions and with the defined Group policy;

- prepares the strategic guidelines of the commercial area in compliance with the defined Group policy;
- represents the Company in negotiations with customers;
- establishes the strategy of developing products and services in current markets and / or new markets;
- defines and monitors production plans based on the demand for finished products;
- supervises staff and cross-process processes.

To the same director is attributed the role of **Safety Manager**, pursuant to art. 16 of Legislative Decree 81/08, both for the Bondeno plant and for the Agrate Brianza site, as well as the role of **Responsible for compliance with environmental protection legislation**.

The **Customer Service Manager** is appointed to:

- manage the customer information service for details concerning orders and their progress, as well as supervise the commercial correspondence between the products requested by the customer and those received and managing any complaints or disputes that may arise.

The **Marketing Manager** is appointed to:

- analyze the reference market defining the public to which the marketing activity will be addressed; analyze the competition, develop and test the products by identifying its strengths and weaknesses as well as the periodic restyling in order to ensure adherence to market demands.

The **Sales Manager** is appointed to:

- ensure, in agreement with the General Management, sales and market strategies by preparing appropriate commercial plans; manage the assigned activities and sales force; carry out sales plans with clients.

The **Area Sales Managers** (North Area, South Area, Central Area, East Area) are appointed to:

- ensure the implementation of Area sales plans; meet the customers to propose the Company's solutions and products; coordinate Area sales force.

The **Plant Manager** (role covered ad interim by the same General Manager) is appointed to:

- formulate, with the support of the General Management and the Group CTO, the forecast production budget;
- coordinate the Managers of the structures to their dependencies and to control their work;
- check the technical and economic management data (eg. production levels, waste, etc.);
- participate in the improvement of processes, technologies and products used in the plant.

The **Human Resources Manager** is appointed to:

- manage the selection, recruitment, management, development and termination of employment relationships for employees, taking care of the fulfillment of social safety and pension obligations;
- take care of industrial relations at national and territorial level.

The **Legal Manager** is appointed to:

- choose and indicate the defensive lines to protect the interests of the Company both in judicial and extrajudicial areas;
- ensure the proper management of the corporate area by taking care of the keeping of company books and the related advertising obligations.

The **Finance Manager** is appointed to:

- manage the treasury service, taking care of relations with credit and banking institutions;
- take care of the correct recording of the administrative and accounting facts of the company, guaranteeing the keeping of the accounting books;
- manage debt collection;
- take care of the preliminary activities for the preparation of the draft budget and to take care of drafting the provisional financial statements;
- take care of the civil liability insurance coverage (for damages suffered by the Company's employees; the damage caused, also to third parties, by the Company's workers; for damages caused by the company's products, even against of third parties, for damages caused by clinical trial activities).



The **ISP Manager** is appointed to:

- guarantee the functioning of information systems to support production and staff processes.

Reporting to **Plant Manager** are indicated:

The **Production Manager** who is appointed to:

- plan the production activities;
- coordinate and direct industrial production activities in order to achieve the agreed objectives;
- define the indicators and evaluation parameters to monitor the trend of production flows and ensure that the objectives are achieved, both in terms of the quantity and quality of the products.

The **Maintenance Manager** who is appointed to:

- set up a preventive maintenance and revision plan for all the company's machines and systems;
- observe and enforce the general and specific safety rules and measures prescribed for the execution of the works.

#### **4.2.2. The Organizational Structure on Health and Safety**

With regard to health and safety at work, the Company has been equipped an organizational structure in order to observe the provisions defined by the regulations in force and remove or, where this is not possible, reduce - and therefore managing - occupational risks for employees.

Therefore, the following subjects operate under this organizational structure:

- the Employer;
- the Health and Safety Manager (hereinafter also “RSPP”);
- the Manager, including the Safety Manager;
- Supervisors;
- the First Aid Workers in charge;
- the Fire Prevention Workers in charge;
- the Workers' Health and Safety Representatives (hereinafter also “RLS”);
- the Competent Physician;
- Workers;

- subjects external to the company who carry out significant activities in the field of Health & Safety at Work, mainly attributable to: i) the subjects entrusted with a job by a work contract or an administration contract; ii) suppliers; iii) installers of systems, work equipment or other technical means and maintenance personnel.

The above figures are invested with their respective responsibilities through specific deeds of appointment by the Employer following the preliminary verification of the competences and experience gained and in accordance with the regulatory provisions in force.

#### **4.2.3. The Organizational Structure on environmental matters**

URSA Italia considers environmental protection an important goal for its business. For this reason a Responsible for compliance with environmental protection legislation has been identified and endowed with specific delegation and spending power in the environmental field. The Responsible for compliance with environmental protection legislation coincides with the Safety Manager with the aim of protecting not only the health and safety of the personnel but also the environment with a view to identify the significant environmental aspects connected to production activities and define mitigation and prevention measures also with respect to the theoretical commission of environmental crimes. The same could be supported by HSE Function, also RSPP, for the management of environmental matters.

Purpose of this Function is to ensure that the company activity is carried out in compliance with current legislation and HSE procedures.

#### **4.2.4. Definition of the company organization chart and tasks**

In order to make clear the role and responsibilities of each in the context of the corporate decision-making process, URSA ITALIA has developed its own summary organization chart.

In particular, in the Organization Chart are specified:

- the areas in which the business is divided;
- the hierarchical dependence of individual corporate divisions;
- subjects operating in the individual areas and the relative organizational role.

The organization chart is published on the company portal, which can be consulted by all company's staff.

This document is subject to constant updating according to the changes occurred in the organizational structure. The changes are subject of adequate organizational communications.

## **5. DELEGATIONS AND PROXIES SYSTEM OF URSA ITALIA**

### **5.1. The general principles**

As required by good corporate practice and also specified in the Confindustria Guidelines in the latest approved version, the Board of Directors of URSA Italia is the body responsible for formally conferring and approving the delegations and powers of signature, in accordance with the organizational and management responsibilities defined.

The level of autonomy, the power of representation and the spending limits assigned are always identified. They are established consistently with the hierarchical level of the addressee of the proxy or power. The powers conferred are periodically updated according to the organizational changes that occur in the structure of the Company.

The Company has also set up an information flow for all corporate functions and subjects, for any purpose, including the Supervisory Body and in order to ensure communication of the powers and related changes.

### **5.2. Delegations and proxies system in URSA Italia**

The system of delegations and proxies currently in force in URSA Italia faithfully traces the picture that emerges from the company organization chart.

The Board of Directors has given each member of the Board, the administrative and managerial powers of the Company, providing a joint signature.

Furthermore, the Board of Directors has identified the Employer as the Chairman , pursuant to art. 2 of Legislative Decree 81/08, which conferred on the General Manager to define the corporate strategies, as well as appointed the same as Safety Manager pursuant to art. 16 of Legislative Decree 81/08. At the same time, the Board of Directors has appointed the General Manager as “Responsible for compliance with environmental protection legislation”.

The delegation and proxies, therefore, after the review by Legal Function, are always formalized through notarial acts or, in their absence, are made public in the appropriate manner and communicated by engagement letters drawn up on the Company's headed paper and signed “for

acceptance” by the recipient. The proxies are then deposited at the Companies Register of the relevant Chamber of Commerce.

Each of these delegation or powers of signature provides the following indications:

- a) delegating subject and source of his delegation or proxy power;
- b) delegated subject or attorney, with explicit reference to the function assigned and the link between delegations/proxies and the organizational position covered by the delegated subject;
- c) object, constituted by the list of activities and acts for which the delegation/proxy is conferred. These activities and acts are always functional and/or closely related to the competences and functions of the appointed delegate/proxy;
- d) limit values within which the appointed delegation/proxy is entitled to exercise the power conferred. This value limit is determined based on the role and position covered by the delegated/attorney in the corporate organization.

The system of delegated and signature powers, as mentioned above, is applied in compliance with company procedures, is regularly monitored and, where necessary, updated with the support of the Legal Function in order to be as consistent as possible with the hierarchical-functional organization and the needs of the Company.

## **6. INVESTMENTS AND EXPENSES ON HEALTH, SAFETY AND ENVIRONMENTAL MATTER**

URSA Italia is committed to ensuring the safety and health of its workers as well as to protect the environment, with a view to continuous improvement.

URSA Italia annually invests sums of money for the development and protection of the environment, health and safety of its workers. The sums allocated, divided by the Bondeno plant and the Agrate Brianza site, are formalized in specific planning documents prepared by the Safety Manager/ Responsible for compliance with environmental protection legislation.

## **7. HEALTH, SAFETY AND ENVIRONMENTAL MONITORING AND CONTROL SYSTEM**

### **7.1 The Control System: the company procedures on health, safety and the environment**

URSA Italia has defined, through a specific Implementation Plan, numerous procedures employment to regulate the performance of company activities, in compliance with the principles indicated by the Confindustria Guidelines and by the mandatory laws on health, safety and environment.

With regard the issues of health protection, safety at work and the environment, the Company has identified the HSE Function, which reports directly to the Plant Manager and with the support of the other company Functions competent including those relating to:

- identification and assessment of health, safety and environmental risks as well as identification of adequate prevention and protection measures with respect to the risks encountered in order to eliminate the latter or, where this is not possible, reduced to a minimum - and, therefore, managed - in relation to the knowledge acquired based on technical progress;
- acts appointment, delegations and organizational documents that formalize roles, responsibilities and powers in health, safety and the environment area;
- health surveillance measures and health control of workers based on specific risks with the aim of limiting to the minimum the number of workers exposed to risks;
- monitoring and supervision of the correct use of the same company procedures relevant to health, safety and the environment;
- operational procedures for managing training, information, communication and involvement of Workers in order to be adapted to the recipients of the Model, within the limits of their respective roles, functions and responsibilities;
- prevention planning, aiming at a complex that coherently integrates the technical and production conditions of the company with the influence the environment and the organization factors, as well as the subsequent realization of the planned interventions;
- regular maintenance of environment, equipment, machines and systems, with particular regard to the maintenance of safety devices in compliance with the manufacturers' instructions;

- operating procedures for obtaining and monitoring permits, authorizations and certifications necessary for the continuation of company activities in order to protect safety at work and the environment;
- operating procedures designed to guarantee compliance with the technical-structural standards relating to equipment, facilities, workplaces and in general to the management of risks relevant to the Company;
- operating procedures for the management of environmental issues, such as: waste management, emissions, use of hazardous substances, etc.

In any case, the URSA Italia system of procedures provides the precise definition of the tasks, duties and responsibilities for each category of subjects involved in the health, safety at work and environmental processes. In this sense, the following risk profiles were also considered, subject to further internal regulation:

- recruitment and qualification of employees;
- organization of work and workstations;
- acquisition of the goods and services used by the company and the communication of appropriate information to suppliers and contractors;
- normal and extraordinary maintenance of equipment, installations, means of prevention and collective and individual protection devices;
- qualification and choice of suppliers and contractors;
- efficient management of emergencies;
- procedures for address the discrepancies found compared to targets set.

These main procedures constitute the rules to be followed in relation to the business processes involved, providing the definition of responsibilities and the controls to be carried out in order to guarantee the correctness, effectiveness and efficiency of company activities.

Finally, the procedures, in addition to being diffuse through specific communication and training, are collected and made available to all corporate subjects both through publication on the company intranet and at the Company's headquarters and, more precisely, at the offices of the Plant Manager and the HSE Function.

## **7.2. Health, Safety and Environment monitoring system**

The Company has dedicated particular attention to the need to prepare and implement an effective and efficient performance monitoring system in terms of health, safety at work and the environment.

The latter is focuses on a monitoring system that involves different actors.

Firstly, the monitoring involves all the subjects that operate within the organizational structure of the Company, being expected:

- a) Self-control by the Workers, who must both correctly use work equipment, dangerous substances and mixtures, means of transport, as well as the safety and protection devices made available to them, and report immediately the deficiencies of these means and devices as well as any possible dangerous condition of which they become aware. At the same time the Workers themselves must operate in full compliance with the environmental regulations in force governing the operating methods connected, for example, with waste, emissions, the use of dangerous substances, etc.
- b) the direct and constant involvement of the corporate subjects with specific tasks in the field of health, safety in the workplace and the environment (for example, Employer, Safety Manager & Responsible for compliance with environmental protection legislation, Supervisors, RSPP, etc.), who are involved, between other, in the following matters: a) periodic and systematic supervision and monitoring of compliance with legal obligations and company procedures in these matters; b) reporting to the Employer of any deficiencies and problems; c) identification and assessment of corporate risk factors; d) processing the preventive and protective measures implemented and referred to in the Risk Assessment Document, as well as the control systems for these measures; e) proposing training and training programs for workers, as well as communicating and involving them; f) identification of significant environmental aspects and the related methods of protection and management.

Furthermore, the Company, through the Group Internal Audit Function, conducts periodic monitoring and control activities on the functionality of the preventive system on health, safety at work and the environment.

The Supervisory Body is also responsible for monitoring the overall preventive system adopted by the Company to protect the health, safety of workers and the environment, based on its suitability to ensure the objectivity and impartiality of the work, as well as independence from the work sector subject to inspection.

In order to allow the Supervisory Body to effectively carry out its own monitoring, it is required to send the Supervisory Body a copy of the reports on health, safety at work and the environment in compliance with the information flows regulated in the following paragraph.

The results of the monitoring are considered by the Supervisory Body in order to formulation to Board of Directors, or to the competent corporate functions:

- a) proposals for updating the Model, including the preventive system adopted by the Company and company procedures, due to any inadequacies or significant violations found, or changes in the organizational structure of the Company;
- b) proposals for disciplinary sanctions.

## **8. THE SUPERVISORY BODY OF URSA ITALIA**

Legislative Decree 231 to the art. 6 paragraph 1, lett. b) provides the institution of a body within the entity - c.d. Supervisory Body (hereinafter also “SB”)- endowed with autonomous powers of initiative and with the task of supervising the functioning/observance of the Model and taking care of updating it.

The Supervisory Body of URSA Italia, specifically appointed by the Board of Directors, is organized in a monocratic form and is therefore composed of an external member.

The Supervisory Body Component has been identified among authoritative personalities, academics and professionals of proven competence and experience in matters relevant, who have also gained adequate and proven experience in the scope of application of the Decree.

In compliance with the provisions of Confindustria Guidelines, the Supervisory Body of URSA Italia meets the requirements of:

- autonomy and independence: the position of the Supervisory Board, as envisaged by Confindustria Guidelines “*must guarantee the autonomy of the control initiative from any form of interference and / or conditioning by any member of the Entity*” (including the governing body). The SB, therefore, enjoys autonomy and independence from the Administrative Body (Board of Directors) against which it exercises its control activity. The Body is in no way involved in management activities, nor is it in a position of hierarchical dependence. As a further guarantee of its independence, the Supervisory Body informs the Administrative Body every six months about its activities. In any case, the Body reports to the Administrative Body promptly on any event of particular importance;



- professionalism: the member of the Supervisory Board is in possession of specific technical and professional skills appropriate to the functions that the Body is called upon to perform, also being able to make use of the technical support of subjects inside or outside the Company. To this end, in the performance of its functions, it has adequate financial resources to ensure that it is operational, on the basis of a budget for the expenses to be incurred in the performance of its functions, with respect to which the Body provides an adequate annual amount reporting to the Board of Directors;
- continuity of action: the Supervisory Board operates at the Company, continually exercising control powers and meeting, at least quarterly, to carry out the assignment assigned to it. In order to ensure the monitoring of sensitive corporate processes pursuant to Decree 231, the Supervisory Body avails itself, in addition to the knowledge of the functions involved, including the corporate procedural body, information flows, as well as hearings with those responsible for the areas potentially at risk offense. The functioning of sensitive processes pursuant to Decree 231 is verified by the SB also through the constant support of the internal Functions or, where necessary, of external consultants.

### **8.1 Causes of ineligibility, incompatibility and revocation of the mandate**

The appointment of Supervisory Body is conditioned by the presence and permanence of certain requirements. In particular, constitute reasons for ineligibility and, if they occur, for the revocation of the mandate for “just cause”:

- the lack, or the supervening loss, of the requisites of professionalism, autonomy, independence and continuity of action;
- relationships of marriage, kinship or affinity within the fourth degree with the members of the Board of Directors, with the managers of URSA Italia and/or other Group companies;
- the existence of economic and/or contractual relationships other than that established as a Supervisory Body, for remuneration or free of charge, directly or indirectly, with the Company and/or with their respective directors, as well as in relation to events involving the Company;
- direct or indirect ownership of equity investments in URSA or other Group companies;
- any other situation, other than those specified in the preceding points, of a conflict of interest, even potential, with the Company;

- the subjection to preventive measures ordered by the judicial authority, that is the interdiction, the disqualification, the declaration of bankruptcy, the interdiction, even temporary, from the public offices or the inability to exercise directive offices;
- a sentence of final conviction or application of the sentence pursuant to articles 444 et seq. Code of Criminal Procedure in relation to crimes provided for by Decree 231;
- a serious breach of one's duties as defined in the Model and in the Articles of Association;
- failure to carry out the tasks and functions assigned over two consecutive quarters on an annual basis.

In order to guarantee the continuity of action of the Supervisory Board and to protect the legitimate performance of the functions and the position covered by an unjustified removal, the revocation of the mandate conferred to the SB can only take place for “just cause”, in the case of one of the conditions referred to above and is established by a specific resolution of the Board of Directors.

The revocation of assignment will result in the forfeiture of the Supervisory Body and the Board of Directors will promptly appoint a new one.

## **8.2 Duties and powers of the Supervisory Body**

In compliance with the provisions of article 6, paragraph 1 of the Decree, the Supervisory Body of URSA Italia must monitor the functioning and observance of the Model and collaborate in its constant updating.

In general, therefore, the SB has the following duties:

1) verification and supervision of the Model, which involve:

- verification of the adequacy of the Model, namely the verification to prevent the occurrence of unlawful conduct;
- verification of the effectiveness of the Model, namely with regard to the correspondence between concrete behavior and those formally provided for by the Model;
- monitoring of the company activity, carrying out periodic checks and the relative follow-ups. In particular, the activity of recognition of corporate activities is aimed at the main purpose of identifying any new areas at risk of crime pursuant to the Decree with respect to those already identified in the Model;

- activation of the competent corporate structures for the elaboration of operating and control procedures that adequately regulate the carrying out of activities;

2) updating of the Model, namely:

- prepare, where necessary, the upgrade of the Model, proposing to the Board of Directors and to the competent corporate Functions the adaptation of the same, in order to improve its adequacy and effectiveness, also in consideration of any regulatory interventions and / or changes in the organizational structure or business activity and / or significant violations of the Model;

3) information and training on the Model, using the competent corporate functions:

- promote and monitor initiatives aimed at encouraging the dissemination of the Model to all subjects who are required to comply with the relative provisions (namely to the Recipients Decrees);
- promote and monitor initiatives, including courses and communications, aimed at promoting adequate knowledge of the Model by all Recipients;
- promptly find requests for clarification and / or advice from company functions or resources or from the administrative bodies in relation to the correct interpretation and / or the concrete functioning of the activities formalized in the Model;

4) management of information flows to and from the Supervisory Board, namely:

- monitor the timely fulfillment, by all interested parties, of the reporting activities relating to compliance and the concrete implementation of the Model;
- examine and evaluate all the information and reports received and connected to the actual implementation of the Model;
- inform the competent bodies about the activity carried out, the results and the planned activities;
- report to the competent functions any violations of the Model and the subjects deemed responsible, if necessary proposing the penalties deemed most appropriate;
- provide the necessary support to the inspection function in the case of controls carried out by institutional subjects (including the Public Authority).

The SB has all the powers necessary to ensure timely and efficient supervision of the functioning and observance of the Model. The SB, also through its resources, has the right to:

- carry out, even surprisingly, all the checks and inspections deemed appropriate for the proper performance of their duties;
- to freely access, to the archives and documents of the Company, without any prior consent or need for authorization, in order to obtain any information, data or document deemed necessary;
- have, where deemed necessary, resources that can provide information or useful indications regarding the performance of the business or any violations of the Model;
- use, under his direct supervision, the support of all the Company's structures or external consultants;
- to dispose, for every need connected to the correct performance of its tasks, of the financial resources allocated in its favor by the Board of Directors.

### **8.3 Information flows to the Supervisory Body (entry) and from the Supervisory Body (exit)**

#### ***8.3.1 Information flows to the Supervisory Body***

Article. 6, 2nd paragraph, lett. d) of the Decree 231 imposes the provision in the Model of information obligations towards the Supervisory Body, in charge of supervising the functioning and observance of the Model itself.

The obligation of a structured information flow is conceived as a tool to guarantee the supervisory activity on the effectiveness and effectiveness of the Model.

As required by the Confindustria Guidelines and the best application practices, the information flows to the Supervisory Body refer to the following categories of information:

- ad hoc information flows (following a significant event or event);
- continuous information (on a periodic basis in relation to predetermined risk factors).

In order to allow information flows to be carried out, the Company has prepared the following communication channels:

- [odv.ursa@ursa.com](mailto:odv.ursa@ursa.com) - in particular usable for the transmission of periodic and ad hoc information;
- **Supervisory Body of URSA Italia - Via Uralita Bondeno (FE)** - if you intend to send the above information by ordinary mail.

### ***8.3.1.1. Information flows ad Hoc***

In any case, information that relates to current or potential critical issues relating to the functioning of the Model 231, must be and immediately transmitted to the SB, in the following circumstances:

- a) any significant deviations from the budget or expense anomalies emerged from the authorization requests;
- b) the organizational changes relating to the top positions and / or the nomination system, delegated powers and powers of attorney with impact on the 231 Model;
- c) the measures and / or the news coming from judicial police organs or from any other authority from which it is inferred that investigations are carried out which concern, even indirectly, the company, its employees or the members of the corporate bodies;
- d) requests for legal assistance sent to the company by employees pursuant to the National Collective Labor Agreement, in the event of the initiation of a criminal proceeding against them;
- e) the information related to the disciplinary proceedings in progress and to any crimes imposed or the reason for their dismissal;
- f) any reports concerning retaliatory, discriminatory or penalizing behavior towards anyone in good faith denounces a violation of the Model or of internal regulations;
- g) the evidence deriving from internal or external audits and / or studies and in-depth studies from which elements with critical profiles may emerge with respect to compliance with the provisions of Decree 231;
- h) any accidents or near-accidents at the workplace, or measures taken by the Judicial Authority or by other Authorities regarding the matter of safety and health at work;
- i) any incidents or near-accidents in environmental matters or measures taken by the Judicial Authority or by other Authorities regarding environmental issues.

### ***8.3.1.2 Periodic information flows***

In addition to timely information on the news referred to in the previous paragraph, the Management of URSA Italia, according to the internal procedures, have to provide the following half-yearly periodic information concerning recurring activities:

- a) information relating to organizational changes or current company procedures concerning health, safety at work or the environment;
- b) updates of the system of powers and proxies relating to health, safety at work or the environment;
- c) reporting on health and safety in the workplace, and in particular the minutes of the periodic meeting pursuant to art. 35 of Legislative Decree no. 81/2008, the minutes of the annual evacuation test, as well as all data relating to occupational accidents occurred on the Company's sites;
- d) the information on the annual expenditure / investment budget designed to carry out the necessary and / or appropriate improvements in the field of safety in the workplace and the environment;
- e) any updates to the DVR, the Fire Risk Assessment and the Emergency Plan;
- f) improvement plans and any updates thereof resulting from the non-conformities detected by each internal or external audit and / or any other internal initiatives within the competent corporate structures in the field of health, safety and the environment;
- g) the annual program for health surveillance;
- h) any updates or changes to the company Health Protocol required by the Competent Physician;
- i) updates regarding the achievement of fire prevention certification;
- j) any accidents or illnesses that cause an inability to attend to ordinary occupations for at least a period of forty days or, in any case, of significant importance for the connotation of the prognosis or extension of the damage, even only potential, to the person;
- k) information on expiring environmental authorizations and copies of renewed authorizations relating to areas of environmental risks;
- l) list of environmental controls required by the authorizations with relative indicators monitored periodically;
- m) the minutes following the inspections carried out by the control bodies;
- n) the annual copy of the Single Environmental Statement Model (MUD).

### **8.3.2 Supervisory Body's Information flows**

The SB carries out a constant and precise reporting to the Board of Directors and, in particular reports in writing, at least biannually, on the activity carried out in the period and on the outcome of the same.

It also provides an anticipation of the general lines of intervention for the following period.

However, this regular report is transmitted to the Board of Directors in compliance with the terms above indicated so that, where necessary, pending the convocation of Board of Directors' meeting, it adopt proper arrangements deemed urgent which will subsequently be brought to the attention of the administrative body for ratification.

In particular, the reporting activity concerns:

- a) the activity, in general, carried out by the SB;
- b) any problems or critical issues that have occurred in the industrial supervision course;
- c) corrective actions, as regards the effectiveness of the model and the state of implementation of the corrective actions resolved by the Board of Directors;
- d) verification of behavior not in line with the Model;
- e) the guard of organizational or procedural deficiencies such as to expose the Company to the danger that the relevant provisions of the Decree are committed;
- f) the current lack of or inadequate collaboration by the company functions in carrying out their verification and / or investigation tasks;
- g) any regulatory changes that require updating of the Model;
- h) in any case, any information deemed useful for the purpose of taking urgent decisions by the appointed bodies.

However, the Supervisory Body may approach the Board of Directors in urgent cases or, in any case, whenever it deems it appropriate for the purposes of effective and efficient fulfillment of the tasks assigned to it. Meetings must be recorded and copies of the minutes must be kept electronically.

#### **8.4 Reports of the SB (whistleblowing)**

Furthermore the art. 6, paragraph 2-bis, lett. a) and b) of Decree 231, imposes the reporting obligation on unlawful conduct and violations of the Model.

The duty to report unlawful conduct or violations of the Model is the responsibility of all business structures (including Top Management) and of any company worker and is also required of external collaborators or any other third party with whom the Company has relationships.

The reporting obligation is conceived as a tool to ensure the supervision of the Model and to ascertain the causes that made the occurrence of the crimes foreseen by the Decree 231 possible. In this context, it concerns all the acts, behaviors or events that could determine a violation of the Model or that, more generally, are potentially relevant for the purposes of the Decree 231.

In this regard, the SB must be promptly reported by all the corporate subjects, as well as by third parties required to comply with the provisions of the Model, any information relating to the existence of possible violations of the same.

These reports can be made in any form, even anonymously. In order to allow reporting, the Company has prepared the following communication channels:

- ***Supervisory Body of URSA Italia – Via Uralita Bondeno (FE)*** – *if the above information must be sent by regular mail;*
- ***[segnalazioni.odvursa@pec.com](mailto:segnalazioni.odvursa@pec.com)*** – *e-mail box specifically set up and usable exclusively for the receipt of reports.*

All addressees of the Model, whether they are executives, employees or collaborators or third parties with whom the Company has relationships, are required to report to the SB any act, behavior or event of which they have come to know and which could lead to a relevant illegal conduct for the purposes of the Legislative Decree 231/2001 or a violation of Model 231.

This report, which must also be made through the use of the e-mail channel described above, requires the indication of circumstances based on precise and concordant factual elements learned directly from the reporting party or possibly indirectly, also through the transmission of correspondence or documentation received (eg, anonymous letter) that could potentially highlight any illegal conduct or violations of the Model.



Therefore, in order to ensure that the reports are representative of circumstantial facts based on precise and concordant elements relating to illegal conduct or violations of the Model, URSA has defined the following rules and indications:

| <b>Summary “Reports”</b>                                 |   |
|--|---|
| <b>Who can report</b>                                    | But not limited to: Directors, managers, other members of the corporate, and supervisory bodies, management and employees of URSA Italia, not employee third parties such as customers, suppliers of products or services, auditing companies, consultants, agents, subjects acting on behalf of the organization, collaborators, interns, shareholders, members of local communities, and other stakeholders, etc.   |
| <b>What can be reported:</b>                             | Misconduct in violation:<br>(i) of the Code of Ethics, (ii) of Model 231, (iii) of laws, regulations, provisions of the Authorities, internal regulations, however suitable for causing damage or prejudice, even if only of image, to the Company. The report must contain at least the following elements useful for ascertaining the reported facts: (i) description of the reported fact; (ii) subjects involved (natural or legal persons); (iii) the manner in which we became aware of the fact; (iv) any other subjects that can report on the fact and attached general information. |
| <b>Guarantees</b>  | Urza Italia is committed to guarantee the utmost confidentiality regarding the subjects and facts reported, as well as the anonymity of the whistleblower's identifying data.   |
| <b>Anonymous form</b>                                    | Urza Italia will examine all reports, even anonymous ones, where these are sufficiently detailed to allow the verification of the facts reported.   |
| <b>Prohibition of retaliatory or discriminatory acts</b> | The whistleblower will not be fired or be subjected to any change in duties or be suspended, transferred or subjected to any other organizational measure with negative, direct or indirect, effects on working conditions. Furthermore, the whistleblower cannot be threatened, harassed or discriminated against in any way for having made a report in good faith.   |
| <b>Unlawful reports</b>                                  | In the event of unfounded reports, made in bad faith or with gross negligence, URSA Italia reserves the right to act in defense of its interests and to protect uninjured individuals.  |

However, the communication channels adopted for the reports, together with the methods of their management, guarantee the confidentiality of the identity of the reporting person. Therefore, the name of the person who made the report, if identified or identifiable, cannot in any way be disclosed by the Supervisory Body to corporate structures or in any case outside, unless requested by the Authority.

Whistleblowers are guaranteed against any form, direct or indirect, of retaliation, discrimination or penalisation, for reasons connected, directly or indirectly, to the report, without prejudice to the legal obligations and the protection of the rights of the Company or of the persons accused with malice or gross negligence, as well as the provision of disciplinary sanctions, as explained in the following par. 4, against those who carry out, with intent or gross negligence, reports that prove to be unfounded. In particular, the reports refer to unlawful conduct and / or violations of the Model, including, by way of example and not exhaustive:

- the commission of crimes, administrative offenses or the carrying out of acts suitable for their realization;
- behaviors not in line with the Model and with the related protocols;
- operations that present risk profiles for the commission of crimes or for compliance with the Model's behavioral principles;
- information of any origin, verbal or written “even anonymous” concerning the possible commission of crimes or in any case violations of the Model or behavior that does not ensure effective implementation of the Model;
- any orders received by the superior and deemed to be in conflict with the law, internal regulations, or the Model;
- any requests or offers of money, gifts (exceeding the modest value) or other benefits coming from, or destined to, public officials or persons in charge of a public service or private subjects;
- any reports, not promptly identified by the competent functions, concerning either deficiencies or inadequacies of the places, work equipment, or protective devices made available to the Company, or any other dangerous situation related to health and safety at work;
- any violation, even potential, of the environmental legislation as well as of the specific procedures issued on the subject by the Company;
- reporting, by the Competent Physician, of anomalous situations encountered during periodic or scheduled visits.

Any weaknesses already identified and documented by the business structures in the context of internal controls (for example audits) can be treated as reports, if they refer to unlawful behaviors relevant pursuant to Decree 231/01 and / or violations of Model 231.

It is also envisaged that the protection of the integrity of the Company constitutes just cause for disclosure of information covered by official, professional, scientific or industrial secrecy or by the obligation of loyalty, provided that the disclosures are made for purposes not exceeding the elimination of the illicit subject of the report and on condition that the reports are made through the communication channels specifically set up for this purpose by this regulation.

This exemption doesn't apply in the case of subjects (in particular third parties) who have become aware of information covered by secrecy under a consultancy or assistance relationship with the Company or the individual concerned.

The SB evaluates the relevance and validity of the reports received, including those in anonymous form, and carries out all the necessary activities (eg. acquisition of documents and information, internal or external audits, technical opinions), and can also make use of the collaboration and of the support of the corporate structures in respect of the confidentiality of the identity of the reporting person.

At the end of the performance of its activities, the SB communicates its decisions to the Board of Directors and / or other competent bodies, providing the indications it deems appropriate, asking where necessary for the Human Resources Function to evaluate the assessments and any pertinent measures (eg. disciplinary sanctions for the reported, gratifications for the whistleblower) and also being able to request the other concerned Functions to cooperate for the implementation of any corrective measures (eg. organizational and procedural adjustments to ensure the effective implementation of the prevention measures) .

During the investigation activity, the Supervisory Body must act in such a way as to ensure that the parties involved are not subjected to retaliation, discrimination or, in any case, penalties, thus ensuring the confidentiality of the person making the report (except for the recurrence of any legal obligations that impose otherwise) and, at the same time, contrasting any form of recourse to reports that are manifestly groundless or defamatory.

The Company imposes serious disciplinary sanctions against anyone who engages in retaliatory, discriminatory or penalizing behaviors against Recipients who make reports relating to violations of the Model, or denounce relevant misconduct pursuant to Decree, as well as, finally, towards subjects who, with intent or gross negligence, make reports that prove unfounded.

## **9. THE DISCIPLINARY SYSTEM OF URSA ITALIA**

### **9.1 Preparation and adoption of the Disciplinary System**

Pursuant to articles 6 and 7 of the Decree, the Model can be considered effectively implemented, for the purposes of excluding the Company from liability, if it provides for a disciplinary system suitable for sanctioning non-compliance with the measures indicated therein. URSA Italia has therefore adopted a disciplinary system primarily aimed at sanctioning the violation of the principles, rules and measures provided in the Model and the relative Protocols, in compliance with the rules provided for by national collective bargaining, as well as the rules of law or regulations in force.

On the basis of this Disciplinary System, violations of the Model and the related Protocols committed by persons in a top management position - in their capacity as holders of representative, administrative or management functions of the Company or one of its organizational units with financial and functional autonomy, or holders of power, even if only de facto, to manage or control the Company itself - and violations perpetrated by persons subject to the direction or supervision of others operating in the name and/or on behalf of URSA ITALIA are punishable.

In compliance with the provisions of Confindustria Guidelines, the establishment of a disciplinary procedure, as well as the application of the relative sanctions, do not depend on the possible establishment and/or outcome of any criminal proceedings concerning the same conduct relevant for the purposes of the Disciplinary System.

## **9.2 The structure of the Disciplinary System**

In compliance with the provisions of Decree, URSA Italia has adopted a Disciplinary System which, in addition to being delivered, also electronically, to the top management and employees, as well as published on the company intranet, is posted in a place accessible to all so that full knowledge of it is guaranteed by all Recipients.

1. The Disciplinary System of URSA Italia is divided into the following four sections, concerning, respectively: the persons liable to the penalties provided for;
2. the possible violations of the Model, divided into four different categories, graduated according to an increasing order of seriousness;
3. the abstractly applicable sanctions for each category of persons required to comply with the Model, with specific regard to each of the relevant conduct;
4. the procedure for imposing and applying the sanction with regard to each category of recipients of the Disciplinary System.

### **9.2.1 Persons liable to sanctions**

Persons liable to sanctions are divided into four different categories:

- Directors;
- Executives;
- Employees, executives and workers;

- Independent Auditors and other subjects required to comply with the Model (eg. suppliers, consultants, agents, business partners).

### **9.2.2 Possible relevant pipelines**

The potentially relevant pipelines, graduated according to an increasing order of gravity are:

- failure to comply with the Model if violations in question are connected, in any way, to the areas at risk of crime or to the sensitive activities, indicated in the Model, or violations of one or more procedural and/or behavioral rules provided in the Model that may be considered more serious if they do not prejudice the normal activities of the Company;
- failure to comply with the Model if violations in question are suitable for supplementing the objective element of one of the crimes which, according to the provisions of Decree, may give rise to the Entity's liability, or violations of one or more of the procedural and/or behavioral rules set out in the Model which cause financial damage to the Company or expose it to an objective situation which endangers the integrity of the Company's assets;
- failure to comply with the Model in the event of violations aimed at committing one of the crimes capable of establishing the liability of the Entity or in any case capable of generating the danger that the Company's liability is disputed pursuant to the Decree, or of violations of one or more procedural and/or behavioral rules provided in the Model such as to irreparably damage the relationship of trust by not allowing the continuation of the working relationship.

### **9.2.3 The applicable penalties**

The application of penalties must take into account the principles of proportionality and appropriateness in relation to the alleged infringement, as well as the following circumstances:

- the type of offence committed;
- the circumstances under which the unlawful conduct developed;
- the manner in which the conduct has been committed.

The following elements shall also be taken into account for the purposes of any aggravation of the penalty:

- the severity of the conduct;
- the possible commission of more than one violation within the same conduct, in which case the aggravation will be made with respect to the sanction provided for the most serious violation;
- the possible participation of more than one person in the commission of the violation;
- the possible recidivism of its author.

The abstractly applicable sanctions for each category of persons required to comply with the Model concern:

### Directors

In the event of a violation of the Model by a Director, the SB informs the Board of Directors, which, based on their respective responsibilities, will proceed to take one of the following initiatives, taking into account the seriousness of the violation and in accordance with the powers provided for by law and/or the Articles of Association:

- statements in the minutes of the meetings;
- formal warning;
- revocation of the appointment delegation;
- request to convene or convene the Shareholder with, on the agenda, the adoption of appropriate measures against the persons responsible for the violation, including the exercise of legal action aimed at recognizing the responsibility of the Director towards the Company and the compensation for any damage suffered and to be suffered.

In the event that there are violations of the Model such as to compromise the relationship of trust with the Director, or there are serious reasons related to the protection of the interest and/or image of the Company, or the violation is committed by the entire Board of Directors, the shareholder will be called to deliberate on any revocation of the mandate.

### Executives

In the event of violation, by managers, of the prescriptions provided in the Model and/or in the procedures or of adoption, in the performance of their activities, of a conduct not in conformity with the relative prescriptions, the provisions of the applicable National Collective Labour Agreement shall be adopted with regard to those responsible.

In cases where the violation of the Model is so serious as to damage the relationship of trust, not allowing even temporary continuation of the employment relationship, the manager shall be dismissed without notice. If the violation is minor but still so serious as to irreparably damage the trust, the manager will be dismissed on notice.

*Middle managers, employees and workers*

The conduct of employees in violation of the individual rules of conduct prescribed in the Model is defined as “disciplinary crimes”;

The sanctions that can be imposed fall within those provided for by the Company's Disciplinary Regulations, in compliance with the procedure provided in Article 7 of the Workers' Statute and the applicable collective bargaining agreement.

In relation to the above, the Model refers to the disciplinary apparatus contemplated in the National Collective Labour Agreement applied.

The abstract categories of non-compliance describe the sanctioned behavior, identifying the relevant disciplinary measures according to their gravity.

In particular, in accordance with the provisions contained in the National Collective Labour Agreement applied:

- The measures of verbal warning, written warning, fine or suspension from work and from remuneration, according to the seriousness of the violation, are imposed on the worker who violates the internal procedures provided for by the Model or who adopts, in the performance of activities in the relative areas at risk, a behavior that does not comply with the prescriptions of the Model itself, since such behavior must be found to be in breach of the employee's duties that are prejudicial to the discipline and reputation of the Company;
- A worker who, in the performance of activities in areas at risk, commits a significant breach in violation of the provisions of the Model shall be dismissed with prior notice, and such conduct shall be deemed to involve more serious violations than those identified in the previous point;
- A worker who adopts, in the performance of activities in areas at risk, a conduct unambiguously aimed at committing an offence sanctioned by Decree 231 or committed in violation of the provisions of the Model, such as to determine the concrete application to the Company of the measures provided for by Decree 231, is liable to be dismissed

without notice, since such conduct must be considered a very serious violation that causes serious moral and/or material damage to the Company.

This document integrates the disciplinary code adopted by the company for all legal purposes and is subject to the posting charges pursuant to art. 7 of the Workers' Statute.

The Supervisory Board is responsible for verifying and assessing the suitability of the disciplinary system in the light of Decree 231.

#### Employees, consultants, partners, counterparties and other external parties

Any behavior carried out within the framework of a contractual relationship by collaborators, consultants, partners, suppliers, counterparties and other parties external to the Company in contrast with the guidelines of conduct indicated by the Model and the Code of Ethics may lead to unilateral withdrawal from the contractual relationship, by virtue of the clauses that the Company provides in each contract.

Obviously, this is without prejudice to and without prejudice to any right of the Company to claim compensation for damages resulting from the violation of the provisions and rules of conduct provided in the Model by the aforementioned third parties.

#### **9.2.4 The procedure for applying penalties**

The procedure for imposing and applying the sanction has specific characteristics with regard to each category of recipients of the Disciplinary System. In particular, the procedure for the application of penalties shall be composed by:

- the stage of notification of the violation to the person concerned;
- the phase of determination and subsequent application of the sanction.

The provisions contained in the Disciplinary System do not preclude the right of interested parties to exercise all their rights, including those of contestation or opposition to the disciplinary measure, granted to them by law or regulation, as well as by collective bargaining or applicable company regulations.

#### Directors

If it is found that the Model has been violated by a person holding the office of Director, the SB sends the Chairman of the Board of Directors a report containing:



- a description of the conduct complained of;
- an indication of the provisions of the Model that have been violated;
- the details of the person responsible for the violation;
- documents proving the breach and/or other evidence of the breach;
- its own proposal for the appropriate sanction in the specific case.

Within ten days from the acquisition of the report of the Supervisory Board, the Board of Directors convenes the member indicated by the Supervisory Board for a meeting of the Board, to be held within thirty days of receipt of the report. The convocation must:

- be written;
- contain a precise indication of the conduct complained of and the provisions of the Model that have been violated;
- contain any documents proving the violation and/or the other elements supporting the complaint;
- contain the date of the meeting, with the notice of the right to make any remarks and/or deductions, both written and verbal.

At the meeting of the Board of Directors, in which the SB is also invited to participate, the interested party is given the opportunity to be heard, to be informed of any deductions made by the latter and to carry out any further checks deemed appropriate.

The Board of Directors, on the basis of the elements acquired, determines the sanction deemed applicable, justifying any disagreement with the proposal formulated by the SB.

The resolution of the Board of Directors and/or that of the Shareholder, as the case may be, shall be communicated in writing by the Board of Directors to the person concerned and to the Supervisory Board, for appropriate verification.

If, as a result of this procedure, the sanction of dismissal is imposed, the Board of Directors will immediately convene the Shareholder to resolve on the removal of the Director from the office.

In any case, the Board of Directors has the right (even in the absence of dismissal of the Director and in any case pending the proceedings referred to in paragraph 4.5.2) to take any appropriate action against the Director, giving adequate and timely information to the SB.

### Executives

The procedure for ascertaining the offence with regard to managers is carried out in compliance with current legislation and applicable collective agreements. If the person for whom the dispute procedure has been activated holds a top position with delegation of powers by the Board of Directors and if the investigation activity proves his involvement pursuant to the Decree, it is envisaged that the Board of Directors itself decides on the merits of the revocation of the powers granted on the basis of the nature of the position.

The decision to impose the sanction shall be notified in writing to the person concerned, within six days of receipt of the justifications by the manager. This period shall run from the date on which the written justifications or, if later, the oral justifications were made. Without prejudice to the right to bring the matter before the judicial authorities, the manager may appeal to the Board of Conciliation and Arbitration within thirty days of receiving written notice of the disciplinary measure, in accordance with the terms of the contract applicable to the specific case. In the event of appointment of the Board, the disciplinary sanction shall remain suspended until such time as that body has been pronounced.

#### Workers, clerks and executives

The procedure for the application of the sanction by the Company against workers, clerical staff and middle managers takes place in compliance with the provisions of art. 7 of the Workers' Statute, of the current National Collective Agreement for Workers. The penalties shall be applied within six days of receipt of the evidence. The employee, without prejudice to the possibility of bringing the matter before the judicial authority, may, within twenty days of receipt of the measure, promote the establishment of a Board of Conciliation and Arbitration, in which case the sanction shall be suspended until the relative decision is taken.

#### Third party recipients of the model

In order to allow the initiatives envisaged by the contractual clauses to be taken, the Head of the organizational unit that manages the contractual relationship, in agreement with the Group Legal Department and on the basis of any decisions taken in the meantime by the Board of Directors, shall send the person concerned a written communication containing an indication of the disputed conduct, the provisions of the Model that have been violated, any documents and elements supporting the complaint, as well as an indication of the specific contractual clauses that are requested to be applied.

## **10. COMMUNICATION AND TRAINING ON THE MODEL AND RELATED PROTOCOLS**

### **10.1 Communication and involvement in the Model and related protocols**

The Company promotes the widest possible dissemination, inside and outside the structure, of the principles and provisions contained in the Model and in the related Protocols.

The Model is formally communicated to all top management (including the Directors and the Independent Auditors) and to the Company's Personnel through the delivery of a full copy, also electronically, as well as through publication on the company's intranet and posting in a place accessible to all.

A documentary record of the delivery and the commitment by the Recipients to comply with the rules set out therein is kept in the records of the SB.

For Third Party Recipients required to comply with the Model, a summary of the same, as regards the aspects relevant to them, is made available on the Company's website.

From this last point of view, in order to formalize the commitment of Third Party Recipients to respect the principles of the Model as well as the Protocols connected to it, a specific clause is included in the reference contract, or, for existing contracts, the signing of a specific supplementary agreement, in this sense.

The SB promotes, also through the preparation of specific plans, approved by the Board of Directors and implemented by the Company, and monitors all further information activities that it deems necessary or appropriate.

The Company promotes adequate communication and involvement of the recipients of the Model, within the limits of their respective roles, functions and responsibilities, in issues related to health, safety and the environment, with particular regard to the following profiles:

- a) the safety, health and environmental risks associated with the business activity;
- b) the prevention and protection measures and activities adopted;
- c) the specific risks to which each worker is exposed in relation to the activity carried out;
- d) the hazards associated with the use of dangerous substances and mixtures;
- e) procedures relating to first aid provider, Emergency workers in case of fire;

- f) the appointment of persons to whom specific occupational health and safety tasks are assigned (e.g. RSPP, APS, API, RLS, Competent Physician).

For these purposes, an information and involvement programme for the Recipients of the Model in terms of health, safety at work and the environment is also defined, documented, implemented, monitored and periodically updated, with particular regard to newly hired workers, for whom a special qualification is required.

The involvement of interested parties is also ensured through their prior consultation at periodic meetings.

## **10.2 Training and education on the Model and related protocols**

In addition to the activities related to the information of the Recipients, the SB has the task of taking care of the periodic and constant training, or to promote and monitor the implementation, by the Company, initiatives aimed at promoting an adequate knowledge and awareness of the Model and its Protocols, in order to increase the culture of ethics within the Company.

In particular, the principles of the Model are to be illustrated to the company's resources through specific training activities (e.g. courses, seminars, questionnaires, etc. ), to which participation is obligatory and whose implementation methods are planned by the Supervisory Board through the preparation of specific Plans, approved by the Board of Directors and implemented by the Company.

The courses and other training initiatives on the principles of the Model are, however, differentiated according to the role and responsibility of the resources involved, or through the provision of more intense training and characterized by a higher degree of detail (for example through face-to-face) for those qualified as “apical”, in the same way as the Decree, as well as for those operating in areas qualified as “at risk” pursuant the Model.

The Company also promotes the training and education of the Recipients of the Model, within the limits of their respective roles, functions and responsibilities, in matters related to health, safety and the environment, in order to ensure adequate awareness of the importance of both the compliance of actions with respect to the Model, and the possible consequences related to violations of the same; in this context, particular importance is given to the training and education of persons who perform tasks relating to health, safety and the environment.

For these purposes, the Company defines, documents, implements, monitors and updates a periodic training and education programme for the Recipients of the Model - with particular regard to newly hired workers, for whom special qualifications are required – on health, safety and the environment, also with reference to company safety and the different risk profiles (for example, emergency workers in case of fire, first aid providers, safety officers, etc.). In particular, it is envisaged that training and development will be differentiated according to the workplace and the tasks entrusted to the workers, and will also be provided in connection with the recruitment, transfer or change of tasks or the introduction of new work equipment, new technologies, new dangerous substances and mixtures.

## **11. UPDATING THE MODEL**

The SB has the task of monitoring the necessary and continuous updating and adaptation of the Model and related Protocols, possibly suggesting through written communication to the Board of Directors, or to the competent company functions from time to time, the necessary or appropriate corrections and adaptations. The Board of Directors is responsible, together with any company departments involved, for updating the Model and its adaptation as a result of a change in the organizational structure or operational processes, significant violations of the Model itself, and legislative additions. Updates and adjustments to the Model, or to the Protocols connected to it, are communicated by means of specific communications sent by e-mail and published on the company's intranet network as well as on the website and, if necessary, by means of the preparation of information sessions illustrating the most significant updates and adjustments.