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M.M. S.r.l. with sole shareholder

**ORGANISATION, MANAGEMENT AND CONTROL MODEL
in compliance with Leg. Decree 231/2001**

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ORGANISATION MODEL IN COMPLIANCE WITH LEGISLATIVE DECREE NO. 231 DATED 8 JUNE 2001 of M.M.

S.r.l. with sole shareholder

GLOSSARY

- “CCNL”: the National Collective Labour Agreement currently in force and applied by M.M. S.r.l. with sole shareholder;
- “Supervisory Body” (“S.B.”): internal body responsible for supervising the functioning and compliance with the Model and its updating, pursuant to Article 6, 1st paragraph, letter b) of Leg. Decree 231/01;
- “Employees”: all Employees of M.M. S.r.l. with sole shareholder;
- “Collaborators”: all subjects linked to M.M. S.r.l. with sole shareholder by a contract, even temporary;
- “Consultants”: those who act in the name and/or on behalf of M.M. S.r.l. with sole shareholder on the basis of a mandate or other collaboration;
- “Partners”: contractual counterparties of M.M. S.r.l. with sole shareholder, both natural and legal persons, with whom the company enters into any form of collaboration regulated by contract, intended to cooperate with the Company for Sensitive Procedures;
- “Third Parties”: counterparties, both natural and legal persons, with whom the company enters into any form of collaboration not yet regulated by a contract, intended to cooperate with the Company for Sensitive Procedures;
- “Leg. Decree 231/2001”: Legislative Decree no. 231 dated 8.6.2001 as amended;
- “Confindustria Guidelines”: the Guidelines for the construction of organisational, management and control models in compliance with Leg. Decree 231/2001 issued by Confindustria in June 2021;
- “Models” or “Model”: the organisation, management and control models or model envisaged by Leg. Decree 231/2001;
- “Sensitive Operation”: operation or act that falls within the scope of Sensitive Procedures;
- “Corporate Bodies”: the Board of Directors and the shareholders of M.M. S.r.l. with sole shareholder;
- “P.A.”: the Public Administration, including its officials and persons in charge of public services;
- “Sensitive Procedures”: activities of M.M. S.r.l. with sole shareholder which pose a risk of commission of Crimes;
- “Crimes”: the crimes envisaged in Leg. Decree 231/2001;
- “M.M. S.r.l. with sole shareholder” or “Company”: M.M. S.r.l. with sole shareholder (hereunder M.M. S.r.l.)

General Section

1. *Legislative Decree no. 231/2001*

On 4 July 2001, implementing the mandate envisaged in art. 11 of Law no. 300 dated 29 September 2000, Leg. Decree 231/2001 came into force, which aimed to adapt the internal legislation on the liability of legal persons to some international conventions to which Italy had already adhered for some time.

Leg. Decree 231/2001, containing the “*Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality*”, introduced for the first time in Italy the criminal liability of entities (legal persons or associations) for certain crimes committed in their interest or to their advantage, by persons who hold representative, administrative or management roles within the entity (for example, directors or other managers) or in one of its organisational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the same and, finally, by persons subject to the direction or supervision of one of the aforementioned subjects (for example, Employees). This liability is added to that of the natural person who materially committed the act.

The new liability introduced by Leg. Decree 231/2001 aims to involve, in the punishment of certain criminal offences, the entities that have gained an advantage from the commission of such criminal offence. A pecuniary sanction is always applied for all the crimes committed; for the most serious cases, prohibition measures are also foreseen, such as the suspension or revocation of licences and concessions, the prohibition to enter into contracts with the Public Administration, the prohibition to carry out activities, the exclusion or revocation of financing and contributions, the prohibition to advertise goods and services.

The description of the relevant types of crime is included in the Special Section of this Model, to which we explicitly refer.

2. *General Principles.*

2.1. *Adoption of the Model to prevent the commission of crimes.*

Article 6 of the Decree introduces a particular form of exemption from the aforementioned liability if the Entity proves:

- a) that it has adopted and effectively implemented through its governing body, before the commission of the crime, the relevant Model for preventing the type of offence that occurred;
- b) that it has entrusted an internal body, vested with autonomous powers of initiative and control, with the task of supervising the functioning and compliance with the Models, as well as ensuring their updating;
- c) that the persons who committed the crime acted by fraudulently eluding the aforementioned Models;
- d) that the body referred to in letter b) has not omitted anything or exercised insufficient supervision.

Furthermore, the Decree provides that – in relation to the extent of the delegated powers and the risk of committing the crimes – the Models must meet the following demands:

1. identify the areas open to the commission of crimes envisaged by the Decree;
2. draft specific protocols in order to plan the making and implementation of the decisions of the entity in relation to the crimes to be prevented;

3. provide methods of identification and management of financial resources aimed at preventing the commission of such crimes;
4. prescribe information obligations towards the body responsible for supervising the functioning and compliance with the Model;
5. set up an internal disciplinary system suitable for sanctioning failure to comply with the measures specified in the Model.

The same Decree provides that the Models can be adopted, ensuring the aforementioned requirements, on the basis of codes of conduct (i.e. Guidelines) drawn up by trade associations, communicated to the Ministry of Justice which, in agreement with the competent Ministries, can express, within 30 days, its remarks on the suitability of the Guidelines for the prevention of crimes (see Decree of the Ministry of Justice dated 26 June 2003 no. 201).

2.2 Adoption of the Model by M.M. S.r.l.

For the purposes of an appropriate drafting the Model for M.M. S.r.l., reference was made both to the directions contained in the Confindustria Guidelines and to the existing Italian *best practice* on the matter, in their quality as operational and guidance tools most suited to the organisational structure of the Company.

In light of all the tools identified for the drafting of the Model, the fundamental points can be summarised as follows:

- identification of risk areas, aimed at verifying which area/sector of the company are more open to the commission of Crimes;
- preparation of a control system capable of preventing risks through specific procedures or the referral to already existing procedures.

The most relevant components of the control system are identified in the following elements:

- Code of Ethics and Conduct;
- organisational system;
- procedures referable to certifications adopted by the company;
- authorisation and signing authority;
- control and management systems;
- communication to personnel and their training.

The components of the control system must be informed regarding the following principles:

- verifiability, documentability, coherence and consistency of each operation;
- documentation of the checks;
- provision of an adequate sanctioning system for the violation of the rules of the Code of Ethics and Conduct and the procedures envisaged by the Model;
- identification of the requirements of the supervisory body, which can be summarised with: autonomy, independence and professionalism;
- identification of information obligations of the supervisory body.

3. The Model for M.M. S.r.l.

3.1 *Function and purpose of the Model.*

M.M. S.r.l. is aware of the value that can derive from an internal control system suitable for preventing the commission of Crimes by its Employees, Collaborators, Consultants and Partners.

Therefore, the adoption and effective implementation of the Model not only allows M.M. S.r.l. to benefit from the exemption of Leg. Decree 231/2001, but also improves its Corporate Governance, limiting the risk of committing Crimes.

The purpose of the Model is the provision of a structured and organic system of procedures and controls to reduce the risk of committing Crimes by identifying Sensitive Procedures.

The principles contained in this Model are aimed, on the one hand, at determining a full awareness of the potential perpetrators of committing a crime (the commission of which is strongly censured by M.M. S.r.l., because it goes against its codes of conduct as well as its interests, even when the Company could apparently gain an advantage from it), on the other hand, thanks to constant monitoring of the activity, they are aimed at allowing M.M. S.r.l. to react promptly in preventing or impeding the commission of such Crime.

One of the purposes of the Model is, therefore, to make Employees, Collaborators, Consultants, Partners and Third Parties who operate in the context of Sensitive Procedures, aware of their ability to determine, in the event of behaviours that do not comply with the provisions of the Model and other company rules and procedures (as well as the law), crimes that may have criminally relevant consequences.

Furthermore, unlawful behaviour will be actively censured through the constant activity of the supervisory body on the actions of people with respect to the Sensitive Procedures and the imposition of disciplinary or contractual sanctions.

3.2 *Drafting of the Model and its structure.*

The phases of the work of identifying the risk areas, on the basis of which this Model was drafted, are briefly described below:

- identification of the Sensitive Procedures: implemented through the prior examination of the company documents as well as a series of interviews with the key subjects within the company structure, aimed at in-depth analysis of the Sensitive Procedures and control over them;
- depending on the current situation (existing checks and procedures in relation to Sensitive Procedures) and the provisions and purposes of Leg. Decree 231/2001, the actions aimed at improving the current internal control system and the essential organisational requirements for the definition of the Model pursuant to Leg. Decree 231/01 were identified.
- drafting of the Model.

This Model consists of a “General Section” and a “Special Section”.

The General Section contains the rules and general principles of the Model.

The Special Section applies to the specific types of crimes provided for by Leg. Decree 231/2001 that may, in theory, be committed in the various activity sectors of M.M. S.r.l..

Should it become necessary to proceed with the integration of the Special Section, the Board of Directors of M.M. S.r.l. is entrusted with the power to integrate this Model at a later stage, by means of a specific resolution.

The Model responds to the need to prevent, as far as possible, the commission of the crimes envisaged by the Decree through the drafting of specific rules of conduct. This clearly shows a difference with respect to the Code of Ethics and

Conduct, which is a general tool, aimed at promoting “a corporate code of ethics”. However, also in consideration of the contents of the Confindustria Guidelines, the Model and the Code of Ethics and Conduct tend to be strongly interconnected to each other, in order to form a corpus of internal rules with the purpose of encouraging the culture of corporate ethics and transparency.

The behaviour of Employees, Collaborators, Consultants and Partners must comply with the general and specific rules of conduct of the Model and of the Code of Ethics and Conduct, aimed at preventing the Crimes specified in Leg. Decree 231/2001.

3.3. *The adoption procedure of the Model*

Although the adoption of the Model is optional according to the law, M.M. S.r.l., in compliance with its corporate policies, has deemed it necessary to adopt the Model together with the approval of the Company’s Code of Ethics and Conduct and to establish its own Supervisory Body, in compliance with Article 6, paragraph 1, letter b) of Leg. Decree 231/01.

Since the Model is an “act issued by the governing body” (in compliance with the provisions of art. 6, paragraph 1, letter a) of Leg. Decree 231/2001), any subsequent substantial amendments and additions to the Model are the responsibility of the administrative body of M.M. S.r.l., if needed at the suggestion of the S.B.

4. *The Sensitive Procedures of M.M. S.r.l.*

The risk analysis conducted by M.M. S.r.l. for the purposes of Leg. Decree 231/2001, shows that the Sensitive Procedures of the Company - at present - entail a substantial risk with reference to the following types of crimes:

- a) crimes against the Public Administration and crimes of illegal abuse of a position or office for personal gain, undue inducement to give or promise benefits and corruption (medium risk);
- b) cybercrime (medium risk);
- c) crimes against industry and trade;
- d) corporate crimes (high risk);
- e) crimes against the individual (low risk);
- f) manslaughter or serious or very serious injury committed in violation of the rules on occupational health and safety (medium risk);
- g) receiving, laundering and use of money, goods or utilities of unlawful origin (low risk);
- h) copyright infringement (low risk);
- i) environmental crimes (low risk);
- l) employment of third-country nationals whose stay is irregular (low risk);
- m) tax crimes (low risk).

As far as the other types of crimes envisaged by Leg. Decree 231/2001 are concerned, following the relevant risk analysis, which shows only an abstract risk for M.M. S.r.l., reference is made to the provisions of the Code of Ethics and Conduct, which constitutes the standard of behaviour required by the Company for Employees, Collaborators, Consultants and Partners in the conduct of business and their activities in general, and in any case to the general behavioural principles referred to herein.

5. *Internal supervisory body or “S.B.”*

5.1 *Identification of the internal supervisory body*

According to the provisions of Leg. Decree 231/2001, the body entrusted with the task of supervising the functioning and compliance with the Model, as well as ensuring its updating, has been entrusted to an external professional, with autonomous powers of initiative and control (art. 6, 1st paragraph, letter b) of Leg. Decree 231/2001).

The Confindustria Guidelines suggest that this is a body other than the administrative one, characterised by autonomy, independence, professionalism and continuity of action. This autonomy implies that the S.B. shall report, in carrying out this function, only to the highest hierarchical level.

The choice to entrust the supervisory function to this body was favoured on the basis of the fact that it was deemed the most suitable to assume the role of S.B., precisely thanks to its independence, autonomy, professionalism and continuity of action, as well as its specific corporate control culture.

The appointment of the S.B., as well as the revocation of the assignment entrusted to it, are acts under the jurisdiction of the administrative body.

5.2 *Function and powers of the internal supervisory body*

The S.B. is entrusted with the task of supervising:

- a. compliance with the Model by Employees, members of the Corporate Bodies, Consultants and Partners;
- b. the effectiveness and adequacy of the Model in relation to the corporate structure and the actual capacity to prevent the commission of Crimes;
- c. the opportunity to update the Model, if it must be adapted to changed corporate and/or regulatory conditions.

To this end, the S.B. are also entrusted with the following tasks:

- a. issuing or requesting the issuing of procedural provisions implementing the principles and rules contained in the Model, which must be consistent with the company rules and procedures already in force;
- b. interpreting the relevant legislation and verifying the adequacy of the Model to such regulatory requirements, reporting the possible areas of intervention to the Board of Directors;
- c. assessing the need to update the Model, reporting on the possible areas of intervention to the Board of Directors;
- d. reporting to the management on the appropriate additions to the financial resources management systems (both incoming and outgoing), already present in M.M. S.r.l., in order to introduce some measures suitable for detecting the existence of any atypical financial flows and characterised by greater margins of discretion than normally foreseen;
- e. specify to the Board of Directors the opportunity to issue specific procedural provisions implementing the principles contained in the Model, which may not be consistent with those currently in force in the Company, also ensuring that they are coordinated with the existing ones;
- f. periodically carry out targeted checks on certain operations or specific actions carried out by M.M. S.r.l., especially in the area of Sensitive Procedures, the results of which must be summarised in a specific report to be presented in the *reporting* phase to the relevant Corporate Bodies;

- g. collect, process and store relevant information with the purpose of complying with the Model, as well as update the list of information that must be transmitted to them or kept at their disposal);
- h. coordinate with other company officers (also through specific meetings) for the best monitoring of activities in relation to the procedures established in the Model. To this end, the S.B. has free access to all company documents that it deems relevant and must be constantly informed by the *management* on aspects of the company activity that may expose M.M. S.r.l. to the risk of committing one of the Crimes and on the relationships with Consultants and Partners that operate on behalf of the Company in the context of Sensitive Operations;
- i. activate and carry out internal investigations, joining from time to time the relevant corporate functions to acquire further elements of investigation;
- l. coordinate with the person responsible for personnel management to define training programmes for the personnel and the content of periodic communications to be made to Employees and Corporate Bodies, aimed at providing them with the necessary awareness and basic knowledge of the legislation referred to in Leg. Decree 231/2001;
- m. draft and periodically update, with the collaboration of the competent officers, the Company's website that contains all the information relating to Leg. Decree 231/2001 and the Model;
- n. monitor initiatives for the dissemination of knowledge and understanding of the Model and prepare the internal documentation necessary for its effective implementation, containing instructions for use, clarifications or updates;
- o. coordinate with company management to consider the implementation of disciplinary sanctions, without prejudice to the latter's competence for the imposition of the sanction and the related disciplinary procedure.

In order to carry out the aforementioned tasks, the S.B.:

- has free access to each and every company document;
 - is vested with broad inspection powers;
 - uses economic resources allocated in the annual budget as instructed by it;
- may request or address information or communications to the Board of Directors or to individual members;
- may make use of auditing functions and consultancy from external experts;
 - may avail itself of the support of internal company resources without operational functions, placed directly under the management body with a particular degree of knowledge of company processes.

5.3. *Reporting of the S.B. to the top management*

The S.B. makes reports on the implementation of the Model and any critical issues.

Every six months, the S.B. drafts a written report for the Board of Directors on the activity carried out (specifying, in particular, the checks carried out and their outcome, specific checks and their outcome, any update of the mapping of Sensitive Procedures, etc.) as well as, annually, the activity plan for the following year.

If the S.B. detects any critical issues attributable to one of the reporting subjects, the corresponding report must be promptly sent to one of the other aforementioned subjects.

The reporting focuses on:

1. the activity carried out by the S.B. office;

2. any critical issues (and ideas for improvement) that have emerged both in terms of internal behaviour or events at M.M. S.r.l., and in terms of the effectiveness of the Model.

Meetings with the bodies to which the S.B. refers must be recorded in minutes and copies of the minutes must be stored by the S.B. and the bodies involved from time to time.

The Board of Directors has the power to summon the S.B. at any time; the latter, in turn, has the power to request, through the competent functions or subjects, its convocation for urgent reasons.

5.4. *Information flows to the S.B. relating to Crimes referred to in the Decree.*

The S.B. must be informed, through specific reports made by Collaborators, Corporate Bodies and Third Parties, regarding events that may constitute cause for liability for M.M. S.r.l., under Leg. Decree 231/2001. Reports must be sent by email to the specific address (odv@mmgrigliati.it) or by ordinary mail to the headquarters of M.M. S.r.l.

The following general provisions apply in this regard:

- Employees, Collaborators and Corporate Bodies must report to the S.B. on any information relating to the commission of Crimes, or reasonable belief of their commission;
- Consultants and Partners will be required to make reports in the manner and within the limits established by contract;
- Employees and Collaborators will also be required to report to the S.B. any violations of the rules of conduct or procedures contained in this Model;
- reports must be made by Employees and Collaborators to their hierarchical superior, who will forward them to the S.B. Should the hierarchical superior fail to forward the information to the S.B. or in any case in which the employee or collaborator is in a situation of psychological distress in making the report to their hierarchical superior, the report may be made to the S.B. directly. With regard to their activity carried out with respect to M.M. S.r.l., Consultants and Partners will report directly to the S.B.;
- the S.B. will assess the reports received and adopt any consequent measure at its reasonable discretion and responsibility, hearing the author of the report and/or the person responsible for the alleged violation if needed, and justifying in writing any refusals to proceed with an internal investigation;
- the S.B. is not required to take anonymous reports into consideration;
- M.M. S.r.l. guarantees protection to the whistleblower against any form of retaliation, discrimination or penalisation and ensures in any case the utmost confidentiality regarding the identity of the whistleblower, without prejudice to legal obligations and the protection of the rights of the company or of the persons accused wrongly and/or in bad faith.

In addition to the reports relating to aforementioned breaches of a general nature, the Corporate Bodies, Employees, Collaborators and, in the ways and within the limits established by contract, Consultants and Partners are obliged to immediately transmit to the S.B. the information concerning:

- the provisions and/or news from judicial police bodies, or from any other authority, from which it is clearly transpires that investigations are being carried out, even against persons unknown, for the Crimes if such investigations involve M.M. S.r.l. or its Employees or Collaborators or Corporate Bodies;
- reports drafted by the competent officers as part of their control activity and from which critical facts, acts, events or omissions with respect to compliance with the provisions of Leg. Decree. 231/2001;

• information relating to disciplinary proceedings carried out and any sanction imposed (including measures against Employees or Collaborators) or the archiving of such proceedings with the specific reasons, if they are linked to the commission of Crimes or breach of the rules of conduct or procedures of the Model.

Periodically, the S.B. proposes, if necessary, to the Board of Directors any changes to the aforementioned list relating to mandatory information.

5.5. "Whistleblowing" procedure.

5.5.1. Subject of the report.

Anyone may report to the Company any violations of national or EU provisions that harm the public interest or the integrity of the public administration or the company; by way of example:

- administrative, accounting, civil or criminal offences;
- violations of internal procedures relevant for the purposes of "231" or the Company's Code of Ethics and Conduct,
- unlawful acts relating to sectors such as public procurement, services, products and financial markets and prevention of money laundering and terrorist financing, protection of privacy and personal data and security of networks and information systems;
- acts or omissions that harm the financial interests of the Union;
- acts or omissions concerning the internal market;
- acts or conduct that jeopardise the subject matter or purpose of the provisions of the Union acts.

The reports must be detailed, refer to unlawful conduct relevant for the purposes as above, as well as based on precise and consistent facts of which the reporting person has become aware by virtue of the roles performed within the Company.

The reports must be made by the reporting person in good faith and in a disinterested manner. Therefore, the whistleblower must report for purely personal purposes or to make work-related claims against hierarchical superiors, for which they will need to refer to the regulations and internal procedures of other bodies or offices.

5.5.2 Reporting methods.

Reports may be made with the following methods:

- through the ACARA software or similar, whose access link will be made available to all interested subjects, as well as published on the company website.

If the report concerns behaviours or irregularities carried out by the S.B., it must be made directly to the legal representative of the company.

The S.B. must also be informed of any reports made by the whistleblower directly to a body of the company.

Any reports received with a subject unrelated to the matters covered by Leg. Decree 231/2001 or to the regulations on Whistleblowing will be forwarded by the S.B. to the company by means of certified email, so that it can then be assigned to the competent office.

5.5.3. Management of the report.

Upon receiving the report, the S.B. must take action within the terms set out in the law, or must issue the reporting party with a notice of receipt of the report within seven days of the same and must provide feedback within three months, extendable up to a maximum of six months in particularly complex cases, if justified or motivated reasons subsist.

All reports sent to the S.B. will be subject to a preliminary analysis by the same in order to verify the presence of data and information useful for allowing its own assessment of the validity of the report itself.

If, at the end of the preliminary analysis, there is no sufficiently detailed proof or, in any case, the facts referred to in the report prove to be unfounded, the latter will be archived, with specification of the relative reasons. The S.B. will inform the whistleblower of the archiving of the request. Furthermore, the S.B. will be obliged to inform the administrative body, if it deems that the report is clearly unfounded and made by the *whistleblower* with malice or gross negligence.

On the other hand, should it emerge, following the preliminary analysis, that further investigation is necessary, the S.B. will involve the interested Officers (always guaranteeing the confidentiality of the whistleblower), since it must inform in any case, also the Board of Directors about the outcome of the preliminary analyses.

If the reports concern the majority of the Directors and/or its Chairman, the S.B. will inform the Shareholders' Meeting.

The S.B. will update the *whistleblower* on the receipt of the report with the start of an investigation phase.

The reports received, the related investigation documents and all the reference documentation will be stored and catalogued in a special archive duly kept by the S.B. for the time necessary to process the report and in any case no longer than five years from the date of communication of the final outcome of the reporting procedure, in compliance with confidentiality obligations.

It will be the duty of the S.B. to keep the *whistleblower* updated on the expected times of the investigation and the conclusion of the process.

5.5.4. Conclusion of the process.

At the end of the investigation, the S.B. will inform the administrative body by issuing a final *report*. On the basis of this document, the Administrative Body may:

- a) agree on any initiatives to be undertaken to protect the interests of the Company (e.g. legal actions, suspension/elimination of suppliers);
- b) request the initiation of disciplinary proceedings against the whistleblower, in the case of reports in relation to which the bad faith of the reporting person and/or the purely defamatory intent are ascertained, possibly also confirmed by the groundlessness of the report.

In the event that the report concerns the administrative body, the S.B. will inform the Shareholders' Meeting for the assessment of the actions to be taken.

As far as the disciplinary system is concerned, please refer to the Organisational Model.

5.5.5. Protection of the whistleblower.

The whistleblower's identity may not be revealed and all those who receive or are involved in the management of the reports are required to protect the confidentiality of all information, in compliance with the law.

With respect to the employee who makes a report following this procedure, no form of retaliation or discriminatory measure, direct or indirect, which may affect their on working conditions for reasons directly or indirectly connected to the report will be allowed or tolerated.

In the event of the adoption of measures deemed retaliatory, the whistleblower may report it directly to the S.B., that will handle the information with due caution to protect the whistleblower.

In any case, it will be the employer's responsibility to demonstrate that the discriminatory or retaliatory measures adopted against the whistleblower are motivated by reasons unrelated to the report itself. The discrimination or retaliation adopted are null and void.

5.5.6. *Possible external reporting channel*

Without prejudice to the preference for the internal reporting channel, as a residual measure, it is possible to forward reports to ANAC (National Anti-Corruption Authority).

5.6. *Information collection and storage.*

All information, reports, reporters envisaged in this Model are stored by the S.B. in a specific database (ACARA software or similar). Only the S.B. Is authorised to access the database.

6. *Training of resources and dissemination of the Model*

6.1 *Training and information of Employees*

For the sake of the effectiveness of this Model, the primary goal of M.M. S.r.l. is to ensure that current and future resources of the Company know the rules of conduct contained therein, with different levels of detail in relation to the different level of involvement of such resources in the Sensitive Procedures.

The adoption of this Model is communicated to all Employees and Collaborators present in the company at the time of its adoption.

New hires are informed about the existence of the Organisational Model, of the Code of Ethics and Conduct as well as the email address of the S.B. to which the communications provided for in point 5.4 should be forwarded.

The content and delivery methods of the training activity aimed at spreading knowledge of the legislation referred to in Leg. Decree 231/2001 is diversified according to the qualification of the recipients, the risk level of the area in which they operate, whether or not the recipients cover representation roles in the company.

In particular, M.M. S.r.l. ensures the adoption and implementation of an adequate level of training through suitable dissemination tools and, in particular through

- an annual company meeting with the members of the administrative body and the Employees;
- the company website (continuously accessible);
- upon signing the letters of assignment with the Collaborators;
- via email to suppliers, Consultants and Partners.

The information and training system is supervised and integrated by the activity carried out in this field by the S.B., with the collaboration of the administrative body.

6.2 Selection and information of Consultants and Partners

As far as Consultants and Partners are concerned, a specific contractual clause will be added in the new contracts, to comply with the Code of Ethics and Conduct and the organisational model.

7. Disciplinary system

7.1 Function of the disciplinary system

The definition of a system of sanctions (commensurate with the violation and with adequate deterrent efficacy) applicable in the event of violation of the rules set out in this Model, makes the supervisory action of the S.B. effective and has the purpose of guaranteeing the effective implementation of the Model.

The definition of this disciplinary system constitutes, in fact, in compliance with art. 6 paragraph 1 letter e) of Leg. Decree 231/2001, an essential requirement of the Model for the purposes of exempting the Company from liability.

The implementation of the disciplinary system and the related sanctions is independent of the conduct and outcome of the criminal proceedings that the judicial authority may have initiated in the event that the conduct to be censured also constitutes a relevant crime under Leg. Decree 231/2001.

The behaviours subject to sanctions are the following:

- 1) violation of internal procedures provided for or expressly referred to in this Model (for example, failure to comply with the prescribed procedures, failure to communicate to the S.B. regarding prescribed information, failure to carry out checks, etc.) or behaviours, in the performance of activities connected to the Sensitive Procedures, that do not comply with the provisions of the Model;
- 2) violation of internal procedures provided for in this Model or behaviours, in the performance of activities connected to the Sensitive Procedures, that do not comply with the provisions of the Model that expose the Company to an objective situation of risk of committing one of the Crimes;
- 3) behaviours, in the performance of activities connected to Sensitive Procedures, that do not comply with the provisions of this Model and are intentionally and unambiguously aimed at committing one or more Crimes even if not actually committed;
- 4) behaviours, in the performance of activities connected to Sensitive Procedures, that are clearly in violation of the provisions of this Model, such as to determine the concrete application against the Company of sanctions envisaged by Leg. Decree 231/2001.

7.2 Measures against Employees.

Violation by Employees subject to the CCNL (National Collective Labour Agreements) of the individual rules of conduct set out in this Model constitutes a disciplinary offence.

The sanctions will be commensurate with the level of responsibility and autonomy of the employee and collaborator, the possible existence of pending disciplinary actions against the same, the intentionality of their behaviour as well as the seriousness of the same, meaning the level of risk to which the Company can reasonably be considered exposed - pursuant to and for the purposes of Leg. Decree 231/2001 - following the censured conduct.

With regard to the ascertainment of the aforementioned infringements, disciplinary proceedings and the imposition of sanctions shall remain the responsibility of the administrative body. The necessary involvement of the S.B. is envisaged in the procedure for ascertaining violations and imposing sanctions for violation of the Model, in the sense that a disciplinary measure cannot be archived or a disciplinary sanction imposed, for a violation of the Model, without having obtained the prior information and opinion of the S.B.

Employees and Collaborators will be given immediate and widespread information about the introduction of any new provision, by issuing an internal circular letter to explain the reasons that justified them and summarise their content.

The disciplinary measures that can be imposed on said workers - in compliance with the procedures envisaged in Article 7 of Law 30 May 1970, no. 300 (Workers' Statute) and any applicable special regulations - are those set out in the sanctioning apparatus of the CCNLs applied from time to time by M.M. S.r.l., to which the company's Internal Regulations and disciplinary code also refer, and in particular:

- verbal warning;
- written warning;
- fine amounting up to 3 hours of pay and contingency allowance;
- suspension from work up to 3 days;
- dismissal with notice;
- dismissal without notice;

All provisions of the applicable National Collective Labour Agreements, relating to the procedure and obligations to be complied with in the application of sanctions, remain unchanged - and are hereby deemed to be referred to.

The powers already conferred to company management with regard to the ascertainment of infringements, disciplinary proceedings and the imposition of sanctions remain unchanged.

7.3 *Measures against Directors*

In the event of a breach committed by members of the administrative body of the procedures set out in this Model or of conduct, in the performance of activities connected with the Sensitive Procedures, that does not comply with the provisions of the Model itself, the Company shall apply the most appropriate measures against those responsible in compliance with the provisions of the National Collective Labour Agreement applicable to them.

Under art. 5, paragraph 1, letter a), this category includes persons who hold representative, administrative or management roles in the Company or in one of its organisational departments with financial and functional autonomy, as well as persons who management or control the Company, even de facto.

In the event of a violation of the Organisation and Control Model by one or more members of the Board of Directors, the S.B. shall immediately inform the Shareholders' Meeting, which will adopt the appropriate measures, including any proposal to revoke their position. Any Managing Shareholder who is the recipient of the disciplinary measure will be excluded from the vote.

In each case of the procedures for ascertaining violations and imposing sanctions on managers for violation of the Model, the S.B. must be informed in advance and asked to express its opinion.

7.4 *Measures against Consultants and Partners*

Any violation by Consultants or Partners of the rules of this Model applicable to them or the commission of Crimes is sanctioned as envisaged in the specific contractual clauses included in the relevant contracts. If the latter do not provide for anything, the violation shall be communicated to the Board of Directors, which must assess the sanction applicable to the specific case, favouring the termination of the contract. Any request for compensation remains valid if such behaviour causes damage to the Company, such as for example in the case of application to the same by the judicial authority of the measures envisaged by Leg. Decree 231/2001.

7.5 *Measures against the S.B.*

In the event of a breach of the Organisation and Control Model by one or more members of the S.B., anyone is entitled to notify the administrative body, which will take the appropriate measures, possibly revoking their assignment with the consequent appointment of a new member.

8. *Verifications on the adequacy of the Model*

In addition to the supervisory activity that the S.B. consistently carries out on the effectiveness of the Model (and which takes the form of verifying the coherence between the actual behaviours of the recipients and the Model itself), it periodically carries out specific checks on the real capacity of the Model to prevent Crimes, with the help of Third Parties capable of ensuring an impartial assessment of the activity.

This activity takes the form of a random check of the main corporate acts and the most important contracts entered into or negotiated by M.M. S.r.l. in relation to the Sensitive Procedures and their compliance with the rules envisaged in this Model.

Furthermore, a review is carried out of all the reports received during the year, of the actions undertaken by the S.B., of the events considered risky and of the awareness of the Employees and Corporate Bodies with respect to the issue of the criminal liability of the company with random checks.

As for these checks, the S.B. usually avails itself of the support of those internal officers or external resources that, from time to time, are necessary for this purpose.

The checks and their outcome are the subject of a six-monthly report to the Board of Directors. In particular, in the event of a negative outcome, the S.B. will outline the necessary improvements.