

# **ORGANISATION AND MANAGEMENT MODEL**

**Italian Legislative Decree no. 231 of 8 June 2001**

## **GENERAL SECTION**

**Adopted by the Board of Directors of Olimpia Splendid S.p.A.,**

**on 21 December 2023**

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# 1. ITALIAN LEGISLATIVE DECREE 231/2001

## 1.1 The legislation of reference: Italian Legislative Decree no. 231/2001 and international sources

Italian Legislative Decree no. 231 of 8 June 2001 (hereinafter, for brevity, the “Decree”) introduced the *“Discipline of administrative liability of legal persons, companies and associations, even those without legal form”*.

This Decree establishes the liability of companies in relation to certain crimes committed by their directors, executives, employees and/or collaborators, if carried out in the interest of or to the advantage of the entity.

Italian Legislative Decree no. 231/2001 was issued in execution of the mandate referred to in art. 11 of Italian law no. 300 of 29 September 2000, in order to adapt Italian legislation regarding the liability of legal persons to certain international conventions, to which Italy had adhered for some time, such as:

- The Brussels Convention of 26 July 1995 on the protection of the European Communities’ financial interests;
- the Convention of 26 May 1997, again signed in Brussels, on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union;
- the OECD Convention of 17 December 1997 on combating corruption of foreign public officials in international business transactions, which introduced the principle of a Company’s liability for specific types of crimes committed by its directors, employees or collaborators, in the interest of or to the advantage of the Company itself.

Pursuant to art. 1, para. 2 of the Decree, those subject to the legislation are all entities with a legal form, as well companies and associations even those with no legal form; excluded, however, are the State, regional public bodies, other non-economic public entities and entities that carry out functions of constitutional importance.

According to art. 5 of the Decree, entities are held accountable for the commission of the crimes analytically indicated therein if certain conditions exist, i.e. that:

- one of the crimes provided for by the Decree has been committed;
- the crime has been committed in the interest of or to the advantage of the entity;
- the crime has been committed by a top or senior manager or by parties subject to their management or supervision.

The entity's administrative liability, which makes it possible to apply the indicated sanctions, is based on "organisational" negligence: in other words, the entity is held jointly liable for the crime committed by its representative if it has failed to establish an organisation able to effectively prevent its realisation and, in particular, if it has failed to establish an internal control system and adequate procedures such as to control the proper performance of those activities within the scope of which there is a greater risk of a crime being committed.

The types of crime likely to constitute the administrative liability of the entity are only those expressly indicated, originally and following subsequent amendments to Italian Legislative Decree no. 231/2001, and specifically:

- crimes against the Public Administration;
- computer crimes;
- organised crime offences;
- crimes against the public trust;
- crimes against industry and trade;
- corporate crimes;
- crimes for terrorism purposes or to subvert the democratic process;
- crimes against the individual personality;
- crimes of market abuse;
- transnational crimes;
- crimes against occupational health and safety;
- crimes of receiving, laundering or using money, goods or assets of unlawful origin as well as self-laundering;
- crimes committed in breach of copyright law;
- environmental crimes;
- crimes involving the immigration and the exploitation of foreign workers present illegally in the territory of the State;
- crime of racism and xenophobia;
- fraud in sporting competitions, unauthorised gaming or betting and gambling with banned devices;
- tax crimes;
- crime of smuggling;

- offences for payment instruments other than cash;
- offences against cultural heritage;
- crimes of laundering cultural goods and destroying and looting cultural goods and the landscape.

Reference is hereby made to the “Special Section” of this Model for the analysis of those crimes among those considered by the Decree which, following the risk mapping exercise, appear likely to find application within the scope of the company’s operations.

## **1.2 The function and goals of the Organisation and Management Model (OMM)**

Articles 6 and 7 of the Decree govern those cases in which the Entity is not liable for the crime committed by those parties referred to under art. 5. From these rules a difference in discipline, and in probative regime, emerges between the crimes committed by parties in a senior management position and those committed by their subordinates.

By introducing a reversal of the burden of proof, art. 6 envisaged, in fact, that the entity is not liable for crimes committed by a senior manager if it can demonstrate that:

1. the management body had adopted and implemented effectively, prior to the commission of the crime, suitable organisation and management models such as to prevent the commission of those crimes of the type that occurred;
2. the responsibility of supervising the operation of and compliance with the models, in addition to their update, is that of an independent Body, established by the Entity, which has autonomous powers of initiative and control;
3. the people who committed the crime fraudulently circumvented the organisation and management models;
4. there was no lack of or insufficient supervision by the Body referred to under point 2.

According to art. 7, for those crimes committed by parties subject to the management of another person, the Entity is liable only if the commission of the crime was made possible by the failure to comply with the management or supervisory obligations (but, in this case, the burden of proof is on the accusing party). In any case, these obligations are presumed to be observed if the Entity, prior to the commission of the crime, had adopted and implemented effectively an Organisation, Management and Control Model suitable to prevent the commission of those crimes of the type that occurred.

The Entity, in any case, is not liable, if the aforementioned parties acted in their own exclusive interest or those of a third party (art. 5, para. 2).

On the correct identification of the senior manager within the company's organisation chart, these parties are identified as those people who hold a representation, administration or management function within the company or one of its organisational units and have financial and functional autonomy, as well as those people who exercise, even if only de facto, management and control over the same (for example, directors and general managers).

With reference, however, to the category represented by "*those parties who are subject to the management or supervision of people in a senior management position* (art. 5, para. 1, letter b)", it is clear that this includes, above all, those people who are classified as being in a subordinate employment relationship but also those semi-subordinate workers and external collaborators who work mainly on behalf of the company.

Given such a rigorous sanctioning system, art. 6, para. 1 of the Decree excludes, however, the Entity's liability where, among other things, the same had adopted and implemented effectively, prior to the commission of the crime, Organisation and Management Models suitable to prevent the commission of those crimes of the type that occurred and had also assigned to an independent Body within the Entity, equipped with autonomous powers of initiative and control, the responsibility to supervise the operation of and compliance with the models as well as their periodic update.

According to art. 6, para. 2 of the Decree, the Model must satisfy the following requirements:

- provide for specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the crimes to be prevented;
- identify suitable ways of managing the financial resources such as to prevent a crime from being committed;
- provide for information obligations with regard to the body assigned to supervise the operation of and compliance with the models;
- introduce a suitable disciplinary system to sanction any failure to comply with the measures laid out in the model.

Art. 6, para. 2-*bis* also envisages that the Models:

- a) have one or more channels that allow those parties indicated in art. 5, para. 1, letters a) and b), to submit, to safeguard the entity's integrity, detailed reports of illicit conduct, relevant pursuant to the Decree and based on precise, consistent facts, or reports of a breach of the Model, of which they have become aware as a result of the functions carried out; these

- channels must guarantee the confidentiality of the whistleblower's identity when managing the report;
- b) have at least one alternate reporting channel that is able to guarantee, with IT means, the confidentiality of the whistleblower's identity;
  - c) provide for the prohibition of any acts of retaliation or discrimination, direct or indirect, against the whistleblower for reasons connected with, directly or indirectly, the report made by them;
  - d) as part of the disciplinary system adopted pursuant to para. 2, letter e), provide for sanctions against those who breach the measures to safeguard the whistleblower, as well as those who with malice or through gross negligence submit reports that turn out to be wholly unfounded.

The Confindustria guidelines (approved on 7/03/2002 and updated in March 2014) identify the operational steps that the entity has to take in order to enable a risk management system that meets the requirements imposed by the Decree and for the establishment of an organisational model, i.e.:

- an inventory of the activities, functions, and processes at risk through an exhaustive periodic review of the company's situation, with the end goal of identifying those areas which are most likely to be affected by potential cases of crime;
- an analysis of the potential risks with regard to the possible methods by which crimes could be carried out in various parts of the company with the end goal of mapping the potential methods by which crimes could be carried out in those areas at risk that have been identified through the criterion referred to in the previous point;
- an assessment/establishment/adaptation of the prevention control system that may exist in order to ensure that it can guarantee that the risks of crimes being committed, according to the methods identified and documented in the previous step, are reduced to an "acceptable level" and with the end goal of documenting the active prevention control system with details of the individual components of the system, as well as any necessary adaptations. The definition of the threshold of the risk's acceptability is connected to the aim of placing a limit on the number and on the difficulty of the control and prevention mechanisms. Hence, the risk is deemed "acceptable" when any addition control would be more onerous than the resource to be protected. The conceptual threshold of acceptability is represented by a prevention system that cannot be circumvented unless through fraudulent means. Indeed, it should be noted that the Decree grants the Entity exemption for the purposes of excluding administrative liability only in the case of "fraudulent evasion" of the Model (art. 6, para. 1, letter c) of the Decree).

### 1.3 The Crimes: malicious, negligent, common, personal

With regard to the types of crimes, among the predicate crimes provided for by Italian Legislative Decree no. 231/01, there being both malicious crimes and negligent crimes (articles 25-septies and 25-undecies respectively concerning occupational health and safety and environmental crimes), it is necessary to briefly distinguish the two types in order to understand the various interpretations of the terms “interest” and “advantage”.

Pursuant to art. 43 of the Italian Criminal Code “*Psychological element of the crime*”: “*The crime is malicious, or is based on intent, when the harmful or hazardous event, which is the result of the action or the omission and on which the law makes the existence of the crime depend, is foreseen and intended by the agent as a consequence of their action or omission; it is negligent, or against any intent, when the event, even if foreseen, was not wanted by the agent and occurs due to negligence or imprudence or incompetence, or to the failure to comply with laws, regulations, orders or disciplines.*”

In malicious crimes, the employee or the senior manager act *contra legem*, and, therefore, are committing a crime, seeking through their action an advantage or an interest for the entity. In negligent crimes, the entity’s interest or advantage should, instead, be assessed with regard to the entire type of crime and not with regard to the event itself; in fact, negligent crimes (e.g. concerning safety) are characterised by a lack of wishing to act *contra legem* and, then, for example, the employee or the senior manager does not have the aim of causing death or injury to anyone. However, the lack of diligence in complying with the rules, e.g. concerning safety, can lead to a crime being committed; the Entity’s interest or advantage may, then, be seen in the final aim of the conduct taken by the subject (e.g., saving costs for safety).

Generally speaking, the two requirements of “interest” and “advantage” must be kept separate, in particular the judicial assessment of the requirement of interest is preliminary to any subsequent verification of legal liability. According to the subjective case, only informed, or conscious, and voluntary conduct, designed to favour the entity, is deemed to be attributable to the entity, thereby rendering irrelevant the conduct deriving from simple incompetence or an underestimation of the risk. According to the objective case, what should be ascertained, from time to time, is only whether the conduct which led to the crime being committed was determined, or otherwise, by choices objectively falling within the entity’s sphere of interest. For negligent crimes, the advantage of the entity should be assessed objectively *ex post*.

The debate to interpret the subject is in constant evolution however, the most recent legal view tends to give a (subjective) interpretation aimed at considering the requirements of “advantage”



and “interest” with reference to the conduct expressed in breach of the precautionary rule rather than with reference to the end result.

Hence, in negligent crimes the said requirements are assessed in terms of savings in costs or resources compared to the failure to comply with the obligations imposed by law.

As far as the subjective aspect is concerned, there are “common crimes” that can be committed indifferently by any party and there are “personal crimes” which are committed by specific parties with a specific qualification (e.g. Public Official), and so there is a close connection between the act carried out and the quality of the party who does it.

As regards the personal crimes, the involvement of the *extraneus* may arise, pursuant to art. 110 of the Italian Criminal Code, where the same participates in the conduct and is aware of the agent’s qualification (e.g. Public Official).

From a sanctioning perspective, it is worth noting that for all the crimes considered by the Decree, if committed in the entity’s interest or advantage, a pecuniary sanction is always expected to be applied against the legal person.

In relation to some types of crime, also envisaged is the application of prohibitory sanctions, such as disqualification from running a business, suspension or revocation of authorisations, licences or concessions, prohibition on contracting with the Public Administration, exclusion from financing, contributions or subsidies and the potential revocation of those already granted, prohibition on publicising goods and services, confiscation and publication of the ruling.

The sanctions (pecuniary and prohibitory) can also be applied, albeit in a reduced form (with regard to the amount and the duration), in relation to the commission of crimes in the form of an attempt, unless the entity has voluntarily prevented the completion of the action or the conclusion of the event: in this case, the Entity may be immune from any consequences.

During criminal proceedings, the judge may then order, with the means provided for by the Italian Criminal Procedure Code, the seizure of the price or the profit realised from the crime, aimed at the confiscation which – upon the outcome of the case – will be applied to the ruling against the Entity itself. Furthermore, where there are reasonable grounds to believe that the guarantees made to cover the payment of any pecuniary sanctions, the costs of the proceedings and every other amount due to the State, are missing or lost, the

Public Prosecutor may request, at any stage and level of proceedings, the precautionary seizure of the Entity's movable and/or immovable assets or the sums or things owed to it.

The liability laid out in the Decree also arises in relation to crimes committed outside Italy, provided that the State of the place in which the crime was committed does not taken action with regard to them.

## **2. THE OLIMPIA SPLENDID S.P.A. ORGANISATION AND MANAGEMENT MODEL**

### **2.1 Short introduction to the Company**

Olimpia Splendid was founded in 1956 and is, today, a leader in the world of air conditioning, heating, air treatment and hydronic systems. In 60 years of operations, Olimpia Splendid has taken its "MADE IN ITALY" to more than 45 countries in the world.

The Company has its headquarters in Italy, at Cellatica (BS) whilst its logistics facility is based in Gualtieri (RE). Olimpia Splendid also has branches in France, Spain, Brazil and China.

Olimpia Splendid focuses on innovation and design: it holds 11 registered patents thanks to which it designs and builds products which manage to combine aesthetics, technology and respect for the environment.

Since 2009 the Company has been investing heavily in renewable energies with the goal of developing a complete range of systems powered by renewable sources.

The Company has a UNI EN ISO 9001:2008 *Management and Quality Manual*, a *Risk Assessment Document* and an *Emissions Authorisation* as referred to in art. 272 of Italian Legislative Decree no. 152/2006.

### **2.2 Function, guiding principles and structure of the Model adopted by Olimpia Splendid S.p.A.**

The aim of the Model is the preparation of a structured, organic system of prevention, dissuasion and control, aimed at promoting in those parties who directly or indirectly work in the context of sensitive activities, the awareness of the criminal significance of certain behaviour and, thanks to constant monitoring of operations, to encourage the prevention of criminal offences.

In order to identify the principles that guide the preparation of the Model, the ethical principles, now laid out in the Code of Ethics which is an integral part of the Model, were taken directly into consideration.

The Code of Ethics sets out the set of rights, duties and responsibilities expected from every party with whom the Company has a relationship in order to achieve its corporate purpose (customers, suppliers, employees and/or collaborators, and shareholders as well as every party who, in any capacity whatsoever, works on behalf of the Company) and it sets the ethical standards of reference used to guide the company's decision-making processes.

The Code of Ethics is aimed at both senior managers and parties under the supervision of others, as well as every party who has a relationship with the company (proxies/powers or attorney, agents, customers, suppliers, consultants) and from whom the Company requests, and from whom it is expected, that the standards of behaviour laid out in the Code of Ethics be shared.

For a specific indication of the fundamental principles, see chapter 4.1, below.

## **2.3 Methodological approach**

In compliance with art. 6, para. 2, letter a) of the Decree, as well as the indications provided in the Confindustria guideline, the approach adopted by the Company to carry out the preliminary investigation phase in drafting the Model included the following phases:

### *Risk and control mapping phase*

As part of this phase, an in-depth investigation was carried out on the Company's organisation, both by interviewing managers of those areas potentially at risk and by analysing the documentation governing the operational activities (organisation chart, regulation of functions and offices, internal procedures, system of proxies and powers).

For each of the areas at risk, a timely analysis of the documentation was done as were interviews with senior managers and subordinates involved in the activities in question in order to identify those crimes effectively possible, the actual methods by which they could be committed, the nature of the existing controls and their effectiveness.

The risk and control identification phase allowed a detailed reconstruction of the company's sensitive areas to be made, with the identification of the functions and parties involved and their responsibilities as well as the control systems adopted to mitigate risk.

### *Risk and control assessment phase*

As part of the risk assessment and management process, potentially negative events were identified and the probability of them happening as well as the impact on the Company's ability to achieve its goals were estimated.

To this end it was necessary to analyse in detail each of the risks identified, with the goal of implementing the most appropriate mitigating actions.

The results of the crime risk analysis (to be updated periodically) have been formalised in specific documents which highlight the areas at risk of a crime being committed.

### 3. MANDATES AND POWERS

The Company's governance system converges with the Chairperson who has a direct relationship with the *Chief Executive Officer* "CEO" and with the Managing Director, who also holds the role of the Head of the Sales and Marketing Division. The CEO has a direct relationship with the Head of Customer Relations, the Head of the Administration, Finance and Control department, the Head of Operations, the Head of ICT, the Head of the Service department and the Head of Purchasing. The Managing Director has been assigned the task of developing the ESG criteria in the company. A General Manager has been appointed.

Not all the Heads have a specific sector-based power of attorney.

The CEO has, therefore, broad management powers and an active role in the running of the company.

For the purposes of the effective prevention of a predicate crime from being committed, the specific mandates and formal powers of attorney must meet some essential requirements:

- all those who maintain a relationship with the Public Administration on behalf of the Company must be given a formal mandate to this effect;
- the mandates must be consistent with the position in the organisation chart and the responsibilities assigned;
- each mandate must define, in a specific way:
  - the powers of the mandate;
  - the party to whom the person holding the mandate reports hierarchically;
  - the managerial powers assigned, consistent with the company's objectives.

The essential requirements of the system of powers of attorney, for the purposes of the effective prevention of crime are:

- the functional general powers of attorney are granted exclusively to parties with an internal mandate;
- the general procedures describe the powers granted and are accompanied by a specific corporate communication which establishes the extension of the powers of representation and the numerical limits;
- the updates to the mandates, depending on changes in the corporate structure, are resolved by the Board of Directors.

## 4. GENERAL PRINCIPLE OF BEHAVIOUR FOR RECIPIENTS

Every Recipient of the Model is to refrain from engaging in any behaviour that might constitute a type of crime as provided for by Italian Legislative Decree no. 231/2001 and, in performing their work, shall comply with:

- the Code of Ethics;
- the provisions laid out in the Model, in particular these general provisions and the special provisions contained in the Special Sections.

People in a senior management position shall perform their respective functions in compliance with the mandates and powers conferred upon them and shall also comply with the resolutions made by the Board of Directors.

People in a senior management position and those who hold positions of responsibility must also constantly and scrupulously comply with the management and supervisory obligations incumbent on them by reason of the position held.

People subject to the management or supervision of another person shall follow the operational directives and provisions they receive from people in a hierarchically or functionally higher position, provided that they conform to current law and do not conflict with the contents of the Model.

### 4.1 The Code of Ethics

The Company has adopted a Code of Ethics which sets out the fundamental and essential principles on which the management of the company is based.

The structure of the Code is summarised below and is to be understood as fully referenced here:

- General principles: legality, loyalty, transparency, impartiality, diligence and professionalism, correctness, conflict of interest;
- Rules of behaviour;
- Breach of the Code of Ethics;
- Worker safety and safety in the workplace;
- Final provisions.

## 5. THE SUPERVISORY BODY

### 5.1 Role, responsibilities and functions

As seen, art. 6 of the Decree provides for the entity to be exempt from liability when it can demonstrate, among other things, that *“the responsibility to supervise the operation of and compliance with the models and to see to their update was assigned to an independent body within the entity equipped with autonomous powers of initiative and control”*.

The Supervisory Body (hereinafter, for brevity, the “SB”) has, therefore, autonomous powers of initiative and control in order to supervise the operation of and compliance with the Model, but does not have coercive powers or powers of intervention such as to modify the corporate structure or to sanction employees, collaborators or corporate bodies, which are, instead, delegated to other bodies within the organisation (the Chairperson, Board members, the statutory auditors and the shareholders’ meeting) and to the competent corporate functions.

The SB’s responsibility, in general, is to supervise:

- compliance with the Model by every party involved (employees, collaborators and corporate bodies);
- the effectiveness and adequacy of the Model in relation to the company’s structure and its effective ability to prevent a crime from being committed;
- the opportunities to update the Model, where there is a need to adapt it in relation to corporate and/or regulatory changes, prompting, to this end, the competent corporate bodies to act.

Specifically, the SB is responsible for carrying out verification and control activities, that is:

- to implement the control procedures envisaged by the Model including by issuing or proposing internal provisions (regulatory and/or informative);
- to perform “spot checks”, particularly at random, on the company’s operations in order to update the mapping of the sensitive activities;
- to collect, analyse and store information which is relevant in order to comply with the Model, as well as to update the list of information which has to be transmitted to it or kept at its disposal;
- to periodically carry out checks on certain operations or specific acts performed by the Company, especially in the context of the sensitive activities, the results of which must be summarised in a specific report to be submitted to the designated corporate bodies;

- to coordinate with other corporate functions (including through specific meetings) to improve the monitoring of the activities in relation to the procedures established in the Model.

## 5.2 The Supervisory Body's requirements

To comply with the regulatory provisions and to be able to perform its tasks to the best of its ability, the SB must satisfy the following characteristics:

- *independence and autonomy from the company's senior management*: in order to ensure the impartiality and the ability to operate, even when it is called upon to supervise the application of the model's provisions with regard to the senior management body itself;
- *professionalism*: real possibility of action by the SB in a context that requires both the ability to assess and manage risks as well as the skills and knowledge to analyse procedures, organisation and corporate and legal control;
- *continuity of action, stability and continuity*: in order to ensure the constant monitoring and updating of the Model and its development as the corporate conditions of reference change;
- *integrity*: the members of the SB must possess the requirements of good, moral authority and integrity.

To meet these requirements, and precisely to ensure the operation of the Supervisory Body and its independence, the Board of Directors has appointed a collegial body whose members, chosen from those people with proven skill in inspection, administration, management and the law, must also possess the requirements of professionalism and integrity.

In the event that the relationship with a member of the SB, in the course of their mandate, is revoked or, in any case, terminated, the Board of Directors shall seek a replacement without undue delay.

For the purposes of assessing the requirements of autonomy and independence, the members of the Supervisory Body, from the moment they are appointed and for the entire duration of their appointment:

- must not hold an executive or delegated position in the Company's Board of Directors;
- must not perform operational or executive functions on behalf of the Company;
- must not have significant economic relationships with the Company, with parent companies or companies controlled by it, connected to it or subject to common control, except for



a pre-existing employment relationship, nor may they have significant economic relationships with directors holding mandates;

- must not be part of the family unit of an executive director or the control group, the family unit being understood as that consisting of the spouse who is not legally separated, relatives and in-laws to the fourth degree;
- must not be holders, directly or indirectly, of shareholdings in the Company's equity, nor sign up for shareholder agreements which have as their subject or by their effect exercising control over the Company;
- must not have been convicted (including with a plea bargaining settlement) of a crime considered in Italian Legislative Decree no. 231/01, that is, for a crime for which disqualification from holding a public office or an executive role in a legal person is envisaged.

The SB has its own operating rules through a specific regulation which is in line with the principles considered in preparing the Model and in carrying out the Company's activities.

In order to exercise its functions, the SB has full organisational and financial autonomy.

To this end, at the beginning of each financial year, the SB agrees with the Board of Directors the extent of the resources necessary for its activities. The management, use and purpose of these resources are then decided by the SB in an completely autonomous and independent way.

The SB may make use of the potential collaboration of parties belonging to the Company, where their specific knowledge and skills are needed.

In cases of particular need, the SB has the right to make use of consultancy services provided by external consultants, to whom it can delegate limited areas of investigation.

### **5.3 Flows to the Supervisory Body**

The Company is required to constantly and promptly notify the Supervisory Body of the main events relating to the company's operations. The information flows can be classified into three types:

a) **Specific Information Flows** that will be requested by the SB and that must be sent in accordance with the methods and timing indicated; the SB, during its meetings, sends a "Flow Table" to certain sector/office Heads containing the list of certain activities/events which are specific to each sector. The Head is invited to complete the said table by indicating the events that occurred in a specific period of time.

b) **Relevant Information** that has to be sent “per event”. A non-exhaustive list is given below of the communications that the Company has to make with regard to the SB:

- a copy of all the documents relating to criminal, audit or inspection and/or tax matters addressed to the Directors, Employees, Consultants of the Company or who, in any case, are involved and may involve the Company in the said matters;
- measures and/or information coming from a judicial or police body, or indeed from any other authority, from which it can be concluded that investigative activities have been carried out with regard to a predicate crime as referred to in chapter 4 of the Decree, including if initiated against unknown persons;
- reports sent to the Company from Employees in the event of legal proceedings being initiated against them for one of the crimes envisaged by the Decree;
- reports prepared by company structures as part of their control activity, from which facts, actions, events or omissions emerge as critical aspects with regard to the Decree;
- the information relating to the initiation of investigations aimed at ascertaining and, potentially, sanctioning the failure to comply with the principles of behaviour and the protocols envisaged by the Model, as well as information on any sanctions imposed;
- breaches of the Code of Ethics;
- information relating to significant organisational changes;
- any notifications from the auditors regarding aspects that might indicate a shortcoming in the internal control system, reprimandable actions, observations on the Company’s financial statements;
- extraordinary transactions;
- inspections by a Public Authority;
- serious injuries;
- anomalous emissions, spills or any malfunction or breakdown that could harm the surrounding environment.

It remains understood that all senior managers have the obligation to send further documents, reports and information to the SB should the same request it, regardless of that listed above.

## **5.4 Internal information flows**

The SB reports every six months to the Board of Directors and to the Board of Statutory Auditors on the state of the Model's implementation, highlighting in particular: the verification and control activities carried out; the results of these activities; any gaps in the Model that may have emerged, suggestions for potential actions to be taken. At this time it will also present the annual plan of checks prepared for the following year.

The SB may request a meeting with the Board of Directors whenever it deems it appropriate to present the same with timely information on matters relating to the functioning and effective implementation of the Model.

The SB may, in turn, be convened at any time by the Board of Directors or by another Corporate Body in order to report on any particular event or situation relating to the operation of the Model and compliance with it.

To guarantee a correct and effective flow of information, the SB also has the ability, in order to fully and properly exercise its powers, to request clarifications or information directly from the Chairperson.

In turn, the Supervisory Body must be informed, by employees, by the corporate bodies and by collaborators of any events that might give rise to the Company being held liable pursuant to the Decree.

## **5.5 Reporting systems**

Italian Legislative Decree no. 24 of 10 March 2023 modified art. 6 of Italian Legislative Decree no. 231/01 with particular reference to the reporting systems that the Company has to provide. Pursuant to art. 6, para 2-*bis* of the Decree, in effect since 15 July 2023,

- the models referred to in para. 1, letter a), envisage, pursuant to the Italian Legislative Decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, the internal reporting channels, the prohibition on retaliation and the disciplinary system, adopted pursuant to para. 2, letter e).

It should be noted that the provisions in the aforementioned Italian Legislation Decree no. 24 of 10 March 2023 took effect from 17 December 2023.

Reports can be made in one of the following ways:

1. **corporate platform** accessible from <https://wbx.bmse.it/olimpiasplendid>;
2. **direct meeting**, at the Whistleblower's explicit request. In this case, the Supervising Party shall arrange a meeting within fifteen (15) days from receiving such a request;
3. **letter in a sealed envelope** sent by physical mail addressed to the Supervising Party

Anonymous reports (without any indication of the Whistleblower's identity) will not be considered.

Reports can be made regarding: 1) Unlawful conduct relevant to Italian Legislative Decree no. 231/2001 or breaches of the Organisational Model; 2) Offences relating to acts of the European Union regarding certain sectors; 3) Acts or omissions that harm the European Union's financial interests (e.g. fraud); 4) Acts or omissions regarding the internal market (including: competition, state aid and tax violations); 5) Other acts or behaviour that impede the object or the purpose of the provisions referred to in European Union acts in the sectors indicated under nos. 3), 4) and 5).

Pursuant to art. 1 of Italian Legislative Decree no. 24/2023 reports cannot be made regarding: personal interests relating to individual working relationships; breaches already governed by European Union or domestic laws (e.g. laws against money laundering or the financing of terrorism); breaches regarding national security and procurement with regard to defence issues.

The aforementioned reporting channels are managed by the Supervising Party specifically appointed by the Company.

As regards the management of reports and the timing of feedback to the Whistleblower, refer to the *Procedure for Managing Whistleblower Reports* adopted by the Company.

In relation to the disciplinary proceedings following a breach of the Model and reported through one of the aforementioned channels, explicit reference should be made to chapter 7, below.

Pursuant to art. 3 of Italian Legislative Decree no. 24/2023 the following may make a report: employed workers, self-employed workers and parties operating in a collaborative relationship, workers or collaborators who carry out work in the public sector or the private sector who supply goods or services or who operate for third parties, freelance workers and consultants, volunteers and interns, paid and unpaid, shareholders and people with administrative, management, control, supervisory or representation roles or functions, even if such roles or functions are exercised on a purely de facto basis.

The reporting channels must guarantee the confidentiality of the whistleblower's identity when managing the report as well as the report's content.

The Whistleblower is protected from any form of retaliation, conduct, action or omission, even if only attempted or threatened, carried out as a result of their report, a report made to a judicial authority or a tax or accounting authority or publicly disclosed and which causes, or could cause, the whistleblower or the person who filed the report, directly or indirectly, unjust harm (art. 2, para. 1, letter m) of Italian Legislative Decree no. 24/2023).

#### *External reports – Channel enable by ANAC*

Pursuant to art. 7 of Italian Legislative Decree no. 24/2023, the Italian National Anti-Corruption Authority (*Autorità nazionale anticorruzione, ANAC*) manages an external reporting channel that guarantees, including through the use of encryption tools, the confidentiality of the whistleblower's identity, the person or persons involved and the person or persons mentioned in the report, as well as the contents of the report and the related documentation. The same confidentiality is also guaranteed when a report is made through a channel other than those indicated in the first paragraph or when a report reaches someone other than those appointed to process or handle reports, to whom, in any case, reports are sent without undue delay. External reports are made in writing via the IT platform or verbally through a telephone line or a voice messaging system or, at the request of the whistleblower, through an in-personal meeting arranged within a reasonable timeframe. The external report submitted to a party other than ANAC is sent to ANAC within seven days from the report being received, with a simultaneous communication sent to the whistleblower.

The Whistleblower may make an external report if, at the time the report is submitted, one of the following conditions is met: a) as part of their job or work, there is no provision for the mandatory activation of the internal reporting channel, or, even if it is mandatory, it has not yet been

activated or, even if activated, it does not comply with that laid out in article 4; b) the whistleblower has already submitted an internal report pursuant to article 4 but it has not been followed up; c) the whistleblower has reasonable grounds to believe that, if they made an internal report, it would not be followed up or that the report could lead to a risk of retaliation; d) the whistleblower has reasonable grounds to believe that the breach may constitute an immediate or clear danger to the public interest.

#### *Public disclosures*

Art. 15 of Italian Legislative Decree no. 24/2023 states that the whistleblower who makes a public disclosure, understood as a report made through the press or through electronic means or, in any case, through means of dissemination capable of reaching a large number of people, benefits from the protection provided for by the Decree if: a) they have previously made an internal and an external report or they directly made an external report and no feedback was received within the established timeframes; b) they have reasonable grounds to believe that the breach may constitute an immediate or clear danger to the public interest; c) they have reasonable grounds to believe that the external report could lead to a risk of retaliation or might not be followed up effectively due to the specific circumstances of the case in question, such as those in which evidence may be hidden or destroyed or in which there is a well-founded fear that whoever receives the report might be colluding with the perpetrator of the breach or involved in the breach themselves.

## **6. DISSEMINATION AND KNOWLEDGE OF THE MODEL IN THE COMPANY**

### **6.1 Staff training**

For the purposes of this Model, it is necessary to ensure that the rules of behaviour contained herein are distributed to every recipient so that they are adequately aware of and understand such rules. The level of training and information is implemented with a varying degree of depth depending on the various level of involvement of the resources themselves in the sensitive activities.

The Supervisory Body supervises the training and information system.

The dissemination of the Model is done through training courses with every employee and collaborator. Furthermore, the Company provides Employees and collaborators access to:

- the text of Italian Legislative Decree no. 231/01 and the Confindustria guidelines;
- the Organisational Model adopted by the Company.

To this end, the Company periodically prepares a training plan. The plan can be coordinated or integrated with those regarding the protection of personal data, hygiene and safety in the workplace, anti-money laundering, etc. and must be brought to the attention of the Board of Directors, to which a summary report regarding the execution of the plan is to be submitted on an annual basis.

The plan may provide for different content based on the different recipients (senior managers, subordinates, functions more or less exposed to risk, etc.) and for different training methods (classroom, e-learning), provided that the systems guarantee evidence of the activities carried out and the results of the training sessions, given the obligatory nature of this training.

This is without prejudice to the SB's ability, if necessary, to make use of external resources with the costs borne by the Company.

The Supervisory Body promotes initiatives to disseminate knowledge and understanding of the Model by all staff and other recipients. It is, then, the SB's responsibility to verify the comprehensive execution of the training plan, to collect proof regarding the actual participation in the training sessions and to store such proof in specific archives, as well as to carry out periodic checks on how well employees know and understand the Decree and the Model.

## **6.2 Information and training for Collaborators**

A specific dissemination activity regarding the Model is also envisaged for collaborators.

Collaborators will be notified of the adoption of this Model at the time a collaboration relationship is established, as well as any updates to it. External collaborators will be required to issue a statement to the Company certifying their comprehensive understanding of the contents and provisions contained in the Model which are applicable to them and their commitment to comply with the same.

## **6.3 Information and training for Customers and Suppliers**

With regard to the aforementioned parties, an information and communication plan is prepared which provides for the addition of a statement, in any supply, service or consulting contract (in the body of the text or as an annex) regarding knowledge of the provisions of the Decree and a commitment to comply with the same (with exclusive reference to relationships with national customers).



## 7. THE DISCIPLINARY AND SANCTIONING SYSTEM

### 7.1 Functions of the disciplinary system

In light of art. 6, para. 2, letter e) of the Decree, an essential element to the effectiveness of the Model is the provision of a sanctioning system for breaches of the rules of behaviour imposed by it.

The preparation of suitable disciplinary measures aimed at preventing and, where necessary, sanctioning breaches of the rules laid out in this Model, constitutes an integral and fundamental part of the Model itself and has the aim of ensuring its effectiveness.

Specifically, this system defines the sanctions and the application methods to be taken against those parties (employees or third parties) found to be responsible for illicit behaviour or a breach of the rules contained in the documents that make up the Model.

The disciplinary system, once the possible infringements have been identified, sets out the types of sanctions applicable, differentiated on the basis of the category to which the person found responsible for the offence belongs, taking into account the applicable laws in effect that govern the employment relationship. Specifically:

- “*in primis*” reference is made to the various national collective bargaining agreements that govern the various categories of worker;
- Italian Law no. 300 of 20 May 1970 (the Workers’ Statute), art. 7 Disciplinary sanctions;
- Italian Law no. 604 of 15 July 1966 (Regulations on individual dismissals);
- Book V of the Italian Civil Code, art. 2104 Employee diligence, art. 2105 Obligation of loyalty, art. 2106 Disciplinary sanctions, art. 2118-2119 Dismissal with and without notice, art. 2392 Liability (of Directors) regarding the company, art. 2407 Liability (of Auditors), art. 2409 Reporting to the court, art. 2409-*sexies* Liability (of controllers and auditing firms);

The application of the sanctioning system follows a breach of the Model; hence, it is activated regardless of the initiation and outcome of any criminal proceedings that may have been taken by a judicial authority, in the event that the conduct to be reprimanded can be considered

to involve a type of relevant crime pursuant to the Decree, or a breach of the Company's Code of Ethics.

This disciplinary system supplements that which has already been released on the subject by Olimpia Splendid among its employees through an internal circular for the administrative offices and through a notice displayed on noticeboards located in production departments, of the *Rules regarding infringements, disciplinary systems and dispute procedures*.

## **7.2 Relevant conduct**

For the purposes of this Disciplinary System, constituting a breach of the Model is all the conduct committed or omitted (even through negligence), which is capable of jeopardising the effectiveness of the same as a tool to prevent the risk of the commission of a crime as referred to in Italian Legislative Decree no. 231/01.

In general, a disciplinary offence consists of:

- a) a breach of the principles and the rules of behaviour contained in the Code of Ethics and in the Model;
- b) failure to carry out the supervisory functions on the operation of, compliance with and update to the Model;
- c) a breach of the procedures and the protocols set out in the Model (Special Section);
- d) a breach of the management and supervisory obligations;
- e) failure to take timely action to eliminate a breach of the Model and/or to prevent the commission of a predicate crime;
- f) the lack of, incomplete or untrue documentation of the activities carried out in any of the sensitive processes, as prescribed in the procedures and in the protocols referred to in the Model;
- g) a breach of the information obligations concerning the Supervisory Body;
- h) an obstacle to controls, an unjustified hindrance to accessing information and documentation against those parties assigned to check procedures and against the Supervisory Body, or any other conduct suitable to breach or evade the control systems envisaged in the Model;
- i) an omission or a breach of any provision of the Model aimed at ensuring health and safety in the workplace or at preventing pollution or environmental damage;
- j) a breach of the provisions relating to Whistleblowing;

- k) the commission of any act of retaliation - understood as any behaviour, action or omission, even if only attempted or threatened, carried out as a result of a Report made (a report to a judicial, tax or accounting authority or a public disclosure) - that causes, or could cause, unjust harm, directly or indirectly, to the whistleblower (or to the person who filed the report or who made the public disclosure) and/or to any other party specifically identified by law;
- l) the failure to establish reporting channels, the failure to adopt whistleblowing procedures that comply with the law or even the failure to carry out verification and analysis activities with regard to the reports received;
- m) acting or behaving in such a way that reporting is hindered or an attempt was made to hinder it;
- n) a breach of the obligation of confidentiality.

Disciplinary sanctions should also be imposed if the Whistleblower has been found responsible, including with a ruling in the first degree, of the crime of defamation or libel (or, in any case, for the same crimes committed in connection with the report) or has been found civilly responsible in the cases of malice or gross negligence.

In any case, for the purposes of the application of sanctions, each breach by an employee of the Company of the obligations deriving from the employment relationship, pursuant to articles 2104 and 2105 of the Italian Civil Code, the sector national collective bargaining agreements as well as individual contracts, shall constitute a disciplinary offence.

As regards the disciplinary sanctions established for breaches relating to prevention and safety in the workplace, the decision-making responsibility lies with the party who can be qualified as the Employer [in Italian the “*datore di lavoro*”] pursuant to art. 2 of Italian Legislative Decree no. 81/2008, the disciplinary power remains, however, with the Board of Directors.

At the end of this chapter 7 there is a table giving a list of examples of the conduct to be reprimanded and the applicable sanctions, differentiated on the basis of the category of the party who committed the infringement.

## **7.4 Disciplinary proceedings and measures**

### **7.4.1 Employed workers (not Executives)**

A breach of the rules of behaviour as referred to in this Model constitutes a disciplinary offence. The provisions regarding the disciplinary sanctions as laid out in the national collective bargaining agreement, the Italian Civil Code and the Workers' Statute therefore apply to such behaviour.

Specifically, for employees, in compliance with the procedures set out in article 7 of Italian law no. 300 of 30 May 1970 (the Workers' Statute) and any applicable special regulations, the following measures are envisaged:

- verbal warning;
- written warning;
- fine;
- suspension from service (to the extent established by the national collective bargaining agreement) for no more than 10 days;
- assignment to another corporate function;
- dismissal for justified reason or just cause (in those cases provided for by law).

As regards the verification of a breach, the disciplinary proceedings and the imposition of sanctions, the power already conferred, to the extent of the respective competence, upon the competent corporate bodies and functions, remain unchanged.

The sanctionable behaviour that constitutes a breach of this Model includes those actions laid out in the previous paragraph, 7.2 *Relevant conduct* and, therefore, failure to comply with the Model (for example the flows to the SB), the internal procedures provided for by the Model or behaving in a way that does not comply with the prescriptions laid out in the same Model (regardless of whether they expose the Company to an objective situation of imminent risk of committing a crime or not) and the Code of Ethics adopted by the Company.

The competent corporate body or function, having potentially asked the SB for its opinion, assesses whether or not to impose a sanction and notifies the party who committed the breach. This person has the right to defend themselves following which the aforementioned body will take a definitive decision on the sanction.

The sanctions and any request for compensation for damages shall be commensurate with the employee's level of responsibility and autonomy; the possible existence of other disciplinary actions against them; the level to which the behaviour was intentional as well as the severity of it, meaning

the level of risk to which the Company can be reasonably exposed - pursuant to and by the effects of Italian Legislative Decree no. 231/2001 - following the reprimanded conduct.

#### 7.4.2 Members of the Board of Directors, Directors, Independent Auditors, Statutory Auditors, Members of the Supervisory Body

In the event of a breach of the Model by one of the parties in question, the party of the body who becomes aware of the breach by one of more parties notifies the Board of Directors and the individual shareholders.

The Board of Directors, having potentially asked the SB its opinion, assesses whether or not to impose a sanction and notifies the party who committed the breach as well as the shareholders. The party who committed the breach has the right to defend themselves following which the Board of Directors will take a definitive decision on the sanction, undertaking to provide details about this at the next shareholders' meeting.

The sanctions shall be commensurate with the party's level of responsibility and autonomy; the possible existence of other disciplinary actions against them; the level to which the behaviour was intentional as well as the severity of it.

The applicable sanctions are:

- written warning;
- suspension of office for a period of time ranging from one to six months;
- reduction in the bonus provided for by the employment/collaboration contract;
- restriction of the powers/mandates assigned;
- revocation of the assignment.

#### 7.4.3 Top Executives, General Manager and Executives able to delegate functions pursuant to article 16 of Italian Legislative Decree no. 81/2008

A breach of the procedural or behavioural rules laid out in the Model or in the Code of Ethics committed by senior managers, the General Manager or by executives with delegation of functions pursuant to Italian Legislative Decree no. 81/2008, without prejudice to the prior notification and the procedure referred to in art. 7 of Italian law no. 300/1970, are sanctioned by the Board of Directors as follows:

- written warning, in the case of minor breaches;
- fine not exceeding that amount equal to four hours of remuneration, if, within one year from the application of the written warning, another irregularity, as per the previous point, is committed. This provision also applies in the case of more serious breaches, provided that these breaches do not result in jeopardising the Company's normal operations;

- revocation of the assignment;
- dismissal with or without notice, in the event of a serious breach of the Code of Ethics or the Model depending on whether or not such a breach permits the continuation, even temporarily, of the employment relationship.

The party on whom a sanction is to be imposed has the right to defend themselves prior to the definitive imposition of the sanction.

In individual contracts agreed with executives in the Company, or in specific letters signed by way of acceptance, a *per relationem* reference must be made to the provisions of the Model and to the applicable sanctions in the case of non-compliance.

#### 7.4.4 Collaborators, consultants and third parties

Each breach of the Model, of the internal procedures envisaged by the Model or any behaviour which does not comply with the Model, is sanctioned in accordance with that provided for by the specific contractual clauses included in the relative contracts (for example, penalties), as well as pursuant to the legal provisions which are in effect from time to time.

In the absence of any specific provisions, the following sanctions may be applied:

- written warning;
- suspension of the activity for a set period of time;
- termination of the contract for just cause.

This is without prejudice to being able to seek compensation if such behaviour causes actual damage to the Company, as in the case when a judge applies the measures provided for by the Decree against the Company.

Whoever becomes aware of a breach by a collaborator or a consultant, shall notify the Board of Directors which, having potentially asked the SB for its opinion, assesses whether or not to impose a sanction and notifies the collaborator or the consultant in question. This person has the right to defend themselves following which the Board of Directors will take a definitive decision on the sanction.

The sanctions shall be commensurate with the party's level of responsibility and autonomy; the possible existence of other disciplinary actions against them; the level to which the behaviour was intentional as well as the severity of it.

With regard to workers employed by another entity who work within the Company's organisation on the basis of one of the contractual types provided for by Italian Legislative Decree no. 276/2003 (agency work or secondment), the supplying or seconding company must contractually commit to ensuring that its employees working at the Company comply with the Model, with the consequence that, otherwise, penalties shall be paid or the contractual relationship shall be terminated.

<b>Types of conduct by subordinate workers</b>	<b>Possible sanctions to be assessed in relation to the applicable national collective bargaining contract</b>
Failure to comply with the procedures and/or the processes implementing the decisions taken by the Management Body in organisational and operational activities;	Written warning Fine Suspension of the service and remuneration Assignment to another corporate function Dismissal
Failure to comply with the methods and the procedures established to acquire and manage the financial resources made available to prevent the commission of a predicate crime;	Written warning Fine Suspension of the service and remuneration Assignment to another corporate function Dismissal
Failure to comply with the obligation to document the phases envisaged by procedures and protocols in the functions and in the processes at risk of a predicate crime being committed;	Written warning Fine
Failure to behave and failure to follow the prescribed procedures established in the Model, which expose the Company to situations of risk that a crime might be committed as envisaged by Italian Legislative Decree no. 231/01, as supplemented and amended;	Written warning Fine Suspension of the service and remuneration Assignment to another corporate function Dismissal
Failure to comply with the mandatory rules and failure to behave as envisaged by domestic and European legislation, which lay out rules of organisation and prevention, which are aimed, in an unambiguous way, at the commission of one or more of the predicate crimes as defined by Italian Legislative Decree no. 231/01, as supplemented and amended;	Dismissal In the most minor of cases: Suspension of the service and remuneration Assignment to another corporate function
Conduct that hinders or evades the SB's controls, unjustified hindrance to accessing information and documentation involving parties appointed to carry out checks;	Written warning Fine Suspension of the service and remuneration if the conduct is repeated
Omissions in compliance, implementation and control or a breach of the regulations concerning health and safety in the workplace under Italian Legislative Decree no. 81/08, as amended, that might constitute the source of negligent predicate crimes specific to articles 589 and 590 paras. 2 and 3 of the Italian Criminal Code;	Fine Suspension of the service and remuneration Assignment to another corporate function Dismissal in the most serious cases in the event of the commission of a predicate crime
Multiple unjustified and repeated breaches of the Model's protocols and its implementation for continuous adaptation;	Suspension of the service and remuneration Assignment to another corporate function Dismissal if repetition continues after the previous sanction
Failure to report non-compliance and irregularities committed, including by senior managers;	Written warning Fine

Failure to inform the SB and the other functions, as well as the Management Body of a situation at risk of a predicate crime discovered in performing an activity.	Written warning Fine
Reports made with malice or through gross negligence which prove to be groundless	Suspension of the service and remuneration Assignment to another corporate function Dismissal
Breach of the protection of the anonymity of the whistleblower relating to the reports referred to in paragraph 5.4	Suspension of the service and remuneration Assignment to another corporate function Dismissal

<b>Types of conduct by the Board of Directors, Directors, Statutory Auditors, Independent Auditors and members of the SB</b>	<b>Possible sanctions</b>
Failure to comply with the Management Body's (members of the Board of Directors, CEOs) protocols and decision-making procedures in the activities of the function;	Reprimand and formal notice to comply Suspension if the breach is serious and repeated Revocation if recurrence after suspension
Failure to comply with the procedures and/or the processes implementing the decisions taken by the Management Body in organisational activities;	Reprimand and formal notice to comply Suspension if the breach is serious and repeated Revocation if recurrence after suspension
Failure to comply with the methods and the procedures established to acquire and manage the financial resources made available to prevent the commission of a predicate crime;	Reprimand and formal notice to comply Suspension if the breach is serious and repeated Revocation if recurrence after suspension
Failure to comply with the obligation to document the phases envisaged by procedures and protocols in the functions and in the processes at risk of a predicate crime being committed;	Reprimand and formal notice to comply
Failure to follow the prescribed behaviour in the Model, which exposes the Company to situations of risk that a crime might be committed as envisaged by Italian Legislative Decree no. 231/01, as supplemented and amended;	Reprimand and formal notice to comply Suspension in the most serious of cases Revocation if a predicate crime is committed
Failure to comply with the mandatory rules and failure to behave as envisaged by domestic and European legislation, which lay out rules of organisation and prevention, which are aimed, in an unambiguous way, at the commission of one or more of the predicate crimes as defined by Italian Legislative Decree no. 231/01, as supplemented and amended;	Revocation Suspension in particularly minor cases
Conduct that hinders or evades the SB's controls, unjustified hindrance to accessing information and documentation involving parties appointed to carry out checks;	Reprimand and formal notice to comply Suspension if the breach is serious and repeated
Omission in compliance, implementation and control or a breach of the regulations concerning health and safety in the workplace under Italian Legislative Decree no. 81/08, as amended, that might constitute the source of negligent predicate crimes specific to articles 589 and 590 paras. 2 and 3 of the Italian Criminal Code;	Reprimand and formal notice to comply Suspension Revocation in the most serious of cases, in cases where a predicate crime is committed
Multiple unjustified and repeated breaches of the Model's protocols and its implementation for continuous adaptation;	Suspension Revocation if recurrence continues after suspension



Failure to report non-compliance and irregularities committed, including by senior managers;	Reprimand and formal notice to comply Suspension if the breach is repeated
Failure to assess and take timely measures regarding reports and warnings for interventions highlighted by the SB in the activities for which senior managers are responsible;	Reprimand and formal notice to comply Suspension if the breach is serious and repeated Revocation if recurrence after suspension
Reports made with malice or through gross negligence which prove to be groundless	Suspension in particularly minor cases Revocation in the most serious of cases
Breach of the protection of the anonymity of the whistleblower relating to the reports referred to in paragraph 5.4	Revocation

<b>Types of conduct by collaborators, consultants and third parties</b>	<b>Possible sanctions to be provided for, including as part of individual contracts</b>
Failure to comply with the procedures and/or processes envisaged by the Model 231 for the implementation of the decisions taken by the Management Body in organisational and operational activities;	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code Termination pursuant to art. 1456 of the Italian Civil Code if recurrence after penalty imposition
Failure to comply with the methods and the procedures established to acquire and manage the financial resources made available to prevent the commission of a predicate crime;	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code Termination pursuant to art. 1456 of the Italian Civil Code if recurrence after penalty imposition
Failure to comply with the obligation to document the phases envisaged by procedures and protocols in the functions and in the processes at risk of a predicate crime being committed;	Reprimand and formal notice to comply
Failure to follow the prescribed behaviour in the Model, which exposes the Company to situations of risk that a crime might be committed as envisaged by Italian Legislative Decree no. 231/01, as supplemented and amended;	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code Termination pursuant to art. 1456 of the Italian Civil Code if a predicate crime is committed
Failure to comply with the mandatory rules and failure to behave as envisaged by domestic and European legislation, which lay out rules of organisation and prevention, which are aimed, in an unambiguous way, at the commission of one or more of the predicate crimes as defined by Italian Legislative Decree no. 231/01, as supplemented and amended;	Termination pursuant to art. 1456 of the Italian Civil Code if a predicate crime is committed Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code in the most minor of cases
Conduct that hinders or evades the SB's controls, unjustified hindrance to accessing information and documentation involving parties appointed to carry out checks or failure to send the information requested by the SB;	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code if the conduct is repeated
Omissions in compliance, implementation and control or a breach of the regulations concerning health and safety in the workplace under Italian Legislative Decree no. 81/08, as amended, that might constitute the source of negligent predicate crimes specific to articles 589 and 590 paras. 2 and 3 of the Italian Criminal Code;	Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code Termination pursuant to art. 1456 of the Italian Civil Code in the most serious of cases, in cases where a predicate crime is committed
Multiple unjustified and repeated breaches of the Model's protocols and its implementation for continuous adaptation;	Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code Termination pursuant to art. 1456 of the Italian Civil Code if repeated after penalty imposition

Failure to report non-compliance and irregularities with the Model committed in the current relationship by any party;	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code if repeated
Failure to comply with the obligation to provide information to the SB on any situation that might be considered at risk of a predicate crime being committed.	Reprimand and formal notice to comply Imposition of a penalty pursuant to art. 1382 of the Italian Civil Code if repeated

<b>Types of conduct by the Supervisory Party of the Whistleblowing procedure</b>	<b>Possible sanctions</b>
Breach of the protection of the anonymity of the whistleblower relating to the reports	Revocation
<b>Types of conduct: breach of the provisions regarding Whistleblowing</b>	<b>Possible sanctions</b>
Commission of any act of retaliation - understood as any behaviour, action or omission, even if only attempted or threatened, carried out as a result of a Report made (a report to a judicial, tax or accounting authority or a public disclosure) - that causes, or could cause, unjust harm, directly or indirectly, to the whistleblower (or to the person who filed the report or who made the public disclosure) and/or to any other party specifically identified by law	Fine or Suspension depending on whether the action was attempted or committed
Failure to establish reporting channels, failure to adopt whistleblowing procedures that comply with the law	Fine against Board members or the party delegated to establish the reporting channel
Failure to carry out verification and analysis activities with regard to the reports received	Revocation of the assignment if the failure to act is by the party managing the Whistleblowing procedure  Fine if the failure to act is by the Board of Directors
Acting or behaving in such a way that reporting is hindered or an attempt was made to hinder it	Fine or Suspension depending on whether the action was attempted or committed
Breach of the obligation of confidentiality	Revocation of the assignment. if the breach was carried out by the party managing the Whistleblowing procedure.  Warning if the breach was carried out by the whistleblower  Fine if the breach was carried out by facilitators

## **8. THE CRIMES PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/2001 IN OLIMPIA SPLENDID S.P.A.**

The table below shows the functions responsible for the micro-processes which refer to the types of crime which are relevant to the Company.

FUNCTIONS	CRIMES													
	Crimes against the Public Administration	Corporate Crimes	Laundering receiving	Computer crimes	Occupational health and safety	Immigration and foreigner status	Copyright	Environmental crimes	Organised crime	Against industry and trade	Counterfeiting	Racism and xenophobia	Tax crimes	Crime of smuggling
Chairperson	X	X		X	X		X		X	X	X	X	X	X
Board of Directors		X	X	X	X		X		X	X		X	X	
CEO	X	X	X	X	X		X		X	X	X	X	X	X
Marketing Manager	X			X	X							X		
Administration, finance and control	X	X	X	X	X	X	X		X			X	X	X
Purchases	X	X	X	X	X	X	X		X	X		X	X	X
Professional	X			X	X		X					X		
Service	X			X	X		X					X		
ICT	X			X	X		X					X		
Eldom Sales	X			X	X		X			X	X	X		X
Operations	X			X	X		X	X				X		
Customer Relations				X	X		X	X				X		
Statutory Auditors - Independent Auditors	X											X		
Logistics - Warehouse														X

The crimes, from the analysis carried out, were found not to be actually feasible within the scope of the operations of Olimpia Splendid S.p.A. and shall not be examined in any specific way.