

SAES Coated Films S.p.A.

DESCRIPTION OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL ADOPTED PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

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CONTENTS

GENERAL PART

GLOSSARY.....	4
MAIN PRINCIPLES.....	7
PURPOSES OF THE MODEL.....	7
MODEL STRUCTURE.....	8
MODEL RECIPIENTS.....	8
DESCRIPTION OF THE LEGISLATIVE FRAMEWORK.....	10
I. Introduction.....	10
II. Nature of liability.....	11
III. Authors of the offence: subjects in senior positions and subjects subject to the management of others.....	11
IV. Types of offences.....	12
V. System of sanctions.....	13
VI. Attempted offences.....	15
VII. Events modifying the Entity.....	15
VIII. Offences committed abroad.....	17
IX. Organisation, management and control models.....	18
X. Codes of conduct drafted by trade associations.....	20
XI. Assessment of suitability.....	20
CHAPTER 1 - DESCRIPTION OF THE COMPANY - ASPECTS OF THE <i>GOVERNANCE</i> MODEL AND OF THE COMPANY'S GENERAL ORGANISATIONAL STRUCTURE.....	21
1.1 SAES Coated Films S.p.A.	21
1.2 Organisational structure of SAES Coated Films S.p.A.....	21
CHAPTER 2 - ORGANISATION, MANAGEMENT AND CONTROL MODEL AND METHOD ADOPTED FOR PREPARATION.....	22
2.1 The principles that inspired the Model.....	22
2.1.1 Governance tools.....	22
2.1.2 Internal Control system.....	23
2.2 Adoption of the Model.....	25
CHAPTER 3 - SUPERVISORY BOARD PURSUANT TO ITALIAN LEGISLATIVE DECREE No. 231/2001.....	28
3.1 Identification and positioning of the Supervisory Board.....	28
3.2 Fees.....	30
3.3 General principles governing the institution, appointment and replacement of the Supervisory Board.....	30
3.4 Functions and powers of the Supervisory Board.....	33
3.5 Methods and scheduling of reports to the corporate bodies.....	35
3.6 Relationship between the Supervisory Board of SAES Coated Films S.p.A. and the Supervisory	

Boards of the Group companies	35
3.7 Information flows (information and reports) to be sent to the Supervisory Board.....	37
3.7.1 Introduction.....	37
3.7.2 Reports	37
3.7.3 Whistleblowing reports.....	38
3.7.4 Information	39
CHAPTER 4 - DISCIPLINARY SYSTEM.....	39
4.1 General principles	39
4.2 General criteria for the application of sanctions.....	39
4.3 Subjects	40
4.4 Measures for non-compliance by Employees.....	41
4.4.1 Employees other than managers	41
4.4.2 Management employees (including the Manager appointed to draft the company's accounting documents)	43
4.5 Measures that apply to non-compliance by Directors.....	44
4.6 Provisions for non-compliance on behalf of Suppliers, Consultants and Partners.....	46
4.7 Disciplinary sanctions for Whistleblowing violations	47
CHAPTER 5 - DISSEMINATION OF THE MODEL.....	48
5.1 Communication, information and training.....	48
CHAPTER 6 - ADOPTION OF THE MODEL - CRITERIA FOR THE UPDATING AND ADAPTATION OF THE MODEL.....	50
6.1 Updates and adaptations.....	50
CHAPTER 7 - CODE OF ETHICS	51
ATTACHMENT 1 - OFFENCES PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/2001.....	52
ATTACHMENT 2 - PROCEDURE FOR WHISTLEBLOWING REPORTS	59

GENERAL PART

GLOSSARY

"Risk/Sensitive Processes" areas: we are here referring to the activities reported during the risk assessment phase within which relevant offences may be committed for the purposes of 231.

CCNL: refers to the National Collective Bargaining Agreement.

Corporate Governance Code: refers to the Corporate Governance Code of companies listed on Borsa Italiana S.p.A. as amended in July 2015 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., Ania, Assogestioni, Assonime and Confindustria (and any subsequent versions).

Internal Dealing Code of Conduct: refers to the Code adopted with the resolution of the Board of Directors of SAES Getters S.p.A. on 24 March 2006 as later updated.

Code of Ethics: refers to the code adopted by SAES Getters S.p.A. containing the essential values, the conduct regulations and the principles that everyone acting on behalf and in the interest of the Parent Company and the Subsidiary companies must comply with.

Board of Statutory Auditors: refers to the body responsible for supervising compliance with the law and the Articles of Incorporation, on compliance with the principles of correct administration and especially the appropriateness of the Company's organisational, administrative and accounting structure.

Board of Directors: refers to the collective administrative body of SAES Coated Films S.p.A.

Decree: refers to the Italian Legislative Decree no. 231/2001 as amended and supplemented containing the "Regulations governing the administrative responsibility of legal entities, companies and associations even devoid of legal status", published on the Official Gazette no. 140 of 19 June 2001, as amended and supplemented.

Recipients: refers to the subjects that this Organisational Model is addressed to and which, on various counts, are required to comply with. The recipients of the SAES Coated Films S.p.A. Model are:

- Board of Directors;
- the executives (those assigned this office based on the applicable CCNL [National Collective Bargaining Agreement]);
- the employees (meaning the workers with a subordinate contract, even of a temporary nature);
- Third Parties and Additional Subjects.

Illegal Brokerage: by which expression we refer to any conduct that aims to "exploit" existing or boasted relations with a public official, a person appointed to public service or one of the subjects listed under art. 322 bis of the Italian Civil Code.

MIAR: refers to the Identification Matrix of the Risk Areas as a risk assessment tool used to identify the risk areas (processes and activities), the criminal offences relative for 231 purposes and the subjects involved.

ODV: refers to the Supervisory Board pursuant to Italian Legislative Decree no. 231/2001 appointed by the Board of Directors with the task of supervising compliance and operation of the Company's Model as well as the task of overseeing its updating.

Process Owner: by which we refer to the subjects who owing to the organisation position held or the activities performed are more involved in the sensitive activities of reference or are more exposed to them.

Protocols: by which we refer to the principles, regulations and the operating procedures that regulate the relevant sensitive processes which the Recipients must comply with in performing their activities and along with this document constitute the essential part of the Company's 231 Organisational Model.

Public Administration: according to the opinion no. 11482/2004 of the State Council "[...] *the set of all subjects, including private operators of public services, public companies and bodies governed by public law according to community terminology, that are required to operate, relative to the activity context considered, within the context of a public function*".

Public Officer: the person who exercises "a public legislative, judiciary or administrative function". For the purposes of criminal law "the administrative function is deemed public if regulated by public law provisions and authorisation deeds and characterised by the formation and display of the will of the public administration or its performance by means of authorisation or certification powers" (art. 357 of the Italian Criminal Code).

Person appointed to Public Service: anyone who "on whatever basis performs a public service. By public service we here refer to an activity regulated by the same regulations of the public function, but devoid of the powers typically associated with the latter and excluding the performance of simple law and order tasks and providing a merely material service" (art. 358 of the Italian Criminal Code). It should be noted that the phrase "on whatever basis" is understood to mean a subject that exercises a public function, even without a formal or regular appointment (entrusted with the provision of a public service "de facto"). The relationship between the P.A. and the subject that performs the service is in fact not relevant.

Offences: refers to offences which, if committed, may entail the corporate liability of the Company pursuant to Italian Legislative Decree no. 231/2001.

SAES/Company: refers to SAES Coated Films S.p.A.

SAES Group (or even just "Group"): refers to the set of companies subject to the management and control of the parent company SAES Getters S.p.A. (thus including the company SAES Coated Films S.p.A.).

Whistleblower: anyone witnessing an illicit act or irregularity at the workplace and who decides to report it. For private entities, the reference is to "people who hold representation, administrative or management functions within the entity or one of its organisational units provided with financial and functional independence as well as any person who, even de facto, exercise management and control of the same", as well as "persons subject to the management or supervision of one of the subjects" previously mentioned-

Reported person: the subject to whom the whistleblower assigns responsibility for having committed the unlawful/irregular act that is the object of the report.

Report: communication by the whistleblower regarding information " of proven circumstances of unlawful conduct, relevant pursuant to Italian Legislative Decree no. 231/2001 and based on specific and concurring facts, or violations of the entities organisation and management model, that they have become privy to as a result of the functions performed".

Penalty and Disciplinary System: the set of sanctions that may be applied in the event of a violation of the Model or its preventive Protocols.

Auditing Company: refers to the company which the SAES Coated Film S.p.A. shareholders' meeting has appointed to carry out accounting audits pursuant to Italian Legislative Decree no. 39/2010 based on the proposal drawn up by the Board of Statutory Auditors to:

- audit the financial statements of the SAES Coated Films S.p.A. Company;
- verify appropriate accounting and the correct reporting of management events in the accounting entries;

Third parties: refer to those who operate within the Company as a result of a subordinate work contract, such as, by way of example and not limited to: interns, temporary agency workers, any Group company employees seconded to the Company and agents.

Additional Subjects: refer to those who are bound to the Company by a service provision, partnership or supply contract.

Articles of Incorporation: refer to the founding deed that regulates the internal workings of SAES Coated Film S.p.A., identifying the essential features of the internal Corporate regulations and the relative rules of operation, in compliance with mandatory legal provisions.

INTRODUCTION

MAIN PRINCIPLES

SAES Coated Films S.p.A. (henceforth also "SAES" or the "Company") within the context of a the broadest corporate policy shared by the entire SAES Group, aware of the need to ensure correct and transparent conditions in the performance of its corporate business and activities, to protect the Company itself, as well as the expectations and interests of its shareholders, deemed it advisable to analyse all corporate control and governance tools previously adopted, by implementing and regularly updating the organisation, management and control Model foreseen by Italian Legislative Decree no. 231/2001 (henceforth also the "Model").

On 02/03/2022, the Company's Board of Directors adopted the first version of its own Model.

Subsequently, on 04/03/2024, following the entry into force of Legislative Decree 24/2023 concerning the "protection of persons who report violations of Union law and laying down provisions concerning the protection of persons who report violations of national regulatory provisions," the Model was brought into line with the indicated requirements. In addition, during the above revision, the regulation of communication flows between the Company's SB and the bodies of the other Italian companies in the Group was made explicit.

The Company has adopted a methodological approach according to an integrated "by offence" and by "process and protocol" logic that enables a greater efficiency and effectiveness, even in terms of its availability, of the 231 Model both for the recipients of the same that are required to comply on a daily basis with the provisions linked to the individual processes, and for the functions and bodies that carry out control activities on the compliance, effectiveness and operation of the Company's 231 Model.

The goal is to ensure that all persons operating within the Company are fully aware and informed of the fact that in the event of conduct non compliant with the provisions foreseen by the control procedures and protocols, risk incurring sanctions and/or provisions that have direct consequences on a personal level, which may lead to relevant unlawful acts as a result of the Decree which also carry consequences for the Company.

PURPOSES OF THE MODEL

By adopting this Model, SAES intends to pursue the following main goals:

- reiterate that all unlawful conduct is absolutely disapproved by the Company, even if inspired by a misguided corporate interest and even if SAES may seemingly be in a condition to take advantage of said conduct;
- instil in all persons operating in the name and on behalf of SAES and especially in the areas identified as "at risk" of offences deemed significant pursuant to the Decree, an awareness of the duty to comply with the provisions contained herein and more in general with company regulations;
- inform the Model's recipients that the violation of the related provisions constitutes a sanctionable conduct from a disciplinary point of view and that if an offence is committed and deemed significant pursuant to the Decree, in addition to the criminal sanctions applicable to

the person, an administrative liability may also be borne by the Company, with the resulting application of sanctions to the same Company;

- enable the Company, thanks to actions involving strict oversight and monitoring of the risk areas and sensitive activities within which the potential offences detailed in the Decree may be committed and by implementing appropriate tools, to take prompt action to prevent or fight the committing of said offences.

MODEL STRUCTURE

This document is made up of a general part and a special part.

The general part describes the content of the Decree, recalling the types of offence that entail administrative liability of an entity, the possible sanctions and the conditions under which one can be exempted from said liability (First section), as well as the Company's organisational structure and the activities performed in order to build, disseminate and update the Model (Second section).

The special part contains the control Protocols, in other words the set of rules and principles governing control and conduct considered suitable to oversee the areas where there is a potential risk of offences that entail administrative liability pursuant to Italian Legislative Decree no. 231/2001.

The rules contained in the Model are further integrated with those of the Code of Ethics despite the fact that the former, for the purposes that is meant to pursue by implementing the provisions contained in the Decree, has different goals compared to the latter. We hereby specify that:

- the Code of Ethics represents an independently adopted tool that is subject to application on a general level by the Company with the purpose of expressing the "corporate ethics" principles that SAES acknowledges as its own and which it requires all recipients to comply with;
- the Model meets specific requirements contained in the Decree, the purpose of which is to prevent offences being committed that may entail the attribution of administrative liability to the Company.

MODEL RECIPIENTS

The rules contained in the Model apply to all company representatives, even if they belong to other companies of the SAES Group, who are involved, even de facto, in the activities of SAES Coated Films S.p.A. that considered to be at risk on the basis of the aforementioned legislation.

In particular, the Model applies to the following recipients (henceforth the "Recipients"):

- all members of the Board of Directors;
- the executives (those assigned this office based on the applicable CCNL [National Collective Bargaining Agreement]);
- the employees (meaning the workers with a subordinate contract, even of a temporary nature);
- Third Parties (as defined below).

Third Parties, meaning those who operate within the Company on the basis of a subordinate work contracts, interns, temporary workers, Group company employees seconded to the Company and agents, who must be bound to comply with the prescriptions indicated by Italian Legislative Decree no. 231/2001 and the ethical and conduct principles adopted by SAES also by underwriting special contractual clauses that enable the Company, in the event of a breach, to unilaterally terminate the

stipulated contracts and claim reimbursement for any damage incurred (including the application of any sanctions pursuant to the Decree).

The Company can assess on a case-by-case basis the advisability of outsourcing responsibilities to additional third parties (so called "Additional Subjects"¹), bound to the Company by a service provision, partnership or supply contract, in compliance with the prescriptions of Italian Legislative Decree no. 231/2001 and the ethical and conduct principles adopted by the Company through the Parent Company's Code of Ethics.

¹ By additional third party subjects, for the purposes of this document, we are referring by way of non-limiting example to: suppliers, consultants, professionals, distributors, work agencies, service contracts pursuant to articles 4 and 20 of Italian Legislative Decree no. 276/2003, the sub-contractors and commercial partners as well as any additional third party subject bound by a contract with the company, deemed advisable to take into consideration.

FIRST SECTION

DESCRIPTION OF THE LEGISLATIVE FRAMEWORK

I. Introduction

Italian Legislative Decree no. 231 of 8 June 2001, was issued to implement the mandate granted to the Government with art. 11 of Law no. 300² of 29 September 2000 and governs the regulation related to "*liability of legal entities for unlawful administrative acts resulting from a offence*". This regulation applies to entities provided with legal status and companies and associations even if devoid of legal status.

The Italian Legislative Decree no. 231/2001 owes its initial inception to a few international and community conventions ratified by Italy that impose the provision of forms of responsibility for collegiate entities for certain types of offences.

According to the regulations introduced by Italian Legislative Decree no. 231/2001, companies can be considered "liable" for certain fraudulent or negligent offences, as well as a few administrative types of offences, carried out in the interests or to the advantage of the companies themselves, by top management representatives (so called "senior positions " or simply "top positions") and by those that are subject to the management or supervision of the latter (art. 5, paragraph 1 of Italian Legislative Decree no. 231/2001)³.

The company's administrative liability is independent of the criminal responsibility of the natural person who has committed the offence and stands alongside the latter. Nevertheless, the author of the predicate offence (the natural person) is not identified, the charges still apply to the company (see Court of Cassation Crim. Sect. IV, 4.4.2013 no. 1091). This applies also to all instances where the offence is extinguished, with the exception of an amnesty.

This broadening of liability essentially aims to involve the company's assets in the punishment of certain offences and, ultimately, the economic interests of its shareholders, who, up until the entry into force of the decree in question, were not liable for any direct consequences for offences committed in the interest or to the advantage of their company by managers and/or employees⁴.

² The Italian Legislative Decree no. 231/2001 is published in the Official Gazette no. 140 of 19 June 2001, Law no. 300/2000 in Official Gazette no. 250 of 25 October 2000.

³ Art. 5, paragraph 1 of Italian Legislative Decree no. 231/2001: Legal entity liability: The entity is responsible for offences committed in its interest or to its advantage: a) by persons who hold representation, administrative or management functions within the entity or one of its organisational units provided with financial and functional independence as well as person who, even de facto, exercise management and control thereof; by) by persons subject to the management or supervision of one of the subjects indicated under letter a)".

⁴ Thus the introduction of *the Guidelines for the construction of organisation, management and control models* pursuant to Italian Legislative Decree no. 231/2001 by Confidindustria, issued on 7 March 2002, updated, most recently, in June 2021.

The corporate administrative liability is however ruled out if the company, among other things, has adopted and effectively implemented organisation, management and control models designed to prevent the offences in question, prior to when the offence is committed. These models can be adopted based on codes of conduct developed by associations representing the companies, such as Confindustria, and communicated to the Ministry of Justice.

The corporate administrative liability is, however, ruled out if the senior managers and/or their subordinate personnel have acted in their own exclusive interests or those of third parties.

II. Nature of liability

With reference to the nature of administrative liability pursuant to Italian Legislative Decree no. 231/2001, the Government Report on the decree underlines "*the creation of a third provision that combines the main traits of the criminal system with the administrative one in an attempt to bring the reasons of the preliminary effectiveness with the even more essential ones of the maximum guarantee*".

The Decree has effectively introduced into our legislation a kind of corporate liability of an "administrative" nature - in compliance with the principle of criminal liability established by art. 27 of the Italian Constitutions - but with many points of contact with a "criminal" type of liability.

The law (see. Court of Cassation Criminal section, no. 20060 of 9 May 2013) has referred to administrative liability, which conceals its essentially criminal nature, meaning a form of liability that is brought about by the hybridisation of administrative liability with principles belonging to the criminal code.

III. Authors of the offence: subjects in senior positions and subjects subject to the management of others.

As indicated above, according to the Decree, the company is liable for the offences, as well as administrative offences, committed in its interest or to its advantage:

- by "persons who hold representation, administrative or management functions within the entity or one of its organisational units provided with financial and functional independence as well as person who, even de facto, exercise management and control thereof" (defined above as "senior positions" or "top positions", art. 5, paragraph 1, lett. a) of Italian Legislative Decree no. 231/2001);
- by persons subject to the management or supervision of one of the subjects in senior positions (so called subjects subject to the management of others; art. 5, paragraph 1, lett. b) of Italian Legislative Decree no. 231/2001).

IV. Types of offences

Based on the Decree, the entity can be only be held liable for offences committed in its own interest or to its own advantage by subjects qualified *under* art. 5, paragraph 1 of the same decree, expressly recalled in articles 24, 24-bis, 24-ter, 25, 25-bis, 25-bis.1, 25-ter, 25-quater, 25-quater.1, 25-quinquies, 25-sexies, 25-septies; 25-octies; 25-novies, 25-decies, 25-undecies, 25-duodecies, 25-terdecies, 25 quaterdecies, 25 quinquiesdecies and 25 sexiesdecies.

Finally, administrative liability can also be established relative to so called transnational offences (Law no. 146 of 16 March 2006, articles 3 and 10).

The types of offences referred to in Italian Legislative Decree no. 231/2001 can be included, for the same of simplicity of exposition, in the following categories:

- **offences against the Public Administration** and against the assets of public administrations (art. 24 and 25);
- **Data processing offences and unlawful processing of data** (Art. 24-bis)⁵;
- **Organised offence offences** (Art. 24 - ter)⁶;
- **offences related to Counterfeiting currency, credit cards, tax stamps and identifying instruments or signs** (art. 25-bis)
- **Offences against industry and commerce** (art. 25 - bis.1);
- **Corporate offences** (art. 25 - ter);
- **offences committed for the purpose of terrorism or of subverting the democratic order** (art. 25 - quater);
- **Female genital mutilation practices** (art. 25 - quater.1);
- **Offences against individuals** (art. 25- quinquies);
- **Market abuse offences and equivalent unlawful administrative acts** (art. 25- sexies);
- **Manslaughter and inflicting grievous or very grievous bodily harm in violation of accident prevention regulations and occupational health and safety legislation** (art. 25 - septies);
- **Receiving stolen goods, money laundering and using money, goods or benefits of unlawful origin, as well as self-laundering** (art. 25 - octies);
- **offences regarding breach of copyright** (art. 25 - novies);
- **Incitement not to testify or to bear false testimony to the judicial authorities** (art. 25 - decies);
- **Environmental offences** (art. 25 - undecies);
- **Employing citizens from third countries without residency authorisation** (art. 25 - duodecies);

⁵ Art. 24-*bis* of the Decree provides for corporate administrative liability in relation to the offences detailed under articles 491-bis, 615-ter, 615-quater, 615-quinquies, 617-quater, 617-quinquies, 635-bis, 635-ter, 635-quater, 635-quinquies and 640-quinquies of the Criminal Code and art. 1 paragraph 11 of Italian Legislative decree no.105/2019 that concerns violations of regulations relative to the National cybernetic security perimeter.

⁶ Art. 24-*ter* of the Decree prescribes that the liability of the entity should also include the offences foreseen by articles 416, sixth paragraph, 416-bis, 416-ter and 630 of the criminal code, the offence foreseen by art.407, paragraph 2, lett. a, n. 5 of the Code of Criminal Procedure and the offences foreseen by article 74 of the Consolidated Law pursuant to the Italian Presidential Decree no. 309 of 9 October 1990. Law 236/2016 has amended art. 416 of the criminal code under comma 6 with the introduction of art. 601-bis of the criminal code "traffic of organs removed from a living person" while Law 43/2019 has amended article 416-ter of the Criminal code related to the offence of electoral exchanges between politicians and the mafia.

- **Offences related to racism and xenophobia** (art 25 – terdecies);
- **Fraud in sports competitions**, unlawful gaming or betting or gambling exercised through any prohibited equipment (art. 25 - quaterdecies);
- **Tax offences** (art.25 – quinquiesdecies)⁷;
- **Smuggling (art . 25 – sexesdecies)**⁸;
- **Transnational offences** (Law no. 146 of 16.3.06).

For details on the individual offence types that entail administrative liability pursuant to Italian Legislative Decree no. 231/2001 reference should be made to the catalogue attached to this Model (Attachment 1).

The categories listed above are expected to increase further given the legislative tendency to broaden the operational scope of the Decree to adapt to international and EU obligations.

V. System of sanctions

These are foreseen by the Decree (articles 9 - 23) to be charged to the company when the offences detailed above are committed or attempted:

- financial penalties (always if the entity is convicted);
- disqualifying sanctions (applicable also as a precautionary measure and only in certain circumstances) lasting no less than three months and no longer than two years (with the specification that, pursuant to art. 14, paragraph 1, of Italian Legislative Decree no. 231/2001, "*The disqualifying sanctions apply to the specific activities to which the entities' unlawful conduct refers*") which, in turn, may consist of:
 - ban from conducting the company's business;
 - suspension or withdrawal or authorisations, licenses or concessions that were involved when committing the unlawful conduct;
 - prohibition from negotiations with the Public Administration;
 - exclusion from tax incentives, loans, contributions or subsidies and the possible annulment of those previously granted;
 - ban on advertising goods or services;
- seizure (in the event of a conviction);
- publication of the ruling (if a disqualifying sanction is applied).

If the entity's responsibility is established, it is only the latter who answers with its own assets or using the common fund to pay the financial penalty issued.

The financial penalty is calculated by the criminal judge using a system based on "quotas" that cannot be less than one hundred and no more than one thousand and vary in amount. In issuing the financial penalty the judge establishes:

⁷ Article 25-*quinquiesdecies* of the Decree was added by Law no. 157/2019 and amended by Italian Legislative Decree no. 75/2020 transposing EU Directive 1371/17 - PFI Directive

⁸ Article 25-*sexiesdecies* was introduced by Italian Legislative Decree 75/2020 transposing EU Directive 1371/17 - PFI Directive

- the number of quotas, taking into account the seriousness of the offence, the degree of responsibility of the company in the activities performed to eliminate or reduce the consequences of the offence and to prevent further unlawful actions being committed;
- the amount of each individual quota, based on the company's economic and financial position.

The disqualification sanctions only apply to the offences for which they are expressly foreseen, providing that at least one of the following conditions is met:

- a. the company has obtained a considerable profit as a result of the offence being committed and the offence was committed by subjects in a senior position or by subjects subject to the supervision of others when, in this latter case, the offence was made possible or abetted by serious organisational failings;
- b. In the event of reiteration of the unlawful conduct.

The judge establishes the type and duration of the disqualification sanction taking into account the appropriateness of the individual sanctions in preventing the unlawful conduct of the type committed, and, if necessary, may apply them jointly (art. 14, paragraph 1 and paragraph 3, Italian Legislative Decree 231/2001).

For certain offences committed against the Public Administration, the duration of the disqualification sanctions ranges from a period of no less than 4 years and maximum 7 years (extended compared to the limits envisaged by art. 9, paragraph 2 of Italian Legislative Decree no. 231/2001) and no less than 2 years and maximum 4 years, depending on whether the offence was committed by someone in a senior position or by someone subject to the supervision of others.

Also with reference to the offences foreseen by art. 25 of the Decree "illegal abuse of office, unlawful inducement to give or promise and corruption) a reduction of the disqualification sanctions is foreseen (from a minimum of 3 months to a maximum of 2 years) if the entity has taken steps to avoid that the criminal action leads to further consequences, to secure proof of the offences and the identification of those responsible or the seizure of the sums or other gains transferred and has removed the organisational failings that led to the offence being committed.

This benefit only applies if the company's initiative is undertaken prior to the judgement of the court of the First Instance.

The bans from conducting the company's business, the ban on negotiating with the Public Administration and the ban on advertising goods or services may be applied - in the more serious cases - on a permanent basis. It should be noted that, instead of issuing the disqualification sanction that results in the suspension of the entity's activities, the judge has the option of allowing the company to continue operating by appointing a Commissioner pursuant and under the conditions of art. 15 of Italian Legislative Decree 231/2001.

The Public Prosecutor, during the investigation stage, when serious evidence has been found that the entity is responsible and there are specific and well-grounded elements that would lead one to believe that there is a danger of repeat offences, may request the application of one of the disqualification sanctions listed above as a precautionary measure. In this case the maximum duration of the measure cannot exceed one year up until the judgement of the first instance; the ceiling of the sanction, after a conviction in this judgement, may not exceed one year and 4 months.

Also during the investigation, the Judge, following a request by the public prosecutor, can order the precautionary seizure of the items eligible for this process (the price and the profit resulting from the offence).

The Public Prosecutor, at every level of the proceedings, if there are grounds to believe that the guarantees for the payment of the financial penalty may be lacking or being dispersed, may call for the conservative seizure of the entity's tangible and intangible assets.

The limitation period for administrative sanctions is 5 years from the time the offence was committed.

The limitation period is interrupted following the request for the application of disqualification precautionary measures and the notification of the administrative offence with direct criminal action being taken by the proceeding prosecutor.

If the interruption is due to the notification of the administrative offence to the entity, the limitation period does not run until the judgement has become final.

As a result of a recent legal development that attributes to the institute for interruption of the limitation period the function of protecting from the punitive actions of the State, the term of 5 years indicated above runs from the issue of the decree that orders the trial to be held, regardless of whether it has been actually notified to the charged entity (see Court of Cassation Crim. Sect. IV ruling no. 30634 of 9 April 2019, filed on 12 July 2019).

VI. Attempted offences

In the hypothesis of attempts to commit the offences indicated in Chapter I of Italian Legislative Decree 231/2001 (articles 24 to 25- *duodecies*), the financial penalties (in terms of amount) and the disqualification sanctions (in terms of time) are reduced by between one third and a half, while the issue of sanctions is ruled out if the entity voluntarily avoids the action being performed or the event taking place (art. 26 of Italian Legislative Decree 231/2001). In this case the exclusion of any sanctions is justified by the interruption of the relationship that leads to the identification of the entity with the subjects that are assumed to be acting in its name and on its behalf. This is a particular instance of so called "active withdrawal", foreseen by art. 56, paragraph 4 of the Italian criminal code.

VII. Events modifying the Entity

Articles 28-33 of the Decree establish the impact on the property liability of the entity of modifying events linked to operations such as corporate transformations, mergers, demergers and transfers⁹.

⁹ The Legislator has taken into account two contrasting requirements: on the one hand in order to avoid these operations being used as a tool to easily avoid the entity's administrative liability and, on the other, in order not to penalise reorganisation operations devoid of elusive intent.

In the event of a transformation (consistent with the nature of the institution that implies a simple change of the type of company, without leading to the extinction of the original legal entity) the entity's liability for offences committed before the date on which the transformation came into force is retained (art. 28 of Italian Legislative Decree no. 231/2001).

In the event of a merger, the entity that results from the merger (even by incorporation) answers for the offences for which the entities taking part in the merger were liable (art. 29 of Italian Legislative Decree no. 231/2001).

Art 30 of Italian Legislative Decree no. 231/2001 prescribes that in the event of a partial demerger, the demerged company remains liable for offences committed before the date the demerger took place. The beneficiary entities of the demerger (whether total or partial) are jointly liable for the payment of the financial penalties owed by the demerged company for offences committed prior to the date when the demerger took place, within the limits of the actual value of the net assets transferred to the individual entity.

This limit does not apply to the beneficiary companies in which the business branch where the offence was committed has now been devolved.

The disqualification sanctions for offences committed prior to the date when the demerger came into effect apply to the entities that have retained or have received, even just in part, the business branch within which the offence was committed.

If the merger or the demerger took place prior to the conclusion of the judgement certifying the entity's liability, the judge in calculating the financial penalty shall take into account the economic position of the original entity and not those of the entity resulting from the merger.

In the event of a disqualification sanction, the entity considered liable following the merger or demerger may ask the judge to convert the disqualification sanction into a financial penalty, on condition that: (i) the organisational fault that made it possible to commit the offence has been eliminated, and (ii) the entity has taken steps to reimburse the damage and made available (for seizure) any profits it may have obtained. Art. 32 of the Decree enables the judge to take into account the ruling previously issued on the entities taking part in the merger or by the demerged company in order to establish reiteration, pursuant to art. 20 of Italian Legislative Decree no. 231/2001, with regard to offences committed by the entity that is the result of the merger or the beneficiary of the demerger, in relation to any offences subsequently committed.¹⁰ Where the

The Government Report on the Decree states "*the general criteria adopted in this case has been to arrange for the sanctions to be applied in compliance with the principles indicated in the Italian Civil Code regarding the general rules that apply to the other debts of the original entity, maintaining however the connection of the disqualification sanctions with the business activity within which the offence was committed*".

¹⁰ Art. 32 Italian Legislative Decree no. 231/2001: "Relevance of the merger or demerger for the purposes of recurrence - 1. If the entity that is the result of a merger or the beneficiary of a demerger is deemed liable for offences committed after the date when the merger or demerger came into force, the judge may consider recurrence, as required by article 20 of the legislation, even in relation to convictions pronounced against the entities that took part in the merger or of the demerged entity for offences committed prior to said date. 2. To this end, the judge takes into account the nature of the violations and the activity in the context of which they were committed as well as the characteristics of the merger or demerger. 3. With regard to the entities who benefited from the demerger, said recurrence can be established, in

corporate transfers or assignments are concerned a single regulation applies (art. 33 of Italian Legislative Decree no. 231/2001¹¹); the transferee, in the event of a transfer of the company in whose activities the offence was committed, is jointly liable to the payment of the financial penalty charged to the transferor, with the following limitations:

- (i) there is no prejudice to the benefit of prior payment by the transferor;
- (ii) the liability of the transferee is limited to the value of the sold company and to the financial penalties recorded in the compulsory accounting books, or as a result of administrative offences of which, in any case, the transferee was aware.

Conversely, the disqualification sanctions issued on the transferor are not extended to the transferee.

VIII. Offences committed abroad

According to art. 4 of Italian Legislative Decree no. 231/2001, the entity may be called on to answer in Italy for the offences - as contemplated by the same Decree - that have been committed abroad.

The assumptions (foreseen by the legislation or that can be inferred from the overall structure of Italian Legislative Decree no. 231/2001) on which the liability for offences committed abroad are based are:

- (i) the offence must be committed abroad by a subject with a functional link to the entity, pursuant to art. 5, paragraph 1 of Italian Legislative Decree no. 231/2001;
- (ii) the entity must have its main offices on the territory of the Italian State;
- (iii) the entity can only be deemed liable in the cases and under the conditions foreseen by articles 7, 8, 9 and 10 of the Italian Criminal Code (in the cases in which the law prescribes that the culprit - natural person - is punished following a request by the Ministry of Justice, one only proceeds against the entity if the request is formulated also against the entity in question)¹²;

accordance with paragraphs 1 and 2 of the legislation, only if the business branch in which the offence was committed for which a conviction has been passed against the demerged entity has been transferred, even just in part, to said beneficiary". The Government Report on Italian Legislative Decree no. 231/2001 specifies that "Recurrence, in this case, does not automatically apply, but is to be included within the discretionary assessment by the judge, based on the actual circumstances. Where the entities that benefited from the merger is concerned, repeat offences may only be ascertained when the entity in question is the one to which the business branch where the previous offence had been committed has been transferred".

¹¹Art. 33 of Italian Legislative Decree no. 231/2001: "Company transfer. - 1. In the case of a company transfer in which the offences has been committed, the transferee is jointly liable, unless it can benefit from the prior payment by the transferring entity and within the ceiling of the value of the company, to the payment of the financial penalty. 2. The transferee's liability is restricted to the financial penalties that are present in the compulsory accounting books, or as a result of administrative offences of which it was aware. 3. The provisions of this article also apply in the event of a company assignment". On this point the Government Report on Italian Legislative Decree no. 231/2001 clarifies: "It is well-known that these operations are susceptible to being used as elusive manoeuvres to avoid liability: nevertheless, the opposing requirements to protect the assignment and the safety of the legal traffic appear to be of more relevance compared to the former, as it constitutes an instance of succession for specific reasons that leave the identity (and liability) of the transferor or assignor unchanged".

¹² Art. 7 Italian Criminal Code: " offences committed abroad - Italian Law punishes the citizen or foreign national who commits any of the following offences on foreign soil: 1) offences against the Italian State; 2) offences involving

- (iv) if the cases and conditions detailed in the aforementioned articles of the Italian criminal code subsist, on condition that the State of the place where the fact was committed does not initiate proceedings against the entity.

IX. Organisation, management and control models

A fundamental aspect of the Decree is the assignment of an exemption of liability to the company's organisation, management and control models. If an offence is committed by a subject in a senior position, the company is not answerable if it can prove that (art. 6, paragraph 1, of Italian Legislative Decree no. 231/2001);

- a) the management body (Board of Directors, for SAES Coated Films S.p.A) has adopted and effectively implemented organisation and management models suitable to prevent the offences of the kind that have taken place before they were committed;
- b) the responsibility for overseeing the operation and compliance of the models and to attend to their updating has been entrusted to a company body that has independent powers of initiative and control;
- c) the persons who have committed the offence have fraudulently eluded the organisation and management models;
- d) there has been no omission or insufficient supervisory activity by the Supervisory Body.

counterfeiting of the State seal and the use of said counterfeit seal; 3) offences involving counterfeit money as legal tender in the territory of the State, or stamp duty or Italian credit cards; 4) offences committed by public officials in the service of the State, through the abuse of powers or violations of the duties their functions entail; 5) any other offence for which they are special legal provisions of international conventions that establish the applicability of Italian criminal law". Art. 8 Italian Criminal Code: "Political offence committed abroad - *The citizen or foreign national who commits a political offence on foreign soil among those indicated in number 1 of the previous article, is punishable according to Italian Law, following a request by the Minister of Justice. If the offence is punishable as a result of a complaint of the offended person, the complaint is also required in addition to the request. Based on the criminal code, a political offence is any offence that offends a political interest of the State, or a political right of the citizen. Even a common offence that is entirely or partially politically motivated is also considered a political offence.*" Art. 9 of the Criminal Code: "Common offence of a citizen abroad - *The citizen who commits an offence on foreign soil that is not included in those detailed in the previous two articles and for which Italian Law calls for a life sentence or a minimum prison sentence of three years, is punished according to the same law, provided he/she is located on State soil. If this is an offence for which the penalty restricting personal freedom is of a lesser duration, the culprit is punished following a request by the Minister of Justice or a petition or complaint by the offended person. In the cases foreseen by the above provisions, if the offence is committed against the European Communities, in a foreign state or by a foreign national, the culprit is punished following a request by the Minister of Justice, provided his/her extradition has not been granted, or has not been accepted by the Government of the State where the offence has been committed.*" Art. 10 of the Italian Criminal Code: "Common offence by foreign national abroad - *The foreign national, barring the cases indicated under articles 7 and 8, who commits an offence for which Italian law calls for a life sentence or a prison sentence of no less than one year on foreign soil or damaging to the State or a citizen, is punished in accordance with the same law, providing he/she is on State soil, and a request is filed by the Minister of Justice, or a petition or complaint is filed by the offended person. If the offence committed damages the European Communities of a foreign State or of a foreign national, the culprit is punished according to Italian Law following a request by the Minister for Justice, provided: 1) he/she is on the State soil; 2) it is an offence for which the penalty is a life sentence or a minimum prison sentence of three years; 3) his/her extradition has not been granted, or has not been accepted by the Government of the State where the offence has been committed, or by the Government of the State of which he/she is a citizen.*"

The company must therefore prove its non-involvement in the facts for which the senior manager is accused of by proving the existence of all the concomitant pre-requisites listed above and, as a result, the fact that the offence has been committed is not dependent on its own "organisational responsibility".

Instead, if the offence is committed by subjects who are under the management or supervision of others, the company is answerable if the offence committed was made possible by the violation of the management and supervision obligations that the company is required to comply with.

In any case, the violation of the management and supervision obligations is ruled out if the company, before the offence is committed, has adopted and effectively implemented the organisational, management and control model that is supposed to prevent these types of offences being committed. The law would *seem to confirm this approach when it states that: "the (administrative) liability can only be ruled out by a prior adoption of the Organisation and Management Models, that are accompanied by a proficient and targeted system of prevention"* (see Court of Cassation Crim. Sect. IV Verdict n. 54640 of 6 December 2018).

Art. 7, paragraph 4 of Italian Legislative Decree no. 231/2001 also establishes the requirements for the effective implementation of organisational models:

- the regular verification and possible amendment of the model when significant violations of the prescriptions are discovered or when changes to the organisation or the activity are brought in;
- an appropriate disciplinary system is introduced to sanction the failure to comply with the measures indicated in the model.

We are here faced with an inversion of the burden of proof borne by the prosecution, compared to the hypothesis contemplated by art. 6 of the decree (violations perpetrated by senior figures). It will effectively be the judicial authorities that, in the situation foreseen by the aforementioned art. 7, will be required to prove the failure to adopt and effectively implement the organisation, management and control model suited to prevent the kind of offence that has been committed.

The Italian Legislative Decree no. 231/2001 outlines the content of the organisation and management model prescribing that, relative to the extension of proxy powers and the risk of offences being committed, must:

- identify the activities within which the offences might be committed;
- prescribe specific protocols aimed at planning the formation and implementation of the company's decisions relative to the offences that need to be prevented;
- identify methods of managing the financial resources that can help avoid the offences being committed;
- foreseen information requirements to be supplied to the body entrusted with overseeing the operation an observance of the models;
- introduce an appropriate disciplinary system designed to sanction the failure to comply with the measures indicated in the model;
- prescribe the "protected" means of communication of whistleblowing reports.

X. Codes of conduct drafted by trade associations

Art. 6, paragraph 3 of Italian Legislative Decree no. 231/2001 prescribes "*The organisation and management models may be adopted to guarantee the requirements detailed under paragraph 2 based on the codes of conduct drafted by the entity's trade associations, communicated to the Ministry of Justice which, in collaboration with the competent Ministries, within thirty days, can produce observations on the suitability of the models to prevent offences*".

In drafting this Model, the Company has drawn inspiration from the Guidelines issued by Confindustria for the construction of organisation, management and control models pursuant to Italian Legislative Decree no. 231/2001, in the latest version approved in June 2021 and declared appropriate to achieve the purpose set out in art. 6, paragraph 3 of the Decree by the Ministry for Justice. A further update has recently been carried out following the publication by CNDCEC in collaboration with ABI, Confindustria and the National Lawyer's Council in February 2019 of the document "Consolidated principles for the drafting of organisation models and the activities of the Supervisory Bodies and future reviews of Italian Legislative Decree no. 231/01".

Any discrepancies compared to specific points of the Confindustria Guidelines are related to the need to align the organisational and management measures to the activities effectively performed by the Company and the context in which it operates. This may involve a number of changes to the indications contained in the trade association Guidelines which, by their very nature are general and are not binding.

XI. Assessment of suitability

The certification of the company's liability, assigned to the criminal judge, is achieved by:

- verifying the existence of the predicate offence for which company is deemed liable;
- assessment of the suitability of the adopted organisational models.

The judge's assessment of the abstract suitability of the organisational model in preventing the offences foreseen by Italian Legislative Decree no. 231/2001 is carried according to the criteria referred to as "retroactive prognosis".

The suitability ruling should be formulated based essentially on an *ex ante* criterion whereby the judge takes view of the situation in which the company found itself at the time the offence was committed in order to establish the congruence of the adopted model. In other words, an organisational model is deemed to be "suited to prevent the offences" that, before the offence is committed, could and should have been considered capable of eliminating or, at least, minimizing, with reasonable certainty, the risk that the offence that has been committed, might have been committed.

SECOND SECTION

CHAPTER 1 - DESCRIPTION OF THE COMPANY - ASPECTS OF THE GOVERNANCE MODEL AND OF THE COMPANY'S GENERAL ORGANISATIONAL STRUCTURE

1.1 SAES Coated Films S.p.A.

SAES Coated Films S.p.A. along with the other companies of the group to which it belongs (henceforth "SAES Group") is a leader in a range of scientific and industrial applications that require high vacuum or ultra pure gas conditions. In over 70 years of operation, the Group's getter solutions have supported technological innovations in *information display* and lighting industries, in complex high vacuum and vacuum based thermal insulation systems, in technologies that range from large sized power pipes operating in a vacuum through to miniaturised devices such as silicon based micro-electronic and micro-mechanical systems. The Group also holds a leading position in the purification of ultra pure gases for the semi-conductor industry and for other *high-tech* industries.

Since 2004, by exploiting the knowledge acquired in the field of special metallurgy and the science of materials, the SAES Group has expanded its field of activity by turning to the advanced material market, and especially shape memory alloys, a family of materials that display super-elasticity and that can take on predefined shapes when subject to thermal treatments. These special alloys, which currently find their main application in the biomedical sector, are also perfectly suited to the creation of actuation devices for the industrial sector (domotics, white goods industry, consumer electronics and the *automotive* sector).

More specifically, the Company is engaged in the following activities:

- the production and sale of metallized films for flexible packaging and all other
- applications in various industrial sectors;
- the priming and lacquering of plastic films;
- paper metallisation;
- fabric processing and metallisation;
- the design and construction of plants for the vacuum metallisation of plastic films;
- the sale of plastic films in general.

In compliance with the articles of incorporation, the administration and control model adopted by the Company is the traditional version centred around the Board of Directors - Board of Statutory Auditors pair.

1.2 Organisational structure of SAES Coated Films S.p.A.

The SAES organisational structure is described in the pro-tempore Organisational Communications available on the company intranet.

CHAPTER 2 - ORGANISATION, MANAGEMENT AND CONTROL MODEL AND METHOD ADOPTED FOR PREPARATION

2.1 The principles that inspired the Model

This Model was prepared taking into consideration the particular nature of the Company's activities and its organisational structure, as well as the specific tools already existing within SAES and designed to plan the formation and implementation of company decisions and to carry out controls on corporate activities, an specifically by the following:

- Governance tools;
- Internal Control system.

2.1.1 Governance tools

In drawing up the SAES Coated Films S.p.A. Model we have taken into account the governance tools of the Company's organisation that guarantee its operation. These have been developed internally and at Group level and can be summed up as follows:

- Articles of incorporation - which, in compliance with current legislative provisions, contemplates varies provisions on corporate governance designed to ensure the correct performance of management activities;
- Parent Company Code of Ethics, adopted by all Group companies, and made up of a set of general rules of conduct that all internal and external subjects that have a direct or indirect relationship with the Group, are required to comply with. The Code of Ethics bears witness to the importance given by senior management to ethical profiles and consistent conduct inspired by consistency and integrity;
- System of proxies and powers - that establishes the assignment of general and special powers, the power to represent or commit the Company and, through a system of internal proxies, the responsibilities for all that concerns the issues of environmental quality and safety. The updating of the system of proxies and powers takes place whenever the organisational structure and/or the organisational provisions are reviewed/amended or following a report by any one of the Functions;
- Company organisational chart which identifies the Functions as well as the heads of these functions and the hierarchical and functional relationships;
- Policies, procedures, guidelines and operating instructions - policies and guidelines on specific issues adopted with a view to defining roles and responsibilities, principles of conduct and the executive and control procedures;
- Quality management system drafted in compliance with ISO 9001:2008 standard;
- Environmental management system drafted in compliance with ISO 14001:2004 standard;
- Service Contracts/ Service Level Agreement - that formally regulate the intra-group provision of services, ensuring the transparency of the objects of the services provided and the relative fees involved;
- Instruments providing additional detail - job descriptions, organisational communications, etc.

The rules, procedures and principles contained in the documentation listed above, despite not being reported in detail in this Model, constitute an essential monitoring tool for unlawful conduct in

general, including those contained in Italian Legislative Decree no. 231/2001 that is part of a broader organisation, management and control system that the Model aims at integrating and that all recipient subjects are required to comply with, based on the type of relationship with the Company.

2.1.2 Internal Control system

The internal control and risk management system is defined as the set of rules, procedures and the organisational structures designed to enable the identification, measurement, management and monitoring of the main risks. An effective internal control and risk management system helps to guarantee the safeguarding of the company's assets, the efficiency and effectiveness of corporate operations, the reliability of the financial information and compliance with laws and regulations. The internal control and risk management system is managed and monitored by the following company subjects involved with different roles and varying responsibilities in the internal control and risk management system. Each of them is assigned the specific tasks described below:

- Board of Directors;
- Director in charge of the internal control and risk management system;
- Board of Statutory Auditors;
- Supervisory Body;
- Parent Company Internal Auditing body.

Besides the subjects mentioned above, it should be recalled that there are other subjects involved, for various reasons and with different levels of responsibility in the management of the internal control and risk management system:

- Accounts auditing firm;
- Other internal control functions (Risk management & compliance, management control, Quality & Environment, HSO, etc.);
- Other entities foreseen by different regulations (ISO certification institutions).

The main objectives of the Company's internal control system aim to guarantee with reasonable certainty the achievement of the operating, information and compliance objectives:

- the operating objective of the internal control system concerns the Company's effectiveness and efficiency in the deployment of resources, in protecting itself from losses and safeguarding the corporate assets: in this case, the internal control system aims to ensure that the personnel of the entire organisation operate in order to pursue the corporate objectives without putting other interests before those of the Company;
- the information objective consists in the drafting of timely and reliable reports for the decision making process within the organisation and also meets the need to guarantee reliable documents for outside consumption while protecting the confidentiality of the company's information assets;
- the compliance objective insures that all operations are performed while complying with laws and regulations, prudential requirements as well as pertinent internal procedures.

The system of controls covers each sector of activities performed by the Company by separating operative from control assignment, thus reasonably reducing every possible conflict of interest.

The following general principles are the basis for the diversified nature of these controls:

- each operation, transaction or action must be verifiable, documented and consistent;
- no person must be able to manage an entire process¹³ independently (segregation of duties);
- The system of controls must be able to document the actual performance of controls, including supervision.

The existing type of corporate control structure, as suggested by the AIIA (Italian Internal Auditors Association) Corporate Governance Paper - Integrated approach to the internal control system - is based on three levels:

- a **first level** that defines and manages so called in-line controls, inherent to operating processes: these are those procedural, IT, behavioural and administrative-accounting controls performed by those who carry out a specific activity, and by those who are responsible for supervising them. All company functions carry out said direct controls while managing their responsibilities (Operating management, Process Owner, for that side of operating activities that the same actually perform etc.); there are both hierarchical and functional controls that are designed to ensure the correct performance of the operations;
- a **second level** that oversees the valuation process and risk control guaranteeing their consistency compared to the corporate objectives, meeting organisational separation criteria so that they may appropriately enable an effective monitoring of the same. This type of controls are generally performed by: Management Control, Quality and Environment Functions, HSO and Manager in Charge, Risk Management and Compliance;
- a **third level** that guarantees the effectiveness of the plan and the operation of the overall Internal Control System. The third level also features constant improvement plans defined with and by Management¹⁴. This activity is carried out by the Group's Internal Audit Function by monitoring risks and existing line controls.

The existing corporate governance and control system contains valuable elements that can also be used to prevent the offences foreseen by the Decree. In any case the Board of Directors, aware of the need to ensure correct and transparent conditions in the handling of corporate business and activities, to protect their own position and image, the expectations of its shareholders and the work of its employees, have in any case decided to subject its own organisational, management and control tools to a new assessment, in order to verify that the behavioural principles and procedures previously adopted are in line with the purposes foreseen by the Decree as amended in recent years, and if necessary, to upgrade them in such a way as to make them suitable to fulfil the aforementioned purposes. This verification procedure will be repeated in the future in order to systematically monitor the alignment of the aforementioned principles with the purposes of the Decree.

¹³ By company process we are here referring to the set of correlated and consequential activities the purpose of which is to create a product/service for the benefit of a subject inside or outside the company, using resources pertaining to one or more organisational unit.

¹⁴ We are here referring to both operations Management (Heads of Functions and Management), and Top level Management (CEO, Board of Directors, etc.) depending on the object and the importance of the issues handled.

2.2 Adoption of the Model

The decision to adopt the organisation and management model pursuant to Italian Legislative Decree no. 231/2001, besides it representing a reason for the Company being exempted from liability in relation to certain types of offence, is an act of corporate responsibility by the Company that fits in with the more general commitment of SAES with regard to its shareholders, customers, employees, suppliers and competitors and relative to governments and government bodies and those who are interested in Group company activities.

The introduction of an additional system of control over business engagement, as well as establishing and disseminating ethical principles, thus improving already high standards of conduct adopted by the Company, on the one hand increases the trust and the excellent reputation SAES already enjoys in the eyes of third parties (an increasingly valuable corporate "asset") but furthermore performs a regulatory function. In practice these tools help to regulate the conduct and decisions of those who, on a daily basis, are called on to operate in the name and on behalf of the Company in compliance with the aforementioned ethical principles and standards of conduct.

The Board, with its resolution of 02/03/2022, has approved and adopted its own "Organisation, management and control Model" pursuant to and for the effects of Italian Legislative Decree no. 231/2001 ("Model 231") at the same time as the "Code of Ethics and conduct".

To this end we have mapped the activities carried out by each company function, mainly to verify the existence of any corporate activities that are relevant pursuant to Italian Legislative Decree no. 231/2001, as well as the appropriateness of the control tools implemented to prevent offences being committed.

We have therefore embarked on a process to ensure the compliance of SAES Coated Films' Model with the additional requirements foreseen by the Decree and alignment with the Company's organisational changes.

The approach adopted:

- enables the best possible exploitation of the Company's knowledge assets;
- takes into consideration the evolution of the legal doctrine (as briefly summed up in the "General Principles" paragraph);
- makes the Model more easily accessible to its recipients according to a by-process logic;
- sets itself the objective of providing an integrated internal control system capable of monitoring the company's activities and helping to pursue the objective of legal and regulatory compliance;
- enables the management of the company's operating rules according to unique criteria, including those related to "sensitive" areas;
- makes the continuous implementation much easier and enables the prompt updating of the processes and internal regulatory system whenever changes are made to the organisational structure and company operations.

The method chosen to implement the Project, in terms of the organisation, definition of operating procedures and the allocation of responsibilities among the various company function has been developed in order to guarantee the quality and validity of the results.

The procedures and criteria adopted during the various stages of the Project are outlined below:

- Start of Project: during this stage the processes and activities within which the offences detailed by the Decree may be committed were first identified (i.e. processes and activities that are generally termed "sensitive"). This preliminary identification mainly involved a desk analysis of the Company's corporate and organisational structure, as a result of which an initial identification of sensitive processes/activities was made possible, along with a preliminary identification of the Functions responsible for said processes/activities. During this stage a **Preliminary Risk Area Identification Matrix** was created which, given their specific content, could potentially be exposed to the offences outlined in Italian Legislative Decree no. 231/2001 being committed;
- Identification of Persons Responsible (Process Owners) and interviews: the purpose of this stage was the identification of the resources with an in depth knowledge of the sensitive processes/activities and of the current control mechanisms, while also completing and scrutinizing the preliminary inventory of sensitive processes/activities related to both the business and "staff" areas, as well as the Functions and subjects involved. The analysis was carried out through a series of structured interviews with the Function Heads with a view to identifying the existing management processes and control tools for each sensitive activity, with particular emphasis placed on existing compliance elements and precautionary checks used to monitor these aspects. At this stage the **Risk Area Identification Matrix** was integrated/validated by adding more risk areas/modifying the previously mapped risk areas;
- Mapping of sensitive processes and detection of the state of checks monitoring "231 risks" (Gap analysis): this stage was designed to pursue the objective of analysing and assessing the appropriateness of the existing control protocols in preventing the offences detailed under Italian Legislative Decree no. 231/2001 being committed, for each sensitive process/activity. This activity also enabled: (i) the identification of any existing controls and the gaps in terms of both the organisational requirements featured in the existing Model and the control protocols designed to oversee the single sensitive processes/activities; (ii) the definition of the necessary improvement and strengthening actions to be performed on the existing Model and on the control system adopted by the Company; (iii) lastly, the implementation of the action foreseen for each improvement/strengthening action. At this stage Specific AS -IS **Process Forms and Gap Analyses approved by the persons responsible** were prepared. They also provided indications on the existing control system and the areas where improvements were required;
- Model Preparation: during this last stage the aim was to proceed with the drafting of the organisation, management and control model pursuant to Italian Legislative Decree no. 231/2001 for SAES Coated Films S.p.A.. In order to draft the Model in question the reference Guidelines (Confindustria Guidelines) were taken into consideration, as well as the specific nature of the Company. The execution of this stage was backed by both the results of the previous stages and the policy choices made by the company's decision-making bodies. In particular, the **Control Protocols** were developed for each risk area. The protocols contain the set of rules, control and conduct principles considered appropriate to govern the identified risk profile, based on the rule that all the various stages of the decision-making process must be documented and verifiable.

It should be specified that the Company has considered it advisable to focus its attention on the offence categories which, as a result of the preliminary analyses (which were indeed backed up by the risk assessment performed), appeared in abstract terms to be most likely, given the activities it engages in and the business context in which it operates. A list of potentially relevant offences is attached to each Protocol.

The evaluation and *assessment* of the company's overall activities has reasonably led us to rule out the possibility that offences could be committed against individuals relative to pornography and the prostitution of minors, female genital mutilation practices, offences related to enslavement or maintenance of slavery conditions, human trafficking, slave trading, the kidnapping of persons for the sake of robbery or extortion; criminal conspiracy for the purpose of trafficking of narcotic drugs of psychotropic substances; offences related to illegal manufacturing, introduction into the State, sale, transfer, harbouring and carrying in a public place or a place open to the public of military weapons or military type weapons or parts of the same, of explosives, clandestine weapons as well as common fire arms as well the offence of adulteration and counterfeiting of food products, trading in counterfeit food products, trade of toxic food products, sale of non-genuine food products as genuine and counterfeiting of geographic indications and designations of origin of food products, offences of racism and xenophobia, fraud in sports competitions, unlawful gaming or betting or gambling exercised using prohibited equipment.

These offences have therefore not been specifically assessed nor have they been reported in the risk assessment activities described below.

In any case, with regard to these types of offences, as far as possible, the provisions of the Code of Ethics shall apply.

In compliance with the provisions of art. 6, paragraph 2, lett. a) of Italian Legislative Decree no. 231/2001 we here outline the company's activity areas identified as being at risk, or within the context of which there is the potential risk that the offences foreseen by the Decree may be committed:

1. Management of the fulfilments and authorisations involving the Public Administration (including inspection activities and customs formalities)
2. Tax management
3. Research and development activity management
4. Patent and trademark management
5. Product compliance management
6. Personnel selection, hiring and management
7. Management of expense refunds, company credit cards and entertainment expenses
8. Management of donations and gifts
9. Management of disputes, settlement agreements and relations with the Judicial Authorities
10. Management of activities related to the provision of goods and services
11. Management of consultancies and appointment of professional assignments
12. Management of agents
13. Management of intra-group relations
14. Management of cash and financial flows
15. Management of accounts, financial statements, accounting disclosure and other communications to the market
16. Management of extraordinary transactions and on capital
17. Management of company business (corporate secretariat)

18. Management of relations with Shareholders, the Board of Statutory Auditors and the Auditing Company
19. Management of relations with trade associations and institutional relations
20. Management of sales activities
21. Management of IT systems and IT security
22. Health and safety at the workplace management
23. Management of environmental issues
24. Warehouse management

Each protocol is essentially structured in order to highlight:

- the objectives of the document;
- the scope of application;
- roles and responsibilities of the players involved in the activity;
- brief description of the activities;
- principles governing conduct;
- control principles;
- reporting to the Supervisory Body;

The control principles detailed in the Protocols refer to:

- authorisation levels;
- functional segregation of the authorisation, operative and control activities;
- specific controls;
- traceability of the decision-making process and filing of support documentation.

The Protocols underwent assessment by the work team and the Competent Managers (*Process Owners*) for their evaluation and approval, thus making the conduct rules contained herein official and compulsory for everyone who for whatever reason is involved in the at risk activity.

All Protocols have been approved and initially issued by the Board of Directors.

Every subsequent amendment, shared with the Supervisory Body must be subject to the formal approval of the Chairperson of the Board of Directors.

CHAPTER 3 - SUPERVISORY BOARD PURSUANT TO ITALIAN LEGISLATIVE DECREE No. 231/2001

3.1 Identification and positioning of the Supervisory Board

The Decree (art. 6, paragraph 1, lett. b) prescribes the duty of overseeing the operation and compliance of the model, as well as its updating, be entrusted to a Company body that has independent powers of initiative and control (termed "Supervisory Board").

Confindustria, Guidelines, quote, in the final version updated at June 2021.

The Confindustria Guidelines - reiterated by a number of significant judicial verdicts (see, among others, no. 3733 of 16.12.2019, Court of Appeal of Florence, on the Viareggio rail disaster) identify

as the main requisites of Supervisory Body, its autonomy and independence, its professional stature and its continued actions.

In particular, according to Confindustria i) the requirements of autonomy and independence require that: the Supervisory Board "as a staff unit hold the highest possible hierarchical position", the prescription of a "report" of the Supervisory Board to the highest corporate operating organism, the absence, within the Supervisory Board, of any operational duties which - by requiring that it take part in decisions and operational activities - would endanger its independence of judgement; ii) the professional aspect must refer to the "technical tool kit" required to effectively perform its activity as a Supervisory Body; iii) the continuity of action, which guarantees an effective and constant implementation of the complex and highly structured organisational model pursuant to Italian Legislative Decree no. 231/2001 foreseen for large and medium sized companies, is made easier by the presence of a structure specifically dedicated, on a full time basis, to the supervisory activities that the model requires and "devoid of operational duties that might lead it to reach decisions with economic and/or financial repercussions".

The Italian Legislative Decree no. 231/2001 does not provide indications regarding the composition of the Supervisory Board.

Considering the specific nature of the duties entrusted to it, as well as the requirements it must possess, in compliance with the indications of the same Decree and developed in the Confindustria Guidelines, it is believed that most suitable body to which one might entrust the supervisory and control functions related to compliance with the application of the Model are, at this stage, a Monocratic Supervisory Board, made up of one external professional with proven experience and competence with regard to legal, corporate organisation, corporate administrative liability, as well as on economic issues.

In order to fully comply with the dictates of the Decree, the Supervisory Board identified above is a subject that reports directly to the Company's top management (the full Board of Directors) and is not connected to the operating structures with any kind of hierarchical bond, so as to guarantee its complete autonomy and independence in the fulfilment of its functions.

In order to perform its role and function, the Supervisory Body, the above body is assigned powers of initiative and control by the Board of Directors along with the necessary prerogatives to perform the Supervisory activities over the operation and compliance of the Models and the updating of the same in compliance with the Decree's prescriptions.

Furthermore, for the specific execution of supervisory and control activities, the Board of Directors, also taking into account the work of the Supervisory Board, also assigns it an annual budget to carry out the activity, with full economic and management autonomy.

Said budget will be updated from time to time depending on the specific requirements that will arise as established by the Supervisory Body. The Supervisory Board will also inform the Board of Directors of any possible overruns of said budget arising from specific requirements of the Supervisory Board.

The Supervisory Board, through regular assessment of the appropriateness of its organisational structure and powers assigned, shall suggest any possible amendments and/or integrations to the Board of Directors that it considers necessary in order to achieve an ideal operation in compliance with current legislation.

The duty of the Supervisory Board is to oversee the operation and compliance of the Model and handle its updating pursuant to and for the effects of art. 6, paragraph 1, letter b) of the same Decree.

The Supervisory Board usually refers to the Company's structures in order to fulfil its supervisory and control functions, a structure that is institutionally equipped with the technical competence and both human and operational resources that are best suited to guarantee the ongoing performance of the verifications, the analyses and the other fulfilments required when performing its functions.

The internal operation of the Supervisory Board, as well as the management of the necessary information flows is regulated by Regulations approved by the same. The Regulations also contain the detailed and required integrity requirements that each Supervisory Board member with comply with.

The termination of the standing member of the Supervisory Board owing to the lapsing of their term takes place as soon as the standing member is newly appointed.

The Chairman of the Supervisory Board is appointed by the Supervisory Board itself.

3.2 Fees

The Board of Directors establishes the annual remuneration due to the standing member of the Supervisory Board.

The standing member of the Supervisory Board is also due a refund of all documented expenses incurred in the fulfilment of his/her assignment.

3.3 General principles governing the institution, appointment and replacement of the Supervisory Board.

The Company's Supervisory Board is formed by a resolution carried by the Board of Directors; the Board member remains in office for a set term of 3 years (reappointable) aligned with the mandate of the Board of Directors that is responsible for his/her appointment and/or up to any possible revocation in accordance with the principles regulated below.

The appointment as a member of the Supervisory Board is dependent on the presence of the subjective eligibility requirements, meaning their integrity and respectability, as well as the absence of any reason that may make the member incompatible with said appointment.¹⁵

¹⁵ "With a view to ensuring the actual existence of the described requirements, both in the case that the Supervisory Body is comprised of one or more internal resources or in the situation in which it also includes external figures, it will be advisable that the members possess the subjective formal requirements that further guarantee the autonomy and independence required by the assignment, such as integrity, lack of conflicts of interests and family relations with top management. These requirements should be specified in the organisational Model. The autonomy, integrity and independence requirements may also be defined by referring to what is foreseen for other sections of the company regulations.

This is particularly true when one opts for a Supervisory Body composition with more than one member and that all the diverse professional competences engaged in overseeing the company management in the

In particular, following the approval of the Model or, following new appointments, at the time of making the appointment, the subject appointed as a member of the Supervisory Body must issue a statement in which he/she certifies the absence of the following reasons for ineligibility:

- holding executive or proxy assignments in the Company's Board of Directors;
- being related to members of the Board of Directors or top management figures in general, Company auditors or accounts auditors appointed by the Auditing firm through kinship, marriage or affinity;
- having conflict of interest situations, even of a potential nature, with the Company such that might prejudice the independence required by the role and specific duties of the Supervisory Board;
- perform operating activities directly connected to the Company's business and/or operational management activities that may lead to a change to the Company's economic results;
- direct or indirect ownership of shareholdings of entities that may enable him/her to exercise a considerable influence on the Company;
- holding administrative functions - in the three years prior to the appointment as a member of the Supervisory Board or setting up consultancy/collaboration relationships with the same Body - of companies subject to bankruptcy, compulsory liquidation or other insolvency procedures;
- having had relations as a public employee with central or local administrations within three years prior to the appointment as a member of the Supervisory Board or having set up consultancy/collaboration relations with the same Body;
- having been sentenced, even if not a final sentence, or having been subject to a penalty on request (so called plea-bargaining), in Italy or abroad, for offences recalled in Italian Legislative Decree no. 231/2001 or related offences;
- sentenced, even without a final sentence, or following criminal proceedings terminated by means of so-called "plea-bargaining", to a penalty that entails even temporary disqualification from public office, or the temporary ban from the management bodies of legal entities and companies;
- pending proceeding for the application of a preventive measure as foreseen by Law no. 1423 of 27 December 1956 and Law no. 575 of 31 May 1965 or a seizure decree pursuant to art. 2-bis of Law 575/1965 or a decree applying a prevention measure, whether personal or actual.

It should be specified that the lapsing of the appointment of a member of the Supervisory Board will take place automatically at the time that the cause that has produced it comes into effect, without prejudice to the additional obligations detailed below.

If a cause for lapsing comes into effect, the member of the Supervisory Board involved must immediately communicate this occurrence in writing to the Board of Directors with a copy to the Board of Statutory Auditors.

traditional corporate government Model (for example, one member of the Board of Statutory Auditors or assigned to internal control) are also included among its membership. In these cases, the existence of the recalled requirements can be guaranteed, even in the absence of further indications, by the personal and professional profiles required by the legislation for auditors and those assigned to internal controls.". *Confindustria, Guidelines, quote, in the final version updated at June 2021.*

Each member of the Supervisory Board may withdraw from the post at any time, having first sent a written communication to this end to the Board of Directors with a copy to all the other members. If during the course of the year a member of the Supervisory Board withdraws, the Board of Directors takes steps to replace him/her by its own decision, having heard the opinion of the Board of Statutory Auditors, and at the same time suggests the appropriate updating of the Model (if necessary).

During the vacancy period owing to a withdrawal, supervening incapacity, death, revocation or lapsing of a Supervisory Body member, the Board of Directors shall promptly appoint a replacement.

In order to guarantee the necessary stability of the Supervisory Board, the revocation of the powers assigned to the Supervisory Board and the allocation of said powers to another subject may only take place for just cause, even linked to Company reorganisation events, by means of a special resolution of the Board of Directors and the approval of the Board of Statutory Auditors.

On this point, by "just cause" for the revocation of the powers linked to the appointment of a member of the Supervisory Board one may understand, by way of mere example:

- a serious negligence and/or malpractice in the fulfilment of the duties connected with the appointed mandate;
- the "omitted or insufficient supervision" by the Supervisory Board - in accordance with the provisions of art. 6, paragraph 1, lett. d) of Italian Legislative Decree no. 231/2001 - resulting from a conviction, even if not final, issued against the Company pursuant to Italian Legislative Decree no. 231/2001 or a provision that in any case certifies its liability;
- if this refers to an internal member, the allocation of operative functions and responsibilities within the company organisation that are incompatible with the "autonomy and independence" and "continuity of action" requirements that are required of the Supervisory Board. In any case any provision of an organisational nature that concerns the member (e.g. termination of employment, transfer to other assignment, dismissal, disciplinary provisions, appointment of a new manager) must be brought to the attention of the Board of Directors' for their acknowledgement;
- if this concerns an external member, for serious and proven situations of incompatibility that undermine his/her independence and autonomy;
- the violation of the confidentiality obligations;
- the lapsing of any one of the eligibility requirements.

In particularly serious cases, the Board of Directors may in any case decide - having heard the opinion of the Board of Statutory Auditors - the revocation of the single component of the Supervisory Board or the suspension of the powers of the Supervisory Board and the appointment of a new member or a new temporary Body.

The Supervisory Board, in the performance of the duties entrusted to it and under its own direct supervision and responsibility, may take advantage of the collaboration of all of the Company's functions and structures or even of external consultants whose competence and professional expertise it needs to tap into. These opportunities enable the Supervisory Board to guarantee a high professional standard and the required continuity of action.

In particular, the Supervisory Board may take advantage of the functions present within the company thanks to their relative expertise, such as, by way of example:

- the legal functions (for example when engaged in interpreting the relevant legislation; defining the content of the appropriate clauses to be included in contracts with agents, consultants, commercial partners, etc.; as well as relative to obligations the company is required to fulfil that may be relevant with regard to corporate offences being committed);
- by the Human Resources functions (for example, regarding the implementation of the personnel communication and training plan; the implementation of the disciplinary system and the management of disciplinary procedures);
- the Internal Audit function that can carry out verifications that fall within its remit.

The above recalled reasons for ineligibility must also be considered to apply to any external consultants involved in the activities and in the performance of the duties assigned to the Supervisory Board.

3.4 Functions and powers of the Supervisory Board

The Supervisory Board is assigned the powers of initiative and control required to ensure an effective and efficient supervision of the operation and compliance of the Model in accordance with what has been set out in art. 6 of Italian Legislative Decree no. 231/2001.

Based on the Decree's provisions, the functions performed by the Supervisory Board can be outlined as follows:

- **supervision over the observance of the Model's prescriptions**, so that the behaviour within the company is compliant with the Model itself;
- **supervision over the effectiveness and effective capacity of the Model**, relative to the company structure, to prevent the offences foreseen by the Decree and the subsequent amendments that extend its field of application being committed;
- **analysis to verify over time that the Model retains its reliability and functionality and resulting assessment of the advisability that it be updated**, as a result of changed company situations and possible amendments to applicable legislation. The update may be proposed by the Supervisory Board, but must also be adopted by the Board of Directors.

It is important to specify that the Supervisory Board does not have operational duties or decision-making powers, not even of a preventive nature, related to the performance of Company activities. The final responsibility for the adoption of the Model is in any case charged to the Board of Directors. For an effective performance of the aforementioned functions, the Supervisory Board is entrusted with the following duties and powers:

- regulating its own operations even through the introduction of a regulation governing its activities that should foresee: the scheduling of its activities, the setting out of the temporal frequency of its controls, the identification of analysis criteria and procedures, the regulation of information flows from corporate structures;
- the elaboration and implementation of a verification program to establish the effective application of the company's control procedures on areas featuring risk activities and their effectiveness;

- ensuring that the system of identification, mapping and classification is regularly updated;
- carrying out regular verifications on specific operations or actions performed within "sensitive" areas;
- collecting, elaborating and storing relevant information for the Model;
- providing clarifications on the meaning and the application of the provisions contained in the Model;
- conducting internal investigations and carrying out inspections to verify supposed violations of the Model's prescriptions;
- monitoring the appropriateness of the disciplinary system foreseen in the event of violations of the rules established by the Model;
- maintaining a constant connection with the Board of Statutory Auditors or the Accounts Auditing company (if the same is entrusted with accounts verification) safeguarding their necessary independence and with the other consultants involved in the activities required for an effective implementation of the Model;
- report any behavioural discrepancies that may emerge from the analysis of the information flows and the reports that the heads of the various functions are required to file;
- promptly report to the Board of Directors, so that the appropriate actions may be taken, any verified violations of the Model that may lead to a liability for the Company;
- oversee the reports and guarantee the information flows within their remit that are to be sent to the Board of Directors and to the Board of Statutory Auditors;
- regulating its own operations even through: the scheduling of its activities, the setting out of the temporal frequency of its controls, the identification of analysis criteria and procedures, the drafting of meeting minutes, the regulation of information flows from corporate structures;
- formulate and submit for the approval of the Board of Directors the expenditure forecasts required for a correct performance of the assigned duties, it being understood that this expenditure forecast must, in any case, be the broadest possible in order to guarantee the full and correct performance of its activities;
- coordinate with other company functions, even through special meetings, to ensure the best possible monitoring of the activities relative to the procedures set out in the Model, or in order to identify new risk areas as well as, generally speaking, to assess the various aspects that pertain to the implementation of the Model;
- coordinate with the Head of Human Resources as well as the various heads of the corporate functions, in order to promote initiatives to promote the knowledge and understanding of the Model's principles and to ensure the drafting of the internal organisational documentation required for its operation, containing instructions, clarifications or updated;
- verify that the elements foreseen by the individual Model protocols for the various types of offences (adoption of standard clauses, fulfilment of procedures, etc.) that are in any case appropriate and aligned with the Decree's prescriptions, taken steps to file a proposal for the adaptation of these same elements, if this verification requires it.

To this end the Supervisory Board will have the power to:

- issue provisions and service orders designed to regulate the activities of the Supervisory Body itself;
- access every and any company document that is relevant to the performance of the functions assigned to the Supervisory Board pursuant to the Decree;
- engage consultants with a proven professional profile, if this is necessary, to fulfil its functions;

- request and receive from the heads of the company functions and, if necessary, from the Board of Directors as well as the consultants, etc. a prompt supply of any information, data and/or other news that is pertinent to the Model, or in order to verify the actual implementation of the same by the company's organisational structures.

3.5 Methods and scheduling of reports to the corporate bodies

The Supervisory Board answers to the full Board of Directors and coordinates its actions, as required, with the Chairman, the Chief Executive Officer and the other corporate bodies.

The Supervisory Board in every circumstance where it is deemed necessary or advisable, or if requested, reports to the Board of Directors on the operation of the Models and the fulfilment of the obligations imposed by the Decree.

The Supervisory Board is responsible toward the Board of Directors for:

- communicating, at the start of each year, the activity plan that it intends to carry out in order to fulfil the duties assigned to it;
- regularly communicate the progress of the planned activities and any significant changes made to the plan;
- immediately communicate any problems or critical aspects that may have arisen during the course of its activities;
- provide a report, at least on a half-yearly basis, on the implementation of the Model.

The activities performed by the Supervisory Board may not be disputed by any other corporate body or structure, it being however understood that the Board of Directors is in any case required to perform an oversight activity over the appropriateness of its operations, seeing as it is the Board itself that is ultimately responsible for the final operation (and effectiveness) of the Model.

The Supervisory Board may be called on to report to the Board of Directors and the Board of Statutory Auditors on a regular basis on its activities.

The said Board may request to be summoned by said bodies to report on the operation of the Model or on specific situations that may arise.

3.6 Relationship between the Supervisory Board of SAES Coated Films S.p.A. and the Supervisory Boards of the Group companies

It is the responsibility of the administrative bodies of the individual Italian companies of the SAES Group to consider the adoption of their own organisational, management and control model, within the context of applicable local legislation, as well as the appointment of their own Supervisory Board, whose composition will be established by the administrative body in relation to the specific circumstances, considering the organisational complexity of the individual corporate entities involved.

In smaller sized companies with less complex management activities, the Supervisory Board may adopt a more slender composition and form than that adopted by the parent company, through to the simplest cases where the body can be monocratic, in line with the provisions of the Decree.

The Supervisory Board of each Group Company, in fulfilling its duty of overseeing the operation and observance of the Model, may take advantage of the resources allocated to the Supervisory Board by the SAES Getters S.p.A. Parent Company, based on a pre-established contractual relationship with the same and so long as it complies with confidentiality constraints.

Communications between the Supervisory Bodies of the Group companies take place by means of **information flows**, organized on the basis of timing and content such as to ensure the completeness and timeliness of news useful for the purposes of inspection activities by the supervisory bodies.

In particular: (i) once a year, a coordination meeting is held¹⁶ (all members of the Supervisory Bodies of the Group companies participate jointly in this meeting); the said meeting, being convened by the parent company's Body, follows the rules of convocation and verbalization adopted through the Regulation of the mentioned Supervisory Body; (ii) whenever there is a need for alignment between two or more Supervisory Bodies of Group companies on specific issues (requiring timely analysis), ad hoc meetings may be convened for in-depth study of the individual issue or an item may be placed on the agenda during the first useful meeting.

Without prejudice to the liability of each Supervisory Board set up within the Group companies regarding the performance of their respective duties of supervision over the implementation and updating of the Model, the Parent Company Supervisory Board can perform **guidance and coordination activities functions** for the Supervisory Bodies set up by the subsidiaries, while respecting the independence of the various Italian Group companies and with a view to parity among the Supervisory Bodies established by SAES Group companies.

In particular, the SAES Getters S.p.A. Supervisory Board may suggest and/or propose:

- The issuance of guidelines on the principles and procedures to be followed in supervising and monitoring the implementation of the Model (the related implementation will be the responsibility of the SB of the Group company concerned);
- the adoption of proposed changes and updates to the Model on the basis of experiences gained in conducting its own supervisory activity (the related implementation will be the responsibility of the SB of the Group company concerned);
- a dialogue with the Supervisory Boards of the subsidiaries (as detailed above), in order to have a comprehensive view of the risk control system and to harmonise at Group level the procedures for transposing certain contents of the decree (e.g., 231 training activities) or in the event of critical issue detected by the subsidiary which may have an impact and/or be of relevance for 231 purposes for the Parent Company also.

¹⁶ As reported in the Guidelines for the construction of organization, management and control models issued by Confindustria (sect. v - "Liability for offenses in groups of companies"), the aforementioned information flows should focus on the following issues: a) definition of the activities planned and carried out by each Body; b) sharing of the initiatives taken and/or the measures concretely prepared with reference to specific issues; c) sharing of any criticalities encountered in the supervisory activity.

3.7 Information flows (information and reports) to be sent to the Supervisory Board

3.7.1 Introduction

The Supervisory Board must be constantly informed by Management on the aspects that may expose the company to the risk linked to risk that the offences contemplated by the Decree may be committed.

All employees, managers and all those who cooperate in the pursuit of the Company purposes within the context of the various relations that they have with the Company, are required to promptly generate information flows to be sent to the Supervisory Board.

This obligation extends to the following types of information flows:

- Reports;
- Information.

Any omitted or delayed communication of the information flows to the Supervisory Board as detailed above shall entail a breach of the Model and may be sanctioned according to the provisions of the disciplinary System.

Every information, report and other documentation foreseen by the Model must be preserved by the Supervisory Board.

3.7.2 Reports

The reports received from Employees and Third Parties are information flows that relate to a suspicion that offences and or "practices" not in line with the Model, its general principles and the Code of Ethics have been committed or attempted, as well as on their unsuitability, ineffectiveness and every other potentially relevant aspect and are sent to the Board via special lock-protected "mail boxes" located within Company premises and accessible to all employees.

The Employees and Third Parties may also make reports in anonymous form, provided they are proven and relevant for 231 purposes in order to enable the Supervisory Board to carry out its own investigative activities.

All reports must be placed within a closed white envelope and placed inside the mail boxes. The keys to the lock are only held by one internal member of the Supervisory Board, who may appoint a subject to open the boxes and forward the envelopes by registered mail with proof of receipt.

It is also foreseen that the reports can be made via the Supervisory Board's e-mail address (OdV@saescoatedfilms.com).

In particular, all the above subjects are required to promptly transmit to the Supervisory Board all information concerning:

- provisions and/or news from judicial police bodies or any other authority, from which one may infer that investigative activities are being carried out as a result of offences pursuant to the Decree, even if aimed at unknown parties;
- requests for legal assistance forwarded by managers and/or employees in the event that a judicial procedure against them has been filed for offences foreseen by the Decree;

- reports prepared by the heads of the company functions within the context of the control activities that they perform, from which facts, actions, events or omissions may be established that have a critical bearing on Decree's regulations.
- news on the actual implementation of the Model, at all company levels, that point to the disciplinary procedures performed and the sanctions issued, or the reasons provisions that call for the closing of disciplinary proceedings;
- any communication from the accounts auditing companies concerning aspects that may indicate failings of the internal control system, punishable events, observations on the Company's financial statements.

The Supervisory Board shall assess all reports received and any resulting provisions, at its own discretion and under its own responsibility, with the possibility of interviewing the author of the report and/or the person responsible for the supposed breach and motivating any refusals to proceed with an internal investigation.

The Supervisory Board shall act in such a way as to guarantee the reporting party against any form of retaliation, discrimination or penalisation, also ensuring the confidentiality of the whistleblower's identity, without prejudice to legal obligations and protection of the Company's rights of those any persons wrongly and/or maliciously accused.

3.7.3 Whistleblowing reports

In compliance with the provisions of Whistleblowing legislation (especially Italian Legislative Decree no. 24 of 10/03/2023), the SAES Group has provided certain parties indicated in the Whistleblowing legislation (including, for example, Employees, Contract Workers, Suppliers and Business Partners) with a free-access internet platform for reporting all actions or omissions, whether attempted or committed, that breach any laws, regulations, internal procedures, Code of Ethics, Model and internal control principles (as identified in more detail within said Whistleblowing legislation).

This platform ensures that the whistleblower's identity is handled confidentially (while also granting the opportunity of submitting reports anonymously) and provides instructions on how to fill in the report through completion of a pre-set questionnaire that changes the questions depending on the whistleblower's answers. The platform is accessible to everyone on the "Reporting - Whistleblowing" page of SAES Getters S.p.A.'s website.

In order to guarantee at least one alternative channel, an e-mail address has also been created: **segnalazioni@saes-group.com**.

For the procedures for handling reports, a specific "*Whistleblowing Policy*" has been drawn up (referred to here in its entirety as **Annex 2** to this document) which governs, in particular: i) the procedures for making reports; ii) the contents of reports; iii) the procedures for handling reports by the recipient; iv) the procedures for handling reports (management flow and timing); v) the protection and liability of the whistleblower; vi) the disciplinary system; vii) the rights of the reported party, viii) the protection of privacy (through the provision of suitable information on the processing of personal data).

It should be noted that members of the Supervisory Board are not among the subjects who, by default, receive Whistleblowing reports. Notwithstanding the foregoing, if the report has a implication for the purposes of Legislative Decree 231/01, the receiving party (as identified in the Whistleblowing Procedure) also informs the Supervisory Board of the Company and/or the other Group companies to which the report refers and coordinates with the latter for the management of the report and the investigation activities.

For more details on the Whistleblowing reporting system, please refer to the aforementioned policy.

3.7.4 Information

In order to keep the Supervisory Board informed on the company activities, the Board of Directors allows company personnel to generate information flows to be sent to the Supervisory Board. The Supervisory Board issues a specific information request to the company Management identifying at the same time the subjects responsible for sending the information and the scheduling of the communication.

The procedures, contents and scheduling of information flows are described in greater detail in the Information Flows to the Supervisory Board and related attachments.

CHAPTER 4 - DISCIPLINARY SYSTEM

4.1 General principles

The introduction of an appropriate disciplinary system, with sanctions proportional the seriousness of the violation relative to the breaching of the rules of the Model by the recipients, represents an essential requirement for the full effectiveness of the same Model.

The rules foreseen by the Model are taken on by the Company of their own volition, in order to guarantee the utmost compliance of the legislative provision that affects the company, therefore the application of the sanctions regardless of the criminal relevance of the conduct or the initiation of criminal proceedings by the Judicial Authority, if the punishable conduct is considered a criminal offence that may or may not be relevant pursuant to the Decree. The application of sanctions may therefore take place even if the recipients have only violated the principles established by the Model or obligations relative to the protection of the person reporting an offence within the context of their working relationship, that do not result in offence or do not lead to a direct liability of the Entity.

With specific reference to the application of sanctions to be imparted following violations of the Model on issues concerning health and safety at the workplace, the disciplinary system foreseen by current legislation on health and safety at the workplace shall apply, both for management personnel and employees.

The appropriateness of the disciplinary system to the Decree's prescriptions must be constantly monitored by the Supervisory Body, which must be guaranteed an adequate information flow relative to the type of sanctions applied and the circumstances that led to their application.

4.2 General criteria for the application of sanctions

If a provision of the Model is violated the type and entity of the sanctions to be imposed shall be determined by the following general criteria:

- seriousness of the non-compliance;
- level of hierarchical and/or technical responsibility of the perpetrator of the violation;
- subjective element of the conduct (distinction between wilful misconduct or gross negligence)
- relevance of the violated obligations;
- consequences suffered by the Company;
- possible complicity of other subjects;
- aggravating or extenuating circumstances with particular focus on the professional profile, the previous work performance, the disciplinary record, the circumstances under which the act was committed.

The seriousness of the infringement will be assessed based on the following circumstances:

- the actual timing and methods adopted in performing the infringement;
- the presence and intensity of the intentional aspect;
the entity of the damage or danger resulting from the infringement for the Company and for its employees;
- the predictability of the consequences;
- the circumstances under which the infringement took place.

The degree of guilt and the reiteration of the infringement constitutes an aggravating circumstance and entails a more serious sanction.

If a single act leads to more than one infringement being committed, each punished with different sanctions, the more serious sanction shall be imposed.

The possible imposition of a disciplinary sanction, regardless of whether proceedings are undertaken and/or the outcome of any criminal verdict, must be inspired by the principles of timeliness, immediacy and, as far as possible, fairness and shall be imposed in compliance with current legal provisions, the applicable collective bargaining agreement, internal procedures, the provisions concerning privacy and the protection of the whistleblower (so called Whistleblowing) and with full observance of the fundamental rights of dignity and reputation of the subjects involved.

4.3 Subjects

The disciplinary system detailed under this document that describes the model applies to the employees, the Administrators and Third parties, as well as everyone who has contractual relations with the Company, within the context of the same relations.

All recipients must be informed of the existence and contents of the Model. In particular, it will be the task of the Human Resources function, together with the Supervisory Board, to ensure its communication.

The procedure for the imposition of the sanctions pursuant to this disciplinary system takes into account the distinctive aspects resulting from the legal status of the subject on which the sanctions are imposed.

With particular reference to subjects appointed to perform activities linked to health and safety at the workplace, the latter are subject to the disciplinary sanctions foreseen by current legislation on health and safety at the workplace and are also subject to the disciplinary system foreseen by the Company's Model.

4.4 Measures for non-compliance by Employees

4.4.1 Employees other than managers

The list of the types of offences is purely indicative and non-limiting.

The sanctions are weighted according to the level of responsibility and operational independence of the worker, the existence of any disciplinary precedents charged to the same, the intentionality and seriousness of his/her conduct (to be assessed also based on the level of risk to which the Company has been exposed) and, lastly, the particular circumstances in which the conduct that violates the Model took place

In line with the process currently adopted by the Company, it is foreseen that the sanctions to be imposed following detected violations of the Model are those foreseen by the applicable CCNL (National Collective Bargaining Agreement).

By CCNL we are referring to the Labour Agreement for employees of the rubber, electrical cable and similar and plastic materials industry of 8 January 2014 as amended and integrated, according to the provisions of the most recent renewal agreements and for disciplinary offences the conduct sanctioned with reference to the regulations contained therein.

Following the communication of the Supervisory Body of the Model's violation, a certification procedure will be undertaken in compliance with the prescriptions of the CCNL that applies to the worker. The certification of said infringements, possible also as a result of a report of the Supervisory Body, the management of the disciplinary procedures and the imposition of the sanctions remain within the remit of the company Functions that are assigned to this task (Corporate Human Resource Functions).

The necessary involvement of the Supervisory Body is foreseen during the violation certification procedure and in the imposition of sanctions as a result of a violation of the Model, to the extent that, for example, no disciplinary measure against employees or managers may be closed, and no sanction may be imposed owing to a violation of the Model without the advance information and opinion of the Supervisory Body.

The disciplinary measures that can be imposed on employed personnel in compliance with the procedures foreseen by article 7 of Law no. 300 of 20 May 1970 (Worker's Statute) and any special regulations that may apply to said workers, are foreseen by the CCNL disciplinary system.

It is understood and here recalled, that all the provisions pursuant to art. 7 of Law no. 300/1970 regarding both the display of disciplinary codes, and in particular the obligations for advance notification of the charge to the employee, in order to enable the latter to prepare a suitable defence and present any justifications.

4.4.1.1. Violations

Pursuant to the joint provisions of articles 5, letter b) and 7 of the Decree the sanctions may be imposed on subjects that commit disciplinary offences resulting from:

- non-compliance with the conduct and control principles contained in the Model and specific decision Protocols;
- the failure and untruthful description of the activity performed relative to the documentation, conservation and control procedures of the paper-work related to the Protocols, in order to prevent the transparency and verifiability of the same;
- failure to line managers to supervise the conduct of their subordinate staff in order to verify the correct and effective application of the Model's provisions;
- violation of the obligations related to the protection of the whistle-blower within the working context;
- lack of training and/or lack of updating and/or omitted communication to the personnel operating in risk areas of the processes affected by the Model;
- violation and/or avoidance of the control system, achieved by removal, destruction or alteration of the documentation foreseen by the protocols and company Procedures or preventing the control or access to the information and the documentation by the appointed subjects, including the Supervisory and Control Body.

The list of the types of offences is for the purposes of non-limiting example.

4.4.1.2 Sanctions

The sanctions that may be imposed in the event of a non-compliance with the Model's rules are, in order of seriousness:

- a) verbal reprimand;
 - b) written reprimand;
 - c) a fine not exceeding three hours;
 - d) suspension from service and economic remuneration for a maximum of 10 days;
 - e) dismissal with notice;
 - f) dismissal without notice;
-
- a) The **verbal reprimand** measure applies to a minor negligent non-compliance of the principles and rules of conduct foreseen by the Model or procedural mistakes due to negligence;
 - b) the written reprimand applies to cases of repeated violation pursuant to lett. a), or if, in performing activities in an at risk areas, a conduct not compliant with the Model's prescriptions is adopted;
 - c) the fine measure **applies** whenever a written reprimand measure as already been notified one persists in violating the internal procedures foreseen by the Model or if, in performing activities in an at risk areas, a conduct not compliant with the Model's prescriptions is reiterated;
 - d) The measure involving a **suspension from service and economic remuneration up to a maximum of 10 days** applies in the presence of serious violations of the Model's principles and/or procedures, that cause damage to the Company and expose it to liability towards third parties, as well as cases that involve the repetition of infringements that may lead to the imposition of a fine;
 - e) The **dismissal with notice** measure applies if, in performing the activities, a conduct that denotes a considerable non-compliance with the prescriptions and/or procedures and/or internal regulations **set out in the Model is adopted, even if it is only likely to lead to just one of the offences foreseen by the Decree to be committed;**

- f) The **dismissal without notice** measure applies if, in performing the activities, a conduct is adopted that wilfully conflicts with the prescriptions and/or procedures and/or internal regulations of the Model, which, though perhaps only likely to entail one of the offences sanctioned by the Decree being committed, undermines the trust element that underlies the employment relationship or is so serious that does not allow for its continuation, even on a temporary basis. The violations for which this measure can be applied, by way of non-limiting examples, include the following instances of intentional conduct:
- violations of the principles and procedures with external relevance and/or fraudulent evasion of the same, achieved by means of a conduct that aims to commit an offence that is included among those sanctioned by the Decree;
 - violation and/or evasion of the control system, achieved by removal, destruction or alteration of the documentation foreseen by the Model or by the procedures for the implementation of the same or preventing the appointed subjects and the Supervisory Body from checking and accessing the requested information and the documentation.

4.4.2 Management employees (including the Manager appointed to draft the company's accounting documents)

The violation of the Model's conduct principles and rules, the protocols and company procedures on behalf of manager, or the adoption, within the context of the risk profiles identified in the procedures, of a conduct that does not comply with the recalled prescriptions will be subject to the most suitable disciplinary measures among those foreseen by the Collective Bargaining Agreement for Managers of companies providing goods and services (CCNL Industry Managers) of 30 December 2014 as amended and supplemented, which include the termination of the employment relationship.

4.4.2.1. Violations

The following violations are deemed disciplinary offences:

- non-compliance with the conduct principles and/or the procedures issued within the context of the Model and/or the internal regulations established by the Model;
- the failure and untruthful description of the activity performed relative to the documentation, conservation and control procedures of the paper-work related to the protocols, in order to prevent the transparency and verifiability of the same;
- violation and/or evasion of the control system, achieved by removal, destruction or alteration of the documentation foreseen by the protocols or preventing the control or access to the information and the documentation by the subjects appointed to perform controls, including the Supervisory Body;
- non-compliance with the provisions relative to signing powers and the system of proxies, with the exception of instances of extreme need or urgency which must be immediately reported to the line manager;
- the omitted supervision, control of supervision of subordinates on behalf of line managers in relation to the correct and effective application of the principles governing conduct and or/or the procedures issued within the context of the Model and/or the internal regulations established by the Model;
- violation of the regulations governing whistleblowing;

- failure to comply with the obligation to inform the Supervisory Body and/or the direct line manager with regard to possible violations of the Model engaged in by other employees, of which one has certain and direct proof;
- lack of training and/or lack of updating and/or omitted communication to the personnel operating within processes regulated by procedures;

The list of the types of offences is for the purposes of non-limiting example.

4.4.2.2 Sanctions

The disciplinary measures that can be imposed are those foreseen by the disciplinary system of the CCNL as amended and renewed of said contract and will be adopted in compliance with the procedures foreseen by article 7 of Law no. 300 of 20 May 1970 (Worker's Statute) and the proportionality criteria taking into account the seriousness, wilfulness and any reiteration.

Given the trust inherent in a working relationship, that bonds those that hold management positions within the Company, the following sanctions will be applied to those responsible:

- a) written warning;
 - b) dismissal with notice;
 - c) dismissal without notice.
- a) The **written warning** to comply with the Model, which constitutes an essential condition for the retention of the trusting relationship with the Company, may be imposed in the presence of a minor violation of one or more of the conduct or procedural rules foreseen by the Model;
 - b) The **dismissal with notice** may be imposed in the presence of a serious violation of one or more of the Model's prescriptions that represents a considerable non-compliance;
 - c) The **dismissal without notice** may be imposed in the presence if the violation of one or more of the Model's prescriptions is of level of seriousness that it irreparably damages the trust relationship that does even allow the temporary continuation of the employment relationship, such as, by way of non-limiting example:
 - violations of the conduct principles and/or procedures issued by the Model and/or the internal regulations introduced by the Model that have external relevance and/or entail fraudulent evasion of the same, achieved by means of a conduct that aims to commit an offence that is included among those sanctioned by the Decree;
 - violation and/or evasion of the control system, achieved by removal, destruction or alteration of the documentation foreseen by the procedures or preventing the appointed subjects and the Supervisory Body from checking and accessing the requested information and the documentation.

If the managers have the power to represent the company externally, the imposition of the written reproach measure may also entail the revocation of said power.

4.5 Measures that apply to non-compliance by Directors

If a violation of the Model is perpetrated by one or more of the members of the Company's Board of Directors, the Supervisory Body shall inform the entire Board of Directors and the Board of Statutory Auditors that shall take the appropriate measures in line with the seriousness of the violation committed, in light of the criteria provided below and in compliance with the powers

foreseen by the law and/or the Articles of Incorporation (statements in the meeting minutes, request to call or summon the meeting with the appropriate measures against the subjects responsible for the violation on the agenda, etc.).

the disciplinary measures that may be imposed on one or more members of the Board of Directors, following a resolution by the Board of Directors to be reached with the abstention of the interested party and, if necessary, of the Shareholders' meeting, are those foreseen by the disciplinary system:

- a) written reprimand;
- b) suspension for the post for a period ranging from one month to six months;
- c) revocation of the director's powers (in the event of an executive director);
- d) cut in remuneration;
- e) summons of the shareholders' meeting for the adoption of the revocation measure foreseen by art 2383 of the Italian Civil code (i.e. revocation).

In particular, with reference to Model violations perpetrated by one or more members of the Board of Directors, it is foreseen that:

- in the event of a minor violation of one or more procedural or conduct rules foreseen by the Model, the member of the Board of Directors receives a written reprimand which consists of a written reminder to comply with the Model, which constitutes an essential condition for the retention of the trusting relationship with the Company;
- the revocation of powers is imposed on the Director with powers who engages in conduct not compliant with the prescriptions and procedures contained or referred to in the Model, that are directly focused on committing a sanctioned offence such as: i) violation of the provisions on signing powers and, in general, the system of proxies, as well as the violation of measures related to the management of financial resources; ii) violation and/or evasion of the internal control system foreseen by the Model, achieved through removal, destruction or alteration of the documentation foreseen by company procedures and prescriptions or by preventing the control or the access to the information;
- in the event of a serious violation of one or more of the procedural and conduct rules foreseen by the Model, the member of the Board of Directors incurs in the temporary suspension from the position measure (for between one and six months);
- the cut in remuneration is imposed on the director without powers who engages in conduct non compliant with the prescriptions and procedures contained or referred to in the Model and is directly focused on committing the sanctioned offence.

The Shareholders' Meeting must be summoned to implement the revocation provisions when faced by one or more directors engaging in conduct that blatantly violates the prescriptions and procedures contained or referred to in the Model and that irreparably undermines the trust relationship as well as resulting in the tangible risk that the Company may incur in the measures foreseen by the Decree such as:

- serious and reiterated violation of the provisions related to signing powers and in general to the system of proxies as well as the violation of the measures related to the management of financial resources;
- serious and reiterated violation and/or evasion of the internal control system foreseen by the Model, achieved by the removal, destruction or alteration of the documentation foreseen by company procedures and prescriptions or by preventing the control or access to the information.

The imposition of the disciplinary sanctions mentioned above do not rule out the Company's right pursuant to art. 2393 of the Italian Civil Code to initiate liability actions against the directors.

If the Director is also provided with the powers to represent the Company externally, the imposition of the disciplinary sanction shall also result in the automatic revocation of the powers in question.

Finally, if the violation is notified to a Director that is bound to the company with a subordinate employment contract, the sanctions foreseen for Managers detailed under the previous paragraph 4.4.2 shall apply. In this case, if the dismissal sanction is imposed, with or without notice, one shall also revoke the Director from their appointment.

If the Model is violated by the entire Board of Directors of the Company, the Supervisory Body shall inform the Board of Statutory Auditors so that it may summon the Shareholders' Meeting without delay so that the appropriate provisions may be taken.

If the Board of Directors has information about violations of the Model on behalf of one or more of the members of the Supervisory Body, the Board of Directors, in collaboration with the Board of Statutory Auditors shall take the initiatives that are deemed most appropriate, consistent with the seriousness of the violation and in compliance with the powers foreseen by the law and/or the Articles of Incorporation.

4.6 Provisions for non-compliance on behalf of Suppliers, Consultants and Partners

All conduct displayed by Third Party Subjects (i.e. temporary workers, seconded workers, etc.) and Additional Subjects (i.e. consultants, distributors, contractors, temporary agencies or third party subjects linked to the Company by a contractual relationship), that violates the provisions of the Model and/or the Code of Ethics in those areas that directly affect them, may lead to the application of the measures foreseen by the specific contractual clauses such as penalties, right of withdrawal or termination of the contractual relationship, without prejudice to any reimbursement requests if this conduct is damaging to the Company, notwithstanding the termination of the contractual relationship, as it may lead to the application, even for precautionary reasons, of the sanctions foreseen by the Decree that can be charged against the Company.

To this end the contracts with Third Party Subjects shall contain specific clauses that indicate a prior awareness of the Decree and a commitment not to engage in conduct that may lead to one of the offences detailed in the Decree being committed (regardless of whether the offence is effectively committed or whether it can be punished), while also requiring compliance with the Code of Ethics and the Organisational Model including the control Protocols and procedures of SAES Coated Films S.p.A.

Where contracts with Additional Subjects are concerned, these shall contain specific clauses that indicate a prior awareness of the Decree and a commitment not to engage in conduct that may lead to one of the offences detailed in the Decree being committed (regardless of whether the offence is effectively committed or whether it can be punished) while also requiring compliance with the Code of Ethics and provide indications of the consequences ensuing as a result of violations of the provisions set out in the clauses.

Every violation of the prescriptions pursuant to the specific regulations referred to in specific contractual clauses that Third Party Subjects and Additional Subjects are required to comply with, is communicated by the Supervisory Body to the Head of the Function to which the contract or the

relationship refer, by means of a concise written report. These infringements are sanctioned by the competent bodies based on the Company's internal regulations.

4.7 Disciplinary sanctions for Whistleblowing violations

The Company has defined the following disciplinary measures¹⁷ against anyone who: (i) retaliates or threatens to retaliate against whistleblowers; (ii) obstructed or attempted to obstruct the report; (iii) violated the obligation of confidentiality under the Whistleblowing regulations; (iv) failed to carry out the verification and analysis activities of the reports received; (v) with intent or gross negligence, has made a report that turns out to be unfounded¹⁸; (vi) generally against anyone responsible for Whistleblowing violations.

Disciplinary provision	Disciplinary violation
1. Written admonishment	Any minor failure that arises out of conduct non compliant with the provisions of the whistleblowing legislation and the whistleblowing policy.
2. Fine not exceeding three hours' pay	An employee who violates the Whistleblowing policy shall be liable to a fine not exceeding 3 hours' pay or to suspension from work for up to 3 days, depending on the seriousness of the violation, in the event of misconduct that is likely to be detrimental to the company's rules, ethics, hygiene and safety, pursuant to the applicable NCLA.
3. Suspension from work and pay up to a maximum of three days	
4. Dismissal with advance notice	The dismissal measure is imposed to the worker who in performing an activity violates the prescriptions of the whistleblowing policy that may lead to the application of the sanctions provided by Italian Legislative Decree no. 231/2001 against the Company and/or in any case conduct that might cause serious moral and/or material damage to the Company, pursuant to the prescriptions of the applicable CCNL.
5. Dismissal without advance notice	

It is here specified that the misconduct listed here does not include all possible misconduct liable to sanctions, being an illustrative and not exhaustive list. Furthermore, generally speaking, the

¹⁷ Disciplinary measures are applicable only after verification by the Company of the above cases.

¹⁸ This is the case, for example, when the responsibility of the whistleblower has been established, including by a first degree judgment, for the crimes of defamation or slander (or in any case for the same crimes committed in connection with whistleblowing) or his civil liability in cases of malice or gross negligence.

Company in any case reserves the right to assess the individual conducts on a case by case basis and to impose the most appropriate disciplinary provision, regardless of those that are indicatively listed in the tables, based on the seriousness of the episode, the role and assignments performed by the interested workers, the specific context in which these disciplinary relevant conducts took place, taking into account the objective seriousness of the event and the intentional element, seeing as the Disciplinary Code should not be viewed as a better option compared to the applied CCNL.

CHAPTER 5 - DISSEMINATION OF THE MODEL

5.1 Communication, information and training

The Company, in order to effectively implement the Model, intends to ensure a correct dissemination of the contents and principles of the same within and outside its own organisation.

In particular, the Company's aim is to extend the communication of the Model's contents and principles not just to its own employees but also to the subjects that, despite not formally qualified as employees, operate - even on an occasional basis - in pursuit of the Company's objectives as a result of contractual relationships.

To this end it is essential to engage in a communication and training activity aimed at promoting the dissemination of what is established by the Decree and the organisational Model adopted by its various components, so that knowledge of the subject matter and compliance with the rules that it entails constitute an integral part of the professional culture of each employee. The communication and training activities will be diversified depending on the recipient it addresses, but it must, in any case, be based on principles of thoroughness, clarity, accessibility and continuity in order to enable the various recipients to acquire a full awareness of the company provisions they are required to comply with and the ethical rules that their conduct must abide by.

With this awareness SAES - by committing to the so called "handbook" issued by the Court of Milan (see ruling 20 September 2004) - has organised an internal communication, information and training plan directed at all company employees but diversified based on the recipients it addresses, the aim of which is to create a widespread understanding and a corporate culture that is line with the issues in question, thus mitigating the risk that offences may be committed.

The plan is managed the competent company structures with the coordination of the Supervisory Body.

In particular, where **communication** is concerned, we expect to:

- disseminate the Model and the Code of Ethics on the Company's portal, in a specific dedicated area;
- for all those who do not have access to the Company's portal the Model and the Code of Ethics are made available to them using alternative methods, such as for example the express delivery of the materials at the time of hiring;
- publication on company bulletin boards;
- appropriate communication tools will be adopted to update the recipients on any amendments made to the Model and/or the Code of Ethics and the Protocols.

As for the **information** mechanisms, it is foreseen that:

- the members of the corporate bodies and the subjects that are entitled to represent the Company shall receive a hard copy of the Model and Code of Ethics when they accept the post assigned to them and underwrite a statement of compliance with the principles contained therein;
- Third Party Subjects and Additional Subjects be supplied with appropriate information sheets on the principles and policies adopted by SAES - based on this Model and the Code of Ethics - by the agents that have institutional contacts with the same, according to a procedure approved by the Supervisory Board. They shall also be informed of the consequences that conduct not compliant with current legislation or the ethical principles adopted may have with regard to contractual relations, in order to raise the awareness of SAES's need that their conduct be compliant with the law, with particular reference to the provisions contained in Italian Legislative Decree no. 231/2001;
- newly hired staff, at the time of hiring, along with all other documentation, shall receive a copy of the Model and of the Code of Ethics. The underwriting of a specific statement that certifies the delivery of the documents, the full understanding of the same and the commitment to comply with the relative prescriptions.

Where **training** is concerned, an annual training program is foreseen with the aim of informing all Company managers and employees on the contents of the Decree, the Model and the Code of Ethics. The training activities are diversified depending on the recipient it addresses and is, in any case, based on principles of thoroughness, clarity, accessibility and continuity in order to enable the various recipients to acquire a full awareness of the company provisions they are required to comply with and the ethical rules that their conduct must abide by.

The training program, set up and managed by the Group's Human Resource Function in collaboration with the Group's Legal Function and with the coordination of the Supervisory Body (which also has the role of promoting and supervising 231 training activities), must take a broad number of variables into consideration. In particular:

- the targets (the recipients of the actions, their level and role within the organisation),
- the content (the topics relevant to the person's position);
- the training tools (classroom/videoconference);
- the training schedule and its implementation (the preparation and the duration of the training events);
- the effort required of the targets (the training reception schedule);
- the actions required to effectively support the program (promotion by Management).

The Group's Legal Department, in collaboration with the Group's Human Resources Function, is responsible for providing a **core course** with a view to making people aware of the issues discussed by Italian Legislative Decree no. 231/2001, the reasons that underpin the Company's adoption of the Model, as well as the general conduct principles that they are required to comply with. At the end of the course, all personnel will be required to sit a learning evaluation test in order to verify their knowledge of the matter.

For staff that joins the organisation after the Model has been updated, an appropriate new edition of the course has been foreseen.

With reference to personnel involved in activities that have relevance for 231 purposes, the Group's Legal Department, in collaboration with the Group's Human Resources Function shall provide a **specific course** designed to inform them of the offences, the types of potential offences, how the various areas of competence are specifically monitored as well as a reminder to ensure the correct application of the Company's Organisation Model. At the end of the course, all personnel will be required to sit a learning evaluation test in order to verify their knowledge of the matter.

As regards employees seconded to other companies, the Group's Legal Department, in collaboration with the Group's Human Resources Function shall provide video conference courses and hold a learning evaluation test in order to raise awareness and provide information on the issues covered by Italian Legislative Decree no. 231/2001 even among those who, owing to their functions and/or roles within the company are not physically present on company premises.

Course participation is compulsory and is monitored by the Group's Legal Department, in collaboration with the Group's Human Resources Function. Course acceptance and attendance is traced by signing an attendance sheet that is kept on file by the Group's Human Resources Function. The Supervisory Body oversees to ensure that the training courses are constantly updated to take into account any changed legislative and operational requirements and supervises the effective reception of these same training programs.

CHAPTER 6 - ADOPTION OF THE MODEL - CRITERIA FOR THE UPDATING AND ADAPTATION OF THE MODEL

6.1 Updates and adaptations

The Board of Directors carries a resolution on the updating of the Model and its adjustment in light of amendments and/or integrations that may be required as a result of:

- i) significant changes to the internal structure of the Company and/or company procedures adopted in the performance of Company activities;
- ii) legislative amendments that broaden the reach of the administrative liability of entities to other types of offence and for which it is believed that there is the risk that these offences be committed in the company's interest or to its advantage;
- iii) new jurisprudence doctrine guidelines;
- iv) failings, shortcomings and/or significant violations of the Model that have established its ineffectiveness or non-alignment for the purpose of preventing the offences sanctioned pursuant to Italian Legislative Decree no. 231/2001, that have been brought to light by the internal control system during the course of the supervision over the effectiveness of the organisational Model.

Once approved, the amendments and instructions for their immediate application are communicated to the company Functions responsible which shall take steps, without delay, to ensure that these changes are introduced and oversee the correct communication of the contents both within and outside the Company.

The Supervisory Board shall in any case retain specific duties and powers relative to the supervision and promotion of the constant updating of the Model. To this end, it formulates observations and

proposals concerning the organisation and the control system to the responsible company structures, in particularly relevant cases, to the Board of Directors.

For relatively minor amendments and/or updates of the Protocols or the Model, these can be approved by the Chairman of the Board of Directors, having first discussed the matter with the Supervisory Board.

However, the Board of Directors is exclusively responsible for approving the updates and/or adjustments to the Model resulting from the following factors:

- actions modifying the legislation governing the administrative liability of entities;
- identification of new sensitive activities, or variations of those previously identified, even possibly connected to the start of new business activities;
- formulation of observations by the Ministry of Justice pursuant to art. 6 of Italian Legislative Decree no. 231/2001 and articles 5 and following of Ministerial Decree no. 201 of 26 June 2003;
- offences being committed that are referred to in Italian Legislative Decree no. 231/2001 by recipients of the Model's provisions or, more in general, significant violations of the Model;
- detection of failing and/or shortcomings of the Model's provisions following verifications on its effectiveness.

CHAPTER 7 - CODE OF ETHICS

Reference should be made to the Code of Ethics which may be consulted on the website page <https://www.saescoatedfilms.com/saes-chi-siamo/>

ATTACHMENT 1 - OFFENCES PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/2001

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
Art. 24	Undue receipt of payment, fraud against the State or a public entity or in order to obtain public funding and computer fraud against the State or a public entity		Embezzlement against the State (art. 316.bis of the Italian Criminal Code)
			Undue receipt of payments that is damaging to the State (art. 316 ter of the Italian Criminal Code)
			Fraud against the State or other public entity or the European Communities (art. 640, paragraph 2, no. 1 of the Italian Criminal Code)
			Grand larceny in order to obtain public funds (art. 640 bis of the Italian Criminal Code)
			Computer fraud against the State or other public entity (art. 640 ter of the Italian Criminal Code)
			Added by Italian Legislative Decree no. 75 of 14 July 2020
			Fraud against the European Agricultural Fund (art. 2. Law no. 898 of 23/12/1986)
Art. 24-bis	Data processing offences and illicit processing of data	Article added by Law no. 48/2008; amended by Italian Legislative Decree no. 7 and 8/2016 and by art. 1, paragraph IX, Italian Legislative Decree no. 105/2019	Forgery in a public computer document or that constitutes valid proof (art. 491 bis of the Italian Criminal Code)
			Illegal access to a computer or electronic system (art. 615-ter of the Italian Criminal Code)
			Illegal possession and distribution of access codes to computer or electronic systems (art. 615-quater of the Italian Criminal Code)
			Spreading of equipment, devices of computer programs designed to damage or suspend a computer or electronic system (art. 615-quinquies of the Italian Criminal Code)
			Illegal tapping, hindering or interruption of computer or electronic communications (art. 617-quater of the Italian Criminal Code)
			Installation of equipment designed to intercept, hinder or interrupt computer or electronic communications (art. 617-quinquies of the Italian Criminal Code)
			Damage to computer information, data and programs (art. 635-bis of the Italian Criminal Code)
			Damage to computer information, data and programs used by the State or other public entity or in any case of public use (art. 635-ter of the Italian Criminal Code)
			Damage to computer or electronic systems (art. 635-quater of the Italian Criminal Code)
			Damage to computer or electronic systems of public use (art. 635-quinquies of the Italian Criminal Code)
			Computer fraud of the electronic signature certifier (art. 640-quinquies of the Italian Criminal Code)
Art. 24-ter	Organised crime offences	Article added by Law no. 94/2009 as amended by Law 69/2015	Criminal Conspiracy (art. 416 of the Italian Code of Criminal Procedure)
			Mafia-type criminal association (art. 416-bis of the Italian Criminal Code)
			Electoral exchanges between politicians and the mafia (art. 416-ter of the Italian Criminal Code)
			Kidnapping (art. 630 of the Italian Criminal Code)
			Association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74 of Italian Presidential Decree no. 309 of 9 October 1990)
			All offences if committed by taking advantage of the conditions foreseen by art. 416-bis of the Italian Criminal code to support the activities of the associations foreseen by the same articles (Law no. 203/91)
			Illegal manufacture, introduction into the state, sale, transfer, possession and carrying in public place or place open to the public of military grade weapons or military type weapons or parts of the same, explosives, clandestine weapons as well as common firearms (art. 407, para. 2, lett. a), number 5 of the Italian Code of Criminal Procedure)
Art. 25	Unlawful transactions with public officials, unlawful solicitation to give or promise a benefit and corruption, influence peddling	Article amended by Law no. 190/2012	Unlawful transactions with public officials (art. 317 of the Italian Criminal code)
			Corruption in the performance of one's functions (art. 318 of the Italian Criminal code)
			Corruption for a deed contrary to one's duties of office (art. 319 of the Italian Criminal code)
			Aggravating circumstances (art. 319-bis of the Italian Criminal code)

SAES Coated Films S.p.A.

Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 - General Part

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
			<p>Corruption in judicial proceedings (art. 319-ter of the Italian Criminal code)</p> <p>Undue inducement to give or promise benefits (art. 319 ter of the Italian Criminal code)</p> <p>Corruption of a person appointed to provide a public service (art. 320 of the Italian Criminal code)</p> <p>Penalties for the briber (art. 321 of the Italian Criminal code)</p> <p>Instigation to commit corruption (art. 322 of the Italian Criminal code)</p> <p>Misappropriation, unlawful transactions with public officials, undue inducement to give or promise benefits, corruption or instigation to commit corruption by the members of International Courts of the bodies of the European Communities of the international parliamentary assemblies or international organisations and officers of the European Communities and foreign States (art. 322 bis of the Italian Criminal code)</p> <p>Influence peddling (art. 346-bis of the Italian Criminal code)</p>
		<i>Added by Italian Legislative Decree no. 75 of 14 July 2020</i>	Misappropriation (limited to the first paragraph) (art. 314 of the Italian Criminal code)
		<i>"Implementation of (EU) directive 2017/1371, concerning the fight against fraud affecting the European Union's financial interests by means of criminal law"</i>	Misappropriation by profiting of another's mistake (art. 316 of the Italian Criminal code)
			Abuse of office (art. 323 of the Italian Criminal code)
Art. 25-bis	Counterfeiting currency, credit cards, tax stamps and identifying instruments or signs	<i>Added by Italian Legislative Decree no. 350/2001, converted with amendments by Law no. 409/2001; amended by Law no. 99/2009; amended by Italian Legislative Decree no. 125/2016</i>	Use of counterfeit or tampered stamp duties (art. 464 of the Italian Criminal code)
			Counterfeiting of currency, spending and introduction into the State, with the help of accomplices, of counterfeit currency (art. 453 of the Italian Criminal code)
			Currency altering (art. 454 of the Italian Criminal code)
			Introduction into the state and commerce in products with false trademarks (art. 474 of the Italian Criminal code)
			Counterfeiting of currency, spending and introduction into the State, with the help of accomplices, of counterfeit currency (art. 455 of the Italian Criminal code)
			Spending counterfeit currency received in good faith (art. 457 of the Italian Criminal code)
			Counterfeiting of stamp duties, introduction into the state, purchase, possession and circulation of counterfeit stamp duties (art. 459 of the Italian Criminal code)
			Manufacture or possession of watermarks or instruments designed to counterfeit currency, stamp duties or watermarked papers (art. 461 of the Italian Criminal code)
			Counterfeiting of watermarked paper for the manufacture of credit cards or stamp duties (art. 460 of the Italian Criminal code)
			Counterfeiting, alteration or the use of trademarks or distinctive signs as well as patent, models and designs (art. 473 of the Italian Criminal code)
Art. 25-bis	Offences against industry and commerce	<i>Added by Law no. 99/2009</i>	Disruption of the freedom of industry and trade (art. 513 of the Italian Criminal code)
			Unlawful competition with threats or violence (art. 513-bis of the Italian Criminal code)
			Fraud against national industries (art. 514 of the Italian Criminal code)
			Fraud in trade transactions (art. 515 of the Italian Criminal code)
			Sales of non-genuine food substances as genuine (art. 516 of the Italian Criminal code)

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
			<p>Sale of industrial products with false trademarks (art. 517 of the Italian Criminal code)</p> <p>Manufacture and sale of goods made by usurping industrial property rights (art. 517-ter of the Italian Criminal code)</p> <p>Counterfeiting of geographical indications or original names of food products (art. 517-quater of the Italian Criminal code)</p>
Art. 25-ter	Corporate offences	<i>Added by Italian Legislative Decree no. 61/2002; amended by Law no. 190/2012 and by Law no. 69/2015</i>	<p>False corporate communications (art. 2621 of the Italian Civil Code)</p> <p>Minor offences (art. 2621-bis of the Italian Civil Code)</p> <p>False corporate communications by listed companies (art. 2622 of the Italian Civil Code)</p> <p>Hindered control (art. 2625, para. 2 of the Italian Civil Code)</p> <p>Undue return of contributions (art. 2626 of the Italian Civil Code)</p> <p>Unlawful allocation of profits and provisions (art. 2627 of the Italian Civil Code)</p> <p>Illegal transactions on shares or shareholdings or belonging to the parent company (art. 2628 of the Italian Civil Code)</p> <p>Transactions detrimental to creditors (art. 2629 of the Italian Civil Code)</p> <p>Failure to communicate conflicts of interest (art. 2629-bis of the Italian Civil Code)</p> <p>Fictitious paid-up capital stock (art. 2632 of the Italian Civil Code)</p> <p>Undue allocation of company goods by receivers (art. 2633 of the Italian Civil Code)</p> <p>Corruption among private parties (art. 2635 of the Italian Civil Code)</p> <p>Inducement of corruption among private parties (art. 2635-bis of the Italian Civil Code)</p> <p>Undue influence on the shareholders' meeting (art. 2636 of the Italian Civil Code)</p> <p>Market manipulation (art. 2637 of the Italian Civil Code)</p> <p>Hindering the operation of the officers of public supervisory authorities (art. 2638, paragraphs 1 and 2 of the Italian Civil Code)</p>
Art. 25-quater	Offences committed for terrorist purposes or to disrupt the democratic order as foreseen by the Italian Criminal Code and the special legislation	<i>Added by Law no. 7/2003</i>	<p>Subversive conspiracies (art. 270 of the Italian Criminal Code)</p> <p>Associations for the purpose of international terrorism or disruption of the democratic order (art. 270 bis of the Italian Criminal Code)</p> <p>Assistance to associates (art. 270 ter of the Italian Criminal Code)</p> <p>Recruitment for the purposes of terrorism (art. 270 quater of the Italian Criminal Code)</p> <p>Training in activities for the purpose of international terrorism (art. 270 quinquies of the Italian Criminal Code)</p> <p>Funding of terrorist activities (art. 270 quinquies.1 of the Italian Criminal Code)</p> <p>Misappropriation of assets or money subject to seizure (art. 270 quinquies.2 of the Italian Criminal Code)</p> <p>Terrorist conduct (art. 270 sexies of the Italian Criminal Code)</p> <p>Terroristic or subversive attack (art. 280 of the Italian Criminal Code)</p> <p>- Acts of terrorism using lethal or explosive weapons (art. 280 bis of the Italian Criminal Code)</p> <p>Acts of nuclear terrorism (art. 280 ter of the Italian Criminal Code)</p> <p>Kidnapping for terrorist or subversive purposes (art. 289 bis of the Italian Criminal Code)</p> <p>Incitement to commit any of the offences contained in Chapters I and II (art. 302 of the Italian Criminal Code)</p> <p>Political conspiracy by agreement (art. 304 of the Italian Criminal Code)</p> <p>Political conspiracy by association (art. 305 of the Italian Criminal Code)</p> <p>Armed gangs: training and participation (art. 306 of the Italian Criminal Code)</p> <p>- Aiding and abetting members of a conspiracy or armed gang (art. 307 of the Italian Criminal Code)</p>

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
			Seizure, hijacking and destruction of an aircraft (Law no. 342/1976, art. 1) Damage to ground installations (Law no. 342/1976, art.2) Sanctions (Law no. 422/1989, art.3) Active repentance (Italian Legislative Decree no. 625/1979, art.5) New York Convention of 9 December 1999 (art.2)
Art. 25-querter.1	Female genital mutilation practices	Added by Law no. 7/2006	Female genital mutilation practices
Art. 25-quinquies	Offences against individuals	Added by Law no. 228/2003 and amended by Law no. 199/2016	Enslavement or holding in slavery or servitude (art. 600 of the Italian Criminal Code)
			Child prostitution (art. 600 bis of the Italian Criminal Code)
			Child pornography (art. 600-ter of the Italian Criminal Code)
			Possession of pornographic material (art. 600-querter of the Italian Criminal Code)
			Virtual pornography (art. 600-querter of the Italian Criminal Code)
			Tourist initiatives intended to exploit child prostitution (art. 600-quinquies of the Italian Criminal Code)
			Human trafficking (art. 601 of the Italian Criminal Code)
			Purchase and sale of slaves (art. 602 of the Italian Criminal Code)
			Illegal recruitment and exploitation of labour (art. 603-bis of the Italian Criminal Code)
			Child grooming (art. 609-undecies of the Italian Criminal Code)
Art. 25-sexies	Market abuse offences	Added by Law no. 62/2005	Market manipulation (art. 185 of Italian Legislative Decree no. 58/1998)
			Insider dealing (art. 184 of Italian Legislative Decree no. 58/1998)
Art. 25-sexies	Offences involving manslaughter, serious bodily harm and grievous bodily harm committed in violation of accident prevention regulations and occupational health and safety protection.	Added by Law no. 123/2007	Manslaughter (art. 589 of the Italian Criminal Code)
			Grievous bodily harm through negligence (art. 590 of the Italian Criminal Code)
Art. 25-octies	Receiving, money laundering and use of money, goods or other assets of unlawful origin, including self-laundering	Added by Italian Legislative Decree no. 231/2007; as amended by Law no. 186/2014	Receiving (art. 648 of the Italian Criminal Code)
			Money laundering (art. 648-bis of the Italian Criminal Code)
			Use of money, goods or other assets of unlawful origin (art. 648-ter of the Italian Criminal Code)
			Self-laundering (art. 648-ter.1 of the Italian Criminal Code)
Art. 25-novies	Offences related to breach of copyright;	Added by Law no. 99/2009	Making available to the public, on an electronic network system using connections of any kind, all or part of any intellectual property protected by copyright (art. 171, Law no. 633/1941, paragraph 1 lett. a) bis) - Offences referred to in the previous point committed on third party works not intended for publication, if resulting in damage to integrity or reputation (art. 171, Law no. 633/1941, paragraph 3)
			Software duplication for profit-making purposes; importation, distribution, sale or possession for marketing or business or leasing purposes of software held on media not bearing the SIAE marking; any means used to remove or bypass software protection devices (art. 171, Law no. 633/1941, paragraph 1)
			Copying, transfer to another media, distribution, disclosure, presentation or demonstration in public of the contents of a database; extraction or redeployment of a database; distribution, sale or lease of databases (art. 171, Law no. 633/1941, paragraph 2)
			Abusive duplication, reproduction, broadcasting or dissemination to the public using any kind of procedure, entirely or in part, of intellectual property created for a television or cinematic circuit, the sale or rental of records, tapes or similar supports or any other support containing phonograms or videograms of musical, film or comparable audiovisual works or sequences of images in movement; literary, dramatic, scientific or education works, musical or musical drama works and multimedia

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
			works, even if part of collective or composite works or databases; the reproduction, duplication, broadcasting or unauthorised circulation, sale or marketing, transfer of any nature or unauthorised importation of more than fifty copies or samples of works protected by copyright and associated rights; upload on electronic networks, using connections of any kind of all or part of intellectual properties protected by copyright (art. 171-ter Law no. 633/1941)
			Failure to inform the SIAE the identification details of the supports not subject to markings or making false statement (art. 171-septies, Law no. 633/1941)
			Fraudulent production, sale, importing, promotion, installation, alteration, public or private use of devices or parts of devices used to decode restricted-access audiovisual transmissions via air, satellite, cable, in both analogue and digital form (art. 171-octies Law no. 633/1941)
Art. 25-decies	Incitement not to bear witness or to make false statements to the judicial authorities;	Added by Law no. 116/2009	Incitement not to bear witness or to make false statements to the judicial authorities (art.377-bis of the Italian Criminal Code)
Art. 25-undecies	Environmental offences	Added by Italian Legislative Decree no. 121/2011; as amended by Law no. 68/2015	<p>Environmental pollution (art. 452-bis of the Italian Criminal Code)</p> <p>Environmental disaster (art. 452-quater of the Italian Criminal Code)</p> <p>Environmental offences due to negligence (art. 452-quinquies of the Italian Criminal Code)</p> <p>Trafficking and dumping of highly radioactive material (Article 452 – sexies of the Italian Criminal Code)</p> <p>Aggravating circumstances (art. 452-bis of the Italian Criminal code)</p> <p>- Killing, destruction, capture, removal or possession of protected species of animals or wild plants (Article 727-bis of the Italian Criminal Code)</p> <p>- Destruction or damage of habitats in a protected area (Article 733-bis of the Italian Criminal Code)</p> <p>Importation, exportation, possession, for-profit use, purchase, sale, display or holding for sale or for marketing purposes of protected animal species (Law 150/1992, Article 1, Article 2, Article 3-bis and Article 6)</p> <p>Discharge of industrial waste water containing hazardous substances; discharge on land, in subsoil and in groundwater; offshore discharge by ships or aircraft (Legislative Decree 152/2006, Article 137)</p> <p>Unauthorised waste management activities (Italian Legislative Decree 152/2006, Article 256)</p> <p>Pollution of soil, subsoil, surface water and groundwater (Legislative Decree 152/2006, Article 257)</p> <p>Illegal waste trafficking (Legislative Decree 152/2006, Article 259)</p> <p>Violation of reporting obligations, obligations of maintenance of compulsory registers and forms (Legislative Decree 152/2006, Article 258)</p> <p>Organised trafficking of illegal waste (Italian Legislative Decree 152/2006, art. 260)</p> <p>False indications of the nature, composition and chemical and physical characteristics of the waste when preparing a waste analysis certificate; false information in the waste analysis certificate used in the system for waste traceability control (SISTRI); omission or fraudulent alteration of the paper copy of the SISTRI form – handling area sheet accompanying waste transport (Italian Legislative Decree 152/2006, Article 260-bis)</p> <p>Sanctions (Italian Legislative Decree 152/2006, Article 279)</p> <p>Wilful shipping pollution (Italian Legislative Decree 202/2007, Article 8)</p> <p>Negligent shipping pollution (Italian Legislative Decree 202/2007, Article 9)</p> <p>Termination and reduction of the use of harmful substances (Law 549/1993 Article 3)</p>
Art. 25-duodecies	Employing citizens from third countries without valid residence permits;	Added by Italian Legislative Decree no. 109/2012	Employing citizens from third countries without valid residence permits (Article 22, paragraph 12-bis of Legislative Decree 286/1998)

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
Art. 25-terdecies	Racism and xenophobia	<p>Added by Law no. 167/2017</p> <p>Art. 3, paragraph 3-bis, of Law no. 654 of 13 October 1975)</p>	Propaganda of ideas based on superiority or racial or ethnic hatred, or incitement to commit or committing discriminatory acts on racial, ethnic, nationalistic or religious grounds.
			Incitement to commit or committing violence or acts of violent provocation on racial, ethnic, nationalistic or religious grounds
			Organisation, association, movement or group that among its purposes includes incitement to discrimination or to violence on racial, ethnic, nationalistic or religious grounds
			Propaganda or instigation and incitement, committed so that there is a danger of dissemination, that are based entirely or in part on the denial of the Shoah, genocide, offences against humanity and war offences.
Art. 25-quaterdecies	Fraud in sports competitions, unlawful gaming or betting or gambling exercised through any prohibited devices	<p>Added by Law no. 39 of 3 May 2019</p>	Fraud in sporting competitions (Article 1, Law 401 of 13 December 1989)
			Unauthorised exercise of gambling and betting activities (Article 4, Law 401 of 13 December 1989)
Art. 25-quinquiesdecies	Tax offences	<p>The Law no. 157 of 19 December 2019 in force as of 25 December 2019 has converted into law with amendments the Italian Legislative Decree no. 124 of 26 October 2019 containing "Urgent provisions on tax issues and for urgent requirements"</p>	Filing a false tax return by using invoices or other documents for non-existent transactions (art. 2 of Italian Legislative Decree no. 74/2000)
			Fraudulent statements by means of other artifices (art. 3 Italian Legislative Decree no. 74/2000)
			Issuing invoices or other documents for non-existent transactions (art. 8 of Italian Legislative Decree no. 74/2000)
			Concealment or destruction of accounting documents (art. 10 of Italian Legislative Decree no. 74/2000)
			Fraudulent avoidance of tax payments (art. 11 of Italian Legislative Decree no. 74/2000)
		Added by Italian Legislative Decree no. 75 of 14 July 2020	Inaccurate tax declaration (art. 4 of Italian Legislative Decree no. 74/2000)
		"Implementation of (EU) directive 2017/1371, concerning the fight against fraud affecting the European Union's financial interests by means of criminal law"	Failure to file tax returns (art. 5 of Italian Legislative Decree no. 74/2000)
Art. 25-sexiesdecies	Smuggling offences	<p>Added by Italian Legislative Decree no. 75 of 14 July 2020</p>	Smuggling by movement of goods over land borders and customs premises (art. 282 of Italian Presidential Decree no. 73/1943)
			Smuggling by movement of goods across border lakes (art. 283 of Italian Presidential Decree no. 73/1943)
		<p>"Implementation of (EU) directive 2017/1371, concerning the fight against</p>	Smuggling in goods shipments (art. 284 of Italian Presidential Decree no. 73/1943)
			Smuggling by movement of goods by plane (art. 285 of Italian Presidential Decree no. 73/1943)
			Smuggling in areas outside customs jurisdiction (art. 286 of Italian Presidential Decree no. 73/1943)

Italian Legislative Decree no. 231/2001	Offence category	Introduction	Offence
		<i>fraud affecting the European Union's financial interests by means of criminal law"</i>	Smuggling for illegal use of important goods with customs avoidance (art. 287 Italian Presidential Decree no. 73/1943) Smuggling in bonded warehouses (art. 288 Italian Presidential Decree no. 73/1943) Smuggling in cabotage and circulation (art. 289 Italian Presidential Decree no. 73/1943) Smuggling in the export of goods admitted to right restitution (art. 290 Italian Presidential Decree no. 73/1943) Smuggling in temporary imports or exports (art. 291 Italian Presidential Decree no. 73/1943) Smuggling foreign produced tobaccos (art. 291-bis Italian Presidential Decree no. 73/1943) Aggravating circumstances for the offence of Smuggling foreign produced tobaccos (art. 291-ter Italian Presidential Decree no. 73/1943) Criminal conspiracy to smuggle foreign produced tobaccos (art. 291-quater Italian Presidential Decree no. 73/1943) Other instances of smuggling (art. 292 Italian Presidential Decree no. 73/1943) Aggravating circumstances of smuggling (art. 295 Italian Presidential Decree no. 73/1943)
Art. 12, L. no. 9/2013	Liability of entities for administrative offences resulting from offences (Predicate offence for entities that operate in the context of the virgin olive oil industrial production)		Adulteration and counterfeiting of food substances (art. 440 of the Italian Criminal Code) Trade in adulterated or counterfeited food substances (art. 442 of the Italian Criminal Code) Trade in toxic food substances (art. 444 of the Italian Criminal Code) Counterfeiting, adulteration or the use of distinctive signs of intellectual properties or industrial products (art. 473 of the Italian Criminal Code) Introduction into the state and commerce in products with false trademarks (art. 474 of the Italian Criminal code) Fraud in trade transactions (art. 515 of the Italian Criminal code) Sales of non-genuine food substances as genuine (art. 516 of the Italian Criminal code) Sale of industrial products with false trademarks (art. 517 of the Italian Criminal code) Counterfeiting of geographical indications or original names of food products (art. 517-quater of the Italian Criminal code)
Law no. 146/2006	Transnational offences [offences of a transnational nature envisage the administrative liability of an entity]		Measures against illegal immigration (Article 12, paragraph 3, 3-bis, 3-ter and 5, of the consolidated law pursuant to Italian Legislative Decree no. 286 of 25 July 1998) Association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74 of the consolidated Law pursuant to Italian Presidential Decree no. 309 of 9 October 1990) Criminal conspiracy to smuggle foreign produced tobaccos (art. 291-quater of the consolidated text pursuant to Italian Presidential Decree no. 43 of 23 January 1973) Incitement not to bear witness or to make false statements to the judicial authorities (art.377-bis of the Italian Criminal Code) Aiding and abetting (Article 378 of the Italian Criminal Code) Criminal association (Article 416 of the Italian Criminal Code)* Mafia-type association (Article 416-bis of the Italian Criminal Code)
CONSOLIDATED LAW ON FINANCE	Art. 187 Quinquies Consolidated Law on Finance		Administrative offence of insider trading (art. 187-bis Consolidated Law on Finance) Administrative offence of market manipulation (art. 187-ter Consolidated Law on Finance)

* including trafficking of organs removed from a living person (art. 601 of the Italian Criminal Code)

ATTACHMENT 2 - PROCEDURE FOR WHISTLEBLOWING REPORTS

Procedure available on the company intranet "Policies & Procedures" section, "Italian Law 231" banner and on SAES Getters S.p.A.' website.