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***Electrolux Professional S.p.A.***

# **MODEL OF ORGANIZATION, MANAGEMENT AND CONTROL**

***pursuant to Legislative Decree no. 231 of June 8, 2001***

***"Regulation of the administrative liability of legal entities, companies, and associations without legal personal"***

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## DOCUMENT REVISION

The adoption of the Organizational Model and its subsequent updates fall under the competence of the Company's Board of Directors.

Below is a summary of the activities of review, integration, and updating of the Model, in relation to the adaptation needs that have arisen over time, carried out by the Company.

The Company will promptly disseminate the latest version of the Model approved by the Board of Directors.

## REVISIONS TABLE

Edition	Date of Board of Directors approval	Activity
1	July 2, 2004	Adoption of the Organization, Management and Control Model.
2	October 16, 2007	Update of the Organization, Management and Control Model in light of new legislative provisions issued.
3	November 3, 2008	Update of the Organization, Management and Control Model in the general and special parts in light of new legislative provisions issued and control and integration of prevention protocols.
4	March 29, 2010	Revision and update of the Organization, Management and Control Model with particular reference to the special part in light of new legislative provisions issued.
5	October 20, 2011	Revision and update of the general and special parts of the Organization, Management and Control Model for the inclusion of a new risk area related to environmental crimes.
6	October 29, 2012	Revision and update of the general and special parts of the Organization, Management and Control Model for the inclusion of a new risk area related to the crime concerning foreign workers without a residence permit.
7	December 11, 2013	Revision and update of the general and special parts of the Organization, Management and Control Model for the inclusion of crimes under Law 190/2012 relating to undue inducement to give or promise benefits and corruption between private parties.

8	April 7, 2017	Complete revision of the Model following the update of the riskanalysis.
9	December 19, 2018	Revision of the Model for the introduction of the so-called whistleblowing regulation (ref. Law179/2017).
10	March 23, 2020	Revision of the Model following the spin-off of Electrolux Professional Spa from the Electrolux Group.
11	April 7, 2022	Revision of the Model following the update of the risk analysis with reference to the offenses referred to in Articles25- <i>quinqiesdecies</i> and 25- <i>sexiesdecies</i> of Legislative Decree 231/2001.
12	November 27, 2023	Revision of the General Part of the Model for the adoption of the new regulation on so-called whistleblowing (ref. Legislative Decree 24/2023).
13	November 29, 2024	Comprehensive revision and update of the structure and logic of the 231 Model following the update of the riskanalysis.

## DEFINITIONS

**Sensitive Activities or risk areas:** the set of activities and/or business operations organized to pursue a specific purpose or manage a specific business area of Electrolux Professional S.p.A., in areas potentially at risk of committing one or more Offenses provided for by the Decree, as listed in the Special Part of the Model, also generally and collectively referred to as risk area(s).

**Code of Conduct:** the Code of Conduct adopted by the Electrolux Professional Group and its related updates, available on the Group's website – corporate section and on the company intranet in the Policies & Directives section.

**Decree or Legislative Decree 231/2001:** Legislative Decree 8 June 2001, no. 231 ("Discipline of the administrative liability of legal persons, companies and associations without legal personality") and subsequent amendments and additions.

**Recipients:** the subjects indicated in Paragraph 2.3 of this Model.

**Internal control system:** the system developed by the Electrolux Professional Group to ensure an accurate and reliable Reporting system as well as to guarantee that the preparation of the Financial Statements complies with laws, regulations, and generally accepted accounting principles.

**Entities:** legal persons, companies, and other associative structures even without legal personality.

**Group** (hereinafter also "Electrolux Professional Group"): the Parent Company [Electrolux Professional AB] and the companies belonging to the Electrolux Professional Group.

**Confindustria Guidelines** (hereinafter also "Guidelines"): the Guidelines for the construction of organization, management, and control models pursuant to Legislative Decree 231/2001 approved by Confindustria on 7 March 2002, updated in March 2014 and subsequently in June 2021, available on the Confindustria website. [di](#)

**Organization, management and control model or Model(s)** (hereinafter also "Organizational Model" or "Model"): the organization, management and control model provided for by art. 6 of Legislative Decree 231/2001.

**Supervisory Body** (hereinafter also "OdV" or "Body"): the body provided for by art. 6 of Legislative Decree 231/2001 responsible for supervising the functioning and compliance of the Model.

**Partners:** the counterparties with whom the Company enters into some form of contractually regulated collaboration (e.g., temporary business association, *joint venture*, *consortia*, license, agency, concession, collaboration in general).

**Personnel:** all employees of the Company including those with management, administration, direction, and control functions of the Company itself, as well as all non-employee subjects such as, by way of example, temporary workers, interns, etc.

**Strategic processes:** processes or phases of a process within a specific activity and/or business function in which there is a risk of committing offenses.

**Prevention protocols:** the behavioral principles and control procedures that regulate the conduct of activities in strategic processes.

**Public officials:** public officials and persons in charge of a public service.

**Sarbanes-Oxley Act** (hereinafter also "SOA"): American law approved on 30 July 2002 reforming accounting for companies listed on U.S. financial markets, designed to prevent fraudulent and misleading practices, requiring companies to certify all financial information and establish appropriate internal controls for the accuracy of financial reporting.

**Company** (hereinafter also "Electrolux Professional" or "Entity"): Electrolux Professional S.p.A.

**Parent Company:**Electrolux Professional AB.

### **ABBREVIATIONS**

**c.p.:**Criminal Code

**c.c.:**Civil Code

**c.p.p.:**Code of Criminal Procedure

**BoD:**Board of Directors

**P.A.:**Public Administration

**s.m.i.:**subsequent amendments and additions

## **DOCUMENT STRUCTURE**

Legislative Decree 8 June 2001 no. 231 introduced, for the first time in our legal system, the administrative liability of legal persons, companies, and other associative structures, even without legal personality (the so-called "Entities"), as a consequence of the commission of certain offenses by "Top-level" or "Subordinate" Subjects, provided that such acts are committed in the interest or to the advantage of the Entity itself.

Non-compliance with this regulation may result in the Entity being subject to severe pecuniary and disqualifying sanctions, such as suspension or revocation of licenses and concessions, prohibition from contracting with the Public Administration, etc. However, if the Entity's governing body proves that it adopted and effectively implemented, prior to the commission of the offense, an organization, management, and control Model suitable to prevent offenses of the type that occurred, the Entity is not liable for administrative responsibility, regardless of the recognition of the criminal liability of the person who committed the offense.

The Company, also referring to the Confindustria Guidelines as well as *as international* best practices in<sup>1</sup> internal control, has developed this Model.

The Model consists of the following Parts:

**General Part:** describes the main contents of the Decree and the essential components of the Model adopted by the Company, with particular reference to the Supervisory Body, personnel training and Model dissemination, the disciplinary system, and measures to be adopted in case of non-compliance with the Decree's provisions.

**Special Part [for internal use]:** consists of 13 Protocols, each identifying the Company's risk activities as well as the general behavioral principles and specific control measures to be observed in order to prevent and/or reduce the commission of offenses provided for by the Decree.

Each Recipient of the Model (see paragraph 2.3) is required to know and comply with the principles and rules of the Model.

The Company will communicate the purposes and contents of the Model through the means and forms it deems most appropriate, as further specified in par. 2.5.

The Model is published on the *company* intranet and on the Company's Italian website.

In addition to what is established below, the following documents form an integral part of this Model:

- 1. Electrolux Professional Code of Conduct**
- 2. Policies, Directives & Guidelines of the Electrolux Professional Group**
- 3. Internal regulations for employees**
- 4. All provisions, internal measures, acts, and operational procedures adopted by the Company that implement the contents of the Model and the documents indicated above**

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<sup>1</sup> Un essenziale contributo deriva dalle "Federal Sentencing Guidelines" statunitensi, da cui è nata l'esperienza dei "Compliance Programs". I "Compliance Programs", a loro volta, hanno recepito e rielaborato la nozione ed articolazione del sistema di controllo interno presente nel "COSO Report". Quest'ultimo è considerato, nel *position paper* sul Decreto emesso dall'A.I.I.A. (Associazione Italiana Internal Auditors), insieme alla *Sarbanes Oxley*, come il riferimento internazionale più autorevole sulle tematiche del controllo interno.

## **Organization, Management and Control Model**

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### **GENERALPART**

## **1. LEGISLATIVE DECREE 8 JUNE 2001 NO. 231**

### **1.1. INTRODUCTION**

Legislative Decree No. 231 of June 8, 2001, containing the "*Regulation on the administrative liability of legal persons, companies, and other associative entities, even without legal personality (the 'Entities') (hereinafter the 'Decree 231')*", introduced into the Italian legal system a system of administrative liability for the 'Entities' for crimes committed – in their interest or to their advantage – by individuals in senior positions and/or individuals subject to the direction or supervision of the former (so-called "Qualified Subjects")

The liability introduced by the Decree is autonomous and distinct from that governing the criminal and administrative liability of natural persons.

The Decree strictly identifies the types of crimes (so-called "predicate offenses") which, if committed by the 'Qualified Subjects', may give rise to the administrative liability of the Entity within which such subjects operate.

Any ascertainment of the liability provided by the Decree against the Entity entails the application of monetary sanctions together with the confiscation of the price and/or profit of the crime and, possibly, disqualifying sanctions (suspension or revocation of authorizations, licenses or concessions; exclusion from benefits, financing, contributions or subsidies).

The recipients of the Decree are:

- companies with legal personality (including those providing a public service and those controlled by Public Administrations);
- Entities with legal personality;
- companies and associations with or without legal personality.

Excluded from the application of the Decree are: the State; territorial Public Entities, other public economic Entities, and other Entities performing significant functions.

### **1.2. CONSTITUTIVE ELEMENTS OF THE ENTITY'S ADMINISTRATIVE LIABILITY**

The Decree provides that the Entity is liable only if two conditions are met:

#### **1. Subjective prerequisite**

The crime must be committed by the '**Qualified Subjects**':

- a) **subjects in senior** positions who hold functions of representation, administration or management of the Entity or one of its organizational units with financial and functional autonomy (e.g., directors, general managers, plant managers, etc.) or natural persons *who* actually exercise the management and control of the Entity;
- b) **subjects under** the direction or supervision of the subjects 'in senior positions'.

#### **2. Objective prerequisite**

The crime must be committed by the 'Qualified Subjects' **in the interest or to the advantage of the Entity**.

The **interest** coincides with the volitional element of the subject who carries out the conduct relevant for the purposes of the Decree, who must have acted with the intention (for intentional crimes) or awareness (for negligent crimes) of achieving a utility/benefit not only for themselves (or for third parties) but also for the Entity.

The **advantage** consists of the set of utilities/benefits, especially of a patrimonial nature, deriving from the commission of the crime by the 'qualified subject'.

If the mentioned Subject acted to pursue an exclusively personal interest (or that of third parties), the Entity is not liable.

Conversely, the Entity's liability exists – but monetary sanctions are reduced by half – where the act realized an interest of the Entity but the Entity **itself did not derive an advantage or derived a minimal advantage**.

In cases where acts 'suitable and directed' to commit the crime are carried out, but the event does not occur (so-called 'attempted crime' scheme), monetary<sup>1</sup> and disqualifying sanctions are reduced from one-third to one-half.

Also, within the scope of the above-mentioned 'attempt', the Entity is not sanctionable if **it "voluntarily prevents the completion of the action or the occurrence of the event"**.

Finally, the Decree establishes that the Entity's liability is 'autonomous' and, therefore, exists even if the author of the crime has not been identified or is not imputable or even in the case of extinction of the crime for reasons other than amnesty (e.g., death of the offender before conviction pursuant to art. 150 c.p., statute of *limitations* pursuant to art. 157 c.p., etc.).

### **1.3. RELEVANT CRIMES (SO-CALLED 'PREDICATE OFFENSES')**

The Entity's liability exists where one or more of the crimes (Predicate Offenses) strictly listed by the Decree and subsequent amendments belong to the following categories:

- crimes against the Public Administration (arts. 24 and 25);
- computer crimes and unlawful data processing (art. 24-bis);
- organized crime offenses (art. 24-ter);
- counterfeiting of currency, public credit cards, revenue stamps, and identification instruments or signs (art. 25-bis);
- crimes against industry and commerce (art. 25-bis.1);
- corporate crimes (art. 25-ter);
- crimes with terrorist or subversive purposes against the democratic order (art. 25-quater);
- practices of female genital mutilation (art. 25-quater.1);
- crimes against individual personality (art. 25-quinquies);
- market abuse (art. 25-sexies);
- manslaughter or serious or very serious injuries committed in violation of health and safety regulations at work (art. 25-septies);
- receiving, money laundering, and use of money, goods or benefits of illicit origin, as well as self-laundering (art. 25-octies);
- crimes related to payment instruments other than cash and fraudulent transfer of values (art. 25-octies.1);
- crimes related to copyright infringement (art. 25-novies);
- inducement not to make statements or to make false statements to the judicial authority (art. 25-decies);

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<sup>1</sup> L'art. 56 c.p. rubricato 'Delitto tentato', così recita: «Chi compie atti idonei diretti in modo non equivoco a commettere un delitto, risponde di delitto tentato, se l'azione non si compie o l'evento non si verifica [...]».

- environmental crimes (art.25-undecies);
- employment of third-country nationals with irregular stay (art.25-duodecies);
- racism and xenophobia (art.25-terdecies);
- fraud in sports competitions, illegal exercise of gambling or betting, and gambling through prohibited devices(art.25-quaterdecies);
- tax crimes (art. 25-quinquiesdecies);
- smuggling (art.25-sexiesdecies);
- crimesagainst cultural heritage (art.25-septiesdecies);
- launderingof cultural goods and devastation and looting of cultural and landscape goods(art.25-duodevicies);
- transnational crimes (art. 10, Law March 16, 2006, no.146);
- Crimes related to entities operating within the virgin olive oil supply chain (art. 12, Law 14 January 2013, no.9).<sup>2</sup>

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<sup>2</sup> Le modifiche alle fattispecie di reato previste dal Decreto sono avvenute a opera dei seguenti atti normativi: Decreto Legge 25 settembre 2001, n. 350, che ha introdotto l'art. 25-bis «Falsità in monete, in carte di pubblico credito e in valori di bollo», in seguito modificato e rubricato «Reati di falsità in monete, in carte di pubblico credito, in valori di bollo e in strumenti o segni di riconoscimento» dalla Legge 23 luglio 2009, n. 99; Decreto Legislativo 11 aprile 2002, n. 61, che ha introdotto l'art. 25-ter «Reati Societari», in seguito modificato dalla Legge 28 dicembre 2005, n. 262, dalla Legge 6 Novembre 2012, n. 190, dalla Legge 30 Maggio 2015, n. 69, dal Decreto Legislativo 15 Marzo 2017, n. 38, dalla Legge 9 gennaio 2019, n. 3 e dal Decreto Legislativo 2 marzo 2023, n. 19; Legge 14 gennaio 2003, n. 7, che ha introdotto l'art. 25-quater «Delitti con finalità di terrorismo o di eversione dell'ordine democratico»; Legge 11 agosto 2003, n. 228, che ha introdotto l'art. 25-quinquies «Delitti contro la personalità individuale», in seguito modificato dalla Legge 29 Ottobre 2016, n. 199; L. 62/2005 – già citata – che ha introdotto l'art. 25-sexies «Abusi di mercato»; Legge 9 gennaio 2006, n. 7, che ha introdotto l'art. 25-quater.1 «Pratiche di mutilazione degli organi genitali femminili»; Legge 16 marzo 2006, n. 146, che prevede la responsabilità degli enti per i reati transnazionali; Legge 3 agosto 2007, n. 123, che ha introdotto l'art. 25-septies «Omicidio colposo e lesioni colpose gravi o gravissime, commessi con violazione delle norme antinfortunistiche e sulla tutela dell'igiene e della salute sul lavoro», in seguito modificato e rubricato «Omicidio colposo o lesioni gravi o gravissime, commessi con violazione delle norme sulla tutela della salute e sicurezza sul lavoro» dal Decreto Legislativo 9 aprile 2008, n. 81; Decreto Legislativo 21 novembre 2007, n. 231, che ha introdotto l'art. 25-octies «Ricettazione, riciclaggio e impiego di denaro, beni o utilità di provenienza illecita», in seguito modificato e rubricato «Ricettazione, riciclaggio e impiego di denaro, beni o utilità di provenienza illecita, nonché autoriciclaggio» dalla Legge 15 dicembre 2014, n. 186; Legge 18 marzo 2008, n. 48, che ha introdotto l'art. 24-bis «Delitti informatici e trattamento illecito di dati», in seguito modificato dal Decreto Legge 21 settembre 2019, n. 105, convertito dalla Legge 14 novembre 2019, n. 133 e successivamente dalla L. 28 giugno 2024 n. 90; Legge 15 luglio 2009, n. 94, che ha introdotto l'art. 24-ter «Delitti di criminalità organizzata»; L. 99/2009 – già citata – che ha inoltre introdotto l'art. 25-bis.1 «Delitti contro l'industria e il commercio» e l'art. 25-novies «Delitti in materia di violazione del diritto d'autore»; Legge 3 agosto 2009, n. 116, che ha introdotto l'art. 25-novies, in seguito rinumerato art. 25-decies dal Decreto Legislativo 7 Luglio 2011, n. 121, «Induzione a non rendere dichiarazioni o a rendere dichiarazioni mendaci all'Autorità Giudiziaria»; D.Lgs. 121/2011 – già citato – che ha inoltre introdotto l'art. 25-undecies «Reati ambientali», in seguito modificato dalla Legge 22 Maggio 2015, n. 68; D.Lgs. 16 luglio 2012, n. 109, che ha introdotto l'art. 25-duodecies «Impiego di cittadini di paesi terzi il cui soggiorno è irregolare», in seguito modificato dalla Legge 17 ottobre 2017, n. 161; L. 190/2012 – già citata – che ha inoltre modificato l'art. 25; Legge 14 gennaio 2013, n. 9, che prevede la responsabilità degli enti per i reati relativi all'ambito della filiera degli oli vergini di oliva; Legge 20 novembre 2017, n. 167, che ha introdotto l'art. 25-terdecies «Razzismo e xenofobia»; L. 3/2019 – già citata – che ha inoltre modificato l'art. 25; Legge 3 maggio 2019, n. 39, che ha introdotto l'art. 25-quaterdecies «Frode in competizioni sportive, esercizio abusivo di gioco o di scommessa e giochi d'azzardo esercitati a mezzo di apparecchi vietati»; Decreto Legge 26 ottobre 2019, n. 124, convertito dalla Legge 19 dicembre 2019, n. 157, che ha introdotto l'art. 25-quinquiesdecies «Reati tributari», in seguito modificato dal Decreto Legislativo 14 luglio 2020, n. 75 e dal Decreto Legislativo 4 ottobre 2022, n. 156; D.Lgs. 75/2020 – già citato – che ha inoltre modificato gli artt. 24 e 25 e ha introdotto l'art. 25-sexiesdecies «Contrabbando»; Decreto Legislativo 8 novembre 2021, n. 184, che ha introdotto l'art. 25-octies.1 «Delitti in materia di strumenti di pagamento diversi dai contanti», in seguito modificato e rubricato «Delitti in materia di strumenti di pagamento diversi dai contanti e trasferimento fraudolento di valori» dal Decreto Legge 10 agosto 2023, n. 105, convertito dalla Legge 9 ottobre 2023, n. 137 e ulteriormente modificato dal e dal D.L.19/2024; Legge 9 marzo 2022, n. 22, che ha introdotto l'art. 25-septiesdecies «Delitti contro il patrimonio culturale» e l'art. 25-duodevicies «Riciclaggio di beni culturali e devastazione e saccheggio di beni culturali e paesaggistici»; D.L. 105/2023, convertito dalla L. 137/2023 – già citato – che ha modificato l'art. 24 introducendo i reati di «turbata libertà degli incanti» e «turbata libertà del procedimento di scelta del contraente» e ha modificato l'art. 25-octies1 mediante l'introduzione del reato di «trasferimento fraudolento di valori»; Decreto Legge n. 19/2024 che ha esteso la punibilità per il reato di «trasferimento fraudolento di valori» aggiungendo un secondo comma all'art. 512-bis

The Entity is also liable if the PredicateOffense(s) are committed abroad, **provided that:** a) the Entity has its 'main office' (i.e. registered office) in Italy; b) there is no ongoing proceeding against the Entity in the State where the act was committed; c) there is a request from the Minister of Justice if required by law.

#### **1.4. SANCTIONS**

The sanctions imposed on the Entity in case of administrative liability as per the Decree are outlined below:

##### ▪ **Pecuniary sanction**

It applies to all types of Predicate Offenses and is determined based on 'shares', from a minimum of one hundred to a maximum of one thousand, each with a value between a minimum of Euro 258.23 and a maximum of Euro 1,549.37.<sup>3</sup>

The criteria on which the Judge bases the determination of the number of applicable shares are: the gravity of the act; the degree of responsibility of the Entity; and the activity carried out by the Entity to eliminate or mitigate the consequences of the act and to prevent the commission of further offenses. The amount of each share, instead, is set based on the economic and financial conditions of the Entity, in order to ensure the effectiveness of the sanction.

The **pecuniary sanction is reduced by one third to one half** if, before the declaration of the opening of the first instance trial:

- the Entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offense or has, in any case, effectively acted in this regard;
- a Model suitable to prevent offenses of the type that occurred has been adopted or made operational.

##### ▪ **Interdictive sanctions**

These are particularly severe sanctions as they affect the specific activity carried out by the Entity.

They are applied in addition to the pecuniary sanction, only for certain types of offenses and only if *the Entity* has derived a 'profit of significant amount' from the offense and 'the commission of the offense was determined or facilitated by serious organizational deficiencies' or in the presence of repeated offenses.<sup>4</sup>

Interdictive sanctions are applicable jointly and may consist of:

1. prohibition from carrying out the activity;
2. suspension or revocation of authorizations, licenses, or concessions functional to the commission of the offense;
3. prohibition from contracting with the Public Administration;

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c.p., richiamato dall'art. 25-octies1; L. 90/2024 che ha introdotto il reato di "estorsione informatica" all'art. 24.bis del Decreto; L. 114/2024 che ha abrogato il reato di "abuso d'ufficio" e riformulato il reato di "traffico di influenze illecite"; d.l. 4 luglio 2024, n. 92, conv., con modif., dalla quale ha inserito il nuovo reato di "indebita destinazione di denaro o cose mobili" all'art. 24 del Decreto; il D.Lgs. 141/2024 che ha esteso l'ambito di applicazione dell'art. 25-sexiesdecies del Decreto ai reati previsti dalle disposizioni nazionali complementari al codice doganale dell'Unione, di cui al decreto legislativo emanato ai sensi degli articoli 11 e 20, commi 2 e 3, della legge 9 agosto 2023, n. 111, e dal testo unico delle disposizioni legislative concernenti le imposte sulla produzione e sui consumi e relative sanzioni penali e amministrative, di cui al decreto legislativo 26 ottobre 1995, n. 504.

<sup>3</sup> Ciò non vale per i reati societari di cui all'art. 25ter, le cui sanzioni pecuniarie sono raddoppiate in base a quanto previsto dall'art. 39, co. 5 L. 28 dicembre 2005, n. 262.

<sup>4</sup> Vi è reiterazione del reato «quanto l'Ente, già condannato in via definitiva almeno una volta per un illecito [...], ne commette un altro nei cinque anni successivi alla condanna definitiva» (art. 20, Decreto 231).

4. exclusion from benefits, financing, contributions, subsidies, and possible revocation of those already granted;
5. prohibition from advertising goods or services.

As with pecuniary sanctions, the Judge – when applying them – takes into account the gravity of the act, the degree of responsibility of the Entity, and any activity carried out by the Entity to eliminate the consequences of the act and to prevent further offenses.

Furthermore, if the interruption of the activity could cause *'significant repercussions on employment'*, due to the *'size and economic conditions of the territory'* where the Entity is located, the Judge may order – instead of the interdictive measure, provided it is not definitive – the continuation of the activity by a Judicial Commissioner for a period equal to **the duration** of the interdictive penalty that would have been applied.

Interdictive sanctions last between three months and two years. However, in cases of conviction for one of the crimes indicated in paragraphs 2 and 3 of art. 25 of the Decree, the interdictive sanctions apply for a duration of not less than four years and not more than seven years if the offense was committed by one of the top management figures, and for a duration of not less than two years and not more than four years if the offense was committed by one of the Subordinates.

▪ **Publication of the conviction sentence**

In cases of application of an interdictive measure, the Judge may order that the conviction sentence be published, at the expense of the convicted Entity, in the municipality where the Entity has its main office, as well as in other places referred to in art. 36 of the<sup>5</sup>Criminal Code.

▪ **Confiscation**

Against the Entity convicted under the Decree, confiscation of the price or profit of the offense is always ordered, except for the part that can be returned to the injured party and without prejudice to rights possibly acquired by third parties in good faith.

Where it is not possible to proceed directly with the confiscation of the price or profit derived from the offense, the confiscation may concern *'sums of money, goods or other utilities of equivalent value to the price or profit of the offense'*.

#### **1.5. EXEMPTION FROM ADMINISTRATIVE LIABILITY: THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL**

The Decree provides, in favor of the Entity, an exemption mechanism from liability if the Judge ascertains that the ***Entity has adopted an 'Organization and Management Model suitable to prevent offenses of the type that occurred'*** and that the Qualified Persons committed the ascertained acts fraudulently circumventing the aforementioned Model.

This exemption applies if the Entity demonstrates that it has adopted and effectively **implemented measures and organizational apparatuses** actually suitable to prevent the commission of the offenses identified by the Decree. The Entity is not liable for the offense if it proves:

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<sup>5</sup> L'art. 36 c.p., stabilisce che: *«la sentenza di condanna [...] è pubblicata mediante affissione nel comune ove è stata pronunciata, in quello ove il delitto fu commesso, e in quello ove il condannato aveva l'ultima residenza [nonché] nel sito internet del Ministero della giustizia»*. La durata della pubblicazione nel sito è stabilita dal Giudice in misura non superiore a trenta giorni. In mancanza, la durata è di quindici giorni.

- a) to have adopted and effectively implemented, through the governing body (i.e. Board of Directors), before the commission of the act, **an organization and management model suitable to prevent offenses** of the type that occurred;
- b) to have entrusted an 'internal body' (appointed **by the administrative body**), endowed with autonomous powers of initiative and control, with the task of supervising the functioning and compliance with the Model, as well as taking care of its updating;
- c) that the persons who committed the offense acted fraudulently circumventing the aforementioned Model;
- d) that there was no omission or insufficient supervision by the internal body referred to in the previous letter b).

The Decree also establishes the minimum contents of the organization, management and control Model, which must:<sup>6</sup>

- 1. identify the activities/areas **at risk of** committing the offenses provided for by the Decree;
- 2. prepare specific **protocols** in order to 'plan *the formation and implementation of the Entity's decisions in relation to the offenses to be prevented*';
- 3. provide methods for managing financial **resources suitable** to prevent the commission of such offenses;
- 4. prescribe **information obligations towards** the internal body responsible for supervising the functioning and compliance with the Model;
- 5. define a **disciplinary system** suitable to sanction non-compliance with the measures indicated in the Model and the violation of the provisions established in Legislative Decree 24/2023 concerning the protection of persons reporting violations of Union law and containing provisions regarding the protection of persons reporting violations of national regulatory provisions.
- 6. provide, pursuant to Legislative Decree 24/2023, **internal reporting channels** (so-called whistleblowing), the prohibition of retaliation, and the disciplinary system referred to in point 5 above.

## **2. THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL OF THE COMPANY**

### **Premise**

The Company has updated its Model also relying on the indications contained in the 'Guidelines' drawn up by Confindustria (latest revision June 2021). However, it<sup>7</sup> acted with the awareness that the aforementioned 'Guidelines', although constituting a best practice, are general and abstract *in nature* and do not exempt the Company from creating a Model tailored to the specific corporate and organizational reality. **DESCRIPTION OF THE COMPANY**

Electrolux **Professional S.p.A. was** established on 17 January 1958, by deed of notary Romagnoli (rep. no. 4791).

La Società, avente codice fiscale e numero di iscrizione al registro delle imprese di Pordenone n. 00072220932 ha la propria sede legale in Pordenone (PN), Viale Treviso n. 15.

The Company carries out the activity of production, purchase, sale and/or marketing of machines, equipment, plants, furniture and furnishings, accessories and spare parts for the preparation,

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<sup>6</sup> Art 6, co. 2 e co 2 *bis* del Decreto.

<sup>7</sup> Il Gruppo Electrolux Professional in Italia (di cui la Electrolux Professional S.p.A. è parte) opera nel settore industriale – metalmeccanico ed è aderente alla Confederazione generale dell'industria italiana (Confindustria).

treatment and preservation of food in general, washing of dishes and textiles, as well as the provision of technical assistance.

## **2.2. THE PURPOSES AND PRINCIPLES OF THE MODEL**

The adoption of the Model aims to create a system of prescriptions and organizational tools aimed at ensuring that the Company's activity is carried out in full compliance with the Decree and to prevent and sanction any attempts to engage in conduct at risk of committing one of the offenses provided for by the Decree.

Therefore, the Model pursues the following objectives:

- improve the Corporate *Governance* system;
- introduce additional principles and rules of conduct within the Company aimed at promoting and enhancing an ethical culture internally, with a view to fairness and transparency in business conduct;
- establish a structured and organic system of prevention and control aimed at reducing the risk of committing crimes related to corporate activities;
- ensure that all those who operate in the name and on behalf of the Company in the "risky areas" are aware that, in case of violation of the provisions contained therein, they may incur an offense subject to sanctions both against the violator (civil, disciplinary and, in some cases, criminal liability) and against the Company (administrative liability pursuant to the Decree);
- inform all those who operate in any capacity in the name, on behalf or in the interest of Electrolux Professional S.p.A. that violation of the provisions contained in the Model will result in the application of specific sanctions or termination of the contractual relationship;
- reaffirm that Electrolux Professional S.p.A. does not tolerate unlawful conduct of any kind and regardless of any purpose, as such conduct (even if the Company apparently benefits) is contrary to the ethical principles the Company intends to adhere to;
- actively censure behaviors carried out in violation of the Model through the imposition of disciplinary and/or contractual sanctions.

The Model prepared by Electrolux Professional S.p.A. is therefore based on a structured and organic system of protocols and control activities that:

- identifies the areas and activities potentially at risk in the conduct of corporate activities, i.e., those activities where the likelihood of crimes being committed is considered higher;
- defines an internal regulatory system aimed at crime prevention, which includes, among other things:
- ethical principles expressing commitments and ethical responsibilities in conducting business and corporate activities;
- a system of delegations, powers, and proxies for signing corporate acts that ensure a clear and transparent representation of the decision-making and implementation process;
- formalized procedures aimed at regulating operational and control methods in risk areas;
- is based on an organizational structure consistent with the Company's activities and designed to ensure, on one hand, proper strategic-operational management of business activities, and on the other, continuous behavior control. Such control is ensured by guaranteeing a clear and organic assignment of tasks, applying proper segregation of

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functions, and ensuring that the defined organizational structure is effectively implemented through:

- a formally defined, clear, adequate, and consistent organizational chart with the Company's activities, and a clear definition of functions and responsibilities assigned to each organizational unit;
- a system of internal function delegations and proxies representing the Company externally that ensures clear and consistent segregation of functions;
- identifies management and control activities of financial resources in risk activities;
- assigns the Supervisory Body the task of monitoring the functioning and compliance with the Model and proposing its update.

### **2.3. RECIPIENTS OF THE MODEL**

The following are Recipients and therefore required to comply with the Model:

- A. Members of corporate bodies (Board of Directors, Board of Statutory Auditors, etc.);
- B. Employees of the Company, including those seconded to other Italian and foreign offices within the Electrolux Professional Group;
- C. All other subjects – as well as their employees or collaborators – involved in Sensitive Activities (auditors, consultants, agents, distributors, suppliers, contractors, partners, collaborators, including project workers and temporary workers);
- D. Members of the Supervisory Body as they do not belong to the aforementioned categories.

### **2.4. CONSTRUCTION OF THE MODEL**

The preparation of the Model was preceded by a series of risk **mapping and risk assessment** activities of corporate activities (also known as *Control & Risk Self Assessment*), as described below:

- A. Mapping of risk processes and corporate functions involved in the aforementioned processes.
- B. Identification of crimes potentially committed within each risk process.
- C. Assignment of the potential risk level for each type of crime.
- D. Analysis of existing preventive control systems (see point 2.4.1.) to verify their suitability for crime prevention.
- E. Assignment of residual risk for each risk process and identification of any additional preventive measures to be adopted.

The results of the analysis described above, as well as the control measures identified by the Company for each Sensitive Activity, have been formalized or referenced in *the risk mapping and assessment* report, which constitutes an integral part of this Model.

These risk mapping *and risk assessment activities* have also been carried out for subsequent updates of the Model following regulatory or organizational changes impacting the previous mapping.

During 2017, the Company conducted specific risk assessment activities regarding health and safety at work and environmental safety. Both activities concluded with the drafting of dedicated risk assessment reports, based on which *the Special Part* "Crimes committed in violation of health and safety regulations at work" and the Special Part "Crimes committed in violation of environmental protection regulations" were respectively prepared. Therefore, each of these reports is an integral part of this Model.

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In 2021, the Company carried out a further risk assessment activity aimed *at updating* the Model to tax crimes and smuggling crimes referred to respectively in art. 25-quinquiesdecies and art. 25-sexiesdecies of Legislative Decree 231/2001. The Model, in this revised and updated version, was formally approved by the Company's Board of Directors during the meeting held on April 7, 2022.

Finally, in 2024, the Company carried out a new comprehensive risk assessment update *aimed at* revising both the structure and logic of the Model.

The Model, in this revised and updated version, was formally approved by the Company's Board of Directors during the meeting held on November 29, 2024.

## **2.5. COMPONENTS OF THE PREVENTIVE CONTROL SYSTEM**

The Model prepared by Electrolux Professional S.p.A. is based on and integrated with a structured and organic internal control system composed of protocols and rules, responsibility definition tools, as well as mechanisms and tools for monitoring corporate processes, pre-existing the issuance of the Model.

The control principles inspiring the architecture of Electrolux Professional S.p.A.'s internal control system, with particular reference to the Sensitive Activities outlined in the Model and consistent with Confindustria's provisions, are described below:

- **clear identification of roles, tasks, and responsibilities** of subjects involved in carrying out corporate activities (internal or external to the organization);
- **segregation of duties between** those who operationally perform an activity, those who control it, those who authorize it, and those who record it (where applicable);
- **verifiability and documentability of operations ex-post: relevant** activities conducted (especially within Sensitive Activities) must be adequately formalized, with particular reference to documentation prepared during their execution. The documentation produced and/or available on paper or electronic support must be stored in an orderly and systematic manner by the involved functions/subjects;
- **identification of preventive controls and ex-post checks, manual and automatic:** manual and/or automatic safeguards must be provided to prevent the commission of Crimes or to detect *ex-post* irregularities that could conflict with the purposes of this Model. Such controls are more frequent, articulated, and sophisticated within those Sensitive Activities characterized by a higher risk profile of Crime commission.

The components of the preventive control system to be implemented at the corporate level to ensure the Model's effectiveness can be traced back to the following elements:

- the Electrolux Professional Group Code of Conduct
- the *Group Policies & Guidelines*
- the Internal controls system
- the financial flow management system
- the written proxy system consistent with corporate organizational charts and the functions performed by employees
- the current procedures relating to each risk process
- communications to personnel and their training
- the internal regulations for employees
- the sanctioning/disciplinary system provided by the National Collective Labour Agreement (CCNL) for the Metalworking Industry

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- the training and instruction of employees.

Without prejudice to the provisions of this paragraph having common characteristics in relation to all types of offenses considered relevant, reference is made to the Special Part concerning protocols with specific characteristics for each Sensitive Activity.

#### **2.5.1. The Code of Conduct**

Contains the values and principles of conduct to which the Company, together with all the Recipients of the Model, intends to conform its activities both internally and externally.

The Code of Conduct expresses the orientation of the Company, as well as the entire Electrolux Professional Group, in terms of principles and behaviors to be adopted within specific areas or processes.

The text of the Code of Conduct is available both on the company intranet and on the Electrolux Professional SpA website.

Regarding the Company's employees, specific references to compliance with the principles contained in the Code of Conduct are included in the Company Regulations posted on all company notice boards. Violation of the principles contained in the Code of Conduct entails the application of the sanctions indicated in the Disciplinary Code (also posted on the company notice boards).

As for those who are not employees of the Company, the so-called 'Clause 231' is included in every contract, which, after recalling the contractor to comply with the Model and the Code of Conduct, reiterates that violation of one or both constitutes a serious breach and grounds for contract termination (pursuant to art. 1456 of the Civil Code).

#### **2.5.2. Group Policies & Guidelines – Company Procedures**

Article 6, paragraph 2, letter b) of the Decree explicitly states that the Model must "*provide specific protocols aimed at planning the training and implementation of the entity's decisions in relation to the crimes to be prevented.*"

These documents specifically allow for more detailed regulation of the activities subject to Sensitive Activities and to guide and ensure the implementation and practical application of the behavioral and control principles established in this Model.

To this end, the Company Policies and Procedures relating to Sensitive Activities particularly ensure the application of the following principles:

- clear formalization of roles, tasks, methods, and timing for carrying out the operational and control activities regulated;
- representation and regulation of the separation of duties between the person making the decision (decision impulse), the person authorizing its execution, the person performing the activities, and the person entrusted with control;
- traceability and formalization of each relevant activity of the process subject to the procedure to allow retrospective traceability of what has been done and evidence of the principles and control activities applied;
- an adequate level of archiving of relevant documentation.

These Policies and Procedures applicable to Sensitive Activities and made available by the Company integrate and complete the principles and rules of conduct, as well as the components

of the organization, management, and control system described or referred to in this Model and are therefore to be considered an integral part of the organizational protocols defined in the Model itself, useful for preventing the commission of the offenses referred to in the Decree.

The *updated Policies, Directives & Guidelines* and other organizational provisions are available on the company intranet.

The application of *Policies, Directives & Guidelines* by the Company is ensured by the presence, at the central level, of an internal audit function.

### **2.5.3. Organizational and Authorization System**

The Company uses an organizational *system structured* to provide formal evidence of hierarchical lines of dependence and the distribution of areas/functions of responsibility assigned to its employees.

The organizational scheme is typically expressed in the system of attribution *and management of powers and delegations aimed* at formally authorizing specific individuals to act in the name and on behalf of the Company, also with the provision of maximum spending limits.

Both the organizational system and, consequently, the authorization system are based on the general principle of 'segregation of functions' aimed at avoiding the mixing of potentially incompatible roles and/or excessive concentration of responsibilities and powers in the hands of a single (or few) individuals.

Furthermore, the Company, to promote verification/control mechanisms and avoid concentration of power, has structured the system of power attribution by providing – for all documents that bind the Company towards third parties – the obligation of the so-called 'double signature' (i.e., signature by two individuals equally empowered for the same act/document).

When considered within decision-making processes, these systems also ensure that:

- the exercise of powers is carried out by individuals with organizational and managerial responsibilities consistent with the importance and/or criticality of certain operations;
- powers and responsibilities are clearly defined, consistent with each other, and known within the company organization;
- the Company is validly committed towards third parties (customers, suppliers, banks, public administrations, etc.) by a determined and limited number of individuals empowered with internal powers of attorney/authorizations;
- the entity participates in criminal proceedings with its legal representative, unless the latter is charged with the offense from which the administrative liability arises. Regarding this aspect, if the legal representative is under investigation for a predicate offense of the administrative liability attributed to the entity, and is therefore in a conflict of interest with the entity itself, the appointment of the entity's defense counsel must be made through a person specifically delegated for this activity in cases of potential conflict with the criminal investigations against the legal representative.

The system of power attribution is constituted as follows.

#### **1. POWERS OF THE DIRECTORS**

The Board of Directors may delegate its powers to some of its members, determining the content, limits, and methods of exercise.

The minutes of the Board of Directors meeting granting such powers are filed with the Chamber of Commerce to make their contents known to third parties.

#### **2. NOTARIAL POWERS OF ATTORNEY AND INTERNAL AUTHORIZATIONS**

The powers granted to members of the Board of Directors may be further delegated by them to a person (their own employee, an employee of another Group Company, or a third party) by means of a notarial power of attorney and/or internal authorization.

The granting of notarial powers of attorney and internal authorizations, as well as their updating, takes place according to an established practice formalized in a specific **Procedure for 'assignment and revocation of Powers of Attorney/Internal Authorizations'**.

The Human Resources office, also through the company intranet, promptly informs the Legal Office of any organizational changes (resignations, dismissals, change of duties) so that there is alignment between the activities actually carried out by those acting on behalf of the Company, their company roles/qualifications, and the powers granted by the Company.

Powers of Attorney and Internal Authorizations are finally archived electronically in a *constantly* updated company database.

The paper archive is instead kept and managed by the Legal Office.

#### **2.5.4. Internal Control System**

The Company has implemented the Internal Control System provided by the Electrolux Professional Group.

This system has been developed to ensure an accurate and reliable Reporting system as well as to guarantee that the preparation of the Financial Statements complies with laws, regulations, and generally accepted accounting principles.

Internal controls also include broader rules of conduct that define the general principles on which the company is founded.

The internal control system is structured according to the Internal Control framework dictated by the 'Committee of Sponsoring Organizations of the Treadway Commission' (COSO), whose pillars are:

- a) *Control Environment*;
- b) *Risk Assessment*;
- c) Control Activities;
- d) Testing Activities;
- e) Communication.

##### **a) Control Environment**

It consists of the set of Policies, Procedures, Regulations, and Codes adopted and applied within the organizational structure of the Electrolux Professional Group which, as seen, assigns clear responsibilities and powers adequately segregated among them.

The limits of responsibilities and powers are defined in the instructions for the 'Delegation of Authority', in the Manuals, Policies, Procedures, and Codes (including the Code of Conduct, the anti-corruption and anti-money laundering Policy, the Policies for information, finance, and credit).

Together with external laws and regulations, these internal guidelines form the so-called Control Environment; all Electrolux Professional employees are held responsible for complying with it and all Group units must maintain adequate internal controls according to a defined methodology.

##### **b) Risk Assessment**

It is the activity that identifies the main risks potentially connected to financial reporting activities carried out incompletely and inaccurately (including, for example, the risk of loss or misappropriation).

**c) Control Activities**

The purpose of Control Activities is to mitigate identified risks and ensure reliable *reporting* as well as efficient processes. Control activities include both general and detailed controls aimed at preventing, detecting, and correcting errors and/or irregularities.

The control program includes the execution of the following controls:

1. *'EntityWideControls'*

They ensure and strengthen *the 'Control/Environment'*; in particular, every year a questionnaire is sent to *Electrolux Professional Management* requesting confirmation and supporting documentation of controls on compliance with the Group's main Policies, Accounting rules, delegations, and powers.

2. *'Manual and Application Controls'*

They are aimed at ensuring that critical risks related to reporting in business processes are adequately monitored and verified.

Examples of important controls include verification of accounting records, system access checks, and verification of segregation of duties, etc.

3. *IT General Controls*

They are aimed at ensuring the security of the IT environment for the applications used.

Examples of important controls include administration of *'Users'*, *production* environment, and backup *procedures*.

**d) Testing Activities**

Testing activities on controls are carried out to ensure that risks are effectively and correctly mitigated.

Coordination and scheduling of audit activities are performed by the internal Audit function of the *Electrolux Professional Group*.

Annually, control documentation is updated to ensure the adequacy and completeness of controls in light of operational/organizational changes.

This documentation includes: description of the control activity (detailing who performs the control); the activities carried out to complete the control and its frequency.

The responsibility for performing controls lies with each *Reporting Unit*.

The Internal Audit function of the *Electrolux Professional Group*, in addition to preparing test plans, independently performs selected tests.

Controls that fail must be performed again after corrective actions have been implemented in the process.

Test results are stored in a Database.

**e) Communication**

The results of the questionnaire and the test results are communicated to Management, presented to external and internal auditors, and if relevant for Legislative Decree 231/2001 also

to the Supervisory Body. External auditors acquire the documentation and determine to what extent they can rely on the activities performed within the Group for the group audit and financial statement audit.

In case of failed tests, they request corrective actions, may independently perform some controls and/or request supporting documentation of tests already performed to verify the activities carried out.

#### **2.5.5. Information Technology Application Systems**

The Company uses procedures, both 'manual' and IT-based, which establish a series of 'control points' to verify, within individual processes: the purposes of actions; authorization, recording, and verification cycles of individual operations/activities; approval and signature methods (i.e., compliance with assigned powers); separation of different functions involved and tasks assigned within them.

These systems are periodically updated in relation to changes in company procedures, operational practices, and organizational system, and are managed to ensure the maintenance of operation integrity, availability, and at the same time, confidentiality of company information, as also required by the 'General Data Protection Regulation' No. 2016/679 (GDPR) and Legislative Decree No. 196/2003 and subsequent amendments (the so-called '*Personal Data Protection Code*').

Administrative and management information systems are interrelated and sequential. They include security mechanisms that guarantee protection and access to the Company's data and assets.

The Company has also adopted Guidelines and Policies prescribing a series of conduct principles aimed at preventing threats to the security of the company's information assets and data. These operational instructions, addressed to all recipients of the Model (as per § 2.3.), integrate and coordinate with legal regulations, internal rules, and specific guarantee provisions established by individual structures/offices/operational units.

#### **2.5.6. Management of Financial Flows**

The management of financial flows represents a particularly sensitive area within processes identified as most critical because they involve sensitive activities or are atypical or non-recurring in nature.

Article 6, paragraph 2, letter c) of the Decree explicitly states that the Model must '*identify methods of managing financial resources suitable to prevent the commission of crimes*'. To this end, the management of financial resources of Electrolux Professional S.p.A. is defined based on the following general principles to which the actions of all subjects in this area must refer:

- subject's separation among those who: i) make or implement decisions, ii) must provide accounting evidence of the operations performed, and iii) are required to carry out the controls provided by law and company procedures.
- selection of contractual counterparts (e.g., suppliers, consultants, agents, etc.) based on principles of reliability, quality, transparency, and cost-effectiveness;
- monitoring of the performance carried out by contractual counterparts in favor of the Company; in case of behavior not conforming to company ethical principles and/or violating the principles contained in this Model, the Company must request termination of the relationship;
- setting limits on autonomous commitment and use of financial resources, consistent with the roles, responsibilities, and powers assigned to the subjects;

- operations involving the use or employment of economic or financial resources must have an explicit reason and be documented and recorded in accordance with accounting correctness principles; the approval decision-making process must always be verifiable;
- no payment may be made in cash or in kind, except with justified authorization;
- in the use of its financial resources, the Company exclusively uses financial and banking intermediaries subject to transparency and fairness rules in accordance with European Union regulations.

The Company provides for external audit and certification of its financial statements.

#### **2.5.7. Document Management**

All documentation, regardless of the medium used (paper and/or electronic), is managed in a way that ensures secure registration, archiving, and possible updating.

#### **2.5.8. Information and Training Program**

With specific reference to the activities carried out within the scope of Sensitive Activities, an adequate periodic and systematic information and training program is planned and guaranteed for employees and collaborators involved in such activities.

The program includes the discussion of corporate governance topics and the dissemination of operational mechanisms and relevant company organizational procedures concerning matters related to Sensitive Activities. These activities complement and complete the information and training path on the specific topic of activities carried out by the Company regarding compliance with Legislative Decree 231/2001, as specifically provided and regulated in the dedicated chapters of the General Part of the Model.

#### **2.5.9. Disciplinary System**

The existence of a system of sanctions applicable in case of non-compliance with company conduct rules and, specifically, with the prescriptions and internal procedures provided by the Model and the Code of Conduct, is an indispensable component to ensure the effectiveness of the Model itself. Regarding this aspect, reference is made to the detailed description below in paragraph 2.7 of this document.

### **2.6. MODEL DISSEMINATION**

This Model was adopted by the Board of Directors with a resolution dated July 2, 2004, and is periodically updated following significant organizational changes as well as legislative amendments that have introduced new types of offenses over the years.

To ensure the effectiveness of the Model, it is of primary importance that the conduct rules contained therein are fully known both by resources already present in the company and by those who will join in the future, as well as by any other Recipient, with different levels of depth depending on the degree of involvement in Sensitive Activities.

#### **2.6.1. Personnel Training**

Adequate and constant information and training of employees on the content of the Model is an essential element for its effective and efficient implementation.

The Company, therefore, promotes the knowledge and dissemination of the Model at the time of initial hiring (through the delivery of a 'brochure' containing references to the *Policies &*

Guidelines and company Regulations) as well as during the employment relationship, including in case of Model revisions.

Employees are thus enabled to have full knowledge of the principles and objectives contained in the Model and the methods through which the Company intends to pursue them.

The 'Human Resources Department,' in cooperation with the Supervisory Body, oversees and manages the dissemination of the Model as well as personnel training.

The Human Resources Department shares with the Supervisory Body a training plan consistent with the training needs of the recipients, through the formulation of ad hoc training paths.

In particular, the dissemination and training activity of the Model includes:

**a) for all personnel**

- b) notices sent via e-mail and/or posted on bulletin boards regarding any revisions of the Model;
- c) publication of the Model on the company intranet page and its posting on company bulletinboards;
- d) reference to the principles of the Model within the company Regulations and the disciplinary Code;
- e) training courses conducted via e-learning *aimed* at illustrating the key operating principles of the Model

**b) for personnel holding specific managerial/process functions within the Company and/or authorized to represent the Entity, in addition to the training activities described in point a):**

- a 'special part' dedicated to deepening the types of offenses relevant to the training recipients (e.g., a module dedicated to the analysis of offenses of 'manslaughter and serious or very serious injuries' for those holding the roles of employers, supervisors, RSPP, and ASPP).

Recipients of this training, as responsible for the various company units involved, are called upon to transmit the acquired knowledge within their area of responsibility.

**2.6.2. Contractual Clauses for 'Other Subjects'**

The Company promotes – also through the preparation of specific contractual clauses – compliance with the Model and the Code of Conduct by the Model Recipients such as suppliers, consultants, etc.

Each of the aforementioned subjects is therefore contractually obliged to comply with the principles of the Model and the Code of Conduct.

**2.7. DISCIPLINARY/SANCTIONING SYSTEM**

One of the essential elements to confer exculpatory effectiveness to the Model is that it is accompanied by a *'disciplinary system suitable to sanction non-compliance with the measures indicated in the Model'* [art.6, para. 2 letter e) of the Decree and art. 7, para. 4, letter b) of the Decree].

The existence of an adequate and effective disciplinary system is, therefore, an essential condition to ensure the effectiveness and efficiency of the Model.

The Disciplinary System has a purely internal function and operates regardless of any initiation of criminal proceedings for the 'relevant offense' possibly committed. The application of the sanctioning measures established in the Disciplinary System does not replace any further sanctions of other nature (criminal, administrative, civil) that may apply in individual cases.

The verification of the adequacy of the disciplinary system, the constant monitoring of any sanctioning procedures against employees, as well as interventions towards external subjects, are entrusted to the Supervisory Body, which also reports any violations it becomes aware of in the performance of its duties.

The holders of sanctioning power are specified in the following paragraphs.

The disciplinary/sanctioning system is based on the principles of specificity, immediacy, and proportionality.

The disciplinary/sanctioning system, while based on the same preventive function and the same principles of gradualness and publicity of sanctions, differs – depending on the recipients – in terms of applicable discipline and structure.

The defined disciplinary system may also be applied to members of the Supervisory Body, concerning the functions assigned to them by this Model.

The Company's disciplinary system may also be applied in cases of violations of the Model's provisions related to violation reports (so-called whistleblowing) as regulated in chapter 4.

#### **2.7.1. Violations of the Model**

Constitute violations of the Model:

1. behaviors that constitute the offenses contemplated in the Decree;
2. behaviors that, although not constituting one of the offenses contemplated in the Decree, are unequivocally directed towards their commission;
3. behaviors not conforming to the principles of the Electrolux Professional Group Code of Conduct;
4. behaviors not conforming to company procedures;
5. behaviors violating the preventive control tools referred to in chapter 2.5 **Error! Reference source not found.** this General Part;
6. behaviors not conforming to the provisions set forth in or referenced by the Model and, in particular, not conforming to the control measures in the Special Part and the Procedures referenced by the Model itself;
7. non-cooperative behavior towards the Supervisory Body, consisting, by way of example and not exhaustively, in refusal to provide requested information or documentation, failure to comply with general and specific directives issued by the Supervisory Body to obtain information deemed necessary for the fulfillment of its duties, unjustified failure to participate in inspections scheduled by the Supervisory Body, failure to attend training meetings.

The severity of violations of the Model will be assessed based on the following circumstances:

- the presence and intensity of the subjective element, whether intentional or negligent;
- the presence and intensity of negligent, imprudent, unskilled, or otherwise unlawful conduct;

- the extent of the danger and/or consequences of the violation for the persons covered by health and safety regulations in the workplace, as well as for the Company;
- the foreseeability of the consequences;
- the timing and manner of the violation;
- the circumstances in which the violation occurred;
- recidivism, consisting of repeated imposition of disciplinary sanctions for violations of the Model, as well as the reiteration of disciplinarily relevant behaviors, evaluated both in their episodic nature and overall (even if not sanctioned).

### **2.7.2. Violations related to the reporting system**

The following also constitute violations of the Model:

- retaliation of any kind (see par.4.3);
- obstruction or attempted obstruction of the Report;
- breach of confidentiality obligations;
- failure to effectively establish reporting channels;
- failure to adopt procedures for the execution and management of Reports or adoption of such procedures not in accordance with the provisions of Articles 4 and 5 of Legislative Decree 10 March 2023, no. 24;
- failure to carry out verification and analysis activities of the Reports received.

Furthermore, a disciplinary sanction is imposed when the criminal liability of the Reporter is ascertained, even with a first-instance judgment, for defamation or slander offenses, or the civil liability of the Reporter, for the same reason, in cases of willful misconduct or gross negligence.

These categories of disciplinary infractions will be subject to the sanctions specified in the following paragraphs, depending on the nature of the relationship with the Company and according to a general criterion of progressive correspondence between the category of infractions and the type of sanction.

In any case, disciplinary sanctions will be applied regardless of:

- the determination or not of damages as a consequence of the corresponding disciplinary infractions;
- the non-application, by ANAC, of the administrative pecuniary sanctions provided for the same cases by art. 21, paragraph 1, of the Whistleblowing Decree.

On the other hand, except for other particularities of the specific case, the following will be considered a significant aggravating circumstance:

- the fact that the infraction resulted in the application to the Company of an administrative pecuniary sanction pursuant to art. 21, paragraph 1, of Legislative Decree 24/2023 regarding Whistleblowing;
- the commission of the infraction by the Reporting Manager;
- the fact that the breach of confidentiality resulted in sanctioning measures by the Data Protection Authority.

Finally, in cases of unfounded reports, complaints, or disclosures made with willful misconduct or gross negligence, the determination of damage to the Company will be considered a maximum aggravating factor. In such cases, the Company also reserves the right to seek compensation from the responsible party.

Disciplinary sanctions will be applied in compliance with art. 7 of Law 20 May 1970, no. 300 and the provisions of the National Collective Labor Agreement (C.C.N.L.M.), following the procedure of contestation and receipt of justifications, where the latter are not found to be founded or sufficient for exemption purposes.

Where the responsible parties for the aforementioned infractions are seconded or temporary workers, the exercise of disciplinary power over them will take place in the forms and with the distribution of employer competences proper to the corresponding employment relationship.

### **2.7.3. Measures towards Employees**

Non-managerial subordinate workers who commit violations of the Model or the Code of Conduct are subject to the typical disciplinary power pursuant to art. 2106 of the Civil Code and art. 7 of Law no. 300/1970 (so-called Workers' Statute). The violation of individual behavioral rules contained in this Model and the Code of Conduct by non-managerial employees constitutes a disciplinary offense in accordance with the Metalworking Industry National Collective Labor Agreement.

The Company has approved a document called '*Rules, procedures and disciplinary sanctions for company personnel*' (so-called '*Disciplinary Code*') which, in application of art. 7 of the Workers' Statute, contains the full text of the rules, procedures, and disciplinary sanctions provided by the National Collective Labor Agreement and recalls the main duties of the employee.

This document – which, in compliance with the legal principle of publicity, is posted on all company notice boards – reminds the employee that they are required to diligence and obedience, to respect the Company Regulations posted on the notice board as well as all other rules, behavioral practices, and guidelines in force in the company and in any way brought to their attention.

The Disciplinary Code finally reiterates that the worker is required to comply with the Code of Conduct and the Model issued pursuant to Legislative Decree 231/2001, which express the Company's orientation in terms of correct behavior at work and within specific areas or processes.

The Disciplinary Code finally establishes that violation of the Company Regulations, behavioral rules and practices, as well as the Code of Conduct and the above Model, results in the application of the 'typical' disciplinary measures:

- verbal warning;
- written reprimand;
- fine not exceeding three hours of pay;
- suspension from work and pay for up to three days;
- dismissal with notice for misconduct;
- dismissal without notice for misconduct.

Any type of violation of the behavioral rules contained in the Model and the Code of Conduct authorizes the Supervisory Body (OdV) to request the competent company function to initiate the disciplinary contestation procedure and the possible imposition of one of the sanctions listed above, determined based on the severity of the violation committed in light of the criteria indicated in 2.7.1 and the behavior before (e.g., any previous violations committed) and after the fact (e.g., communication to the OdV of the irregularity) by the violator.

The holder of disciplinary power is the Human Resources Management, which may initiate the disciplinary procedure pursuant to art. 7 of the Workers' Statute and the C.C.N.L. – on the initiative of anyone who becomes aware of disciplinarily relevant facts.

In any case, the competent company function will always inform the OdV of the sanctions imposed and/or the violations ascertained.

In particular, with reference to violations of the Model committed by the worker, it is provided that:

1. the employee who violates **the internal procedures provided for** referred to in this Model or adopts, in carrying out activities in risk areas, behavior in violation of the prescriptions of the Model or the Code of Conduct, provided that such conduct does not result in the application of measures provided by the Decree, incurs verbal warning or written reprimand according to the severity of the violation;
2. the worker who repeatedly **violates the internal procedures provided for in this Model** or repeatedly adopts, in carrying out activities in risk areas, behavior in violation of the prescriptions of the Model or the Code of Conduct, provided that such conduct does not result in the application of measures provided by the Decree, or who commits acts of retaliation against those who made a Report for reasons directly or indirectly related to the Report itself, incurs a fine not exceeding three hours of hourly pay;
3. the employee who: (i) **violates the internal procedures provided for in this Model or adopts, in carrying out** activities in risk areas, behavior in violation of the prescriptions of the Model or the Code of Conduct, causing damage to the Company or exposing it to an objective danger to the integrity of its assets, provided that such conduct is not unequivocally directed to the commission of the Offense or does not result in the application of measures provided by the Decree; (ii) commits particularly serious acts of retaliation against those who made a Report for reasons directly or indirectly related to the Report itself; (iii) obstructs or attempts to obstruct a Report; (iv) fails to carry out verification and/or analysis activities of the Reports received; (v) violates confidentiality obligations regarding the identity of the Reporter; (vi) makes a Report with gross negligence that proves unfounded or willfully makes a Report that proves unfounded attributing the violation of the Model to others, where the criminal liability of the Reporter for defamation or slander offenses is ascertained, even with a first-instance judgment, or the civil liability of the Reporter for the same reason in cases of willful misconduct or gross negligence – incurs suspension from service and pay for up to 3 days;
4. the employee who adopts **a recidivist behavior** in any of the offenses that provide for suspension from work and pay for up to 3 days, as specified in point (3) above, more than twice within two years, as well as the employee who adopts behavior not compliant with the prescriptions of this Model or the Code of Conduct and unequivocally directed to the commission of an offense sanctioned by the Decree, or who adopts behavior clearly violating the prescriptions of this Model or the Code of Conduct, such as to result in the concrete application to the Company of measures provided by the Decree, incurs dismissal for misconduct. Furthermore, dismissal for misconduct applies to the employee who: (i) dismisses in retaliation anyone who made a report of unlawful conduct relevant for Legislative Decree 231/2001 or a violation of the Model, for reasons directly or indirectly related to the report; (ii) violates confidentiality obligations regarding the identity of the Reporter causing serious prejudice to the reporter; (iii) willfully makes an unfounded Report attributing to others the commission of unlawful conduct relevant for Legislative Decree 231/2001, where the criminal liability of the Reporter for defamation or slander offenses is ascertained, even with a first-instance judgment, or the civil liability of the Reporter for the same reason.

With reference to the risk of committing offenses in violation of health and safety regulations at work provided for in art. 25 *septies* of the Decree, also in compliance with the provisions of the

Ministry of Labor Circular of 11 July 2011 no. 15816, concerning 'Organizational and management model pursuant to art. 30 Legislative Decree 81/2008', the possible violations are indicated below, graduated in increasing order of severity:

1. the employee who does **not comply with the Model**, in cases where the violation results in a situation of potential danger to the physical integrity of one or more persons, including the violator, and provided that none of the cases provided for in points 2, 3, 4 below are met, incurs verbal warning or written reprimand;
2. the employee who repeatedly **violates the internal procedures provided for in this Model** or repeatedly adopts, in carrying out activities in risk areas, behavior in violation of the prescriptions of the Model or the Code of Conduct – provided that such conduct does not result in the application of measures provided by the Decree – and in cases where the violation results in injury to the physical integrity of one or more persons, including the violator, and provided that none of the cases provided for in points 3 and 4 below are met, incurs a fine not exceeding three hours of hourly pay;
3. the employee who: (i) **does not comply with the Model, in cases where the violation causes** an injury, qualifying as 'serious' pursuant to art. 583, paragraph 1 of the Criminal Code, to the physical integrity of one or more persons, including the violator, and provided that none of the cases provided for in point 4 below are met; (ii) adopts recidivist behavior in any of the offenses that provide for the fine, as specified in point (2) above, more than twice within two years, incurs suspension from work and pay for up to 3 days;
4. the employee who adopts **recidivist behavior** in any of the offenses that provide for suspension from work and pay for up to 3 days, as specified in point (3) above, more than twice within two years, as well as the employee who does not comply with the Model, in cases where the violation causes an injury qualifying as 'very serious' pursuant to art. 583, paragraph 2 of the Criminal Code to the physical integrity or<sup>8</sup> death of one or more persons, including the violator, incurs dismissal for misconduct.

In cases where the contested infraction is of particular gravity, the employee may be suspended precautionarily from work immediately, until the sanction is imposed, in compliance with the provisions of the Workers' Statute and the above-mentioned C.C.N.L.

No disciplinary measure may be adopted without prior contestation of the charges to the worker and without having heard their defense.

The contestation of charges specifying the constitutive fact of the infraction shall be made by written communication, indicating the deadline within which the employee may submit their justifications, which shall in no case be less than five working days.

The employee may be assisted by a member of the Unitary Union Representation.

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<sup>8</sup> Art. 583 c.p. Circostanze aggravanti

La lesione personale è grave e si applica la reclusione da tre a sette anni

1. se dal fatto deriva una malattia che metta in pericolo la vita della persona offesa, ovvero una malattia o un'incapacità di attendere alle ordinarie occupazioni per un tempo superiore ai quaranta giorni;
2. se il fatto produce l'indebolimento permanente di un senso o di un organo;

La lesione personale è gravissima, e si applica la reclusione da sei a dodici anni, se dal fatto deriva:

1. una malattia certamente o probabilmente insanabile;
2. la perdita di un senso;
3. la perdita di un arto, o una mutilazione che renda l'arto inservibile, ovvero la perdita dell'uso di un organo o della capacità di procreare, ovvero una permanente e grave difficoltà della favella;
4. la deformazione, ovvero lo sfregio permanente del viso.

#### **2.7.4. Measures against Managers**

With regard to violations of the individual rules contained in this Model or the Code of Conduct committed by employees of the Company holding the qualification of 'manager', these also constitute disciplinary offenses.

Any type of violation of the behavioral rules contained in the Model authorizes the Supervisory Body (OdV) to request the competent function to impose one of the sanctions listed below, determined based on the severity of the violation committed in light of the criteria 2.7.1 in paragraph 2.7.1 and the behavior before (e.g., any previous violations committed) and after the fact (e.g., communication to the OdV of the irregularity) by the violator.

The disciplinary measures applicable to 'managers' - in compliance with the procedures provided for in Article 7, paragraphs 2 and 3 of Law No. 300 of May 30, 1970 (Workers' Statute), the collective agreement "Managers – Industry" and any applicable special regulations - are those provided for in the following sanctioning framework:

- a. written reprimand;
- b. disciplinary suspension;
- c. dismissal for justified reason;
- d. dismissal for just cause.

In any case, the competent company function will always inform the OdV of the sanctions imposed and/or the violations ascertained.

In particular, with reference to violations of the Model committed by the Company's managers, it is provided that:

- in the case of a non-serious violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct, the manager incurs **a written reprimand** consisting of a reminder to comply with the Model or the Code of Conduct, which constitutes a necessary condition for maintaining the trust relationship with the Company;
- in the case of a non-serious but repeated violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct, the manager incurs the **disciplinary suspension from work and pay for up to a maximum of 3 days**;
- in the case of a serious violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct such as to constitute a significant breach, or in the case of recidivism in any of the offenses that provide for suspension more than twice within two years, the manager **incurs dismissal for justified reason**;
- where the violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct – as specified in the points above – is of such severity as to irreparably damage the trust relationship, not allowing even provisional continuation of the employment relationship, the manager incurs **dismissal for just cause**.

Furthermore, for employees of the Company holding the qualification of 'manager', the following constitute serious violations of the Model's provisions:

- failure to comply with the obligation of direction or supervision over subordinate employees regarding the correct and effective application of the Model and the Code of Conduct;
- failure to comply with the obligation of direction and supervision over other workers who, although not bound to the Company by a subordinate employment relationship (e.g., self-employed workers, Consultants, Collaborators, etc.), are nevertheless subject to the direction and supervision of the 'manager' pursuant to Article 5, paragraph 1, letter b) of Legislative Decree 231/01, without prejudice to the qualification of the contract with such workers.

The manager incurs one of the aforementioned sanctions, depending on the severity, if their responsibility is ascertained for one or more violations related to the reporting system.

#### **2.7.5. Measures against 'Third-Party Recipients'**

The Company has provided that subjects not bound to the Company by an employment relationship shall be subject to specific clauses inserted in the letters of appointment and/or contractual agreements, according to which non-compliance with the principles of the Model and/or indictment and/or conviction for one of the offenses provided for by Legislative Decree No. 231/01 constitutes a serious contractual breach and is grounds for termination of the contract pursuant to Article 1456 of the Civil Code and for compensation for any damage caused to the Company.

Any violation committed by Third-Party Recipients involved in Sensitive Activities may result, according to the specific contractual clauses inserted in the letters of appointment or agreements with them, and based on the severity of the violation found:

- a written warning to comply with the provisions of the Model and the Code of Conduct;
- the application of a penalty;
- termination of the contractual relationship, without prejudice to any claim for compensation, should such behavior cause damage to Electrolux Professional S.p.A., as in the case of application by the judge of the measures provided for by the decree.

In the event that violations of the Model are committed by temporary workers or by workers within contracts for the supply of works or services, or by a seconded worker, the Company will promptly inform the temporary work agency, contractor, or seconding company for the possible adoption by them of sanctioning measures against their employees and/or collaborators in compliance with the procedures provided for by Article 7 of Law 300/1970, following a detailed written communication from the competent functions.

Any consequences (termination and/or compensation) resulting from violations committed by employees and/or collaborators of the 'Third-Party Recipients' will be charged by the Company to the latter.

#### **2.7.6. Measures against Members of the Board of Directors (Directors)**

If one or more Directors of the Board violate the provisions contained in the Model or the Code of Conduct, the Board of Directors will carry out all necessary investigative activities to ascertain the alleged violation.

Subsequently, it will send to the interested party and the Board of Statutory Auditors a report indicating:

- a. the contested conduct and the related supporting evidence, as well as the provisions of the Model violated;
- b. the alleged violator;
- c. the sanction intended to be applied.

Subsequently, the Board of Directors will summon the interested party to hear any justifications.

The Board of Directors – if it does not consider the defenses acceptable – after a resolution of the Board of Directors to be adopted with the abstention of the interested party and, where provided by law and/or the Articles of Association, with a resolution of the Shareholders' Meeting, will proceed according to a proportionality criterion to apply one of the following sanctions:

- warning to cease the conduct contrary to the provisions of the Model;
- temporary suspension from office;
- revocation from office;

In particular, with reference to violations of the Model committed by one or more members of the Company's Board of Directors, it is provided that:

- in the case of a non-serious violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct, including violations related to the reporting system, the Board member incurs a written warning consisting of a reminder to comply with the Model or the Code of Conduct, which constitutes a necessary condition for maintaining the trust relationship with the Company;
- in the case of a serious violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct, including violations related to the reporting system, the Board member incurs **temporary suspension from office**;
- in the case of a serious violation of one or more procedural or behavioral rules provided for in the Model or the Code of Conduct such as to irreparably damage the trust relationship, the Board member incurs **revocation from office**.

Furthermore, for members of the Company's Board of Directors, violation of the obligation of direction or supervision over subordinates regarding the correct and effective application of the provisions of the Model or the Code of Conduct will also constitute a sanctionable violation of the Model.

In the event of a violation of the Model or the Code of Conduct by the entire Board of Directors of the Company, the OdV will inform the Board of Statutory Auditors so that it convenes the Shareholders' Meeting without delay for appropriate measures.

In the event of a violation committed by a director who is also an employee of the Company, the same will also be sanctionable pursuant to the provisions of the preceding paragraphs (i.e., disciplinary system for employees or managers), where applicable.

#### **2.7.7. Measures against the Board of Statutory Auditors**

If one or more members of the Board of Statutory Auditors violate the provisions contained in the Model, the Board of Directors will carry out all necessary investigative activities to ascertain the alleged violation.

Subsequently, it will send to the interested party and the other members of the Board of Statutory Auditors a report indicating:

- a. the contested conduct and the related supporting evidence, as well as the provisions of the Model violated;
- b. the alleged person responsible for the Violation;
- c. the sanction intended to be applied.

Subsequently, the BoD will summon the interested party in order to hear any justifications.

The BoD – if it does not consider the defenses presented acceptable – will proceed according to a proportionality criterion to propose the application of one of the following sanctions:

- warning to cease the conduct contrary to the provisions of the Model;
- temporary suspension from office;
- revocation of the appointment.

The BoD convenes the Shareholders' Meeting for appropriate measures.

If the sanction of revocation of the appointment is applied to a member of the Board of Statutory Auditors, article 2400, paragraph 2 of the Civil Code will apply.

#### **2.7.8. Measures against the Supervisory Body**

The BoD, if one or more members of the Supervisory Body violate the provisions contained in the Model, will proceed with the immediate revocation of the appointment, after consultation with the Board of Statutory Auditors.

The Company has the option to apply disciplinary sanctions related to the contractual type existing with the interested party (employment or appointment) as well as to propose any compensation actions.

### **3. THE SUPERVISORY BODY**

Article 6, paragraph 1, letter b) *provides*, in order to benefit from the exemption mechanism from liability, the assignment of the supervisory activity regarding the functioning and compliance with the Model as well as its updating to an "entity body endowed with autonomous powers of initiative and control": the so-called Supervisory Body.

In the absence of a specific description by the Decree, the characteristics of the Supervisory Body and its members have been evaluated in light of the indications provided by the Confindustria Guidelines.

#### **3.1. APPOINTMENT, COMPOSITION AND FUNCTIONING OF THE SUPERVISORY BODY**

The Company's Supervisory Body is a collegial body composed of two to three internal members determined by the Board of Directors and an external Chairman.

The members of the Supervisory Body are appointed by the Board of Directors with a decision taken by majority of its members and remain in office until the first meeting of the new BoD, which will proceed with the renewal or modification of the positions.

Before each new appointment, the Board of Directors verifies the existence of the requirements expressly required by the Decree for the member of the Supervisory Body, as well as the other requirements mentioned in this chapter.

The Board of Directors periodically assesses the adequacy of the Supervisory Body in terms of organizational structure and conferred powers.

To regulate its functioning, the Supervisory Body adopts its own internal regulations which in no case may conflict with the provisions contained in this Model adopted by the Company.

Any change in the composition of the Supervisory Body or the assignment of the role of Supervisory Body to a subject other than the one identified here or the modification of the functions assigned to the Supervisory Body must be resolved by the Board of Directors.

The member of the Supervisory Body may resign from office and, on the other hand, be re-elected at the end of the term.

### **3.2. CAUSES OF INELIGIBILITY, REASONS AND POWERS OF REVOCATION**

Appointment as a member of the Supervisory Body is conditioned on the presence of subjective requirements of honorability, integrity, respectability and professionalism, as well as the absence of the following causes of incompatibility with the appointment itself:

- existence of kinship, marriage or affinity relationships within the fourth degree with members of the Board of Directors, with top management in general, with the Company's statutory auditors and with auditors appointed by the auditing firm;
- existence of conflicts of interest, even potential, with the Company such as to prejudice the independence required by the role and duties of the Supervisory Body;
- providing surety or other guarantees in favor of one of the directors (or their spouse), or having credit or debt relationships with them unrelated to the appointment;
- direct or indirect ownership of shareholdings of such an entity as to allow significant influence over the company;
- exercise of administrative functions – in the three years prior to the appointment as a member of the Supervisory Body – of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- public employment relationship with central or local administrations in the three years prior to the appointment as a member of the Supervisory Body or the establishment of the consultancy/collaboration relationship with the same body;
- existence of a conviction, even if not final, or sentence of application of the penalty upon request (so-called plea bargaining), in Italy or abroad, for the crimes referred to in the decree;
- existence of a conviction, even if not final, to a penalty involving disqualification, even temporary, from public offices, or temporary disqualification from management offices of legal entities and companies;
- existence of a conviction, with a final sentence, or sentence of application of the penalty upon request (so-called plea bargaining) in Italy or abroad, for crimes other than those referred to in the decree, affecting professional morality.

The member of the Supervisory Body, upon acceptance of the appointment, issues a specific declaration to the Company attesting, under their own responsibility, that none of the above incompatibility reasons exist.

The above rules also apply in the case of appointment of a member of the Supervisory Body replacing the previously appointed member.

If during the term the member of the Supervisory Body ceases to hold office (e.g., due to resignation or revocation), the Company's Board of Directors will proceed with the appointment of the replacement(s).

Revocation from the office of member of the Supervisory Body and the assignment of such office to another subject may only occur for just cause, also related to organizational restructuring interventions of the Company, by means of a specific resolution of the Board of Directors taken by majority of its members and with the approval of the Board of Statutory Auditors.

For this purpose, "just cause" for revocation of the powers connected with the appointment as a member of the Supervisory Body may be understood, by way of example and not limitation:

- loss of the subjective requirements of honorability, integrity, respectability and professionalism present at the time of appointment;
- the occurrence of a cause of incompatibility;
- serious negligence in the performance of the duties connected with the appointment such as (by way of example only): failure to prepare the semi-annual information report or the annual summary report on the activities carried out to the Board of Directors; failure to prepare the activity plan;
- the "omission or insufficient supervision" by the Supervisory Body; as provided by article 6, paragraph 1, letter d) of the Decree;
- the assignment of operational functions and responsibilities within the company organization incompatible with the requirements of "autonomy and independence" and "continuity of action" proper to the Supervisory Body;
- the false declaration regarding the absence of the incompatibility reasons described above.

In cases of particular seriousness, the Board of Directors may nevertheless order – after hearing the opinion of the Board of Statutory Auditors – the suspension of the powers of the Supervisory Body and the appointment of an interim *Body before proceeding* with the revocation of the Supervisory Body.

If the member of the Supervisory Body finds themselves in a conflict of interest situation, they must immediately report it to the Board of Directors, which will decide accordingly.

### **3.3. REQUIREMENTS OF THE SUPERVISORY BODY**

Below are the main requirements that the Supervisory Body must possess in order to correctly guide its activity and pursue the exempting purpose referred to in the Decree.

First of all, the action of the Supervisory Body (which must be considered as a whole and not with reference to individual members) must **be characterized by autonomy** and functional independence, that is free from any form of interference and/or conditioning by any other function of the Company and, in particular, the so-called "governing body".

The Company – also taking into account the prevailing guidelines on the matter – has placed the Supervisory Body (OdV) in a 'hierarchical' position that allows it to report directly to the Board of Directors and, therefore, to reduce the risk of interference.

The second element that must characterize the OdV is professionalism. **Its** members must therefore possess the technical-professional skills suitable for carrying out the verification activities on the functioning and compliance of the Model assigned to them.

The OdV has adequate technical-professional skills within it to effectively perform the functions assigned to it and has the authority to use, for the purpose of carrying out its duties and with

budget autonomy, consultants and personnel, including internal staff, equipped with the specific professional skills required.

The last element consists **of continuity of action, whereby** the OdV must carry out its typical activity consistently and thoroughly.

Continuity of action is guaranteed by the fact that the OdV operates permanently within the Company for the performance of the assigned task and that its members have an actual and in-depth knowledge of the business processes, being able to have immediate awareness of any critical issues.

For full compliance with the provisions of the Decree, the OdV, as identified above, is a body that reports directly to the top management of the Company (Board of Directors) and is not bound to operational structures by any hierarchical constraint, so as to guarantee its full autonomy and independence in the performance of its functions.

The activities carried out by the OdV cannot be challenged by any other corporate body or structure, without prejudice to the fact that the Board of Directors is in any case called upon to carry out supervisory activities on the adequacy of its intervention, as it is ultimately responsible for the functioning and effectiveness of the Model.

Each member of the OdV possesses the skills, knowledge, and professional competencies as well as the integrity requirements indispensable for carrying out the tasks assigned to them, being equipped with suitable inspection and consultancy skills as well as legal expertise in internal control and safety and environmental management systems.

Furthermore, in accordance with the provisions of the Confindustria Guidelines, best practices, and *case law* on the matter, it is considered that the OdV, in the composition indicated above, has the necessary requirements of independence, autonomy, professionalism, and continuity of action.

### **3.4. FUNCTIONS AND POWERS OF THE OdV**

As stated, the Decree assigns the OdV the *'task of supervising the functioning and compliance of the models [and] of ensuring their updating'*.

In detail, therefore, the OdV must:

- constantly monitor the exculpatory effectiveness of the Model, both in terms of the adequacy of the principles, rules, and procedures contained therein, and in terms of compliance with it by its Recipients;
- promptly identify the need to update the Model, following changes in the company structure and organization, the regulatory framework, or other significant events, and report it to the Board of Directors;
- update the Board of Directors semi-annually on the outcome of the verification and control activities carried out;
- promptly inform the Board of Directors where critical issues or problems arise that require its intervention (see more in detail §3.4).

The OdV must also operate:

- *ex-ante* (for example, by providing training and information to personnel);
- continuously (through monitoring, supervision, review, and updating activities);

- *ex-post* (analyzing causes and circumstances that led to violations of the Model's provisions or the commission of the offense).

In order to achieve the objectives described above, the OdV:

1. plans and periodically **carries** out 'on-site' checks aimed at verifying the actual efficiency and effectiveness of the Model (so-called *Audits*) and its Prevention Protocols, with reference to the various company functions and processes;
2. where necessary, proposes to the relevant company units to integrate and modify **the aforementioned Protocols so that they** adequately regulate the performance of 'sensitive' activities;
3. in case of detected non-compliance, identifies and prescribes corrective **actions** to be taken, subsequently verifying that the involved Company Units have complied and reporting any remaining criticalities and non-compliance to the Board of Directors;
4. identifies and initiates periodic reporting obligations (so-called information flows)<sup>9</sup> for the company functions operating within the processes considered 'sensitive';
5. periodically verifies **the completeness and accuracy of the mapping of risk areas and strategic processes and**, if necessary, proceeds with their adjustment.
6. checks, also by sampling, the existence **and proper maintenance of documentation (i.e., contracts, accounting records**, written procedures, agreements, etc.) required in accordance with the provisions of the individual special parts of the Model;
7. identifies and monitors the implementation of periodic initiatives necessary **for the dissemination and knowledge** of the Model and identifies **the content** of training for personnel and all those operating on behalf of the Company;
8. verifies that the existing **system of authorization and signature powers is consistent with the** actual organizational and managerial responsibilities and proposes, where necessary, their update and/or modification;

In order to effectively and unconditionally carry out its activities, the OdV has the power to:

- a. access the Company's premises at any time and without notice;
- b. make use, under its own supervision and responsibility, of all Company structures;
- c. access any company document and/or information relevant to the performance of its functions (i.e., minutes of the Board of Directors and Board of Statutory Auditors, results of inspections by third parties or the internal audit function; contracts, etc.);
- d. make use of the assistance and support of Company employees as well as resort to external consultants of proven professionalism when necessary;
- e. delegate to the aforementioned subjects particularly complex technical tasks, with the obligation to report;
- f. request from the Parent Company evidence of audit activities *carried* out at the Company;

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<sup>9</sup> Per l'individuazione dei flussi informativi attivati per le diverse tipologie di processo, si rinvia alle Parti Speciali.

- g. ensure that the heads of company structures promptly provide the information, data, and/or news requested;
- h. proceed with direct hearings of personnel, directors, and members of the Board of Statutory Auditors of the Company who can provide information, as well as request information from the auditing firm and third parties providing consultancy or services to the Company (i.e., consultants, *commercial* partners, etc.);
- i. initiate disciplinary/sanctioning proceedings or liability actions by reporting violations found to the relevant Offices or company representatives;
- j. follow the progress of initiated proceedings, verifying their outcomes in order to plan subsequent activities.

To this end, the OdV shall have the authority to:

- issue provisions and service orders intended to regulate the activities of the OdV itself;
- access any and all company documents relevant to the performance of the functions assigned to the OdV pursuant to the Decree;
- issue directives to the various company structures, including top management, in order to obtain from them the information deemed necessary for the fulfillment of its tasks, so as to ensure the timely detection of any violations of the Model;
- carry out periodic checks based on its own activity plan or also unplanned spot interventions not included in said plan but deemed necessary for the performance of its duties.

Within its activities, the OdV may expressly provide for formalized moments of meeting and discussion, in particular with:

- the Board of Statutory Auditors;
- the key actors in the internal control system.

All activities carried out by the *OdV* (i.e., audits, exploratory interviews, etc.), except those of purely internal relevance, are subject to precise minute-taking.

The OdV archives the minutes of each meeting held, reports received, informational reports sent, and the results of investigation and verification activities carried out in a dedicated archive (both electronic and paper) for a period of 10 (ten) years, in compliance with data protection regulations.

This archive is confidential and may only be accessed by members of the OdV itself, the Board of Directors (CdA), the Board of Statutory Auditors, and any other parties only if previously and formally delegated and authorized in writing by the OdV itself. The same confidentiality treatment applies to OdV data contained in electronic media.

Finally, to guarantee the principle of autonomy and independence, the OdV must have budgetary *and* spending autonomy to carry out activities functional to achieving its objectives.

Consequently, the Board of Directors is required to approve each year – upon proposal by the OdV itself – an adequate allocation of financial resources.

In exceptional and urgent cases, however, the OdV may commit resources exceeding its spending powers. Such exceptional use of resources will subsequently be reported to the Board of Directors through a written report.

### **3.5. OdV REPORTING TO THE BOARD OF DIRECTORS**

Regarding reporting activities to *corporate* bodies, the OdV is required to report continuously to **the Board of Directors** on the implementation of the Model within the Company.

The OdV **submits** a written report to the Board of Directors every six months on the implementation of the Model within the Company, containing, for the reference period:

1. the activities carried out, especially verification activities;
2. the critical issues and problems that have emerged both in terms of relevant internal behaviors and in terms of the Model's effectiveness, along with related intervention proposals;
3. the notification of any changes in the regulatory framework and/or corporate structure that require an update of the Model;
4. activities that could not be carried out and the reasons for non-execution;
5. sanctions applied by the Company following violations of the Model;

The OdV also submits annually to the Board of Directors a 'Supervision Plan' (hereinafter the 'Plan'), in which the intervention areas and verification activities to be carried out, as well as the related budget forecast, are identified and specified.

This Plan may be modified during the year, but the OdV is required to notify the Board of Directors of the reasons that led to the amendment.

Based on the Plan, the OdV will prepare a schedule of activities, identifying the timing for carrying out 'audit' activities and the timing for sending and receiving information flows.

Outside the activities planned in the Plan, the OdV also has the authority to carry out additional and specific unannounced verification initiatives (so-called unscheduled audits), especially following received reports.

Finally, the OdV promptly **communicates** to the Board of Directors any problems detected during the supervisory activities carried out, also to obtain, where necessary, the adoption of urgent measures by the Board of Directors.

In particular, the OdV reports on:

1. any violation of the Model that has presented urgent critical issues to be analyzed;
2. emerging organizational and/or procedural deficiencies which, if not remedied, result in an unacceptable increase in risk levels as assessed by the OdV based on the pre-existing framework;
3. particularly significant regulatory changes for the implementation and effectiveness of the Model;
4. lack of cooperation by company structures (in particular, refusal to provide the OdV with requested documentation or data, or obstruction of its activities);
5. measures and/or crime reports from judicial police bodies or any other authority, indicating investigations against the Recipients referred to in point 2.3 or even against unknown persons for the offenses referred to in the Decree;
6. the conduct and outcome of the aforementioned proceedings.

The OdV, in turn, may be summoned at any time by the Board of Directors and/or the Board of Statutory Auditors.

### **3.6. INFORMATION OBLIGATIONS TOWARDS THE OdV**

Article 6, paragraph 2, letter b) of the Decree establishes that 'information obligations towards the OdV' must be provided.

This obligation is generally intended to periodically verify the results of control procedures implemented by the individual company functions involved or to detect anomalies or irregularities.

The Company's OdV is the recipient of two types of 'information flows':

**A) Periodic information flows**

These are specifically considered in the special part of the Model (to which reference is made for specific contents) and are as follows:

- Submission of Semi-Annual Reports on environment, health, and safety, prepared by the Employers.
- Submission of Audit Reports carried out by other Control Bodies (e.g., certification bodies on environment, health, and safety) relevant for prevention purposes.
- Monthly submission, by the competent Human Resources Department, of disciplinary complaints and any measures adopted against employees.

**B) 'Event-driven' information flows**

The OdV must receive any other (possible) information concerning the implementation of the Model, especially where it is believed that certain events may generate liability for the Company itself under the Decree. Examples include:

- measures and/or information from judicial authorities or any other authority (e.g., administrative, accounting, financial, etc.) indicating the initiation and/or conduct of investigations – even against unknown persons – for offenses or administrative violations under the Decree;
- requests for legal assistance submitted by employees in case of initiation of judicial proceedings against them for offenses provided for by the Decree;
- any deficiencies in existing procedures and/or reasoned indications of the need to modify the Model or Protocols;
- notification of the initiation of particularly significant operations or those with risk profiles such as to reasonably suggest the danger of offenses being committed.
- results of control activities carried out within other company functions from which facts, acts, events, or omissions with critical profiles regarding compliance with the Decree have emerged;
- notification of requests for disbursement and/or use of public funding

The 'periodic' and 'event-driven' information flows, provided for by the Model or the OdV, must be sent to the e-mail address: [organismo.vigilanza@electroluxprofessional.com](mailto:organismo.vigilanza@electroluxprofessional.com)

The regulation of information flows towards the OdV in terms of frequency, transmission methods, and responsibility for transmission is detailed in a specific procedure or organizational provision defined and issued by the OdV itself ('Procedure for managing information flows to the supervisory body pursuant to Legislative Decree 231/2001').

## **4. REPORTING OF ILLEGALITIES OR VIOLATIONS OF THE MODEL**

### **4.1. GENERAL PRINCIPLES**

Any violations of the Model or conduct that may constitute offenses under Legislative Decree 231/2001 may be reported through the different channels made available by the Company.

The Company is aware that, in order to encourage reporting, it is appropriate to create a *dedicated management* system that protects, through appropriate technical and organizational measures, the confidentiality of the identity of the reporting person, the person involved, and any

person mentioned in the report, as well as the content of the report and related documentation, and that is entrusted to an autonomous and specifically trained subject.

The Company has therefore equipped itself, in compliance with applicable regulations, with specific reporting channels, also defining operational methods and responsibilities for receiving, evaluating, managing, and closing reports.

#### **4.2. REPORTING SYSTEM**

With specific reference to the scope of application of the Model, internal and external subjects to the Company (by way of example: employees, *collaborators*, shareholders, consultants, outsourcers, employees and collaborators of supplier companies), expressly indicated by the applicable legislation (hereinafter also simply "Reporters"), who within the work context, understood as current or past work or professional activity carried out with the Company, have become aware of or acquired information on violations of the Model or on unlawful conduct relevant pursuant to Legislative Decree 231/2001, may make reports in writing through one of the following channels:

- Digital platform called "Ethicspoint" (hereinafter also "Platform") available at the following link:  
<https://secure.ethicspoint.eu/domain/media/en/gui/105753/index.html>;
- Confidential letter, sent to the Supervisory Body of Electrolux Professional S.p.A. c/o the central post office located at "Viale Treviso, 15 – 33170 Pordenone(PN)";

Reports may also be made orally, at the request of the Reporter, conveyed through one of the established channels, by means of a direct meeting with the report manager; the meeting will be scheduled within a reasonable time frame.

Reports may also be anonymous and must describe in detail the facts and persons subject to the report itself.

Through the aforementioned channels, in addition to reports concerning the scope of application of the Model, reports may also be made regarding other violations referred to by the applicable legislation (reports concerning the scope of application of the Model and reports regarding other violations referred to by the applicable legislation, hereinafter jointly also simply "Reports").

Within the aforementioned channels and at each subsequent stage of managing the Report, the confidentiality of the Reporter's identity is ensured. Specifically, the identity of the Reporter cannot be disclosed to persons other than those specifically designated and authorized to receive and manage the Report, without the express consent of the Reporter. Furthermore, the confidentiality of the identity of the person involved and of any person mentioned in the Report, as well as the content of the Report and related documentation, is guaranteed.

The management of Reports is governed by a procedure that describes the operational methods of the process in its main phases, the actors involved and their respective areas of intervention and responsibility, as well as the methods of archiving the produced documentation, with particular regard to the implementation of confidentiality protection and the following aspects:

- submission of the Report by the Reporter;
- receipt of the Report (and sending of the acknowledgment of receipt to the Reporter within seven days from the date of receipt);
- dialogue with the Reporter;
- evaluation of the Report, conducting investigations and closing the Report;
- sending feedback to the Reporter (within three months from the date of acknowledgment of receipt);
- implementation of obligations regarding personal data protection, in compliance with current legislation;
- storage of documentation related to the Report;

- execution of external Reports.

#### **4.3. PROHIBITION OF RETALIATION**

The Company guarantees Reporters acting in good faith protection against any form of retaliation, discrimination or penalty for reasons directly or indirectly related to the Report, including, by way of example:

- dismissal, suspension or equivalent measures;
- demotion or failure to promote;
- change of duties, change of workplace, salary reduction, change of working hours;
- suspension of training or any restriction on access to it;
- negative merit notes or negative references;
- adoption of disciplinary measures or other sanctions, including monetary;
- coercion, intimidation, harassment or ostracism;
- discrimination or otherwise unfavorable treatment;
- failure to convert a fixed-term employment contract into a permanent contract, where the worker had a legitimate expectation of such conversion;
- non-renewal or early termination of a fixed-term employment contract;
- damage, including to the person's reputation, particularly on *social* media, or economic or financial prejudice, including loss of economic opportunities and loss of income;
- inclusion in improper lists based on a formal or informal sectoral or industrial agreement, which may result in the person being unable to find employment in the sector or industry in the future;
- early termination or cancellation of a supply contract for goods or services;
- cancellation of a license or permit;
- request for psychiatric or medical examinations.

Protection of the Reporter also applies if the Report occurs:

- when the employment relationship has not yet started, if information on violations was acquired during the selection process or other pre-contractual phases;
- during the probationary period;
- after termination of the legal relationship if information on violations was acquired during the relationship itself.

The aforementioned protections also apply:

- to persons assisting Reporters in the reporting process ("facilitators");
- to persons in the same work context as the Reporter and who are linked to them by a stable emotional or kinship bond up to the fourth degree;
- to the Reporter's colleagues working in the same work context and who have a habitual and ongoing relationship with the Reporter;
- to entities owned by the Reporter or for which they work, as well as to entities operating in the same work context as the Reporter.

The aforementioned protections are not guaranteed and the Reporter is subject to disciplinary sanctions if it is ascertained that the Reporter themselves is criminally liable, even with a first-instance judgment, for the crimes of defamation or slander or civilly liable for the same reasons, in cases of intent or gross negligence. The Report is considered made in good faith if the

Reporter, at the time of the Report, had founded reasons to believe that the information on the reported violations was true.

Information concerning news related to disciplinary proceedings and sanctions imposed or to the dismissal of such proceedings with related reasons must be mandatorily transmitted to the Supervisory Body.

## **5. INTRODUCTION TO THE SPECIAL PART**

Pursuant to the provisions of art. 6, paragraph 1, letter a) of the Decree, the Company has proceeded with the identification of *Sensitive Activities (Control and Risk Self Assessment)*.

The Company has consequently identified and effectively implemented adequate safeguards within the control system in order to make it suitable to reduce the risk of commission of crimes.

In particular, the Protocols constituting the Special Part of the Model include:

- the Sensitive Activities with reference to each category of crime identified as relevant for the Company;
- for each Sensitive Activity, the existing control safeguards, aimed at or otherwise suitable to reduce the risk of commission of predicate offenses. These control safeguards are contained and implemented in the Procedures and other components of the internal control system.

A "Sensitive Activities/Protocols/Crimes Matrix" (Annex 1) has also been developed to facilitate the association between each sensitive activity, the protocols governing them, and the crimes potentially relevant to such activities.

The Protocols are as follows:

- Protocol 01 "*Relations with Public Administration, including inspections*"
- Protocol 02 "*Management of financial resources*"
- Protocol 03 "*Procurement of goods and services, including the assignment and management of consultancy and contracts;*"
- Protocol 04 "*Human resources management, including expense reports and reimbursements;*"
- Protocol 05 "*Management of commercial activities and relations with agents/distributors/business finders;*"
- Protocol 06 "*Management of litigation;*"
- Protocol 07 "*Management of intra-group relations;*"
- Protocol 08 "*Management of the financial statements (accounting and operations on share capital and extraordinary transactions), relations with the shareholder and the Board of Statutory Auditors, and taxation;*"
- Protocol 09 "*Management of gifts, donations, liberal disbursements, and sponsorships;*"
- Protocol 10 "*Management of research and development activities;*"
- Protocol 11 "*Management of information systems;*"
- Protocol 12 "*Management of Health and Safety in the workplace;*"
- Protocol 13 "*Management of environmental compliance obligations.*"

## **6. RELEVANT PREDICATE OFFENSES FOR THE COMPANY**

Considering the structure and activities carried out by the Company, through the *Control and Risk Self Assessment activity*, the Company has identified the following categories of predicate offenses as relevant:

- offenses committed against the Public Administration (Articles 24 and 25 of the Decree);

- computer crimes and unlawful data processing (Article 24-bis of the Decree);
- organized crime offenses and transnational crimes (Article 24-ter of the Decree and Article 10, Law No. 146 of March 6, 2006);
- counterfeiting of currency, public credit cards, revenue stamps, and identification instruments or signs (Article 25-bis of the Decree);
- offenses against industry and commerce (Article 25-bis.1 of the Decree);
- corporate crimes (Article 25-ter of the Decree);
- private corruption offenses (Article 25-ter of the Decree);
- offenses against individual personality, including the crime of illegal mediation and labor exploitation (Article 25-quinquies of the Decree);
- manslaughter or serious or very serious injuries committed in violation of health and safety regulations at work (Article 25-septies of the Decree);
- receiving, money laundering, and use of money, goods or benefits of illicit origin, as well as self-laundering (Article 25-octies of the Decree);
- offenses related to payment instruments other than cash and fraudulent transfer of values (Article 25-octies.1 of the Decree);
- offenses related to copyright infringement (Article 25-novies of the Decree);
- environmental crimes (Article 25-undecies of the Decree);
- employment of third-country nationals with irregular residence (Article 25-duodecies of the Decree);
- tax crimes (Article 25-quinquiesdecies of the Decree);
- smuggling offenses (Article 25-sexiesdecies of the Decree);
- offenses against cultural heritage and laundering of cultural goods, and devastation and looting of cultural and landscape assets (Articles 25-septiesdecies and 25-duodevicies of the Decree).

Examples of predicate offenses applicable to the Company within the scope of Sensitive Activities are reported in the *Control and Risk Self Assessment* document, which forms an integral part of this Model.

## **7. GENERAL CONTROL MEASURES**

In managing all Sensitive Activities, in addition to the provisions of the Code of Conduct, the following control measures apply:

- It is prohibited to engage in behaviors:
  - that constitute the above-mentioned offenses;
  - which, although not constituting per se offenses among those listed above, could potentially become such;
  - in any case, that are not in line with or do not comply with the principles and requirements contained in the Model and the Code of Conduct;
- The management of Sensitive Activities must be carried out exclusively by the competent company functions;
- Company employees must strictly adhere to and respect any limits set forth in organizational delegations or powers of attorney granted by the Company;
- Company employees are required to comply with company procedures applicable to Sensitive Activities, appropriately updated and disseminated within the organization.

## **Annex 1**

Table of Sensitive Activities/Crimes/Protocols.