
Stabilimenti	ABP142PROCP3	Regione Lombardia	- 24047 Treviglio (BG)	- Via Calvenzano, 10
	ABP142COLL3	Regione Lombardia	- 24047 Treviglio (BG)	- Via Calvenzano, 10
	ABP134COLL3	Regione Lombardia	- 24047 Treviglio (BG)	- Via Calvenzano, 15
	ABP963STORP3	Regione Lombardia	- 24047 Treviglio (BG)	- Via Fissi/Casirate Vecchia
	ABP53PROCP3	Regione Veneto	- 37060 Sorgà (VR)	- Via Sabbioni, 14

ORGANISATION, MANAGEMENT AND CONTROL MODEL

of

"ECB Company S.r.l."

GENERAL SECTION

Drawn up in accordance with Legislative Decree No. 231 of 8 June 2001, as subsequently amended.

Approved by the minutes of the meeting of the Board of Directors on February 27th, 2020

INTRODUCTION

ECB Company S.r.l. is committed to ensuring fairness and transparency when conducting its commercial and corporate activities to protect its position and image and the expectations of its stakeholders and the work of its employees.

On 3 July 2017, Saria International GmbH Group acquired ECB Company S.r.l. which deemed it appropriate to adopt an organisational model, as required by Legislative Decree no. 231/01 (hereinafter the “Decree” or “Legislative Decree no. 231/01”) as a benchmark for the activities carried out by ECB Company S.r.l. in Italy.

To this end, ECB analysed the internal, management and control structure to verify the adequacy and the completeness of the existing principles of conduct and procedures in accordance with the requirements of Legislative Decree no. 231/2001.

Specifically, ECB analysed the financial cycle, the account receivable (sales - customers - collections), the account payables (expenses - payables), the production - warehouse cycle, the I.T. (information technology) cycle, the tangible and intangible assets cycle, the securities and equity investments cycle, the gifts - entertainment expenses cycle, the donations and non-profit cycle, the consultancy and professional services cycle, the settlement agreements cycle and the human resources cycle.

This organisational model (hereinafter referred to as, the “Model”) and the principles it contains identify the behaviour of company bodies and functions, employees, consultants, suppliers, partners and, more generally, of all those who carry out sensitive activities in any capacity on behalf or in the interest of the Company.

I. LEGAL FRAMEWORK

I.1. INTRODUCTION

Legislative Decree no. 231 (hereinafter referred to as, “Legislative Decree no. 231/2001” or “Decree”) was issued on 18 June 2001 in accordance with the delegation set out in Article 11 of Law no. 300 of 29 September 2000 which governs “corporate liability for administrative offences deriving from crimes”. In particular, this Decree applies to legal persons and also to companies and partnerships without legal personality.

According to Legislative Decree no. 231/2001, a company may be held liable for an offence committed by persons holding representation, administration or management positions inside the company or one of its organisational units with financial and functional autonomy as well as by persons who exercise, also de facto, its management and control (i.e. top management) or by persons subject to the

management or supervision of one of the aforementioned persons. (Article 5, Paragraph I of Legislative Decree no. 231/2001).

The administrative liability of the company is separate and independent from the criminal liability of the natural person who committed the offence.

The extension of liability aims to involve the entities' assets and, ultimately, the economic interests of shareholders in the punishment of certain criminal offences, who, until the entry into force of the law, did not suffer any consequence from offences committed to the advantage of the company by directors and/or employees.

The constitutional principle that criminal liability is personal left the entity unscathed by sanctions, other than potential compensation for damages, if and insofar as it existed.

Legislative Decree no. 231/2001 represents an innovation in the Italian legal system since the company, directly and independently, can now be exposed to financial sanctions and may be barred from carrying out the actions that led to the commission of the offences that persons that are functionally linked to the company are charged with pursuant to Article 5 of the Decree.

However, administrative liability of the company is excluded if the company - before the offence is committed - has adopted and effectively implemented an organisational, managerial and control model to prevent offences from being committed.

These models can be adopted on the basis of codes of conduct (guidelines) drawn up by trade associations, including Confindustria, or other trade associations.

Administrative liability is excluded if the persons in senior positions and their staff have acted solely in their own interest or in the interest of third parties.

1.2. OFFENDERS: TOP MANAGEMENT AND EMPLOYEES

As mentioned above, pursuant to Legislative Decree no. 231/2001, a company is liable for offences committed in its interest or to its advantage:

- by “company representatives, directors or one of its organisational units with financial and functional autonomy as well as by persons who de facto manage and control the company” (indicated above as “top management” under Article 5, Paragraph I, a) of Legislative Decree no. 231/2001);
- by employees under the direction or supervision of top management (i.e. persons subject to the direction of a third party; Article 5, Paragraph I, b) of Legislative Decree no 231 2001).

The company cannot be held liable, pursuant to Article 5, Paragraph 2 of Legislative Decree no. 231/2001, if the above individuals have acted exclusively in their own interest or in the interest of third parties.

1.3. Types of Offence

A company can only be held liable for the offences expressly mentioned in Articles 24 to 25-duodecies of Legislative Decree no. 231/2001, where committed in its interest or to its advantage by persons specified in Article 5, Paragraph 1, of the Decree.

The types of offence can be summarised in the following categories:

- offences against the Public Administration, set out in Articles **24 and 25 of Legislative Decree no. 231/2001**: “Undue receipt of funds, fraud against the State or a public body or for obtaining public funds and computer fraud against of the State or a public body”, as well as “Bribery, undue inducement to give or promise benefits and corruption”;
- computer offences as indicated in Article **24-bis of Legislative Decree no. 231/2001**: “computer crimes and illicit process of data” provided under Article 7 of Law 48 of 18 March 2008;
- offences committed in joint criminal enterprise under Article **24-ter of Legislative Decree no. 231/2001**: “organised crime offences” provided under Article 2, Paragraph 29 of Law 94 of 15 July 2009;
- extortion, undue inducement to give or promise benefits and bribery pursuant to Article **25 of Legislative Decree no. 231/2001**
- offences relating to the use of false identification devices or IDs pursuant to Article **25-bis of Legislative Decree no. 231/2001**: “Use and production of counterfeit money, public credit cards, revenue stamps and IDs”;
- offences against industry and trade provided under Article **25-bis I of Legislative Decree no. 231/2001** (Article 15, Paragraph 7, b) of Law no. 99 of 23 July 2009);
- corporate offences (Article **25-ter of Legislative Decree no. 231/2001**), including false corporate communications, prevention of control, fictitious formation of capital, undue repayment of contributions, illegal distribution of profits and reserves, obstruction of the exercise of the functions of public supervisory authorities;
- crimes for the purposes of terrorism and conspiracy against the democratic order (Article **25-quater of Legislative Decree no. 231/2001**, as per Law no. 7 of 14 January 2003);

- offences against life and personal safety (Article **25-quater I Legislative Decree no. 231/2001**) – “practices of female genital mutilation” referred to in Article 8 of Law 7 of 9 January 2006);
- crimes against the person (Article **25-quinquies of Legislative Decree no. 231/2001**) which include: slavery or servitude, child prostitution, possession of pornographic material, web pornography, and sex tourism under Article 5 of Law no. 228 of 11 August 2003 as amended by Article 10 of Law no. 38 of 6 February 2006;
- market abuse offences under Article **25-sexies of Legislative Decree no. 231/2001**, which consist of insider trading, referred to in Article 9 of Law no. 62 of 18 April 2005;
- offences relating to health and safety in the workplace, pursuant to Article **25-septies of Legislative Decree no. 231/2001**: “involuntary manslaughter or serious bodily harm due to a violation of health and safety regulations in the workplace”, as per Article 9 of Law 123 of 3 August 2007 and replaced by Article 300 of Legislative Decree no. 81 of 9 April 2008;
- offences relating to receiving stolen goods, money laundering, sale of goods of unlawful origin and self-laundering, pursuant to Article **25-octies of Legislative Decree no. 231/2001 and Article 63** of Legislative Decree no. 231 of 21 November 2007 and Article 3 of Law 186 of 15 December 2014;
- copyright infringement, pursuant to Article **25-nonies of Legislative Decree no. 231/2011** and Article 15, Paragraph 7, point c) of Law 99 of 23 July 2009;
- inducement not to testify in court or to commit perjury, pursuant to Article **25-decies of Legislative Decree no. 231/2001 and Article 4** of Law 116 of 3 August 2009;
- environmental offences as specified in Article **25-undecies of Legislative Decree no. 231/2001** and listed in Article 2 of Legislative Decree 121 of 7 July 2011 and Law 68 of 25 May 2015;
- offences related to employing non-EU nationals illegally present in Italy, as provided under Article **25-duodecies of Legislative Decree no. 231/2001** introduced by Article 2 of Legislative Decree no. 109 of 16 July 2012, which implemented EU Directive 2009/52;
- transnational offences under Article 10 of Law 146 of 16 March 2006 (“offences of conspiracy and judicial crimes”), including conspiracy, mafia conspiracy, conspiracy to smuggle tobacco from abroad; drug trafficking;
- racism and xenophobia, as provided under Article **25-tredecies of Legislative Decree no. 231/2001** (with reference to Article 3, Paragraph 3-bis of Law no. 654 of 13 October 1975);

- tax offences as a result of introduction of Article **25-quinquiesdecies of Legislative Decree no. 231/2001** which establishes criminal liability of the company in relation to the offences provided for by Legislative Decree no. 74/2000.

The categories listed above may increase in number either where the scope of administrative liability is extended or as required by international and EU regulations in force.

1.4. APPLICABLE SANCTIONS

Article 9 of Legislative Decree no. 231/2001 lists the following sanctions for the company, as a result of commission or attempted commission of the aforementioned offences:

- fines (and confiscation of profits deriving from the offence);
- disqualification, for no less than three months and no more than two years, (pursuant to Article 13, Paragraph 1 of Legislative Decree no. 231/2001) if “the company has made significant profits from the offence and the offence was committed by persons in top management positions or by persons subject to the supervision of others when, in such case, the commission of the offence resulted from or was facilitated by serious organisational deficiencies”, may be sentenced to:
 - disqualification from carrying on the business;
 - suspension or withdrawal of authorisations, licences or permissions instrumental to the commission of the offence;
 - ban from contracting with the public administration, except to obtain performance of a public service;
 - exclusion from grants, financing, contributions or subsidies and possible revocation of those already granted;
 - ban from advertising goods or services;
 - confiscation;
 - publication of the judgment.

The fine is calculated by the judge, based on a system of “quotas” ranging from 100 to 1,000 (the amount of each quota can vary from a minimum of EUR 258.22 to a maximum of EUR 1,549.37).

To establish the amount of the fine, the judge determines the number of quotas, taking into account the seriousness of the offence, the degree of responsibility of the company, as well as the actions taken

by the company to neutralise or minimise its consequences and to prevent further offences from being committed; the amount of each quota is based on the economic activities of the company.

Disqualification sanctions are applied only in relation to those offences for which they are expressly provided and provided that at least one of the following conditions is met:

- a) the company has obtained significant profits from the commission of the offence and the offence was committed by persons in top management positions or by persons subject to the management of others when, in the latter case, the commission of the offence resulted from or was facilitated by serious organisational deficiencies;
- b) the offences are repeated.

The judge determines the type and period of the disqualification taking into account the suitability of the individual sanctions to prevent offences of the type committed and, where necessary, may apply them jointly (Article 14, Paragraph 1 and Paragraph 3 of Legislative Decree no. 231/2001).

The sanctions of disqualification, prohibition to contract with the public administration and prohibition to advertise goods or services can be applied - in the most serious cases - permanently.

It is also worth mentioning that it is possible that the company's activity be continued (instead of imposing sanctions) by an administrator appointed by the judge in accordance with Article 15 of Legislative Decree no. 231/2001.

1.5. ATTEMPTED OFFENCES

In the event of attempt to commit the offences provided for by Legislative Decree no. 231/2001, the fines (in terms of amount) and disqualification sanctions (in terms of duration) are reduced from one-third to a half.

No sanctions are imposed in cases where the entity voluntarily prevents the performance of the action or the occurrence of the event (Article no. 26 of Legislative Decree no. 231/2001).

The exclusion of sanctions in this case lies upon the interruption of any form of identification between the entity and persons who act in its name and on its behalf.

1.6. OFFENCES COMMITTED ABROAD

According to Article 4 of Legislative Decree no. 231/2001, the company may be held liable in Italy, in relation to offences - covered by Legislative Decree no. 231/2001 - committed abroad.

The explanatory report to Legislative Decree no. 231/2001 emphasises the need not to ignore an offence being regularly committed, so as to avoid, inter alia, easy circumvention of the entire legal framework in question.

The requirements on which the liability of a company for offences committed abroad is based are:

- (i) the offence must be committed by a person functionally linked to the company, pursuant to Article 5, Paragraph I of Legislative Decree no. 231/2001;
- (ii) the entity must have its registered office in the Italian territory;
- (iii) the entity is liable only in the situations and under the conditions provided under Articles 7, 8, 9 and 10 of the Italian Criminal Code (in cases where the law provides that the guilty party - a natural person - is punished at the request of the Ministry of Justice, the company is prosecuted only if the request is also made against the company) and, also in compliance with the principle of legality set out in Article 2 of Legislative Decree no. 231/2001, only for offences for which its liability is provided by a specific legislative provision;
- (iv) where the circumstances and conditions referred to in the aforementioned Articles of the Italian Criminal Code exist, the State where the offence was committed does not commence proceedings against the entity

I.7. EXEMPTION ELEMENT OF ORGANISATION, MANAGEMENT AND CONTROL MODELS

Legislative Decree no. 231/2001 attributes an exemption element to the organisation, management and control models in use at the entities.

If an offence is committed by a person in a top management position the company is not liable if it proves that (Article 6, Paragraph I of Legislative Decree no. 231/2001):

- a) the management body had adopted and effectively implemented, prior to the commission of the offence, organisational and management models that are suitable for preventing offences of the type that occurred;
- b) the task of supervising the functioning and compliance with the models and their updating has been entrusted to a body of the entity with autonomous powers of initiative and control;
- c) the offence was committed by fraudulently circumventing organisational and management models;
- d) there has been no omission in or insufficient supervision by the supervisory body.

Therefore, if an offence is committed by a person vested of a top management position, there is a presumption of liability of the entity due to the fact that such persons dictates and represents the policy and, therefore, the will of the entity. This presumption can however be overcome if the entity can prove that it was not involved in the events that the top management is accused of by proving the presence of the above-listed cumulative requirements and, consequently, the circumstance that the offence was not committed due to its “organisational fault”.

On the other hand, in the event of an offence committed by persons subject to the management or supervision of others, the company is liable if the commission of the offence was made possible by a breach of the management or supervision obligations it is required to comply with.

In any event, there is no breach of management or supervision obligations if the entity had adopted and effectively implemented an organisation, management and control model that is appropriate to prevent offences of the type that have occurred before the offence was committed.

In case of offences committed by persons subject to the management or supervision of a person in a top management position, the burden of proof is reversed. In the circumstance under Article 7, the prosecution must prove the failure to adopt and effectively implement an organisation, management and control model suitable to prevent the offences of the type that has occurred.

Legislative Decree no. 231/2001 outlines the contents of the organisation and management models providing that in relation to the extension of delegated powers and the risk of commission of offences, as specified in Article 6, Paragraph 2, they must:

- identify the activities within the scope of which offences may be committed;
- provide for specific protocols aimed at planning training and implementation of the company's decisions in relation to the offences to be prevented;
- identify ways of managing financial resources that are suitable for preventing commission of offences;
- provide for information obligations vis-à-vis the body responsible for monitoring the operation of the models and the effective compliance;
- introduce a disciplinary system to punish non-compliance with the measures set out in the model.

Article 7, Paragraph 4 of Legislative Decree no. 231/2001 also defines the requirements for the effective implementation of organisational models:

- periodic assessment and possible amendments to the model when significant violations of its provisions are discovered or when changes occur in the organisation and in the activity;
- a suitable disciplinary system to sanction non-compliance with the measures indicated in the model.

1.8. CODES OF CONDUCT PREPARED BY TRADE ASSOCIATIONS

Article 6, Paragraph 3 of Legislative Decree no. 231/2001 provides that “Organisation and management models guaranteeing the requirements set out in Paragraph 2 may be adopted on the basis of codes of conduct drafted by associations representing the entities and communicated to the Ministry of Justice

which, in conjunction with the competent Government Offices, within thirty days of reception, may make observations on the suitability of the models to prevent offences ”.

Confindustria has issued “Guidelines for preparing organisation, management and control models under Legislative Decree no. 231/2001” providing, among other things, methodological indications for identifying risk areas (sector/activity in which offences may be committed), a design for a control system (called protocols for planning training and implementation of company decisions) and contents of the organisation, management and control model.

In particular, Confindustria's guidelines suggest using risk and risk management evaluation processes for drafting the model:

- identifying risks and protocols;
- adopting specific tools (i.e. “specific protocols”) to make the evaluation of existing control systems capable of mitigating and combating the risks identified above.

The components of a preventive control system for Malicious Offences that must be implemented at company level to ensure the effectiveness of the Model are identified as follows:

- adopting a Code of Ethics with reference to the offences considered;
- adopting a sufficiently formalised and clear organisational system, especially as regards the allocation of responsibilities;
- adopting manual and computerised procedures;
- adopting a system of authorisation and signature powers;
- adopting a management control system;
- adopting a communication and staff training system;
- defining the rules concerning the establishment of supervisory bodies, specifying requirements, tasks, powers and information obligations;

I.9. EVALUATION OF APPROPRIATENESS

Criminal courts are in charge establishing criminal liability on the basis of

- the existence of an offence for which the liability of the entity is subsistent;
- the appropriateness test on the organisational models adopted.

This test, concerning the theoretical appropriateness of the organisational model to prevent the offences under Legislative Decree no. 231/2001, is conducted according to the so-called “subsequent prognosis” criterion. In other words, the assessment of appropriateness must be made according to an *ex ante* criterion whereby the judge is fictionally placed in the company at the time when the offence occurred in order to test the adequacy of the model adopted.

2. DESCRIPTION OF THE ORGANISATION ELEMENTS OF THE GOVERNANCE MODEL AND THE GENERAL STRUCTURE OF THE COMPANY

2.1. BUSINESS MODEL AND CORPORATE GOVERNANCE

ECB Company S.r.l. is part of SARIA GmbH (“the parent company”). It is involved in the production of simple animal feed of animal origin deriving from the processing of straight foodstuff, specifically operating as a supplier of meals and fats for animal nutrition.

The Company's objective is to contribute to a more sustainable world through the enhancement and proper use of organic resources used in production processes, applying the highest food and health standards and promoting healthier lifestyles.

The Saria Group, through the German company Saria International GmbH, took over the capital of ECB Company s.r.l. in 2017, becoming ECB's sole shareholder. The Saria Group provides for decision-making autonomy for all of its direct and indirect subsidiaries and the managers responsible for these companies and therefore it does not exercise management and coordination activities within the meaning of Article 2497 of the Italian Civil Code.

The company has adopted a traditional governance model, and its bodies are the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

The following matters are reserved to the Shareholders' Meeting:

- approval of financial statements and distribution of profits;
- appointment of directors;
- appointment, in the cases provided by law, of the Statutory Auditors and the Chairman of the Board of Statutory Auditors and/or the person appointed to carry out the statutory audit;
- amendments to the Articles of Association;
- decisions involving a substantial modification of the corporate purpose defined in the Articles of Association or significant changes to the shareholders' rights.

The company is managed by a Board of Directors consisting of two to five members. The Board of Directors is vested of all the broadest powers to carry out management activity not reserved by law to the Shareholders' Meeting. Directors' decisions must be adopted by a specific resolution; to this end, the directors are convened by the most senior director and they pass valid resolutions with the favourable vote of the majority of the directors in office.

The Board may appoint one or more managing directors, determining their powers within the limits provided by law.

The Board of Statutory Auditors is responsible for overseeing the work of the management body, in particular, compliance with the law and the articles of association, compliance with the principles of sound management, the adequacy of the organisational, administrative and accounting structure and its proper functioning.

The auditing activity is entrusted to an auditing firm or a sole auditor.

3. ORGANISATION, MANAGEMENT AND CONTROL MODEL AND PREPARATION METHODOLOGY

3.1. INTRODUCTION

The adoption and constant updating of an organisation, management and control model under Legislative Decree no. 231/2001, in addition to being a tool for preventing unlawful conduct, is a reason for exemption from the company's liability and is an act of social responsibility by ECB Company S.r.l. The Company, responsive to the need to ensure conditions of fairness and transparency in the performance of its activities in Italy, to protect its image and role, to protect its employees, co-workers and related third parties, has decided to implement an Organisation, Management and Control Model (hereinafter referred to as the "Model") as required by Legislative Decree no. 231/2001.

Introducing a system to control the Company's activities, together with establishing and disseminating ethical standards, improving the already high standards of conduct adopted by ECB Company S.r.l., are activities that fulfil a regulatory function as they regulate the conduct and decisions of those who work for the benefit of the entity on a daily basis in accordance with the abovementioned ethical principles and standards of conduct.

ECB Company S.r.l. constantly implements a process aimed at keeping its Organisational Model up to date with the company reality, in compliance with the requirements of Legislative Decree no. 231/2001.

3.2. IDENTIFYING AREAS AT RISK OF CRIME AND THE RELEVANT PROCESSES

Article 6, Paragraph 2, a) of Legislative Decree no. 231/01 requires the identification of "Sensitive Areas" or "Risk Areas", i.e. those processes and areas of company activity in which one of the offences expressly indicated in the Decree could be committed.

In order to comply with these requirements, the analysis of the operational activities of the company focused on the areas and sectors in which the risk of committing offences under Legislative Decree no. 231/2001 was relevant, pointing out the most relevant situations and processes.

At the same time, an investigation was carried out into the basic elements of the offences, with the aim of identifying the concrete conducts which, in the company context, could constitute criminal offence.

The methodological approach followed by the Company to identify the Activities at risk of causing offences and the Support Processes for the implementation of certain types of offences can be broken down into the following phases:

- detailed definition of the perimeter to be assessed and identifying the correct business processes and the relevant contact persons;
- evaluation of the internal control system in place, gathering the information necessary to construct a map of the main activities at risk of crime (through interviews and document analysis), a list of possible ways of carrying out actions constituting offences and for which the Company is liable under the Legislative Decree, the analysis and evaluation of the weaknesses found and identify possible remedies.

With a view to specifically and concretely identify the areas of Crime Risk Activities (hereinafter “Crime Risk Activities” or “Sensible Activities”), an analysis of ECB Company S.r.l.’s corporate and organisational structure was carried out. This was done in order to identify those persons the potentially illegal conduct of which could, theoretically, give rise to liability of the entity.

The activities in the performance of which one of the offences included in the Decree and listed above might be committed have therefore been taken into consideration.

The processes and activities at risk of giving rise to offences are described in detail in the Special Section of the Model, with reference to each specific type of offence.

On the basis of the descriptions provided by the General Manager, the Financial Director, the Technical Director and the IT Manager and on the basis of documentary evidence, the control activities currently in place and the structure of the Internal Control System have been mapped and defined, and where they do not yet exist, it has been suggested that the following controls be implemented:

- **Behavioural rules:** formalised and shared ethical and behavioural reference principles for all the Company's personnel intended to regulate conduct inherent in the exercise of the Company's activities;

- **Internal procedures:** formalised internal procedures having the following characteristics:

adequate dissemination of the procedures within the company structures involved in the activities; regulation of the manner in which the activities are carried out; clear definition of responsibility for the activity, in compliance with the principle of separation between the person who initiates the decision-making process, the person who carries it out and accomplishes it, and the person who controls it; traceability of the acts, operations and transactions through adequate documentary support that certifies the characteristics and reasons for the operation and identifies the parties involved in the operation in various ways (authorisation, performance, recording and review of the operation); uniformity of the decision-making processes, through the provision, where possible, of defined criteria

and methods of reference for making business decisions; provision of specific control mechanisms (such as reconciliations, balancing, etc.) such as to guarantee the integrity and completeness of the data managed and information exchanged within the organisation;

- Separation of roles, assignment of responsibilities and management of information flows and archiving:

an organisational system that meets the requirements of:

clarity, formalisation and communication, with particular reference to the assignment of responsibilities, the definition of hierarchical lines and the assignment of operational activities;

correct allocation of responsibilities and provision for adequate levels of authorisation (separation of roles) so as to avoid functional overlaps and the concentration on a single person of activities with a high degree of criticality or risk.

- Controls: set-up and reporting of control and monitoring activities involving the Board of Statutory Auditors (more generally, all company personnel) and representing an essential role on the daily activities carried out by ECB Company S.r.l.

The control tasks of these bodies are defined in accordance with the following types of control:

production-line controls aimed at ensuring the correct performance of operations. These controls are carried out by the production structures themselves or are incorporated into the procedures;

monitoring activities, aimed at detecting anomalies and violations of company procedures and assessing the functionality of the overall system of internal controls. These monitoring activities are carried out by structures that are independent of the operational structures; supervision of the sound management of the company, the adequacy of the organisational structures and compliance with the law and the articles of association.

3.3. ORGANISATION, MANAGEMENT AND CONTROL MODEL OF ECB COMPANY S.R.L.

Legislative Decree no. 231/2001 attributes, together with the occurrence of the other circumstances provided under Articles 6 and 7 of the Decree, a substantial role to the adoption and effective implementation of organisational, management and control models in that they ensure, with reasonable certainty, the prevention from the commission, or attempted commission, of such offences.

In particular, under Paragraph 2 of Article 6 of Legislative Decree no. 231/2001, an organisation and management model must meet the following requirements:

- a) identify the activities within the scope of which offences might be committed;
- b) provide for specific protocols aimed at planning training and implementation of the company's decisions in relation to the offences to be prevented;

- c) identify ways of managing financial resources suitable for preventing the commission of offences;
- d) impose information duties onto the body responsible for overseeing the operation of the models and the degree of compliance by the company;
- e) introduce a disciplinary system to sanction non-compliance with the measures set out in the model.

In light of the above, it was the intention of ECB Company S.r.l. to prepare a Model which, on the basis of the recommendations provided by the codes of conduct prepared by trade associations, would take into account its own specific characteristics in line with its own governance system in such a way as to enhance existing controls and bodies.

The Decree does not require the adoption of a Model. However, the Company has considered that adopting this Model encourages the fulfilment of its own company policies, in order to:

- establish and/or strengthen controls that enable ECB Company to prevent or react in a timely manner to prevent offences involving administrative liability of the entity committed by top management and persons subject to their management position or supervision;
- raise awareness, for the same purposes, to all persons who work for various reasons with the Company (contractors, suppliers, etc.), requiring them to adapt their conducts in such a way as not to facilitate the risk of commission of offences within the boundaries of the activities carried out in the interest of ECB;
- guarantee its integrity by adopting the measures expressly provided under Article 6 of the Decree;
- improve effectiveness and transparency in the management of business activities;
- make potential offenders fully aware that committing an offence is strongly condemned and contrary to the interests of the Company even when it could apparently result in an advantage.

The Model, therefore, represents a coherent set of principles, procedures and provisions which:

- direct the internal functioning of the Company and its relationships with the outside world;
- regulate the diligent management of a control system of sensitive activities, aimed at preventing the commission, or attempted commission, of offences under Legislative Decree no. 231/2001.

The Model, as approved by ECB Company S.r.l.'s Board of Directors, includes the following constituent elements:

- a process for identifying the activities within the scope of which offences under Legislative Decree no. 231/2001 might be committed;

- provision of control standards in relation to the sensitive activities identified;
- a procedure for identifying the methods of managing financial resources suitable for preventing the commission of offences;
- establishment of a supervisory body to which tasks and powers that are appropriate for the functions provided under the Model are attributed;
- information flows to and from the supervisory body and specific information duties towards the supervisory body;
- a disciplinary system to sanction violations of the provisions contained in the Model;
- a training and communication plan for employees and other parties interacting with the Company;
- definition of criteria for updating and adapting the Model;
- Code of Ethics

The Model contains:

In the general section

- the regulatory framework;
- the ECB Company S.r.l. business model;
- identification and appointment of the ECB Supervisory Body (“Organismo di Vigilanza”) with specific powers, responsibilities and information flows;
- a disciplinary system and related sanctions;
- a plan for training and communication activities aimed at ensuring effective and shared knowledge of the Model;
- a process for updating the Model.

In the special section

- the method used to implement the Model;
- the Internal Control System;
- the principles of behaviour;
- the principles of control;
- the contents of the controls;
- the duties of the Supervisory Body (“OdV”).

The Code of Ethics sets out the ethical standards and values that direct the policy of the entity and which must inspire the conduct and behaviour of those who work in the interest of the Company both

inside and outside the company organisation. These principles and values are consistent with the rules of conduct contained in this Model.

4. THE SUPERVISORY BODY PURSUANT TO LEGISLATIVE DECREE NO. 231/2001

4.1. THE SUPERVISORY BODY (“ORGANISMO DI VIGILANZA”) OF ECB COMPANY S.R.L.

In accordance with the provisions of Legislative Decree no. 231/2001 - Article 6, Paragraph I, a) and b) - companies may be exempted from liability resulting from offences committed by persons qualified under Article 5 of Legislative Decree no. 231/2001 if the management body has, among other things:

- adopted and effectively implemented organisation, management and control models that are appropriate for the prevention of the relevant offences;
- entrusted the task of supervising the implementation and compliance with the model, and encourage its updating, to a body of the entity vested with autonomous powers of initiative and control.

The task of continuously overseeing the widespread and effective implementation of the Model, compliance therewith by its addressees, as well as proposing updates to improve the efficiency in crime prevention and prevention of the offences and the law, is entrusted to such body set up by the Company internally.

Entrusting these tasks to a body with autonomous powers of initiative and control, together with its correct and effective performance, is therefore an essential prerequisite for the exemption from liability provided by Legislative Decree no. 231/2001.

The Confindustria Guidelines identify autonomy and independence, professionalism and continuity of action as the main requirements for supervisory bodies.

In particular, according to these Guidelines the requirements of autonomy and independence entail:

- I. setting up a supervisory body, providing information flows between the supervisory body and the top management, the absence of operational tasks for the supervisory body, which - by its involvement in decisions and operational activities - would compromise its impartiality;
- II. the requirement of professionalism must refer to the “set of tools and techniques” necessary to effectively carry out the activities of a supervisory body (“These are specialist techniques specific to persons who carry out inspection activities, but also to persons who carry out consultancy in the field of analysis of legal and, more specifically, criminal law control systems”. Confindustria, Guidelines.)

In particular, these techniques can be used: pre-emptively, to adopt the most suitable measures to prevent commission of the relevant offences with reasonable certainty; currently: to verify that current conduct actually complies with that codified; or after the event: to ascertain how an offence could have occurred.

Continuity of action, which guarantees that the organisational model under Legislative Decree no. 231/2001 is effectively and permanently implemented in a manner that is specifically structured and complex in large and medium-sized companies, is favoured by the presence of a structure that is dedicated exclusively and full-time to the supervision of the model and “without operational tasks that could lead it to take decisions with economic and financial effects”.

Furthermore, the Guidelines state that “in case of mixed composition or with internal members of the Body, as total independence from the company is not required of members of internal origin, the degree of independence of the Body must be assessed as a whole”.

ECB Company S.r.l. has opted for a solution that guarantees effective controls by the Supervisory Body (“OdV”) within the objectives set by Italian law and is consistent with its size, organisational complexity and commensurate with its activities.

Pursuant to Article 6, Paragraph I, b) of Legislative Decree no. 231/2001 and in light of Confindustria’s recommendations, ECB Company S.r.l.’s Supervisory Body (“OdV”) may be either monocratic or as a board and its members must meet the requirements of professionalism and expertise, fairness and independence.

The OdV reports directly to the Board of Directors to protect its autonomy.

4.2. GENERAL PRINCIPLES ON THE ESTABLISHMENT, APPOINTMENT AND REPLACEMENT OF THE SUPERVISORY BODY (“OdV”)

ECB Company S.r.l.’s OdV is established by resolution of the Board of Directors, and its members remain in office for a period established at the time of appointment and can be re-elected.

Members of the Supervisory Body must possess the required personal qualities for being elected.

In choosing the members, the only relevant criteria are those relating to the specific professionalism and expertise required for the performance of the functions of the Board, fairness, autonomy and independence.

The Board of Directors, at the time of appointment, and subsequently on a yearly basis, must account for the existence of the requirements of independence, autonomy, fairness and professionalism of the members of the OdV.

In particular, after the Model has been approved or in case of new appointments, in the occasion of the appointment, the person appointed to the position of member of the Supervisory Body OdV must file a declaration in which he or she certifies the absence of the following reasons for ineligibility, in addition to what is required by the specific reference legislation:

- conflicts of interest, actual or potential, with ECB Company S.r.l. that might compromise the independence required by the role and duties of the Supervisory Body;
- being a significant shareholder of the Company;
- convictions, even if still subject to appeal, or plea bargaining, in Italy or abroad, for offences under Legislative Decree no. 231/2001, or any action that might affect his/her professional reputation;
- being banned from public office following a conviction, even if still subject to appeal, not necessarily permanently, or being temporarily excluded from holding an office in a company;
- pending trial or a decree for application of a prevention measure or existence of reasons for refusal, revocation, waiver or suspension under Article 67 of Legislative Decree 159/2001, as subsequently amended.

The powers of the Supervisory Body can only be revoked and conferred on another person for just cause (including in connection with organisational restructuring of ECB Company S.r.l.) subject to a specific resolution of the Board of Directors.

In this regard, “just cause” for revocation of the powers connected with the office of a member of the OdV means, including but not limited to:

- serious negligence in performance of the tasks connected with the office, such as failure to prepare the half-yearly report or the annual summary report on the activities carried out by the Board;
- failure to draw up the supervisory programme;
- “neglected or insufficient supervision” by the Supervisory Body – as set forth under the provisions of Article 6, Paragraph I, d) of Legislative Decree no. 231/2001 - resulting from a decision, albeit not final, issued against the Company under Legislative Decree no. 231/2001 or from a decision issued under plea bargaining;
- with reference to internal members, the assignment of operational functions and responsibilities within the Company's organisation that are incompatible with the requirements of “autonomy and independence” and “continuity of action” of the Supervisory Body.

In any event, any provision of an organisational nature (e.g. termination of employment, transfer to another office, dismissal, disciplinary measures, appointment of a new manager) regarding a Member of the OdV must be brought to the attention of the Board of Directors;

- with reference to external members: serious and established grounds for incompatibility which undermine their independence and autonomy;
- even one of the eligibility requirements no longer applies.

In performance of their duties, the members of the OdV must not be in situations, even potential, of conflict of interest due to any reason of a personal, family or professional nature. In this case they are required to immediately inform the other members of the Board and must abstain from taking part in the relevant resolutions.

Any decisions concerning individual members or the entire OdV relating to removal, replacement or suspension fall under the exclusive responsibility of the Board of Directors.

4.3. FUNCTIONS AND POWERS OF THE SUPERVISORY BODY

The Supervisory Body (“Organismo di Vigilanza”) has autonomous powers of initiative and control within the Company in order to fulfil the effective performance of the tasks provided in the Model.

To this end, the Board adopts its own rules of operation (OdV Regulations), which are then brought to the attention of the Board of Directors.

The OdV does not have management or decision-making powers relating to the performance of the Company's activities, organisational powers or powers to change the structure of the entity, nor does it have the power to impose sanctions.

The OdV is assigned the following tasks and powers to perform its office:

- verify the adequacy of the Model for preventing commission of the offences indicated in the Decree, promptly proposing any updates to the Board of Directors;
- verify, on the basis of the analysis of the information flows and reports addressed to it, compliance with the Code of Ethics, rules of conduct, prevention protocols and procedures set out in the Model, reporting any contravening conduct;
- carry out periodic inspections, in accordance with the procedures and deadlines indicated in the OdV Regulations and illustrated in the OdV's inspection plan;
- promptly propose to the body or function holding disciplinary power the imposition of sanctions in the event of ascertained violations of the Model and/or the Code of Ethics;
- monitor the preparation of personnel training programmes regarding the Model and the Code of Ethics;

- provide the information to the bodies of the entity in accordance with the following point;
- free access to any organisational unit, without prior notice, to request and acquire information, documentation and data deemed necessary for the performance of the tasks provided under the Model;
- access all information concerning activities at risk of crime, as better listed in the Special Section of the Model;
- request and obtain information or disclosure of documents relating to activities at risk of crime, where necessary, from the Directors;
- request and obtain information or disclosure of documents regarding activities at risk from the Company's contractors, consultants and representatives and in general from all parties required to comply with the Model, provided that this power is expressly indicated in the contracts or instructions binding the external party;
- receive, for the performance of its supervisory duties related to the operation and implementation of the Model, the information provided for, in accordance with the provisions of Paragraph 4.4 below, by this Model or, in any event, ordered by the Supervisory Body ;
- carry out its functions in coordination with the sensitive process contact persons for all the aspects relating to the implementation of the operational procedures for the adoption of the Model;
- provide the support required in the interpretation of the provisions of the Model and their application;
- draw up and submit for the approval of the Board of Directors the provision of expenditure necessary for the proper performance with full independence of the tasks assigned.

The members of the Supervisory Body, as well as persons of which the Board avails for any reason, are required to comply with the confidentiality obligations for all the information which they become aware of in the performance of their duties.

In carrying out its activities, the Board may make use of the functions present in the body in the occasion of exercising its powers.

The Board of Directors shall ensure that the tasks of the Supervisory Body and its powers are properly communicated to the various areas.

4.4. INFORMATION OBLIGATIONS TOWARDS THE SUPERVISORY BODY

4.4.1. Information flows

All addressees of the Model must provide the OdV with any information deemed useful to facilitate the performance of checks on the correct implementation of the Model.

In particular :

if the persons in charge of overseeing sensitive processes find areas requiring improvement in the definition and application of the prevention protocols defined in this Model, they must prepare a report in writing and promptly send it to the OdV. The report must contain at least:

- a) a description of the state of implementation of the protocols for prevention of activities at risk within its competence;
- b) a description of the supervisory activities carried out with regard to the implementation of the prevention protocols and the actions taken to improve their effectiveness;
- c) a detailed indication of any need for amendments to the prevention protocols and their implementing procedures;
- d) any further contents that the OdV may expressly request from time to time.

The contact persons for sensitive processes must communicate to the OdV, without unreasonable delay and by written notice, any information regarding:

- a) the issuing and/or updating of organisational documents;
- b) changes in the responsibility of the functions involved in the activities at risk;
- c) the rules on proxies and powers of attorney and any updates to it;
- d) the main elements of commenced and concluded extraordinary transactions;
- e) the conclusion or renewal of supply and service contracts with other entities where the Company is a founding member;
- f) reports prepared by the control functions/bodies as part of their inspection activities, from which facts, acts, events or omissions may emerge with their critical aspects regarding compliance with the provisions of the Decree or the provisions of the Model and the Code of Ethics;
- g) disciplinary proceedings instituted for violations of the Model, dismissal of such proceedings and the underlying reasons, application of sanctions for violation of the Code of Ethics, the Model or the procedures established for its implementation;
- h) information on the progress of the entity's activities as specifically described in the procedures for implementing the protocols provided in the Special Section of the Model.

All employees and members of the Company's bodies must report any committed or allegedly committed offences referred to in the Decree which they become aware of, as well as any violations

or alleged violations of the Code of Ethics, the Model or the procedures established in the implementation thereof which they become aware of.

In any event, the following must always be reported:

- a) measures and/or information coming from police and prosecution service, or any other authority, from which it can be inferred that investigations are being carried out, even against unknown persons, and which may involve the Company;
- b) requests for legal assistance made by employees when criminal proceedings are initiated against them, unless expressly prohibited by the judicial authorities.

Collaborators and all externals are required, as part of their activities carried out for the entity, to report any violations under the point above directly to the Supervisory Body, provided that the contracts that bind these persons to the Company provide for such obligation.

All employees and members of the Company's bodies may request the Supervisory Body for clarifications regarding the correct interpretation and application of this Model, prevention protocols, relevant implementation procedures and the Code of Ethics.

To enable full compliance with the provisions set out in this section, the email to which send all communications is the following: odv.ecbcompany@legalmail.it. This email is intended for communications with the OdV by employees, members of the Company's bodies and contractors. Reports may also be communicated orally or sent by mail to a member of the OdV or to the Body at the Company's registered office.

If communications are made orally, the member of the OdV will draw up minutes of the interview. The member of the OdV must in any event promptly inform the other members.

The Supervisory Body keeps records according to the procedures indicated in the OdV Regulations. Article 2 of the Whistleblowing Law added three new paragraphs to Article 6 of Legislative Decree no. 231/2001, which provide for the establishment of several communication channels through which whistleblowers are allowed to “submit detailed reports of unlawful conduct” relevant under Decree 231 to protect the entity’s integrity. These communication channels must be suitable to protect whistleblowers’ identity in order to prevent retaliation or discrimination against the whistleblower for reasons directly or indirectly related to the report.

ECB S.r.l. has implemented the provisions of Article 2 of the Whistleblowing Law, adopting a number of pre-emptive measures:

- Code of Ethics;
- Organisational model
- Specific GenPI procedure.

The Company has adopted appropriate measures to ensure that the identity of those who provide information to the Supervisory Body is always kept confidential. Any form of retaliation, discrimination or punishment against those who report to the OdV in good faith is prohibited. The Company reserves the right to take any action against anyone who makes untrue reports in bad faith. Violation of the obligations to inform the OdV referred to in this point, as well as violation of the prevention measures adopted by the company (Code of Ethics, Organisational Model, GenPI procedure) constituting a violation of the Model, are subject to the provisions set out in Chapter 5 “The disciplinary system” below.

4.4.2. Collection and storage of information

The OdV keeps all information, notices and reports provided for in the Model in a special archive (computerised or paper-based) for a period of at least ten years.

The members of the OdV who have ceased to hold office, with the entity’s assistance, must permit a correct transfer of the archives to the incoming members.

4.4.3. Reporting by the Supervisory Body (“Organismo di Vigilanza”) to corporate bodies

The OdV reports to the Board of Directors, unless otherwise established by this Model.

The OdV, whenever it deems it appropriate and in the manner indicated in the OdV Regulations, informs the Chairman of the Board of Directors and the General Manager of any significant circumstances and facts relating to its office or any urgent critical issues regarding the Model that have emerged in the course of its supervisory activities.

The Supervisory Body periodically prepares a written report to the Board of Directors which must contain at least the following information:

- a summary of the activities carried out by the Supervisory Body during the reference period;
- a description of any issues that may have arisen regarding the operational procedures for implementing the provisions of the Model;
- a description of any new activities at risk of crime identified;
- a record of reports received from internals and externals, including direct findings, regarding alleged violations of the provisions of this Model, the prevention protocols and the related implementation procedures, as well as violations of the provisions of the Code of Ethics, and the outcome of the consequent checks carried out. In the event of violations of the Code of

Ethics or the Model by a member of the Board of Directors, the Supervisory Body must make the notice referred to in Chapter 5 below;

- information on possible commission of offences relevant for the purposes of the Decree;
- the disciplinary measures and sanctions that may be applied by the Company, with reference to violations of the provisions of this Model, the prevention protocols and the related implementation procedures as well as violations of the provisions of the Code of Ethics;
- an overall assessment of the Model with any proposals for corrections, amendments or supplementations;
- any changes in the regulatory framework and/or significant changes in the Company's internal structure and/or the methods for carrying out business activities that require updating the Model;
- any conflicts of interest, even potential, referred to in Paragraph 4.2 above;
- any updates on the planning of audits;
- the statement of expenses incurred and the proposed budget, on an annual basis.

The Board of Directors has the power to convene the OdV at any time, so that it can inform it about the activities of the office.

5. DISCIPLINARY SYSTEM

5.1. OBJECTIVES OF THE DISCIPLINARY SYSTEM

Article 6, Paragraph 2, e) and Article 7, Paragraph 4, b) of Legislative Decree no. 231/2001 require, as a condition for the effective implementation of the organisation, management and control model, the introduction of a disciplinary system to sanction non-compliance with the measures indicated in the model.

Therefore, establishing an adequate disciplinary system is an essential prerequisite for the overriding value of the organisational, management and control model pursuant to Legislative Decree no. 231/2001 with respect to the administrative liability of entities.

The sanctions provided under the disciplinary system are applied to any infringements of the provisions contained in the Model regardless of the commission of an offence and the course and outcome of any criminal proceedings initiated by the judicial authorities.

These sanctions are also applicable to violations of the provisions contained in the Code of Ethics, a constituent element of the Model.

To ensure compliance with the regulatory provisions of the Model, ECB has adopted a disciplinary system with sanctions that are proportionate to the offender's position within the Company.

Assessment of the adequacy of the sanctioning system, constant monitoring of the procedures for imposing sanctions on Employees, as well as actions taken against External Parties, are entrusted to the Supervisory Body, which also reports any infringements it becomes aware of in the performance of its functions.

The application of the disciplinary system under this Model and the relevant sanctions is independent of the possible course and outcome of criminal proceedings in the event that the conduct in question constitutes any type of offence.

It is disseminated among the Addressees to the maximum extent possible and is posted in a place accessible to all Employees in the company.

The disciplinary assessment of employers' conduct, except (of course) for any subsequent review by a labour court, need not necessarily coincide with the assessment of a court in criminal proceedings, given the autonomy of violations of the code of ethics and internal procedures with respect to violations of the law involving committing an offence.

The employer is therefore not obliged to wait until any ongoing criminal proceedings are concluded before taking action.

The principles of prompt enforcement of sanctions make it not only unnecessary but also counterproductive to delay imposing disciplinary sanctions until any decision before criminal courts is rendered (Confindustria Guidelines).

Conducts relevant for adopting disciplinary and contractual sanctions against directors, employees and all addressees of the Model are broken down as follows:

1. violations of specific procedures (including GenPI on whistleblowing), regulations, internal written or oral instructions;
2. serious breaches of conduct and/or diligence in the workplace such as to undermine confidence in the director and/or employee, in performance of activities at risk of crime, such as, for example, conduct aimed unequivocally at committing an offence;
3. conduct which may result in causing significant moral and financial damage or a situation of considerable prejudice to the Company and which does not permit continuing the service, even temporarily, either at work or on a fiduciary basis, insofar as it amounts to an offence committed intentionally.

5.2. SANCTIONS AGAINST EMPLOYEES

Violation of any provisions and rules of conduct under the Model by any ECB employee always amounts to a disciplinary offence.

The Company requires its employees to report any violations and appreciates any support in providing information, even if the person reporting the violation has contributed in the commission of the violation.

In order to monitor possible violations of the Model, disciplinary measures and the application of sanctions, all the powers assigned to the ECB management are considered valid within the scope of their respective powers and responsibilities.

5.2.1. Sanctions against subordinate employees

In accordance with the provisions of the relevant legislation and in compliance with the principles of the typical nature of the violations and the typical nature of the sanctions, ECB wishes to bring to the attention of its employees the provisions and rules of conduct contained in the Model, whose violation constitutes a disciplinary offence, as well as the applicable sanctions, taking into account the seriousness of the violations and any repeat offence.

The following are the disciplinary measures that can be taken against subordinate employees in accordance with the provisions in force of the applicable collective labour agreement and internal procedures:

- Oral caution
- Written caution
- Fines (in accordance with the relevant collective labour agreement)
- Suspension from work and pay
- Dismissal.

In particular, for Italian employees who carry out activities in Italy, in accordance with the regulations relating to the *CCNL Industria Alimentare* (National Collective Labour Agreement for the Food Industry), a worker who does not follow the principles of conduct set out in the Code of Ethics, violates one of the internal procedures provided in the Model (for example, non-compliance with the required procedures, failure to provide required information to the OdV, failure to carry out controls, etc.), or who adopts conduct that does not conform to the provisions of the Model when carrying out activities in sensitive areas.

Such conduct constitutes a failure to comply with the instructions given by the Company. A written caution is issued to any employee who, by failing to abide by the standards of conduct set out in the

Code of Ethics, creates discomfort or offends other employees in the work environment (for example by harassment, mobbing or discriminatory acts), or contravenes the internal procedures set forth in the Model, or who, in carrying out activities in sensitive areas that do not conform to the provisions of the Model, exposes the integrity of the entity's assets to a situation of objective danger.

Such conduct, by failing to comply with the instructions given by the Company, causes discomfort and damage to the dignity of the Company's employees and/or endangers the integrity of the entity's assets and/or constitutes an act contrary to its interests.

A fine to a maximum of 3 hours' hourly pay, calculated on the minimum wage, is imposed on an employee who violates the principles of the Code of Ethics or the internal procedures set out in the Model, or who, in carrying out activities in sensitive areas that do not conform to the provisions of the Model, causes damage to the Company by committing acts contrary to the Company's interests, or who has repeatedly committed violations under points 1 and 2 (Paragraph 5.1).

Such conduct, carried out by failing to comply with the instructions given by the Company, results in damage to the entity's assets and/or constitutes an act contrary to its interests.

Suspension from work and pay up to a maximum of 3 days is applied to an employee who adopts, in performance of activities in sensitive areas, conduct that does not conform to the provisions of the Model and is unequivocally aimed at committing an offence sanctioned by Legislative Decree no. 231/2001, or an employee has repeatedly committed violations under points 1, 2 and 3 (Section 5.1).

Such conduct constitutes a serious failure to comply with the instructions given by the Company and a serious breach of the employee's obligation to promote the Company's success.

Dismissal (with or without notice) is applied to any employee who adopts conduct in violation of the provisions of the Model in performance of activities in sensitive areas, such as to result in the concrete application against the Company of measures provided under Legislative Decree no. 231/2001, or in case of violations under the above points causing serious prejudice to the company.

The type and extent of each of the sanctions described above are applied also taking into account:

- whether the conduct was intentional or the degree of negligence, imprudence or inexperience also with regard to the foreseeability of the event;
- the overall conduct of the employee with particular regard to the existence of previous disciplinary offences of the same type, to the extent permitted by law;
- the employee's duties;
- the functional position of the persons involved in the events constituting the violation;
- other special circumstances relating to the disciplinary offence.

5.2.2. *Sanctions against top management*

The Company executives, in performance of their professional activities, must comply with, and ensure that those working with them comply with, the provisions contained in the Model.

Unlawful conduct by an executive is considered punishable, for example for a violation of the provisions set out in the Model in the event of:

- failure to supervise the personnel hierarchically dependent on him/her to ensure compliance with the provisions of the Model for the performance of activities in areas at risk of crime and for activities instrumental to operational processes at risk of crime;
- failure to report violations and/or anomalies in the performance of the obligations set out in the Model where he/she is aware of them, thus rendering the Model ineffective and to exposing the Company to the imposition of sanctions pursuant to Legislative Decree no. 231/2001;
- failure to report to the OdV any critical issues relating to the performance of activities in areas at risk of crime found during monitoring by the relevant authorities;
- commission of one or more serious violations of the provisions of the Model, such as to lead to the commission of the offences set forth in the Model, thus exposing the company to the application of sanctions under Legislative Decree no. 231/2001.

In the event of violation by executives of the provisions and rules of conduct contained in the Model (including the Code of Ethics) ECB will adopt the measure deemed most appropriate in accordance with the applicable legislation.

If the violation of the Model results in lack of trust between the Company and the Executive, the sanction of dismissal is applied, according to the law and the applicable collective labour agreement.

5.3. SANCTIONS AGAINST DIRECTORS

In the event of conduct by company bodies in violation of the provisions and rules of conduct under the Model, the OdV must promptly inform the Board of Directors.

The recipients of the OdV's notice may take the appropriate measures in accordance with the provisions of the Articles of Association in order to adopt the most appropriate measures provided.

The director involved in the commission of the offence and being concerned by the Board resolution will not take part the decision meeting.

5.4. SANCTIONS AGAINST THE SUPERVISORY BODY (“ORGANISMO DI VIGILANZA”)

In the event of violation by the OdV of the rules set out in the Model, the Board of Directors will take the appropriate measures in accordance with the procedures provided by the legislation in force, including the removal and without prejudice to any claim for compensation.

To ensure the complete exercise of the rights of defence, a time limit must be provided within which the person concerned may claim exempting circumstances and/or submit a written defence and may be heard.

5.5. MEASURES AGAINST CONTRACTORS AND PARTNERS

Violations by consultants, business partners, or other persons entertaining contractual relations with the Company for performance of activities that are deemed sensitive for the provisions and rules of conduct set out in the Model applicable to them, or potential commission of offences under Legislative Decree no. 231/2001 by them, will be sanctioned in accordance with the provisions of the specific contractual clauses to be included in the relevant contracts.

These clauses, which make explicit reference to compliance with the provisions and rules of conduct set out in the Model, may include, for example, an obligation by third parties not to adopt conduct or behave in such a way as to result in a violation of the provisions set out in the Model. In case of violation of this obligation, the Company is entitled to terminate the contract and, possibly, applying penalties. Clearly, this does not affect the Company's right to claim compensation for damages arising from the violation committed by said third parties of the provisions and rules of conduct set out in the Model. The Company ensures to the drafting and updating of specific contractual clauses which also provide for any claim for damages arising from application by a court of the measures provided by Legislative Decree no. 231/2001.

6. TRAINING AND DISSEMINATION PLAN

6.1. INTRODUCTION

In order to implement the Model efficiently, ECB is committed to the correct dissemination of its contents and principles within and outside its organisation.

In particular, the Company's objective is to disseminate the contents and principles of the Model not only to its own employees but also to persons who, although not formally qualified as employees, work - even occasionally - to achieve the Company's objectives by virtue of contractual relationships.

The Model is addressed to both persons who have representative, administrative or managerial functions within the Company and to persons subject to the management or supervision of one of the

abovementioned persons (under Article 5 of Legislative Decree no. 231/2001), but also, more generally, all those who work to achieve the purposes and objectives of the Company.

Therefore, the addressees of the Model include the members of the entity's governing bodies, the persons involved in the functions of the Supervisory Body, employees, collaborators, external consultants and partners.

The Company intends to:

- make aware all those who act on its behalf in the “sensitive areas” that they may incur an offence liable to sanctions if they breach the provisions of the Model;
- inform all those who act in its name, on its behalf or otherwise in its interest that a violation of the provisions contained in the Model will result in the application of sanctions or termination of the contractual relationship;
- stress that ECB does not tolerate unlawful conduct of any kind and for any purpose whatsoever, insofar as such conduct (even if the Company were apparently in a position of advantage) is always contrary to the ethical standards which ECB intends to comply with.

The communication and training activities are diversified, for greater effectiveness, depending on the target audience, but they are based on principles of completeness, clarity, accessibility and continuity so as to make the different addressees fully aware of those company regulations that they are required to comply with, as well as the ethical standards that must inspire their behaviour.

These addressees are required to precisely comply with all the provisions of the Model, also in fulfilling the duties of loyalty, fairness and diligence that arise from the legal relationships established by the Company.

6.2. EMPLOYEES

Each employee who carries out activities in Italy or which have an impact on operations in Italy is required to:

- a) be familiar with the principles and contents of the Model;
- b) be familiar with the operational methods according to which their activity is to be carried out;
- c) actively contribute, in relation to their role and responsibilities, to the effective implementation of the Model, reporting any deficiencies found in it.

Employees and new staff who carry out activities in Italy or in relation to operations carried out in Italy are given a copy of the Model and the Code of Ethics or are guaranteed the access to these documents.

These documents must in any event be made available to them by alternative means, for example by attaching them to pay slips or posting them on company notice boards or by e-mail.

Communication and training on the principles and contents of the Model is guaranteed by the heads of the individual functions who identify the best way to use these services, in accordance with what is agreed upon and monitored by the OdV.

At the end of the training event, participants have to fill in a questionnaire at the end of the course attendance.

Appropriate communication tools will be adopted to update the addressees on any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

The Company may assess the opportunity of preparing a self-assessment questionnaire to be sent electronically by e-mail, periodically assessing the level of knowledge and the application of the ethical standards contained in the Model and the Code of Ethics.

The OdV monitors the level of implementation of the Model through specific periodic checks.

6.3. MEMBERS OF CORPORATE BODIES AND PERSONS WITH A REPRESENTATIVE FUNCTION AT THE COMPANY

The members of the corporate bodies and persons in charge of representative functions of the Company shall receive a copy of the Model and the Code of Ethics at the time of acceptance of the office and they are asked to sign a declaration of compliance with the principles contained therein.

Appropriate communication tools are adopted to update them on any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

6.4. OTHER ADDRESSEES

Any third parties who have contractually regulated collaboration relationships with ECB (for example consultants or other independent collaborators) shall be made aware of the contents and principles of the Model as appropriate, with particular reference to those who operate in the context of activities that are considered sensitive within the meaning of Legislative Decree no. 231/2001. To this end, the Company provides third parties with the Code of Ethics and, if necessary, an excerpt from the Model, on the basis of the actual needs in relation to the sensitive areas in which they carry out their activities.

7. ADOPTION OF THE MODEL, CRITERIA FOR UPDATING AND ADAPTING THE MODEL

7.1. UPDATES AND ADAPTATIONS

The Board of Directors, upon recommendation of the Supervisory Body (“OdV”), resolves on the updating of the Model and its adaptation in relation to changes and/or additions that may become necessary as a result of

- i. changes in legislation;
- ii. changes to the Company's internal structure and/or the way in which the entity's activities are carried out;
- iii. findings made on the basis of controls;
- iv. significant violations of the provisions of the Model.

Once approved, the amendments and instructions are communicated to the appropriate department for their immediate application , which will in turn, with the support of the OdV, make the same operational changes and ensure that the contents are correctly communicated within and outside the Company.

In particular, to ensure that changes to the Model are made without unnecessary delay and effectiveness, and without at the same time incurring any lack of coordination between the operational processes, the provisions contained in the Model and their dissemination may be carried out by the relevant functions if the changes to the Model concern aspects of a descriptive nature.

It should be noted that the expression “aspects of a descriptive nature” refers to elements and information deriving from decisions by the Board of Directors (for example, redefining the organisation chart) or by corporate functions with specific powers (e.g. new company procedures).

In any event, the Board of Directors is solely responsible for resolutions to update and/or adjust the Model due to the following circumstances:

- changes in legislation regarding administrative liability of entities;
- identifying new sensitive activities, or changes to those previously identified, including those possibly connected with start-up of new activities of the Company;
- commission of offences under Legislative Decree no. 231/2001 by the addressees of the provisions of the Model or, more generally, significant violations of the Model;
- finding shortcomings and/or loopholes in the Model's provision following checks on its effectiveness.

This General Section was approved by the Board of Directors of ECB on February 27th, 2020

Any changes and/or additions to this document must be approved by the Board of Directors, on the proposal of the General Manager and/or the Chairman (including severally) after consultation with the Board of Statutory Auditors, and promptly circulated to the addressees.