



THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL

RC ADVISORY S.r.l.

Adopted by resolution of the Board of Directors on November 10, 2023

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FOREWORD

GENERAL PRINCIPLES

RC ADVISORY S.r.l. (hereinafter also "RC ADVISORY" or the "Company"), aware of the need to ensure conditions of fairness and transparency in the conduct of business and corporate activities, to protect its own position and image and the work of its employees, has deemed it appropriate to analyze and strengthen all the control and corporate governance tools already adopted, proceeding with the adoption of this Organizational, Management, and Control Model (hereinafter also the "Model").

This document, along with its Annexes, was adopted by the Board of Directors via resolution on November 10, 2023, in compliance with Legislative Decree 231/2001.

The RC ADVISORY Model outlined in this document is designed to supplement and complete the existing internal control system, representing the framework of rules and principles of conduct that guide the Company's activities, as well as the additional control elements with which the Company has equipped itself in order to prevent the crimes and administrative offenses for which Legislative Decree June 8, 2001, no. 231 (hereinafter referred to as the "Decree" or the "Legislative Decree 231/2001"), in compliance with corporate governance and the system of allocation of functions and delegation of powers.

This Model is up-to-date with respect to all offenses included in the "231 catalog" as of the date of adoption of the Model.

PURPOSE OF THE MODEL

By adopting the Model, which was prepared bearing in mind, in addition to the requirements of the Decree, the Confindustria Guidelines, the Board of Directors aims to pursue the following main goals:

- to reaffirm that any unlawful conduct or behaviors are strictly condemned by the Company, even if mistakenly deemed to serve social interest and even if RC ADVISORY could seemingly not benefit from it, since the same are in any case contrary not only to the provisions of the law, but also to the ethical principles by which RC ADVISORY is inspired and adheres to in the exercise of its business activities;
- raise awareness among all those who work on behalf of RC ADVISORY so that they maintain correct and straightforward behavior in the performance of their activities;
- inform the Recipients (as defined in the following paragraphs) that the commission, even attempted, of a crime relevant under the Decree - even if carried out for the benefit or in the interest of RC ADVISORY - represents a violation of the Model and the Code of Ethics and constitutes an offence liable to sanctions, on a criminal and administrative level, not only against the perpetrator of the crime, but also against the Company, with the consequent application to the same of the relevant sanctions;
- to raise awareness among all those who work on behalf of RC ADVISORY in 'sensitive activities' (as defined in the following paragraphs), that they may face disciplinary and/or contractual consequences, as well as criminal and administrative sanctions in case of violations of the provisions set forth herein;
- enable RC ADVISORY, thanks to a monitoring action on the areas of potential commission of crimes relevant for the purposes of the Decree (areas at risk 231), to intervene in a timely manner to prevent or counteract the commission of such crimes.

The provisions contained in the Model have been developed taking into account the current structure and role played by RC ADVISORY, in line with the current power structure and in compliance with applicable regulations.

STRUCTURE AND ESSENTIAL ELEMENTS OF THE MODEL

The RC ADVISORY Model consists of a General Part and a Special Part.

This **General Part** outlines the Decree's contents, detailing the types of offenses that establish the administrative liability of an entity, possible sanctions, and conditions for exemption from liability (Chapter 1), as well as the organizational and *governance* structure of the Company and the activities carried out for the construction, dissemination and updating of the Model (Chapter 2 et seq.).

The **Special Part** describes in detail, with reference to the specific types of offenses, the sensitive activities, the exemplifying methods of the offense as well as the principles of behavior placed to protect the aforementioned activities.

The following attached documents are also an integral part of the Model:

1. The crimes and administrative offenses relevant under Legislative Decree 231/01;
2. Code of Ethics;
3. Whistleblowing- Whistleblowing Management Procedure.

ADDRESSEES OF THE MODEL

The rules in the Model apply to the following Recipients:

- a) all directors and individuals holding representative, administrative, or management positions within RC ADVISORY, as well as those who de facto manage and control the Company;
- b) all those who have an employment relationship with RC ADVISORY (employees);
- c) all those who collaborate with RC ADVISORY under a parasubordinate employment relationship (project collaborators, temporary workers, temps, interns, etc.).

From the Recipients of the Model must be kept distinct those who - although not formally included in the corporate organization - operate behalf of or by mandate or on behalf of RC ADVISORY within the scope of sensitive activities, such as: consultants, suppliers, *partners*, collaborators in general, which for the activity carried out may contribute to the emergence of a liability on the part of the Company (hereinafter also "Third Parties").

Regarding the activities carried out by Third Parties, the contracts regulating their relations must include specific clauses that prescribe the counterparty's commitment to be aware of and comply with the regulations set forth in Legislative Decree 231/2001 and the Code of Ethics possible and typically in cases of activities *outsourced* to third parties- compliance with the principles of behavior and control principals consistent with those referred to in RC ADVISORY's Model 231.

GENERAL PART

1. LEGISLATIVE DECREE NO. 231/2001

1.1 The administrative liability regime provided for legal persons, companies and associations

In implementation of the delegation of authority under Article 11 of Law No. 300 of September 29, 2000, on June 8, 2001, Legislative Decree No. 231 (the "Decree" or "L.D. 231/2001") was issued, which entered into force on July 4, 2001, by which the Legislature adapted domestic regulations to international conventions on the liability of legal persons, to which Italy had long been a party. Specifically, these are the Brussels Convention of July 26, 1995 on the Protection of the Financial Interests of the European Communities, the Convention signed in Brussels on May 26, 1997 on Combating Bribery Involving Officials of the European Community or Member States, and the OECD Convention of December 17, 1997 on Combating Bribery of Foreign Public Officials in International and Economic Transactions.

The Decree, entitled "*Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality*," introduced into the Italian legal system a regime of administrative liability for entities (to be understood as, associations, consortia, etc., hereinafter referred to as "Entities") for crimes pertaining to *them* that are exhaustively listed and committed in their interest or to their advantage: (i) by *individuals who hold positions of representation, administration or management of the Entities themselves or one of their units*, hereafter referred to as "Entities") for crimes exhaustively listed and committed in their interest or to their advantage: (i) by natural persons who hold positions of representation, administration or management of the Entities themselves or of one of their organizational units with financial and functional autonomy, as well as by natural persons who exercise, even de facto, the management and control of the Entities themselves, or (ii) by natural persons subject to the management or supervision of one of the above-mentioned persons. The Entity's liability is in addition to the criminal and civil liability of the individual who physically committed the crime.

The provision of administrative liability under the Decree involves, in the suppression of the criminal offenses expressly provided for therein, Entities that have benefited from the commission of the crime. Among the sanctions that can be imposed, those that are certainly the most onerous for the Entity are represented by interdictory measures, such as the suspension or revocation of licenses and concessions, the prohibition of contracting with the public administration, the disqualification from conducting business, the exclusion or revocation of loans and contributions, and the prohibition of advertising goods and services. The aforementioned liability also arises in connection with crimes committed abroad, provided that the State of the place where they were committed does not proceed for their suppression.

The Decree exhaustively lists the types of crimes from the commission of which the administrative liability of Entities is made to derive and the particular:

- a. Crimes against public administration (Articles 24 and 25);
- b. Computer crimes and unlawful data processing (Article 24-bis);
- c. Organized crime offenses (Article 24-ter);
- d. Crimes of forgery of money, public credit cards and revenue stamps and instruments or signs of recognition Art. 25-bis);
- e. Offenses related to disturbing the freedom of industry and trade (Article 25-bis.1);
- f. Corporate crimes including bribery among private individuals (Art. 25-ter);
- g. Crimes committed for the purpose of terrorism or subversion of democratic order (Art. 25-quater);
- h. Practices of female genital mutilation (25-quater.1);
- i. Crimes against individual personality (Art. 25-quinquies);
- j. Crimes and administrative offenses of market manipulation and insider trading (Article 25-sexies);
- k. Manslaughter and grievous or very grievous bodily harm committed in violation of occupational health and safety regulations (Art. 25-septies);

- l. Receiving stolen goods, money laundering, use of money, goods or benefits of illicit origin, and self-money laundering (Art. 25-octies);
- m. Crimes involving non-cash payment instruments and fraudulent transfer of value (Art. 25-octies.1);
- n. Copyright infringement crimes (Article 25-novies);
- o. Inducement not to make statements or to make false statements to judicial authorities (Article 25-decies);
- p. Environmental crimes (Art. 25-undecies);
- q. Employment of third-country nationals whose stay is irregular (Art. 25-duodecies);
- r. Crimes of racism and xenophobia (Article 25-terdecies);
- s. Sports fraud (art.25- quaterdecies);
- t. Tax crimes (Art. 25-quinquiesdecies);
- u. Contraband offenses (Article 25-sexiesdecies);
- v. Crimes against cultural heritage (Art. 25-septiedecies);
- w. Laundering of cultural property and devastation and looting of cultural and scenic property (Article 25-duodevicies);
- x. Transnational crimes (Law 146/2006, Art. 10).

Please refer to Annex I for a detailed description of the offenses listed in the Decree and subsequent amendments and additions.

1.2 The adoption of organization, management and control models as exemptions to the Entity's administrative responsibility.

Having established the administrative liability of Entities, Article 6 of the Decree establishes that the Entity is not liable if it proves that it has adopted and effectively implemented, prior to the commission of the act, "*organizational and management models suitable for preventing crimes of the kind that occurred.*"

The same regulation also provides for the establishment of an internal control body within the Entity with the task of supervising the functioning, effectiveness and compliance of the aforementioned models, as well as taking care of their updating.

Said Organization, Management and Control Models (hereinafter also referred to as "**Models**"), must meet the following requirements:

- identify the activities within the scope of which the crimes under the Decree may be committed;
- provide specific protocols aimed at planning the formation and implementation of the Entity's decisions in relation to the crimes to be prevented;
- identify ways of managing financial resources suitable for preventing the commission of such crimes;
- provide for information obligations towards the body in charge of supervising the functioning of and compliance with the Models;
- introduce an appropriate disciplinary system to punish non-compliance with the measures specified in the Models.

In addition, the legislature specifies that the aforementioned Models should also provide:

- one or more channels that allow Recipients, to submit, for the protection of the entity's integrity, circumstantiated reports of unlawful conduct, relevant under this decree and based on precise and concordant elements of fact, or violations of the organization and management model of the entity, of which they have become aware by reason of the functions performed; these channels guarantee the confidentiality of the reporter's identity in the activities of managing the report;

- at least one alternative reporting channel that is suitable for ensuring, by means of information technology, the confidentiality of the reporter's identity;
- the prohibition of direct or indirect retaliatory or discriminatory acts against the reporter for reasons directly or indirectly related to the report;
- in the adopted disciplinary system, sanctions against those who violate the measures for the protection of the whistleblower, as well as those who maliciously or grossly negligently make reports that turn out to be unfounded.

Where the crime is committed by individuals who hold positions of representation, administration, or management of the Entity or one of its organizational units with financial and functional autonomy, as well as by individuals who exercise, even de facto, the management and control thereof, the Entity shall not be liable if it proves that:

- I. the management body has adopted and effectively implemented, prior to the commission of the act, suitable organization and management models to prevent crimes of the kind that occurred;
- II. the task of supervising the operation of and compliance with the Models and ensuring that they are updated has been entrusted to a body of the Entity with autonomous powers of initiative and control;
- III. the subjects committed the crime by fraudulently circumventing the Models;
- IV. there was no failure or insufficient supervision by the supervisory body regarding the Models.

If, however, the crime is committed by persons under the management or supervision of the individuals indicated above, the Entity is liable if the commission of the crime was made possible by the failure to comply with the obligations of management and supervision. Said non-compliance is, in any case, excluded if the Entity, prior to the commission of the crime, adopted and effectively implemented Models suitable for preventing crimes of the kind that occurred, according to an a priori evaluation.

1.3 The regulations on the protection of whistleblowers (Whistleblowing)

In terms of whistleblowing reports, the recent Legislative Decree No. 24/2023-which implements the EU Directive 2019/1937 on the protection of persons who report violations of the rules of European Union law-contributes to advancing the culture of compliance legality in organizational contexts by incorporating, within the national whistleblowing discipline, the guidance issued by European institutions and international *best practices*.

This regulatory provision stipulated the Company's obligation to provide channels that allow for the reporting of offenses involving violations of national and/or European regulatory provisions that harm the interests and/or integrity of the organization to which it belongs, guaranteeing the utmost confidentiality regarding the identity of the reporter.

All employees of the Companies or third parties connected to it who become aware of unlawful conduct, relevant under Legislative Decree 24/2023, by reason of the functions performed, must therefore promptly report such conduct through various communication channels.

In view of the above, the Company implements a whistleblowing management system that provides for the use of written and oral reporting channels in order to ensure maximum protection and confidentiality of both the reporting persons and the subject of the reports.

Specifically, reports pertaining to RC ADVISORY may be sent:

- in writing, by registered, confidential and personal mail, addressed to the Receiver, at the address of the Company, via Dante 14, Milan, (MI) 20121;
- in writing, via the following e-mail address: luciana.rovelli@studiorovelli.it;
- orally, by meeting with the Receiver.

All reports relevant to Decree 231, if any, will be analyzed and conveyed by the function that received them to the SB.

The Company does not tolerate any prejudicial consequences against the whistleblower in the disciplinary sphere, protecting him or her in the event of the adoption of "direct or indirect discriminatory measures affecting working conditions for reasons directly or indirectly related to the whistleblowing." Therefore, the aforementioned protection does not apply in cases where the report contains false information made with malice or gross negligence.

Please refer to the **Procedure on Whistleblowing (Whistleblowing) Management** for details on how to handle reports.

1.4 Confindustria Guidelines

Article 6, paragraph 3 of Decree 231 establishes that organizational models can be adopted on the basis of Codes of Conduct (or guidelines) drawn up by trade representative associations and communicated to the Ministry of Justice. In particular, Confindustria published its "*Guidelines for the construction of organization, management and control models pursuant to Legislative Decree 231/2001*" as early as March 2002, providing for their updating, due to the various regulatory changes that have taken place, as well as due to new jurisprudential practices and orientations: precisely, in March 2008, in July 2014 and, most recently, on June 25, 2021. Compared to previous versions, the new Guidelines delve more deeply into certain topics, such as the integrated risk management system, control systems for tax compliance purposes, whistleblowing, and disclosures of non-financial information. The section dedicated to the Supervisory Board reiterates the previous Guidelines, paying particular attention to the issue of the budget allocated to the Supervisory Board and the importance of collaboration between the Board and the Board of Statutory Auditors, recalling the principles established in the "Code of Corporate Governance."

The Confindustria Guidelines identify a scheme based on *risk management* and *risk assessment* processes that can be summarized as follows:

- identification of risk areas, aimed at verifying in which area/company sector it is possible for the prejudicial events provided for in Legislative Decree 231/2001 to take place;
- preparation of a control system capable of preventing risks through the adoption of appropriate protocols. The most relevant components of the control system devised by Confindustria are:
 - Code of Ethics;
 - Organizational system;
 - Manual and computer procedures;
 - Authorizing and signing powers;
 - Management control systems;
 - Communication to and training of staff.

The components of the control system should be informed by the following principles:

- verifiability, documentability, consistency and congruence of each operation;
- application of the principle of separation of functions, according to which no one can independently manage an entire process;
- documentation of controls;
- provision of an adequate system of sanctions for violation of the provisions of the Code of Ethics and the procedures set forth in the Model;
- information obligations on the part of the Supervisory Board.

In preparing its Model, RC ADVISORY has therefore expressly taken into account:

- of the provisions of Legislative Decree No. 231/2001, the accompanying Ministerial Report and Ministerial Decree No. 201 of June 26, 2003 containing the implementing regulations of Legislative Decree No. 231/2001;
- of the Guidelines prepared by Confindustria;
- of the Doctrine and Jurisprudence formed to date.

THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL OF RC ADVISORY S.R.L.

1.1 The activities and organizational structure of RC Advisory S.r.l.

RC Advisory S.r.l. is based in Milan and operates in the consulting sector. The company conducts its business through consultancy services in the areas of internal controls, risk management, compliance controls and corporate governance, as well as the provision of auditing and internal control services and consulting services related to business risk assessment, in order to assist its clients in managing business and technology-related risks.

The Company has favored the traditional *corporate governance* system that is based on:

- an administrative body - the Board of Directors - appointed by the Shareholders' Meeting, which is vested with all powers of ordinary and extraordinary administration for the achievement of the corporate purpose, excluding those powers reserved by law to the Shareholders' Meeting. Representation of the Company, before third parties and in court, is vested in the Directors. Directors are granted representation only in relation to and within the limits of the powers delegated to them by the Board pursuant to the Articles of Association. The Chairman of the Board of Directors has the power to appoint and remove attorneys and litigation attorneys as well as special attorneys for individual transactions or categories of transactions, within the limits of his powers and/or those delegated.

1.2 The guiding principles of the Model

This Model has been designed, implemented and, subsequently, subjected to updating in accordance with the peculiarities of the Company's activities and its organizational structure and, therefore, refines and supplements the specific tools already existing and aimed at planning the formation and implementation of corporate decisions and carrying out controls on corporate activities, and specifically of the following:

- Governance Tools;
- Internal control system

1.2.1 The Governance Tools

In constructing the RC ADVISORY Model, consideration was given to the governing instruments of the Company's organization that ensure its operation, which can be summarized as follows:

- bylaws-which, in accordance with current legal provisions, includes various provisions relating to corporate governance aimed at ensuring the proper conduct of management activities;
- system of proxies and powers of attorney-which establishes the powers to represent or commit the Company and, through the system of internal proxies, the responsibilities with regard to environmental and occupational safety issues;
- Code of Ethics;
- internal procedural body - consisting of policies and procedures in the areas of Corporate, Privacy and IT and internal communications designed to clearly and effectively regulate the Company's relevant processes.

The rules, procedures and principles contained in the documentation listed above, although not set out in detail in this Model, constitute a valuable tool to guard against unlawful conduct in general, including those referred to in Legislative Decree 231/2001, which is part of the broader system of organization, management and control that the Model intends to integrate and that all Recipients are required to comply with, in relation to the type of relationship they have with the Company.

1.2.2 The Internal Control System

RC ADVISORY's system of internal control is the set of activities, established practices, procedures, behavioral rules, and organizational structures aimed at enabling, through the continuous monitoring of the Company's risks, the sound, proper, and consistent conduct of the business in accordance with its objectives and in compliance with laws and regulations, including the Decree itself.

This system of rules and controls involves various corporate actors:

- the Board of Directors (policy-making body), which sets the guidelines and vision for the overall operation of the Internal Control System;
- all individuals or functions that define and manage the so-called line controls inherent in operational processes, i.e., those procedural, information technology, financial, and behavioral controls, carried out by both those who implement a given activity and those who have supervisory responsibility for it, that require expertise specific to the business, risks, and/or relevant regulations.

The Company's Internal Control System is based on the following qualifying elements, in addition to the *Governance* tools mentioned in Section 2.2.1 above:

- planning, management control and *reporting* system, which aims to guide business management to the achievement of planned objectives, highlighting deviations between them and the actual results of management, thus enabling managers, to prepare, decide and implement appropriate corrective actions;
- information systems geared toward segregation of functions and governed by internal procedures that ensure security and proper use by users;
- additional relevant documentation (current corporate organizational chart, pro tempore Corporate Organizational Releases).

The main objectives of the Company's system of internal controls are to ensure with reasonable assurance the achievement of strategic, operational, internal and market information and compliance with applicable laws and regulations.

Underlying these goals are the following general principles:

- every operation, transaction, action must be verifiable, documented, consistent and congruous: for each operation, there must be adequate documentary support that allows it to be possible to proceed, at any time, to carry out controls that attest to the characteristics and reasons for the operation and identify who authorized, carried out, recorded and verified the operation itself. In order to minimize the risks of destruction or loss, even accidental, of data, unauthorized access or processing that is not permitted or does not comply with the law, appropriate security measures are taken;
- no one can independently manage an entire process: compliance with this principle is ensured by the application of the principle of separation of functions and duties applied within the Company, according to which different persons and functions are responsible for authorizing a transaction, accounting for it, implementing the transaction and/or controlling it. In addition, no one is given unlimited powers, the powers

and responsibilities are defined and disseminated within the Company, and authorization and signature powers are consistent with organizational responsibilities;

- the control system must be able to document the performance of controls, including supervisory controls.

1.3 The Construction of the Model

The decision of RC ADVISORY's Board of Directors to have a Model is part of the Company's broader business policy, which is expressed in interventions and initiatives aimed at raising the awareness of all personnel to the transparent and correct management of the Company, compliance with current legal regulations and the fundamental principles of business ethics in the pursuit of the corporate purpose.

The creation of this version of the Model started from the analysis of the *governance* system, the organizational structure and all the inspiring principles mentioned in paragraph 2.2 above, and took into express consideration the indications noted to date in case law and in the pronouncements, even provisional ones, of the Judicial Authority, together with those expressed by the Trade Associations (Confindustria Guidelines).

The Model was designed, implemented and, subsequently, subjected to updating by an internal working group of the Company, through the development of several design phases, based on compliance with the principles of traceability and verifiability of the activities carried out.

The starting point was the identification of the **231 Risk Areas**, i.e., the activities carried out by the Company that could be exposed to the risk of commission of Offenses, according to the express provisions of Article 6, c. 2, lett. a) of the Decree.

The internal control system to guard the identified risks was then evaluated and a Code of Ethics and Special Parts were adopted, aimed at governing the risk profiles enucleated as a result of the activity of identification of corporate activities, in accordance with the requirements of Article 6 c. 2 lett. b) and lett. c) - with specific reference to the methods of management of financial resources - of Legislative Decree 231/01.

Therefore, in accordance with the requirements of Articles 6 c. 2 lett. d) and e) and c. 2 *bis* of the Decree:

- to define the characteristics, roles and tasks of the Supervisory Board (as reported in Chapter 3 below, expressly in charge of overseeing the effective application of the Model and its verification in terms of adequacy and effectiveness);
- to define the methods of disseminating the Model and related personnel training (as outlined in Section 4 below);
- to outline an apparatus of sanctions (reported in Ch. 5 below) against all violations of the Model;
- to define how to update the Model itself (reported in Ch. 6 below);
- to define a regulatory system of organizational aspects and operational processes related to the reporting of wrongdoing and violations (reported in Section 1.3 and Annex III - *Whistleblowing Procedure*)

1.3.1 Identification of 231 risk areas

RC ADVISORY's Model is based on the identification of 231 risk areas, i.e., activities within the scope of which crimes may be committed, in accordance with the express provisions of Article 6, c. 2, lett. a) of the Decree.

The identification of the 231 risk areas was carried out by assessing the specific operational areas and organizational structure of the Company, with reference to the risks of Offenses concretely foreseeable.

Therefore, a prior identification of the company's processes and activities was carried out, based on the company's operations, and thus the identification of the risk areas, i.e., the company areas in which crimes may be committed.

The company's activities were then divided into the relevant processes which, as of the date of approval of this version of the Model are represented by the following:

- *Human Resources;*
- Procurement of goods and services;
- Legal;
- Administration, Finance and Control;
- Commercial;
- *Operations;*
- Communication;
- *Information Technology;*
- Occupational Health and Safety and Environment.

It is important to point out that the identification of 231 risk activities takes a snapshot of the situation existing on the date this Model was drafted. The evolution of the company's activities will require its necessary updating, in order to include any risks associated with the new activities.

In accordance with the provisions of Article 6, paragraph 2, lett. a) of Legislative Decree 231/01, the areas of company activities identified as at risk under Legislative Decree 231/2001, i.e., within the scope of which there could be potential risks of the commission of the types of offenses set forth in the Decree, are listed below.

Specifically, the following **231 risk areas** have been identified based on company operations:

- Personnel selection, recruitment, and management;
- Expense reimbursement and entertainment expenses;
- Procurement of goods and services;
- Consulting and professional assignments to third parties;
- Litigation and settlement agreements;
- Administration, Accounting, and Budgeting;
- Monetary and financial flows;
- Tax compliance;
- Management of the job order;
- Managing relationships with *Business Partners;*
- Relationships with Members and other Corporate Bodies;
- Compliance and relations with the Public Administration and Supervisory Authorities;
- Management of internal and external communication;
- Information systems;
- Occupational health and safety and environmental compliance.

In these areas, the risks of the commission of some of the offenses specified in Articles 24, 24-bis, 24-ter (and by Art. 10, Law No. 146 of March 16, 2006), 25, 25-bis 1, 25-ter, 25-quinquies, 25-sexies, 25-septies, 25-octies, 25-octies.1, 25-novies, 25-decies, 25-undecies, 25-duodecies and 25-quinquiesdecies of the Decree were considered most relevant.

With regard to the other crimes and offenses (and typically crimes in the area of female genital mutilation practices, crimes in the area of forgery of money, public credit cards, revenue stamps and instruments or signs of recognition, violation of copyright, racism and xenophobia, fraud in sports competitions abusive exercise of gaming or betting and gambling exercised by means of prohibited devices, crimes related to smuggling and crimes related to the management of cultural and landscape heritage) it was considered that the specific activity carried out by the Company does not

present risk profiles such as to make the possibility of their commission in the interest or to the benefit of the same reasonably well-founded. The reference to the principles contained both in this Model and in the Code of Ethics, where corporate representatives, collaborators and any business *partners* are bound to respect the values of solidarity, protection of individual personality, fairness, morality and respect for the law, was therefore considered exhaustive.

1.3.2 *Special Parts*

Following the identification of the areas at risk, the Company developed specific **Special Sections** in which, for each category of predicate offenses, the risk profiles of the commission of the specific types of offenses and the principles of conduct deemed appropriate to govern and guard against the identified risk profile were identified.

The Special Sections have been submitted to the individuals with responsibility for the management of risk activities for their evaluation and approval, thus making the rules of conduct contained therein official and obligatory with respect to all those who happen to perform the activity within the scope of which a risk profile has been identified.

1.3.3 *The Code of Ethics*

The provisions of the Model are complemented by the Code of Ethics, which encapsulates general principles that are the foundation of the corporate culture and represent the *standards* of daily behavior inside and outside RC Advisory.

The Society has believed that a small number of simple but firm values and ethical principles can serve as a guide for resolving dilemmas and conflicts, assuming that we act responsibly and use common sense. Precisely:

- Accountability, integrity and ethics;
- Dignity and Equality;
- Legality and Compliance;
- Fighting conflict of interest;
- Respect for People, Workers;
- Transparency, loyalty and fairness in business, contractual and professional relationships;
- Respect for the Environment and Protection of Occupational Safety;
- Protection of confidentiality and insider information;
- Protection of intellectual property and competition.

The Code of Ethics is an integral part of the Organizational Model, although it has different scope and purpose.

In fact, in this respect, it should be pointed out that:

- the Code of Ethics is of general relevance in that it contains a series of principles and values of "corporate ethics," which the Company recognizes as its own and on which it intends to call for the observance of all its employees and all those who, even outside the Company, cooperate in the pursuit of the Company's objectives;
- the Model and Special Parts, on the other hand, respond to and satisfy, in accordance with the provisions of the Decree, the need to prepare a system of internal rules aimed at preventing the commission of particular types of offenses (for acts that, committed in the interest or to the advantage of the Company, may result in administrative liability under the provisions of the Decree itself).

The Code of Ethics is available on the Company's institutional *website* .

SUPERVISORY BODY

3.1. The characteristics of the Supervisory Board

The exemption from administrative liability-as governed by Article 6 paragraph 1 of Legislative Decree 231/2001-also provides for the mandatory establishment of an internal Supervisory Board within the Entity (the "Board" or "SB"), endowed with both an autonomous power of control (enabling it to oversee the functioning of and compliance with the Model) and an autonomous power of initiative, to guarantee the updating of the Model itself, in order to ensure effective and efficient implementation of the Model.

The characteristic of **autonomy of initiative and control powers** in the head of the SB is respected if:

- the Supervisory Board is guaranteed hierarchical independence from all corporate bodies over which it is called to supervise by ensuring that it reports directly to the Board of Directors;
- its members are not directly involved in management activities that are the subject of control by the same body;
- the SB is endowed with financial autonomy to properly carry out its activities.

In addition to the autonomy of powers provided for in the Decree itself, the Company has also considered aligning itself with the Confindustria Guidelines as well as the pronouncements of the judiciary on the subject, which have indicated that the requirements of professionalism and continuity of action are also necessary.

With regard to the requirement of **professionalism**, it is necessary for the Supervisory Board to be equipped with the tools and techniques necessary to carry out the assigned activity, both of an inspection and advisory nature. Professionalism is ensured by the authority granted to the Body to make use, in order to carry out its task and with absolute autonomy of expenditure (within the *budget* assigned to it), of the specific professionalism of both the heads of various company functions and external consultants;

Finally, as for **continuity of action**, the Supervisory Board must ensure the effective and constant implementation of the Model and represent a point of reference for the Recipients of the Model. Continuity of action is also ensured by the fact that the Body operates permanently at the Company with the help of internal functions to carry out the task assigned to it, as well as by the fact that it receives constant information from the structures identified as potential risk areas.

3.2. Identification, location and appointment of the Supervisory Board

Regarding the possible composition of the SB, doctrine and practice have come up with different solutions, depending on the size and operational characteristics of the Entity, the relevant *corporate governance* rules and the need to achieve a fair balance between costs and benefits. Therefore, both the definition of structures specifically created in the Entity and the assignment of the duties of the OdV to already existing bodies are considered viable. Similarly, both collegial and single-subject structures can be chosen. Finally, in the enucleation of the members of the SB, it is possible to entrust this qualification to external individuals who possess the specific skills necessary for the best execution of the task.

Finally, pursuant to Article 6 paragraph 4 *bis* of the Decree, introduced by Article 14 paragraph 12, of Law No. 183 of November 12, 2011, in corporations the function of Supervisory Board can be performed by the Board of Statutory Auditors.

Unless the Entity decides to entrust the appointment of the Supervisory Board to one of the persons indicated in Article 6 paragraph 4 *bis* of Legislative Decree 231/2001, the concrete establishment of this body is left to the organizational initiative of the Entity, always according to the framework outlined by the Decree.

In view of the above, the Body to be entrusted with the task of supervising the functioning, effectiveness and observance of the Model, as well as proposing its updating was identified in a monocratic structure external to the Company.

the Body is appointed directly by the Board of Directors. Appointment as a member of the Supervisory Board is conditional on the presence of the subjective eligibility requirements, the recurrence and permanence of which will be ascertained from time to time by the Board of Directors.

The Supervisory Board is accountable directly to RC ADVISORY's Board of Directors, so as to ensure its full autonomy and independence of judgment in carrying out the tasks entrusted to it.

The Supervisory Board, for the purpose of assessing the **independence requirement**, from the time of appointment and throughout the term of office, shall not:

- to be in a position, even potential, of conflict of interest with RC ADVISORY;
- hold executive or delegated positions on the Company's Board of Directors;
- perform, within the Company, executive-type functions directly related to the business and/or operational management activities of the Company, with single signature powers. If the members of the Supervisory Board are individuals within the corporate structure, they must enjoy a suitably high organizational position and, in any case, such that they cannot be configured as employees of executive bodies;
- have relationships of kinship, marriage or affinity up to the fourth degree with members of the corporate bodies, with persons who hold positions of representation with single signature, administration or management of RC ADVISORY or one of its organizational structures with financial and functional autonomy, as well as with persons who exercise - even de facto - the management and control of RC ADVISORY.

In addition, the Company has established that the Supervisory Board must meet the **requirements of professionalism and honorability** set forth in Article 109 of Legislative Decree No. 385 of September 1, 1993. In particular, the Supervisory Board must be appointed from among individuals with appropriate professionalism in legal matters and corporate risk control and management and must not (conditions of ineligibility):

- being in a state of temporary disqualification or suspension from the executive offices of legal persons and enterprises;
- being in any of the conditions of ineligibility or disqualification provided for in Article 2382 of the Civil Code;
- having been subjected to prevention measures pursuant to D. Legislative Decree No. 159 of September 6, 2011, as amended and supplemented, subject to the effects of rehabilitation;
- have had a conviction or plea bargain, even if not final, even if with a conditionally suspended sentence, subject to the effects of rehabilitation, for a period of not less than one year;
 1. for one of the crimes stipulated in Royal Decree No. 267 of March 16, 1942 (Bankruptcy Law);
 2. for one of the crimes under Title XI of Book V of the Civil Code (corporations and consortia);
 3. for a non-negligent crime, for a term of not less than one year;
 4. for a crime against the public administration, against public faith, against property, against the public economy, or for a tax-related crime;
 5. for any of the offenses stipulated in the rules governing banking, financial, securities, insurance activities and the rules governing securities and markets, payment instruments;
 6. for a crime which imposes and has implied a sentence from which the disqualification, including temporary disqualification, from public office, or temporary disqualification from the executive offices of legal persons and enterprises;
- having been the recipient in his or her personal capacity of a decree ordering judgment for all offenses under Legislative Decree 231/01;
- having served as an executive director in the three fiscal years prior to appointment as a member of the Supervisory Board, in companies:
 - subjected to bankruptcy, compulsory liquidation or similar procedures;

- operating in the credit, financial, securities and insurance sectors undergoing extraordinary administration proceedings;
- being in one of the situations contemplated in Article 2399 Civil Code Paragraph 1 (a), (b) and (c) and specifically:
 - a. those who are in the conditions stipulated in Article 2382 of the Civil Code (the disqualified, the incapacitated, the bankrupt, or those who have been sentenced to a punishment that entails disqualification, even temporary, from public office or inability to hold executive office);
 - b. the spouse, relatives and kin within the fourth degree of kin of the directors of the Company, the directors, spouse, relatives and kin within the fourth degree of kin of the directors of companies controlled by the Company, companies that control the Company and companies under common control;
 - c. those who are linked to the company or its subsidiaries or the Companies controlling it or those subject to common control by an employment relationship or by an ongoing consultancy or paid work relationship, or by other relationships of a financial nature that compromise their independence.

The Body is entitled to reimbursement of out-of-pocket expenses incurred in the performance of the assignment.

3.3. Term of office, removal, resignation and replacement of the Body

The Body remains in office for a period of three fiscal years and expires with the approval of the budget for the third fiscal year of its term in office.

Any revocation of the member of the Supervisory Board may only be ordered for reasons strictly provided for, related to serious failures to comply with the mandate assumed, including violations of confidentiality obligations and intervening causes of ineligibility mentioned above.

They constitute just cause for the removal of members of the SB:

- gross negligence in the performance of duties related to the assignment;
- the violation of duties of confidentiality;
- the "omitted or insufficient supervision" by the Supervisory Board - in accordance with the provisions of Article 6, paragraph 1, lett. d), Legislative Decree 231/2001 serious and ascertained reasons of incompatibility that frustrate its independence and autonomy;
- unexcused absence from two or more consecutive meetings of the SB, following a ritual convocation.

The revocation of the mandate must, in any case, be approved by the Board of Directors of the Company by an act that clearly specifies the reasons for the decision taken.

The Supervisory Board ceases to exist when they come into existence after appointment:

- one of the situations contemplated in Article 2399, paragraph 1 (a), (b) and (c) of the Civil Code;
- conviction by final judgment (meaning by conviction also that pronounced pursuant to Article 444 of the Code of Criminal Procedure) for a period of not less than one year, for one of the crimes indicated in Nos. 1, 2, 3, 4, 5, 6 of the conditions of ineligibility indicated in Section 3.2.

They also constitute grounds for disqualification from serving as a member of the Supervisory Board:

- conviction by non-final judgment for any of the crimes in numbers 1 to 6 of the conditions of ineligibility specified in Section 3.2;

- the application of one of the punishments for the crimes listed in numbers 1 to 6 of the conditions of ineligibility indicated in Section 3.2;
- the application of a personal precautionary measure;
- the provisional application of one of the preventive measures provided for in Book I, Title I, Chapter II of Legislative Decree No. 159 of September 2011, as amended and supplemented, and the accessory administrative sanctions provided for in Article 187- quater of Legislative Decree No. 58/1998 (TUF).

Lastly, further causes for the disqualification of the Supervisory Board in addition to those previously outlined are being investigated or convicted, even with a non-definitive sentence or issued pursuant to Articles 444 et seq. of the Code of Criminal Procedure (plea bargaining) or even if with a conditionally suspended sentence, without prejudice to the effects of rehabilitation, for one or more offenses among those exhaustively provided for by Legislative Decree 231/01.

For any members of the Supervisory Board who should be linked to the Company by an employment relationship, the termination of the employment relationship, for whatever reason this occurs, determines the automatic forfeiture of the office.

Finally, it should be noted that the forfeiture of the position of member of the SB operates automatically from the moment of the occurrence of the cause that produced it, without prejudice to the further obligations described below.

The Supervisory Board may relinquish its office at any time, upon notice to be submitted in writing to the Board of Directors and in copy knowledge to the other members.

In the event of a supervening cause of renunciation or forfeiture of office, the member of the Supervisory Board concerned must immediately notify the Board of Directors and the other members of the Supervisory Board in writing. Even in the absence of the aforementioned communication, each member of the Supervisory Board who learns of the existence of a cause for forfeiture or resignation on the part of another member, must promptly notify the Board of Directors in writing to enable it to take the necessary appropriate measures.

In case of resignation, supervening inability, revocation or disqualification of the SB, the Board of Directors shall deliberate the appointment of a replacement without delay.

3.4. Functions and powers of the Supervisory Board

The provision in Article 6, paragraph 1, letter b) of the Decree expressly states that the duties of the SB are to supervise the operation of and compliance with the Model, as well as to take care of its updating.

In particular, the SB will have to perform the following specific tasks:

- a) **supervise the functioning of the Model and the observance of the prescriptions contained therein** by the Recipients, verifying through inspections carried out by the company's internal control functions or through third-party verifiers the consistency between the concrete behaviors and the defined Model, proposing the adoption of corrective actions and the initiation of disciplinary proceedings against the persons concerned. More specifically, it shall:
 - verify the adequacy of the organizational solutions adopted for the implementation of the Model (definition of standard clauses, training of directors and attorneys, disciplinary measures, etc.), making use of the relevant corporate structures;
 - prepare the periodic audit plan on the adequacy and functioning of the Model;
 - carry out periodic audits, as part of the approved plan, of activities or operations identified in risk areas, through the internal control functions;

- carry out targeted audits of specific transactions or specific and relevant acts carried out by the Company in risk areas as well as the system of powers in order to ensure the ongoing effectiveness of the Model, including through internal control functions;
 - promote appropriate initiatives to disseminate knowledge and understanding of the principles of the Model and monitor its implementation;
 - regulate appropriate information mechanisms by providing an e-mail box and identifying the information that must be transmitted to or made available to the SB;
 - collect, examine, process and store relevant information regarding compliance with the Model;
 - evaluate reports of possible violations and/or non-compliance with the Model;
 - promptly report to the management body (Board of Directors), for appropriate disciplinary measures to be imposed with the support of the relevant departments, ascertained violations of the Model that may result in the emergence of a liability on the part of the Company and propose any sanctions referred to in Section 5 of the Model;
 - verify that violations of the Model are effectively and appropriately sanctioned in accordance with the sanction system adopted by RC ADVISORY.
- b) **Supervise the appropriateness of updating the Model**, informing the Board of Directors in the case, where there is a need for adjustment in relation to the expansion of the list of Offenses involving the application of the Decree, evidence of violation thereof by the Recipients, or significant changes in the internal structure of the Company and/or the manner in which business activities are carried out. In particular, the Supervisory Board shall:
- monitor the development of relevant regulations and verify the adequacy of the Model to these regulatory requirements, with the support of an internal Company contact person, reporting possible areas of intervention to the Board of Directors;
 - prepare suitable activities to keep the identification of risk areas up-to-date, according to the methods and principles followed in the adoption of this Model;
 - supervise the adequacy and updating of the Special Parts of the Model with respect to the requirements for the prevention of Crimes and verify that each part that contributes to the realization of the Model is and remains responsive and adequate to the purposes of the Model as identified by law, for this purpose being able to make use of information and cooperation from the relevant corporate structures;
 - evaluate, in the case of actual commission of Offenses and significant violations of the Model, the advisability of introducing amendments to the Model;
 - submit to the Board of Directors proposals to adapt and amend the Model. The adoption of any amendments is in fact the responsibility of the management body, which precisely, in the mind of Article 6 paragraph 1 letter A), has direct responsibility for the adoption and effective implementation of the Model itself;
 - verify the effectiveness and functionality of the amendments to the Model adopted by the Board of Directors.

In carrying out its supervisory and control activities, the SB, without the need for any prior authorization:

- will have free access to all structures and offices of the Company, will be able to interact with any person operating in the aforementioned structures and offices and freely access and acquire all the information, documents and data it deems relevant. In the event of a reasoned denial by the contact persons to whom the requests are addressed, the SB will prepare an appropriate report to be forwarded to the Board of Directors;

- may request access to data and information as well as the exhibition of documents from members of corporate bodies, the auditing firm, Third Parties and in general all Recipients of the Model. With specific reference to Third Parties, the obligation to comply with the requests of the SB must be expressly provided for in the individual contracts entered into by the Company;
- may carry out periodic inspections in the various company departments and functions, including with reference to specific operations (including ongoing operations) carried out by the Company.

Where it deems it necessary, depending on the specificity of the topics dealt with, the Supervisory Board may avail itself of the support of company structures institutionally endowed with technical skills and resources, both human and operational, suitable for guaranteeing the performance on an ongoing basis of the verifications, analyses and other necessary fulfillments, or of external consultants.

For the purposes of the full and autonomous fulfillment of its duties, the SB is assigned an adequate annual *budget*, proposed by the Body itself and approved by resolution of the Board of Directors, which must allow the SB to be able to carry out its duties in full autonomy, without limitations that may result from insufficient financial resources in its possession. This is without prejudice to the possibility for the SB to exceed the limits of the budget if necessary, with the obligation to provide subsequent reporting.

For all other aspects, the SB, in order to preserve its autonomy and impartiality, will provide for self-regulation through the formalization, within the scope of a regulation, of a set of rules that guarantee its best functioning (such as the scheduling of activities and controls, the verbalization of meetings and the regulation of information flows) and regulate in detail the activities within its competence.

3.5. Method and frequency of reporting to corporate bodies

As specified above, the Supervisory Board is accountable to the Board of Directors of RC Advisory and may communicate with it whenever it deems the need or advisability to do so; however, it is expected to submit an annual report of an informative nature having to do with:

- the supervisory activity carried out by the Body during the reporting period;
- any critical issues that have emerged both in terms of RC ADVISORY's internal behavior and in terms of the effectiveness of the Model;
- directions for updating or improving the Model;
- the incorporation of any planned corrective and improvement actions and their status of implementation.

In case of serious anomalies in the operation and compliance with the Model or violations of its requirements, the SB shall promptly report to the Board of Directors.

The Supervisory Board may be summoned at any time by the Board of Directors or may, in turn, make a request-if it deems it appropriate or otherwise deems it necessary-to be heard by that body to report on particular events or situations relating to the functioning of and compliance with the Model, soliciting, where appropriate, intervention by it.

To ensure proper and effective flow of information, the SB also has the option, to ask for clarification or information directly from the Chairman and individuals with key operational responsibilities.

Meetings with the bodies to which the SB reports must be recorded in minutes, and copies of the minutes must be kept by the SB and the bodies involved from time to time, with the Board of Directors having the right to inspect them.

3.6. Information flows and reports to the Supervisory Board

Pursuant to Article 6, paragraph 2, letter d) of Legislative Decree 231/2001, among the requirements to which the Model must respond is specified the provision of "*obligations to provide information to the body in charge of supervising the functioning and observance of the models.*"

The Supervisory Board must be notified by the Recipients of any situation or information relevant for monitoring the effectiveness of the Model and any event that could lead to liability under the Decree or represents a breach of company rules. Likewise, any document reporting such circumstances must be forwarded to the SB.

Therefore, a reporting obligation to the SB has been established, which takes the form of occasional information flows and whistleblowing reports:

- a) **Occasional reports:** information of any kind, not falling into the previous category, coming from all Recipients of this Model, pertaining to possible violations of the prescriptions of the Model or in any case resulting from conduct not in line with the rules adopted by the Company as well as pertaining to the commission (or attempted commission) of crimes, which may be considered useful for the purposes of carrying out the duties of the SB.

In particular, please refer to the document Information Flows to the Supervisory Board for all information that must be promptly transmitted to the SB.

- b) **Reports of wrongdoing or irregularities detected by an internal or external stakeholder**, during their work activities, in accordance with the *whistleblowing* regulations. In this regard, the Company has decided to use, also for the transmission of such reports, the dedicated channel referred to in Section 1.3 above.

In any case, with reference to the above list of information, it is left to the Supervisory Board to request, if necessary or appropriate, any changes and additions to the information to be provided.

Reports should be made in writing through:

- registered mail, confidential and personal, addressed to the Receiver, at the address of the Company, via Dante 14, Milan, (MI) 20121;
- e-mail to the e-mail address: odvrcadvisory@gmail.com.

Finally, the Supervisory Board may request, on a periodic basis or upon the occurrence of certain events, data and information on the activities carried out (so-called "specific information") from all Recipients of this Model.

DISSEMINATION OF THE MODEL

4.1 Communication and Staff Training

The regime of administrative responsibility provided by legal regulations and the adoption of the Model of Organization, Management and Control by RC ADVISORY form a system that must find a consistent and effective response in the operational behavior of the recipients.

In this regard, a communication and training activity aimed at fostering the dissemination of what is established by the Decree and the Organizational Model adopted in its various components is fundamental, so that knowledge of the subject and respect for the rules that derive from it constitute an integral part of the professional culture of each employee and collaborator.

RC ADVISORY has therefore structured an internal communication, information and training plan aimed at all company employees, which aims to create widespread knowledge and a corporate culture appropriate to the issues in question, thus mitigating the risk of the commission of offenses.

The plan is overseen by the relevant corporate structures in coordination with the Supervisory Board.

Regarding **information** mechanisms, it is expected that:

- the members of the corporate bodies and individuals with representative functions of the Company receive the information on the Model when accepting the office conferred on them, to be signed in compliance with the principles contained in the Organizational Model and the Code of Ethics adopted by the Company;
- newly hired employees, upon hiring, are notified of the section of the company *intranet* with *links* to the Model and Code of Ethics by delivery of the specific notice whose acceptance is requested

Finally, with regard to **training**, a training plan is planned with the aim of familiarizing all managers and employees of the Company with the contents of the Decree, the Model and its annexes.

4.2 Disclosure to external collaborators and professionals

External parties (suppliers, collaborators, professionals, consultants, etc.) receive special information from heads of relevant corporate functions and the Supervisory Board, detailing the Company's policies, protocols, and procedures adopted in compliance with the Model and the Code of Ethics.

This information also extends to the consequences that conduct contrary to the Code of Ethics or current regulations may have with regard to contractual relationships. Where possible, specific clauses aimed at regulating these aspects are included in the contractual documentation.

DISCIPLINARY SYSTEM GUIDELINES

5.1 General principles

Pursuant to Articles 6(2)(e) and 7(4)(b) of the Decree, the Model whose adoption and implementation (together with the other situations provided for in the aforementioned Articles 6 and 7) is a condition *sine qua non* for the Company's exemption from liability in the event of the commission of the offenses referred to in the Decree, can only be considered effectively implemented if it provides for a disciplinary system suitable for sanctioning non-compliance with the measures indicated therein.

This disciplinary system must address both employees and contractors and third parties working on behalf of the Company, providing for both appropriate disciplinary and contractual/negotiated sanctions (e.g., contract termination, removal from the supplier list, etc.).

The application of disciplinary sanctions is irrespective of the initiation or outcome of any legal proceedings, since the Model and internal protocols/procedures constitute binding rules for the recipients, the violation of which must, in order to comply with the dictates of the aforementioned Decree, be sanctioned regardless of the actual realization of a legally actionable offense.

However, it remains that even if a certain behavior is not included among the behaviors identified below, if it is found to be in violation of the Model, it may still be subject to sanction.

With specific reference to violations of the Model with regard to occupational health and safety, the behaviors that can be sanctioned are those related to failure to comply with the requirements of the Consolidated Safety Act (as specified in Articles 55 to 59 of the same document), consistent with the National Collective Agreement applied.

5.2 The functions of the Disciplinary System

Failure to comply with the Model, including all of its components and/or the Code of Ethics, configures, with respect to the characteristics of the legal *status* of the person against whom proceedings are being taken, a violation of the duties of diligence and loyalty and, in the most serious cases, damages the relationship of trust established with the Company. Therefore, the Company, in order to induce individuals acting in the name or on behalf of RC ADVISORY to operate in compliance with the Model, has therefore established this Disciplinary System, aimed at punishing all those behaviors that integrate violations of the prescriptions of the Model, through the application of specific sanctions resulting from a connection between the provisions of the labor law and the principles and requirements of the Model.

The Supervisory Board, if it detects in the course of its verification and control activities a possible violation of the requirements of the Model, including all its components and/or the Code of Ethics, will initiate disciplinary proceedings, in compliance with the characteristics of the legal status of the person against whom the proceedings are being taken, against the author of the potential infraction, to an extent independent of any criminal action by the judicial authority against the author as well as in relation to any other possible action that may be appropriate or necessary (e.g., compensation action).

The ascertainment of actual liability arising from the violation of the Model and/or the Code of Ethics, and the imposition of the relevant sanction, will take place in compliance with the provisions of the law in force, the rules of applicable collective bargaining, internal procedures, *privacy* provisions, and in full observance of the fundamental rights of dignity and reputation of the individuals involved.

Any imposition of disciplinary sanction shall be guided by the principles of timeliness, immediacy and, as far as possible, fairness.

5.3 The recipients of the disciplinary system

The provisions of this Disciplinary System are addressed, in particular, to all Recipients of the Model, i.e., those who hold - within the corporate organization - the role of "apical" or "subordinate" persons (according to the definition contained in Article 5 of Legislative Decree 231/01) as well as to all those who - as Third Parties - act on behalf of or on behalf of the Company and who have contractual relations with the Company, who for this reason are required to comply with its general principles of conduct.

In particular, the Recipients of this Disciplinary System - with the specificities provided therein - are to be considered all those individuals who collaborate in various capacities with RC ADVISORY and, specifically:

- the members of the corporate bodies (Directors);
- employees, linked to the Company by a subordinate employment relationship, as well as any other person subject to the management and supervision of a "top" person;
- para-subordinate workers, project workers, temporary workers, temps, interns, etc.

5.4 Relevant conduct

Conduct in violation of the RC ADVISORY Model, and specifically in violation of the prescriptions in the Model and Protocols, the Procedures referred to therein, and the Code of Ethics, represent conduct subject to sanctions.

Conduct, including omissions, carried out in violation of the directions and/or prescriptions of the SB also constitute violations of the Model.

To ensure compliance with the constitutional principle of legality, as well as the principle of proportionality of the penalty, it seems appropriate to indicate below, by way of example and not exhaustively, a list of possible violations according to an ascending order of severity:

- violations related, in any way, to the activities indicated as "at risk 231," violations of one or more procedural and/or behavioral rules provided for in the Model, configured as minor failures, and provided that one of the violations provided for below does not occur;
- violations connected, in any way, to the 231 risk activities indicated in the Model, violations of one or more procedural and/or behavioral rules configured as more serious misconduct if they do not result in prejudice to the normal activity of the Company, violations referred to in point 1 if recurring, and provided that there is no recurrence of one of the violations provided for below;
- violations capable of integrating the objective element of one of the offenses susceptible to founding, according to the provisions of the Decree, the liability of the Entity, violations of one or more procedural and/or behavioral rules provided for in the Model that result in financial damage to the Company or expose it to an objective situation of danger to the integrity of corporate assets;
- violations aimed at the commission of one of the crimes suitable for founding, according to the provisions of the Decree, the liability of the Entity or in any case suitable for generating the danger that the liability of the Company under the Decree will be contested;
- violations of one or more procedural and/or behavioral rules provided for in the Model such as to irreparably damage the relationship of trust, not allowing the continuation of the contractual relationship.

5.5 The Sanctions

The definition of a system of sanctions, applicable in case of violation of the provisions of this Model, is a necessary condition to ensure the effective implementation of the Model itself, as well as an indispensable prerequisite to enable the Company to benefit from the exemption from administrative liability.

The application of said sanctions is irrespective of the establishment and outcome of any criminal proceedings that may have been initiated in cases where the violation integrates a hypothesis of a crime relevant under Legislative Decree 231/2001. The sanctions that can be imposed are diversified according to the nature of the relationship between the perpetrator of the violation and the Company, as well as the importance and seriousness of the violation committed and the role and responsibility of the perpetrator.

In general, violations can be traced to the following behaviors and classified as follows:

- a) conduct that constitutes culpable failure to implement the requirements of the Model, including company directives, procedures or instructions;
- b) conduct that constitutes a willful transgression of the prescriptions of the Model, undermining the relationship of trust between the perpetrator and the Company as it is specifically intended to commit an offense;
- c) conduct that integrates acts of discrimination and retaliation against those who report illegal conduct relevant under Legislative Decree 231/2001;
- d) unsubstantiated reports made with malice or gross negligence.

The sanctions are adopted in compliance with the relevant regulations in force and, where applicable, with the rules found in the collective bargaining agreement applicable from time to time and by Article 7 Law 300/70 and are commensurate with the seriousness of the infraction and any repetition thereof.

In any case, the type and extent of the penalty applied must take into account the principles of proportionality and appropriateness of the violation charged.

In general, they will have prominence:

- the type of offence committed also in consideration of the seriousness of the same as listed, merely by way of simplification and not exhaustively, in Section 3.3 above;
- the circumstances under which the unlawful conduct developed;
- the manner in which the conduct was committed;
- the seriousness of the conduct;
- the intentionality of the behavior or the degree of negligence, recklessness or inexperience also with regard to the foreseeability of the event;
- the recipient's overall behavior with particular regard to whether or not the recipient has a disciplinary record, to the extent permitted by law;
- the role played by the recipient;
- the functional position of the people involved in the facts constituting the failure;
- other special circumstances accompanying the disciplinary offense such as the possible commission of more than one violation within the same conduct, in which case aggravation will be made in compliance with the sanction provided for the most serious violation;
- the behavior immediately following the fact, with special reference to the voluntary repentance;
- the aggravating (or mitigating) circumstances under which the misconduct took place, with particular regard to professionalism, previous job performance, disciplinary record, and the circumstances under which the act was committed;

- the possible complicity of more than one person in the commission of the violation;
- the possible recidivism of its perpetrator.

In any case, the sanction procedure is referred to the relevant corporate function and/or bodies.

The application of disciplinary sanctions in no way prejudices the right of the Company to take action against the responsible party in order to obtain compensation for all damages suffered due to or as a result of the conduct ascertained.

5.6 Penalties for employees (non-management)

With regard to employees who do not hold managerial status:

1. a verbal reprimand or financial penalty is applied to anyone who draws up, or contributes to drawing up, including by omissive conduct, false documentation, if it is documentation required by this Model or the protocols that constitute its implementation, depending on the seriousness of the violation. This sanction shall also be applied in cases of culpable non-compliance with *whistleblowing* regulations, for example, in cases where an employee makes one or more reports that turn out to be false and unfounded against another person or where an employee attempts to violate the rules on whistleblower protection;
2. anyone who commits the violation or circumvention of the control system implemented in compliance with the Model, through the removal, destruction or alteration of documentation relating to procedures, obstruction of controls, hindering access to information and documentation opposed to the persons in charge of controlling procedures and decisions, including the Supervisory Board, or carries out other conduct suitable for the violation or circumvention of the control system itself, shall be subject to the sanction consisting of suspension from the job or office and salary;
3. in the case of repeated violations or particularly serious violations that have exposed the Company to the danger of detrimental consequences, dismissal shall be applied.

The amount of the penalties referred to in numbers 1 to 3 above shall correspond to those provided for in the applicable collective agreement in force at the time of the act.

5.7 Measures against managers

With regard to executives, in cases of violation of the rules of this Model and due to the seriousness of such violations, the most appropriate sanctions are applied in accordance with the provisions of the law and applicable collective bargaining, up to the extent of dismissal, in the event that the relationship of trust is broken.

Certain disciplinary sanctions, depending on the severity of the act performed, are also provided for in the event that employees do not comply with the obligations provided for in the Whistleblowing, for example, in cases where an employee makes, within the work environment and with malice, a report of wrongdoing against another person that later turns out to be false and unfounded.

The existence of a system of sanctions for non-compliance with the Model's provisions and its supporting documentation must be communicated to employees through the means deemed most appropriate by the Company.

5.8 Sanctions against directors

With regard to the members of the Board of Directors, in the case of violations of the prescriptions contained in this Model, the Supervisory Board informs the entire Board of Directors, which will proceed in accordance with the law to take the most appropriate and adequate initiatives in relation to the seriousness of the violation detected and in

accordance with the powers provided for by current legislation and the Articles of Association, involving, where necessary, the Shareholders' Meeting.

5.9 Sanctions against third parties

With regard to consultants, collaborators, and in any case natural or legal persons with whom the Company comes to any form of contractually regulated collaboration, where destined to cooperate with the Company within the scope of activities in which the risk of commission of crimes recurs, violations of the Model and the ethical-behavioral principles adopted by the Company, applicable to them, is sanctioned in accordance with the provisions of the specific contractual clauses included in the relevant contracts.

This is without prejudice to any claim for damages, if concrete damage to the Company results from such conduct, as in the case of the application to it by the court of the measures provided for in the Decree.

APPROVAL AND MODIFICATION OF THE MODEL

6.1 Approval and implementation of the reference principles of the Model

The adoption and effective implementation of the Model constitutes, in accordance with Article 6, paragraph I, letter a) of the Decree, acts falling within the competence and issuance of the Board of Directors. Therefore, it is the responsibility of that Body to also approve and incorporate, by means of an appropriate resolution, the cardinal principles set forth in this document, which constitute an integral part of the Model.

6.2 Changes and additions to the reference principles of the Model

Modifications and additions to the Model's reference principles, intended to ensure the Model's ongoing compliance with any future requirements of the Decree, shall also be referred to the Board of Directors.

Proposals for amendments and additions to the Model and its annexes may be submitted by the Supervisory Board to the Board of Directors, after consultation with the relevant company departments.

In order to make all those formal and non-substantial changes to the Model that may become necessary over time, it is the power of the Company's Board of Directors, in its decision-making autonomy, to grant one of its members the power to make the aforementioned changes with the obligation for the Director vested with such power to formally notify the Board of Directors of the changes made.