

# Organizational, Management and Control Model

Pursuant to Legislative Decree. N. 231/2001

## GENERAL PART

Approved by the Board of Directors on 05-10-2023.

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## INTRODUCTION: ORIGIN OF THE PROJECT AND WAY OF WORK

This document has been prepared pursuant to and in accordance with Legislative Decree N.231 dd. 8<sup>th</sup> June 2001, on the “Discipline of Administrative liability of legal people, of companies and associations free of legal personality, pursuant to clause 11 Law N. 300 dd. 29<sup>th</sup> September 2000, with the scope of establishing an efficient and flexible structure composed of regulations, proceedings and behaviour norms which rule the organization and the management of the Company.

Such rules, proceedings and behaviour and ethic norms constitute the organizational, management and control Model of FBR-ELPO S.p.A.

The model has been developed on the basis of the rules of Law (clauses 6 and 7 of the Decree), taking into account the Guidelines by Confindustria (annex n.3) and considering the valuable indications from the doctrine and the jurisprudence.

The principles and provisions of this document apply to directors, shareholders, employees and finally whoever acting on behalf of the Company pursuant to any type of contractual relation, possibly temporary, within the limits of their duties and responsibilities.

The adaptation of the organizational and management system to the requirements outlined in the Decree Law n. 231/2001 was coordinated by Dr. Martina Cecchi, with the assistance of outside professionals, experts in the Decree. n. 231/2001.

The work group has carried out the activity aimed at the predisposition of the Model

- a- In the identification of sectors/activities/sensitive areas, with reference to crimes pursuant to Legislative Decree n.231/2001. To achieve that result, the outside professionals analyzed the organizational and corporate structure of FBR-ELPO S.p.A., after obtaining the relevant documentation (for example, C.C.I.A.A. Company Registration Report, financial statements, statutes, etc.). Moreover, they met different Corporate Functions, the Board of Directors and the outside Health and Safety Operator at the headquarters of the Company (12 A Arnaldo da Brescia Street, Parma)
- b- In the analytical exam of sensitive areas, with prefiguration of the ways and tools by means of which it would be possible to commit the crimes listed in the Decree by the Company, by its administrative bodies, by employees and in general, by people included in clause n.5 of the Decree (also by means of meetings and conversations with the interested people).
- c- In individualizing the behaviour proceedings and the existing protocols, whether formalized or not – with reference to the sole areas individualized as crime risk;
- d- In the definition of behaviour and control standards for the activities that, in agreement with the Company, were convenient to regulate;
- e- In the discipline of the management mode of suitable financial resources to avoid committing crimes;

- f- In individualizing the individual charged with controlling the concrete application of the present Model (hereafter Supervisory Board) with contextual predisposition of the relevant ruling and system of reporting from and to the Supervisory Board;

In the prevision of a behaviour system suitable to sanction both the lack of respect of the measures listed in the Model and the breach of the Code of Ethics.

The Model has been updated in order to implement the provisions of the Legislative Degree n.24 dd. 10 March 2023 published in the Official Journal n.62 dd. 15 March 2023, regulating the internal and external reports (so-called whistleblowing).

## HISTORY AND DESCRIPTION OF THE COMPANY

Business name: FBR-ELPO S.p.A.  
Authorized Capital: € 2.042.400,00  
Registered Office: Via Arnaldo da Brescia 12/A, Parma  
REA number: PR - 257569  
Tax identification number: 02670070347  
VAT number: 02670070347

FBR-ELPO is a manufacturer of machines and complete lines for the processing of tomatoes and fruits, international market leader for over 60 years.

It was founded in 1963 with the name of FBR s.r.l., then small manufacturer of machines for the food industry on specific customers' requirements.

Soon, it acquired the trust of its customers in Italy and abroad and earned a very strong position on the market, like the most important companies in the field.

With the acquisition of ELPO in the early 90s, a pioneer in the construction of machines for aseptic filling, it took its current name, FBR-ELPO.

The aseptic fillers are now the flagship of the company and are worldwide considered and appreciated as a high-quality product.

Today, FBR-ELPO is able to provide a full range of solutions for the processing of tomato and fruit, even tropical, starting from single machines to "turnkey" complete lines.

### Tomato Processing Lines

FBR-ELPO manufactures machines for the production of:

- tomato puree
- tomato paste
- diced tomatoes
- tomato pulp
- peeled tomatoes

## Fruit Processing Lines

The experience gained with the processing lines for continental and tropical fruit, has let FBR-ELPO consolidate its presence worldwide, manufacturing cutting-edge equipments for the production of:

- pulpy juices, clear juices and/or nectars
- natural, semi concentrated and concentrated purees
- diced fruit, treated also aseptically
- jams

## Aseptic filling

With over 600 aseptic plants sold worldwide, FBR-ELPO is considered a leading company for the manufacturing of aseptic fillers for liquid, pasty and concentrated products as well as for products with pieces, based on tomato, fruit, milk and its by-products. Aseptic bags with 3, 5, 10-, 20-, 200- and 1.000-liter capacity are used.

FBR-ELPO aseptic filling machines, easy to use expenditure automatic, can be manufactured with a filling system by means of a flowmeter or with loading cells, using all caps and spouts existing on the market; the sterilization is carried out with steam or with a disinfectant chemical agent or with sterile air.

The whole production cycle is controlled by an "Intelligent Vision System" (IVS) consisting of an Industrial Touch Screen PC and a PLC.

The Bag-in-Box range for filling 3-, 5-, 10- and 20-liter aseptic bags, with operation capacities up to 10.000 l/h, is highly appreciated in the dairy sector where FBR-ELPO has gained great experience thanks to the manufacturing of equipment for filling milk and its by-products, milkshake, mousse, cream, for the most important brands of the field.

FBR-ELPO also manufactures ultra-hygienic fillers for the automatic filling of web bags provided with cap/dispenser for products such as wine, oil, water and other liquids and/or semi-thick products which do not need to be aseptically filled.

## Economic Data

The margin on sales and performance made by FBR ELPO S.p.A. in 2013 is EUR 110,000.00 and 13,125,075.00 euro in 2014.

Until 28. 12.2015 the Company consists of 49 employees divided as follows:

- 4 Managers
- 45 Employees



FBR ELPOa p.c. has a top-down traditional type organizational structure composed of the Board of Directors and the Statutory Auditors.

The accounts are audited by the Statutory Auditors itself.

## ESSENTIAL ELEMENTS

### a. The novelty introduced by Legislative Decree n. 231: the administrative liability of entities.

Legislative Decree n.231/2001 introduced for the first time in our country a kind of definite administrative liability of entities for committing certain crimes (expressly described in the special part of the Decree), implemented by senior executives or employees/collaborators for the benefit or in the interest of the entity itself.

### b. Entities to which the regulation applies.

The regulation applies to the following entities:

- Legal persons (entities and associations with legal personality) included foundations, joint-stock companies (small, medium-sized, large ones) and cooperative societies.
- Entities (partnerships, sole proprietorships and associations) also lacking in legal personality)
- Public entities which act as *iure privatorum*.

### c. Potential infringers

For senior executives, the legislator means (art. 5 of the Decree):

The people who are representatives, directors or managers of the company or of one of their organizational units with financial and functional autonomy, as well as those people who exercise, even de facto, the management and control of the entity, such as the legal representatives, directors, general managers, company directors, etc.

For employees / collaborators the legislator means (Art. 5 of the Decree):

Whoever is subject to the management or to the control of senior executives.

Two different types of functional relations (senior executive position and subordinate position) is determinant for individualizing the criteria of subjective imputation of the direct and independent liability of the entity.

If the crime is committed by a senior executive, it is basically absolute (intentional) liability of the entity, with inversion of the burden of proof (that is, in charge of the entity itself); on the contrary, in case of crime committed by a person under another management, it is liability of the company for fault, without inversion of the burden of proof, that is, in charge of the prosecution.

### d. Predicate crimes

The liability of the entity subsists only for those crimes (consumed or only tempted) expressly provided for by art. 24-25 of the Decree.

They are:

Crimes of the Penal Code relevant to Public Administration (art. 24-25 of the Decree)

- Art.316 a p.c. – Embezzlement against the State
- Art.316 b p.c. - Misappropriation of funds from the State
- Art. 317 p.c. – Extortion

- Art.318 p.c. - Corruption for the exercise of the function
- Art.319 p.c. – Corruption for an act contrary to the official duties (aggravated pursuant to art.319 a p.c.)
- Art.319 b p.c. – Corruption in judicial documents
- Art.321 p.c. – Penalties for corruptors
- Art.322 p.c. – Incitement to corruption
- Art.322 a p.c. – Misappropriation, extortion, corruption and incitement to corruption of the members of the bodies of the European community and officials of the European Community and Foreign states.

Crimes of the Penal Code relevant to protect the Patrimony of the State or another Public Entity (art. 24 of the Decree):

- Art.640, paragraph 2, n.1, p.c. – Fraud, if against the State or another Public Entity
- Art.640, a p.c. – Fraud aggravated for obtaining public disbursement
- Art. 640 b. p.c. – Computer Fraud

Crimes of the Penal Code relevant to protect the Public Faith (art. 25 a of the Decree, introduced from art.6 of Law n.409 dd. 23 November 2001, containing “Urgent Dispositions in view of the introduction of Euro”):

- Art.453 p.c. – Counterfeiting, expenditure and introduction of falsified currency into the State, after agreement.
- Art. 454 p.c. – Alteration of currency
- Art. 454 p.c. – Expenditure and introduction of falsified currency into the State, without agreement.
- Art. 457 p.c. – Expenditure of falsified currency
- Art. 459 p.c. – Falsification of revenue stamps, introduction into the State, acquisition, possession or issuing of falsified revenue stamps
- Art.460 p.c. - Counterfeiting of watermarked paper used to manufacture credit cards or revenue stamps
- Art. 461 p.c. - Manufacture or possession of watermarks or instruments intended to the falsification of currency, revenue stamps or watermarked paper.
- Art. 464 p.c. – Use of forged revenue stamps

Codified or uncoded crimes in connection with terrorism or subversion of Democracy (art. 25 d p.c. of the Decree, introduced by art. 3 of Law 7/2003):

- Art. 270 a p.c. – Associations for the purpose of terrorism, also international terrorism or subversion of Democracy.
- Art. 270 b p.c. – Assistance to members
- Art. 270 c p.c. – Recruitment in connection with terrorism included international terrorism
- Art. 270 d p.c. – Training in connection with terrorism included international terrorism
- Art.270 e p.c. – Behaviour in connection with terrorism

- Art. 280 p.c. - Attack with terrorism or subversion of Democracy purposes
- Art. 289 a p.c. – Kidnapping with the aim of terrorism or subversion.

Art.2 of the New York Convention dd. 9 December 1999, referred to Art. 25 d, lists a series of crimes aimed at punishing behaviors that directly or indirectly, but willingly, supply funds in favor of individuals who plan a terrorist crime.

Crimes on company law provided for by the Civil Code (art.25 c of the Decree, introduced by art. 3 Legislative Decree n.61, dd. 11 April 2002):

- Art. 2621 c.c. – False corporate communications
- Art. 2622 c.c. - False corporate communications against the company, partners or creditors
- Art. 2623 c.c. - False statement (repealed by art.34, paragraph 2, Law n.262 28 December 2005)
- Art. 2624 c.c. – Forgery in the reports and communications of the auditing firm (repealed by art. 37, paragraph 34, Legislative Decree n.39, 27 January 2010)
- Art. 2625, paragraph 2, c.c. – Prevented control
- Art. 2626 c.c. – Unlawful return of capital
- Art. 2627 c.c. – Unlawful distribution of profits and reserves
- Art. 2628 c.c. – Unlawful transactions on shares or listed shares or of parent company
- Art. 2629 c.c. - Transactions to the prejudice of creditors
- Art. 2629 a c.c. – Failure to communicate the conflict of interests (introduced by Law n. 262/2005)
- Art. 2632 c.c. - Factitious formation of capital
- Art. 2633 c.c. - Improper distribution of corporate assets by liquidators
- Art. 2636 c.c. - Unlawful influence on the Assembly
- Art. 2637 c.c. - Stock manipulation
- Art. 2638 c.c. - Obstruction of the public supervisory authorities

Extra codices crimes (t.u.f., Legislative Decree. N. 58/1998) pertaining to the financial market (art. 25 f, introduced by art. 9 Community Law 2004):

- Art. 184 t.u.f. - Insider Trading
- Art. 185 t.u.f. - Market manipulation

The entity can also be responsible for two administrative crimes (which reproduces the same above-mentioned criminal types) introduced in the t.u.f. by Communitary law 2004:

- Art. 187 a - Insider Trading
- Art. 187 b - Market manipulation

Crimes under the Penal Code for protecting life and individual safety (art. 25 c1, introduced by art.8 Law n. 7, dd. 9 January 2006):

- Art.583 a p.c. - Practices involving the mutilation of female genitals

Crimes under the Penal Code for protecting individual personality (art.25 d, introduced by art.5 Law 228/2003)

- Art. 600 p. c. – Reducing or maintaining individuals in slavery or bondage
- Art. 600 a p.c. – Child prostitution
- Art 600 b p.c. – Child pornography
- Art 600 c p. c. – Possession of pornographic material
- Art 600 c1 p. c. – Virtual pornography
- Art 600 d p. c. - Tourism aimed to child prostitution
- Art 601 p. c. – Human trafficking
- Art 602 p. c. – Purchase and sale of slaves

Article n.3 of Law n.146/2006 defines “transnational Crime” the crime punished with imprisonment for at least four years, when an organized criminal group is involved, as well as:

- The crime is committed in more than one country
- The crime is committed in one country but a part of its preparation, planning, management and control is carried out in another country
- The crime is committed in one country but an organized criminal group is involved in it with criminal activities in more than one country
- The crime is committed in one country but has substantial effects in another country

With reference to the crimes which are the company’s liability, art. 10 of Law n.146/2006 includes the following types:

- Conspiracy (art.416 p. c)
- Mafia type criminal association (art.416 a p.c.)
- Conspiracy aimed to smuggling processed abroad tobacco (art. 291 c of Single Text (art.291 c of Consolidated Law, Presidential Decree n.43/1973)
- Association aimed to trafficking of narcotic or psychotropic substances (art.74 of Consolidated Law, Presidential Decree n.309/1990)
- Migrant smuggling (art.12, paragraph 3, 3 a, 3 b and 5 of Consolidated Law, Presidential Decree n. 286/1998)
- Aiding and abetting (art. 378 p.c.)

Crimes of Penal Code for the protection of life and mental and physical integrity of workers (art.25 f of the Decree, introduced by art.9 of Law n.123 dd. 13 August 2007):

- Art. 589 cr. c. – Manslaughter
- Art. 590, paragraph 3, cr. c - grievous or very grievous negligent injuries

Codified crimes established to protect the estate and the economic-financial system (art. 25 g of the Decree, introduced by art. 63 of Legislative Decree n.231/2007):

- Art 648 p.c. - Receiving stolen goods
- Art 648 a p.c – Recycling
- Art 648 b p.c. – Use of unlawful money, goods and assets

Article 7 of Law n.48 dd. 18 March 2008 – containing ratification and execution of the Convention of European Council on computer criminality – includes the extension of crimes with the insertion of art. 24 a of the Decree which extends the administrative responsibility of entities and companies to different computer crimes:

- Art. 491 a p.c. – Forgery in a computer documents
- Art. 615 b p.c. – Abusive access to computers or electronic systems
- Art. 615 c p.c. – Abusive possession and diffusion of access codes to computer or electronic systems.
- Art. 615 d p.c. – Diffusion of equipment, devices or computer programs aimed to damage or interrupt a computer or electronic system
- Art. 617 c p.c. – Interception, impediment or illegal interruption of computer or electronic communications
- Art. 617 d p.c. - Installation of equipment designed to intercept, prevent or interrupt computer or electronic communications
- Art. 635 a p. c. - Damage to information, data and computer programs
- Art. 635 b p.c. – Damage to information, data or computer programs used by the State or by any other public entity
- Art. 635 c p.c. – Damage to computer or electronic systems
- Art. 635 d p.c. – Damage to computer or electronic systems of public utility
- Art. 640 d p.c. - Computer fraud by the subject providing certification services of electronic signature.

Law n.99 dd. 23 July 2009 provides for the extension of the crimes listed by art.25 a by the Decree to the following crimes to protect public trust:

- Art. 473 p.c. - Forgery, alteration or use of trademarks or distinctive signs or patents, models and drawings
- Art. 474 p.c. - Introduction and trading of forged products into the State

Article 24b of the Decree, introduced by art. 2, paragraph 29, of Law n. 94 dd. 15 July 2009, extends the liability of the company/entity to the following organized crimes included in the Penal Code:

- Art. 416 p.c. - Criminal conspiracy
- Art. 416 a p.c. - Mafia-type associations, including foreign associations
- Art. 416 b p.c. - Political-mafia electoral exchange
- Art. 630 p.c - Kidnapping for ransom
- Art. 74 of Presidential Decree n. 309 dd. October 9, 1990 - Conspiracy to illicit trafficking in narcotic drugs or psychotropic substances
- Art. 407, paragraph 2, letter a), n. 5, Code of Criminal Procedure - Illegal manufacture, introduction into the State, offering for sale, sale, possession and carrying to a public place or open to the public of weapons of war or warlike or parts thereof, explosives, illegal weapons as well as common firearms.
- All those crimes committed under the force of intimidation of the associative Mafia link and their condition of subjection and conspiracy of silence that results from or committed in order to facilitate the activities of criminal organizations.

Article 25 a1 of the Decree, introduced by art.15 paragraph 7, letter b) of Law 99/2009 transfers the company/entity the following crimes against Industry and Trade:

- Art. 513 p.c. – Infringed freedom of Industry and trade
- Art. 513 a p.c. – Illegal competition through threats or violence
- Art. 514 p.c. – Fraud against national Industries
- Art. 515 p.c. – Fraudulent Trading
- Art. 516 p.c. – Sale of genuine and non-genuine foods
- Art. 517 p.c. – Sale of industrial products with false signs
- Art. 517 b p.c. – Manufacture and trade of goods made by usurping industrial property titles
- Art. 517 c p.c. - Counterfeiting of geographical indications or appellations of origin of food products.

Art.25 h of the Decree, introduced by art. 15, paragraph 7, lett. c) of Law 99/2009 expands the responsibility of the entity/company to extra codicem crimes on infringement of copyright:

- Crimes provided for by art.171, paragraph 1 , letter a-a), and paragraph 3, 171 a, 171 b, 171 f and 171 g of Law n. 633/1941.

Art. 4, paragraph 1, Law n.116/2009 introduced another art. 25 h in the special part of the Decree (now art. 25i) that expands the responsibility of the entity to the crime of induction not to make statements or to make false statements to the judicial authority provided for and punished by art. 377 a p.c.

Legislative Decree n. 121/2011 – transposing the Legislation 2008/99/EC and Legislation 2009/231/EC, which modifies Legislation 2005/35/EC concerning pollution – added art. 25 j. in the Decree, which extends the company's responsibility to the following environmental crimes:

- Art. 727 a p.c. – (Killing, destruction, catching, taking, possession of specimens of protected wild animals or plant species)
- Art. 733 a p.c. – (Destruction or deterioration of habitat within a protected place)
- Art. 137, paragraphs 2 and 3. Legislative Decree n. 152/2006 (Unauthorized discharge of industrial waste water containing dangerous substances and discharge of these substances in breach of the statements set with the authorization).
- Art. 137, paragraph 5 – first and second part – Legislative Decree n. 152/2006 (Discharge of industrial waste water in breach of table limits)
- Art. 137, paragraph 11, Legislative Decree n. 152/2006 (Breach of prohibition of discharge on the ground, groundwater and underground)
- Art.137, paragraph 13, Legislative Decree n.152/2006 (Discharge of substances ,whose dumping is prohibited, into the sea by ships and aircrafts)
- Art. 256 paragraph 1, letter a) and b) Legislative Decree n. 152/2006 (Collection, transport, recovery, disposal, trade and brokerage of wastes in absence of the prescribed authorization, inscription or communication)
- Art. 256 paragraph 3 – first and second part – Legislative Decree n.152/2006 (Realization or management of an unauthorized rubbish dump)
- Art. 256, paragraph 4, Legislative decree n. 152/2006 (Failure to comply with the requirements contained in the permit to operate a rubbish dump or other waste operations)
- Art. 256, paragraph 5 Legislative Decree n. 152/2006 (Unauthorized mixing of wastes)



- Art. 256, paragraph 6, Legislative Decree n. 152/2006 (Temporary storage at the place of production of hazardous medical waste)
- Art. 257, paragraph 1 and 2, Legislative decree n. 152/2006 (Pollution of the ground, underground, surface water and underground water and lack of communication to the competent entities)
- Art. 258, paragraph 4, and art. 260 a, paragraphs 6 and 7 Legislative Decree n.152/2006 (Preparation and use of a false waste analysis certificate)
- Art. 259, paragraph 1, Legislative Decree n. 152/2006 (Illegal trafficking of wastes)
- Art. 260 Legislative Decree n. 152/2006 (Organized activities for the illegal trafficking of wastes)
- Art. 260 a, paragraph 8, Legislative Decree n. 152/2006 (Breach of the control system on waste traceability)
- Art. 279, paragraph 5, Legislative Decree n. 152/2006 ( Atmospheric pollution)
- Art. 1, paragraphs 1 and 2, art. 2, paragraphs 1 and 2, Law n.150 dd. 7 February 1992 (Import, export, transport and illegal use of animal species and trade of artificially reproduced plants)
- Art.3 a, Law n.150 dd. 7 February 1992 (Forgery and alterations of certificates and licenses and use of forged certificates and licenses for animal import)
- Art.3, paragraph 6, Law n. 549 dd. 28 December 1993 (Breach of the provisions on the use of harmful substances for the ozone layer)
- Art.8, paragraphs 1 and 2, Legislative Decree n. 202 dd. 6 November 2007 (Illegal discharge of pollutants into the sea from ships)
- Art.9, paragraphs 1 and 2, Legislative Decree n. 202 dd. 6 November 2007 (Illegal discharge of pollutants into the sea from ships)

Article n. 2 of the Legislative Decree. n. 109/2012 included in the Decree the crime under Article 25 k, which provides for the application of a fine ranging from 100 to 200 units for those entities that employ illegally staying third-country citizens.

Article 1, paragraph 77, letter b) of Law n. 190 2012 included in the art. 25 b of the Decree, the new letter s a) which refers to cases provided for by the third paragraph of art. 2635 p.c. "Corruption among privates".

Article 1, paragraph 77, letter a) of Law n. 190 2012 included in the art. 25 of the Decree, the crime for undue induction to give or promise utility under ex art. 319 c p.c.

Law n.6 2013 introduced into art.25 of the decree j the crime for illegal burning.

Article 3 Law n. 186 2014 introduced into art.25 g of the Legislative Decree n.231/2001 the self-laundering crime pursuant to art. 648 b1 p.c.

Law 68 2015 modified art.25 j of the Decree by integrating the provisions on crimes against environment pursuant to Legislative Decree n. 152/2006.

Article n.12 Law 69 2015 modified art.25 b of the Decree including the modifications to the crime of forged social communications.

The complete text of the mentioned indicted rules are contained in annex n.4.



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#### **e. Penalties and terms of their applicability**

**The penalties that can be imposed by the judge at the end of the penal process** (inside which the responsibility of the entity pursuant to the committed crime is ascertained) are:

- Financial penalties: according to Legislation, they are measured depending on the seriousness of the committed crimes, the complicity of the entity, its activities to eliminate and soften the consequences of the fact and to prevent committing eventual crimes.  
They are fixed on the economic and patrimonial conditions of the entity in order to assure the penalty efficiency.
- Disqualifying penalties: they include the disqualification of the exercise of activities, suspension or cancellation of authorizations, licenses or concessions, prohibition of contracting with the Public Administration, exclusion of benefits, financings, contributes or grants, including the eventual cancellation of those already granted.

The price or profit confiscation is also included (when it is not possible, the confiscation may be on sums of money, goods, and any other utilities of the same value as the price or as the crime product) as well as the publication of the sentence.

**The entity can be responsible of the crimes committed by the above-mentioned subjects** on condition that:

- The crimes have been committed for its interest or its advantages. The difference between both hypothesis, described alternatively, is that the first one concerns the subjective end of the behavior and is valued by the criminal judge in an ex-ante perspective or rather prior or in concomitance to the crime commission, while the second one takes more markedly objective characteristics – and the entity can take advantage even if the individual has not acted for its own interest – and requires a judicial verification to be performed after the fact (ex post);
- The entity has not previously adopted and effectively implemented an organizational and management model appropriate to prevent such crimes (while the previous case describes the objective connection criteria between crime and individual, this last case describes the subjective connection criteria of the entity with the committed crime)

## Organisational and management model

### a. Its components

Regarding the relevant regulatory framework – articles 6 and 7 of the Decree n. 231/2001 – the model consists of:

- Internal procedures and control standards with sole reference to the activities judged at risk of crime
- Ethical Code
- Disciplinary system
- Supervisory Body
- Reporting system from and to the Supervisory Body
- Communication and Formation

### b. The exemption function of the model

The model, if adopted and effectively implemented, means for the company an effective shield. In fact, if adopted before the commission of the crime, it permits to exclude completely the responsibility of the entity (depending on the criminal language, the model is an exclusion reason of the collective guilt of the company) for the crime committed by the individual (in this case, the individual will be the only responsible to be processed and eventually sentenced).

If the Model is adopted after the commission of the crime, in case of financial penalty, it determines its considerable reduction. On the other hand, in case of disqualifying penalties, the penalties do not apply when virtuous behavior's are adopted, such as the claim for damages and/or the disposal of the profit, the dismissal of the infringer of the crime.

Finally, in case of adoption of disqualifying measures during the stage of preliminary investigation, the adoption of the Model involves their suspension (always in presence of the above-mentioned virtuous behavior's)

### c. Aims and purposes.

By adopting an organization, management, and control Model pursuant to the provisions of the Decree, FBR-ELPO S.p.A declares that it operates correctly and clearly in the exercise of negotiations and company activities.

The adoption of the model represents an awareness-raising tool for all employees and all other individuals working with FBR-ELPO (suppliers, customers, consultants) so that they can have a correct and linear behavior during the exercise of their activities, in order to avoid the existing risks of crimes.

Particularly, the company by means of the adoption of the Model, undertakes to:

- make all those who work on behalf of FBR-ELPO and those who operate in activities at risk of crime aware that they may incur in the commission of crimes punishable with criminal penalties to themselves and administrative penalties applicable to the company if they breach the provisions included in the Model;
- make the above-mentioned individuals aware that those illegal behaviors are sentenced with force by the company, since they are always contrary to both the Law provisions or to the company culture and the ethical principles adopted as Guidelines in the company activities;
- let the company intervene in time to prevent or contrast the crime commission (listed in the special part of the Decree), or at least, reduce its damages;
- favour a considerable step up as regards clearness of the corporate governance and the image of FBR ELPO S.p.A;

It is clear that, without prejudices and the above mentioned aims, the company is well aware that the assessment of the Model regards its ability to minimize and not to exclude tout court the realization of one of the crimes listed in the Special Part of the Decree by individuals.

This is confirmed by the fact that the Legislative Decree requests that the Model shall be suitable to prevent not so much the crime committed but the type of crime it belongs to.

#### **d. Approval and receipt of the Model**

The organizational, management and control Model, pursuant to art. 6, paragraph 1, letter a) of the Legislative Decree n. 231/2001 is an act of enactment of the Executive Body.

The Model complements and does not replace the organizational and control tools, as well as the behaviour procedures of future enactment or those already operating.

Regarding this point, it is clear that the Model constitutes an instrument with a scope of specific application and purpose, since it aims to prevent only the crime commission pursuant to the Decree.

However, as specified in the Guidelines by Confindustria, the behaviour principles contained in the Model can be considered as an extension of the existing behaviour codes or those that will be enacted in future.

#### **e. Modifications and additions**

The Board of Directors of FBR-ELPO S.p.A, boosted by the Supervisory Body, effects the eventual modifications and additions to the Model, Code of Ethics and disciplinary system.

This is done to permit the continuous compliance of organization, management and control of the Model to the provisions of the Decree n. 231/2001 and eventual modifications concerning the organization and management structure of the Company.

The modification and addition activities of the model shall be done with respect to the single company functions, which take decisions on the management of the specific operative proceedings and the standards of behaviour.

**f. Execution of the model**

The Board of Directors takes decisions on the execution of the Model, by means of assessment and approval of the actions necessary for the implementation of their elements.

The audit activities on compliance and execution of the Model are carried out by the Supervisory Body (for further information on this Body, please refer to the part of the Model on this Body).

**g. General principles of control**

Every operation, transaction, action shall be traceable, checkable, documented, consistent and appropriate.

Of course, data protection and procedure in computer science shall be accomplished pursuant to the safety measures set forth in the Legislative Decree n. 196/2003 (Code for the protection of personal data)

No one can independently manage an entire process.

The powers and responsibilities shall be clearly defined and known within the organization.

The powers of authorization and signature shall be consistent with the organized responsibilities.

The audits shall be documented.

## Supervisory body

### a. Composition, functions and tasks

The Supervisory Body shall be constituted pursuant to art.6, paragraph 1 letter b) of the Decree. Independent powers of initiatives and control are given to such a Body.

It shall control the functioning, efficiency and compliance of the Model, and it shall take care of its constant and timely updating.

The Legislator does not supply with full indications regarding the structure and composition of such a body.

Depending on a shared opinion, the decisions on these profiles are referred to the free and responsible appreciation of the entity.

Considering its own characteristics, FBR-ELPO S.p.A., opts for a Supervisory Body, considering to be the best choice for the scope the above mentioned body is set for.

The Board appoints for this charge two outside members as the President and an internal member of the company (without responsibility and/or decisional and management competences).

This Body guarantees competences in the criminal, corporate, accounting and auditing fields.

Since the act of appointment, the administrative body attributes the Supervisory Board financial autonomy through the allocation of a budget that will be supplemented and/or refinanced if and when necessary.

The Supervisory Body shall remain in office for the established period and however not longer than three years from the appointment. This Body can be re-elected.

At the deadline, the Supervisory Body decays but continues to carry out pro tempore its own functions till the moment the new members of the Supervisory Body are appointed.

The remuneration of the Supervisory Body is determined by the Board of Directors upon appointment for the entire duration of office.

The same causes of ineligibility and decay that subsist for the members of the Board of Auditors pursuant to art. 2399 c.c. are valid for the members of the Supervisory Body.

The members of the Supervisory Body can be revoked by the Board of Directors only if there is a just cause.

The revocation shall be decided after the interested parties have been heard.

In case of termination, revocation, death, resignation or decaying of one of the members of the Supervisory Body, the Administration Board is obliged to appoint a new member of the Supervisory Body.

The members of the Supervisory Body shall not have been put on criminal trial or sentenced (although the final decision has not been taken) for one of the crimes pursuant to Legislative Decree n.231/2001.

The Supervisory Body will exercise the following activities:

- Checking of the effectiveness of the Model, verifying particularly the consistency between the Model and the concrete procedure adopted in the risk areas;
- Periodic verification that the Model is respected by the single company units/areas at risk in order to ensure the definite procedures and that controls are followed as faithfully as possible to avoid the risk of the crime commission;
- Checking that the Code of Ethics and all its provisions are respected by all the parties operating in the company;

- Formulation of update proposal and modification of the Model to the competent bodies, in cooperation with the company functions, in case that changed company conditions and/or laws involve the need of updates and/or implementations.

As defined before, the Supervisory Body:

- cares for the Model update by the Board of Directors, in accordance with the evolution of Law and jurisprudence, as well as a result of modifications to the company organization;
- controls the actions of the various company functions, the predisposition and integration of the inner regulations (behaviour rules, operating instructions, eventual control manuals) in order to avoid the mapped crime risks.
- Controls the correct functioning of the control activities for any risk area, pointing out anomalies and troubles of the Model, previous confrontation with interested areas/functions;
- Promotes adequate initiatives for spreading knowledge and comprehension of the Model inside the company, paying more attention to the areas considered to be more vulnerable to the risk of mapped crimes (specially areas/functions that are in charge of the management of economic resources, accountancy, those which have relations with Public Administration, management of safety and health at work);
- Checks periodically on certain operations or specific actions of sensitive monitored processes; with regards this, and for the execution of its own checking activities, the Supervisory Body can hire outside experts with specific competences in auditing as well as in other sectors considered to be more suitable.
- Decides extraordinary verifications whenever failings of the Model are highlighted or verified, or there is only the suspicion that crimes have been committed against the prevention activities;
- monitors the execution of activities at high risks, in coordination with the company functions, also by means of appropriate meetings;
- Collects, elaborates and keeps the information relevant to the respect of the Model;
- Prepares regular reports on the adequacy and effectiveness of the Model, also based on the verification and control activities, transmitting them to the Board of Directors, the Board of Auditors and, if considered appropriate, to the shareholders' meeting;
- Periodically verifies the feasibility and implementation of any corrective solutions to specific procedures contained in the Model;
- Operates a mail box to receive from the company structures eventual requests for guidance on doubtful cases or problematic assumptions as well as solicitation of actions to implement the Model;
- Assesses and proposes the imposition of eventual disciplinary sanctions, after the necessary coordination with the person in charge of the competent company functions/areas.

Except for urgent situations and particular cases, the Supervisory Board carries out its activities quarterly. If deemed necessary for the execution of its activities, the Supervisory Board shall be able to speak to the President of the Board of Directors, to the Director with substitution powers of the President in case of absence and to the senior executives of the company.

The Supervisory Board may request to be heard by the Board of Directors and / or the Board of Auditors whenever it considers an examination or intervention of such corporate bodies appropriate in matters relating to the functioning and effective implementation of the Model.

To ensure the smooth and efficient flow of information, the Supervisory Board also has the option, at the end of a full and proper exercise of its powers, to ask for clarification or information directly to the individuals with the main operational responsibilities.

The Supervisory Board can be convoked by the Board of Directors and the Board of Auditors to report on particular events or situations concerning the functioning and respect for the Model.

The relationship between the Company and the outside individual of the Supervisory Body will be ruled by appropriate written contract.

The members of the Supervisory Body shall be remunerated, in order to avoid the degradation of their charge and their duties.

The Supervisory Body can be designated as “recipient of whistleblowing” pursuant to Legislative Decree 24/2003

#### **b. Reporting to the Supervisory Body**

The Supervisory Body is the recipient of any information, documentation and/or communication coming even from third parties concerning the respect of the Model.

When executing its own functions, the Supervisory Body shall have free access to people and all company documentation, including the minutes of the meeting of the shareholders, the Board of Directors and the Board of Auditors; the Body shall be able to request and obtain data and information from the company management as well as from managers and executives.

In its own control activities, the Supervisory Body establishes the documentation that shall be periodically submitted to its attention.

The Supervisory Body shall be transmitted:

- Measures and/or news coming from the judicial police bodies or from any other Authorities, from which the development of inquiries can be inferred , even against unknown people for the crimes provided for by the Decree regarding the company;
- Request for advanced legal assistance by inner subjects of the company, in case of initiation of a judicial proceeding for one of the crimes provided for by the Decree.
- Reports prepared by the company structure as part of its control activities, from which there appear critical elements regarding the Decree provisions.
- Periodical news concerning the effective respect for the Code of Ethics for all the company levels.
- Information on the execution of activities concerning the areas at risk. In case of information and/or news, even unofficial, concerning the commission of crimes provided for by the Decree or regarding possible breaches of the Model (including the provisions of the Code of Ethics) each person shall contact its own superior/manager and the Supervisory Body directly.

When the Board of Directors is involved in the possible commission of crimes or breaches of the Model, the news is directly informed to the Supervisory Body.

Finally the Accountancy Department shall communicate the system of delegation and proxies adopted by the company.

Information shall be sent to the Supervisory Body by means of the methods concretely defined.



The communication, eventually anonymously, with the evidence or the suspicion of breach of the Model shall be as detailed as possible.

It can be sent by written or by means of the use of a specifically dedicated mailbox.

The Supervisory Body acts in such a way as to protect the informants against any kind of recrimination, discrimination or penalization, ensuring the confidentiality of the informant's identity, without prejudice of the obligations of Law and the protection of the company rights or the wrongly accused people.

In this regard, the rules set out in the document called "Process of Whistleblowing" attached to the Model, updated to the provisions of the Legislative Decree 24/2023, are brought into force.

If the infringer of the crime were the President of the Board of Directors or the Counsellor in case of the President's absence, the Supervisory Body would make a brief investigation, and its outcome would be transmitted to the Chairman of the Board of Auditors who, after going into the matter more thoroughly, will take the most appropriate measures and will inform the Supervisory Body.

During the preparation of the annual budget draft to be submitted to approval by the Shareholders' Assembly, The Supervisory Body reports on the state of affairs and the implementation of the Model to the Board of Directors and the Board of Auditors, particularly referring to the supervisory activity outcomes carried out during the year and the proper interventions for the implementation of the Model, by means of a written report.

### **c. Collection and keeping of information**

The Supervisory Body supplies an appropriate paper or electronic data base , where every report, information, notification is protected for a period of 10 years.

It is subject to the compliance with the provisions on confidentiality of personal data and the rights guaranteed in favour of the interested parties.

The access to the data base is only permitted to the Supervisory Body.

## Spread of the Model

### a. Training and information of the personnel and the subjects in apical position

FBR-ELPO S.p.A. tries to guarantee a correct and complete knowledge of the Model and the content of the Legislative Decree n.231/2001 and its obligations.

The training and the information is managed by the competent company functions under the control of the Supervisory Body, in coordination with the area/function managers involved in the application of the model.

Such a training and informative effort is expanded to all those people who, even if they do not belong to the corporate structure, operate for the benefit of the company.

However, communication and training activities concerning the Code of Ethics is directed to third parties.

The adoption of this document is communicated to all the people who work for and on behalf of FBR-ELPO S.p.A.

All employees and managers shall sign a form by means of which they acknowledge and accept the Model, and they are offered a paper copy and its computer file.

New recruits are given an informative set containing the Model, including the Code of Ethics and the text of the Legislative Decree n. 231/2001; in this way they are assured the knowledge considered to be essential.

The contracts stipulated with third parties include standard contractual clauses, which constrain them to adopt behaviours in accordance with the principles of conduct and the ethical values the company is based on.

The continuous and updated training activities are organized by the competent Departments with the supervision of the Supervisory Body, having obligatory periodic meetings, adjusted to contents and frequency, based on the qualification of receivers and the functions they cover.

If deemed necessary by the Supervisory Body, outside professionals will take part in such meetings; these professionals will have specific competences on the crimes attributed to the company, analysis of proceedings and organization processes, as well as general principles on legislation compliance and their controls.

### b. Selection of outside parties operating in the areas at risk

On the proposal from the Supervisory Body, with the decision of the Board of Directors, there can be established within the company appropriate systems of assessment for the selection of area managers, consultants as well as partners with whom FBR-ELPO intends to reach any kind of partnership aimed to cooperate with the company in the execution of the activities with a high crime risk.

## Disciplinary system and measures

### a- Aim

The disciplinary and penalty system, being part of the Organization Model of FBR-ELPO S.p.A., is adopted by the Board of Directors pursuant to art.6, paragraph 2, letter e) and art. 7, paragraph 4 letter h) of Legislative Decree n. 231/2001.

It is aimed to the definition of the penalties for the non-compliance of the principles contained in the Code of Ethics – Part III (hereafter “Code of Ethics”) of FBR-ELPO as well as the provisions indicated in the Organization Model adopted by the company.

The Code of Ethics and the Organization Model constitute the components of the System of FBR-ELPO S.p.A. to prevent crimes from which can arise the administrative responsibility pursuant to Legislative Decree n.231/2001 (hereafter “Preventive System”).

The application of disciplinary and penalty measures leaves the beginning and the outcome of eventual criminal proceeding out of consideration, since the behaviour rules imposed by the Preventive System are adopted by the company independently from the type of crime that the breach of the Preventive System can determine.

### b- Disciplinary measures for employees

The disciplinary penalties for employees, whose breach of rules and principles contained in the Model has been confirmed, are included in the Company Disciplinary Code, pursuant to the procedure provided for art.7 of Law n. 300 dd. 20 May 1970 (Statutes of Workers) and eventual special rules.

The disciplinary system of FBR-ELPO S.p.A. consists of the agreed rules pursuant to the National Work Collective Contract for workers involved in the engineering industry.

Particularly, it provides that:

- The verbal warning is incurred, when a non-habitual employee violates the inner procedure provided for by the Model (for example, when the prescribed procedure is not observed, the necessary information is not given to the Body of Supervision, etc.) or when executing the activities at risk, a behaviour that is non-compliant to the provision of the Model and the Code of Ethics is adopted.
- The written warning is incurred when a habitual employee repeats the sanctions described in the above paragraph.
- A fine, which does not exceed 4 working hours of the retribution up to 3 working hours of retribution, is incurred when, while executing activities at risk, a behaviour that is non-compliant to the provisions of the Model and the Code of Ethics is adopted more than once, before these deficiencies have been individually proved or charged with.
- An order of suspension from retribution or from work, up to a maximum of 10 days of effective work is incurred, to the employee who, while violating the inner procedure provided for by the Model or adopting, a behaviour that does not comply to the provisions of the Model and the Code of Ethics while executing activities in the area at risk, as well as committing acts contrary to the interests of the company, that may cause damages to FBR-ELPO S.p.A. or expose it to an objective situation of danger to the integrity of the company assets.

- An order for dismissal without notice is incurred when the employee, while executing activities at risk areas, adopts a behaviour clearly violating the provisions of the Model and/or Code of Ethics, determining the concrete application of penalty measures provided for by the Decree 231/2001.

No action can be taken against the employee without being previously charged with and without having heard his defence. The commission of the actions shall be always justified and communicated by written. Moreover, the disciplinary measures shall be communicated within 15 days after the expiry of the time limit given to the worker for the presentation of his rebuttal arguments. For exigencies due to the difficulty during the phase of assessment of the rebuttal arguments and of decisions with this respect, the above-mentioned term can be postponed to 30 days, provided that the company gives the involved worker a prior written communication.

The adoption of all disciplinary measures, except for dismissal, shall be in compliance with the rules included in art.7 of Law n.300, dd. 20 May 1970.

In case of dismissal, the first three subparagraphs of the above-mentioned art.7, Law n.300/1970, are applied.

The type and the quantum of the above-mentioned disciplinary measures are established based on:

- Intentionality of the behaviour or the degree of negligence, imprudence, or inexperience with regards the event predictability.
- Worker's overall behaviour, particularly as regards the subsistence or not of disciplinary records within the limits allowed by Law.
- Worker's duties.
- Position of the people involved in the facts constituting the breach.
- Other circumstances which accompany the disciplinary breach.

The verification of the offenses, the disciplinary procedures and the application of penalties come under the competences by the Company Management.

The disciplinary system is constantly monitored by the Supervisory Body.

Regarding the Management personnel and considering the fiduciary relationship between this type of employee and the Company, the disciplinary measures can only cover serious misbehaviour or repeated cases and shall be adopted in accordance with the provisions of the Law rules and the current National Labour Contract of Trade, Services and Tertiary sectors.

This does not affect, according to the current provisions of Law and the National Labour Contract, any right of the company to eventual actions for damages caused to it by the infringer of the Preventive System breach.

### **c- Disciplinary measures for Directors and Auditors**

In case a member of the Board of Directors breaches the procedures provided for by the Preventive System or adopts, while executing the activities at the risk areas, a behaviour which is not compliant to the System

itself, the Supervisory Body informs the Board of Directors and the Board of Auditors. In case of breach of the above mentioned procedures by a member of the Board of Auditors, this breach shall be informed to the Board of Directors.

If it is a slight irregularity, the Board of Directors, in agreement with the Supervisory Body and after consultation with the Board of Auditors, adopts the measure of the written warning against the infringer or infringers of the breach.

If it is a more serious irregularity, the Board of Directors and/or the Board of Auditors proceeds with the convocation of the Shareholders' meeting, which:

- Can revoke the agency for reasonable cause of the Director who has infringed the Preventive System;
- Can apply to the Court to revoke the agency of the Auditor who has committed the breach.

This does not affect, according to the current provisions of Law and the National Labour Contract, any right of the company to eventual actions for damages caused to it by the infringer of the Preventive System breach.

#### **d- Penalty Measures against outside collaborators**

In case of breach by an outside collaborator (consultant, agent, prosecutor, supplier and representative of the company) or by a partner of FBR-ELPO S.p.A of the provisions and procedures contained in the parts of the Preventive System referred to in an appropriate contract, whoever has signed for FBR-ELPO the contract containing the breached clause, or in case of impediment, the Chairman of the Board of Directors, adopts towards the infringer, under the activation of what provided for in the same clause, the measure of the written warning, of the fine or of the termination of the contract depending on the gravity of the committed breach.

This does not affect, according to the current provisions of Law and the National Labour Contract, any right of the company to eventual actions for damages caused to it by the infringer of the Preventive System breach.

#### **e- Sanctioning measures against those who break the provisions of the Legislative Decree n. 24/2023 aimed at ensuring the regular and correct functioning of the reporting system**

Without prejudice to the other aspects of responsibility, ANAC imposes the sanctions indicated in art. 21 of the Legislative Decree n. 24/2023 on the responsible person. With reference to the sanctions imposed by the Company, apart from eventual penal sanctions, disciplinary or any other sanctions will be adopted for non-employees, in compliance with what above reported for other breaches of the Model:

to the person against whom responsibility for the breaches is ascertained;

to persons who breach the whistleblower's protection measures;

against whistleblowers who, with malice or gross negligence, make reports that prove to be groundless.

#### **e- Register of people who have broken the preventive system.**

The Supervisory Body registers the inner and outside people of the company, who have been subjected to disciplinary measures. The registration of the parties whom an expulsive measure from the company has been adopted or the termination of the contract has been decided, determines the exclusion of new contract relations with the company itself, unless otherwise decided by the Board of Directors after written opinion by the Supervisory Body.