



ORGANISATION, MANAGEMENT AND CONTROL MODEL

Italian Legislative Decree no. 231/2001

(UPDATED ON 10 NOVEMBER 2022)

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GENERAL PART

INTRODUCTION

The directors of Esprinet S.p.A. have, over the course of time, endowed the Company with an organisational, administrative and accounting structure that is consistent with the objectives of good governance provided for by Article 2086 of the Italian Civil Code.

This structure is functional not only to the achievement of the economic objectives set by the shareholders, but also to the timely identification of any factors of crisis or loss of business continuity that may arise.

This is to protect all stakeholders, including the workers and the territories in which the business is carried out, according to the principles of Sustainable Success, which is the main objective of the directors of Esprinet S.p.A.

In the belief that the commission of offences or, in any case, the violation of the rules governing the markets in which the Company operates is in itself a crisis factor (even before the heavy penalties that might ensue), the Organisation and Management Model provided for by Italian Legislative Decree 231/2001, which tends to prevent such offences, is considered an integral and essential part of Esprinet S.p.A.'s entire organisational structure.

The Document representing the Model pursuant to Italian Legislative Decree 231/2001, which is extended herein, has been updated several times by the Board of Directors (as indicated in ANNEX 2) and its latest version illustrated herein was approved at the meeting of 10 November 2022.

This document gives an account of i) the assessment carried out with regard to the risks of committing the offences expressly referred to in Italian Legislative Decree 231/2001; ii) the identification of sensitive activities in order to verify in which areas/sectors of activity and according to which methods the aforementioned offences could be committed in abstract terms; iii) the recognition of the existing control system with reference to the applied "principles of control".

Moreover, iv) the rules for the identification, composition and functioning of the Supervisory Body and the reporting to and from that Body; v) the disciplinary system applicable in the event of violation of the rules referred to in the Model; vi) the cash flow management system; vii) the essential features of the company's system for the fulfilment of all obligations relating to compliance with the *standards* provided for by Article 30 of Italian Legislative Decree 81/2008 on the protection of health and safety in the workplace; viii) the procedures for updating the Model were also envisaged.

The provisions of the Model are completed by the provisions of the Code of Ethics, which establishes the principles of behaviour that guide all those who work in Esprinet and for Esprinet.

1 THE GOVERNANCE MODEL AND ORGANISATIONAL STRUCTURE OF ESPRINET

1.1 Esprinet

Esprinet S.p.A. and its subsidiaries (forming the "Esprinet Group" or the "Group") operate in the wholesale and retail distribution of IT and consumer electronics and have a total of approximately 31,000 reseller-customers and over 650 brands in their portfolio.

The Group is active in the following business areas, in Italy, Spain, Portugal and Morocco:

- "*business-to-business*" (B2B) distribution of *Information Technology* (IT) and consumer electronics;
- "*business-to-consumer*" (B2C) distribution of IT and consumer electronics;

In the Italian market, the main activity is the distribution of IT products (*hardware, software* and services) and consumer electronics.

In addition to more traditional IT products (PCs, printers, photocopiers, *servers*, "package" *software*, etc.), the company also distributes consumables (cartridges, toners, magnetic media, etc.), networking (*modems, routers, switches*), digital and "*entertainment*" products (smartphones, cameras, video cameras, video games, etc.) and large and small household appliances (televisions, washing machines, refrigerators, etc.).

The Company's **mission** is to excel in its markets of reference in the distribution of IT and consumer electronics products, adopting a management of relations with customers and suppliers based on legality, precision, seriousness, honesty, speed, reliability and innovation, and making the most careful use of the skills and abilities of its employees.

The priority task of the board of directors is also the pursuit of "*sustainable success*", as a corporate governance principle laid down in the *Corporate Governance Code*, which is embodied in the creation of value, in the long term, for the benefit of shareholders, taking into account the interests of the company's relevant *stakeholders*.

Committing to continuous improvement on safety and the environment, in particular the prevention and absence of accidents, occupational diseases, pollution and compliance with relevant regulations.

The **values** on which the company's activities are based are defined in the Code of Ethics the company has adopted.

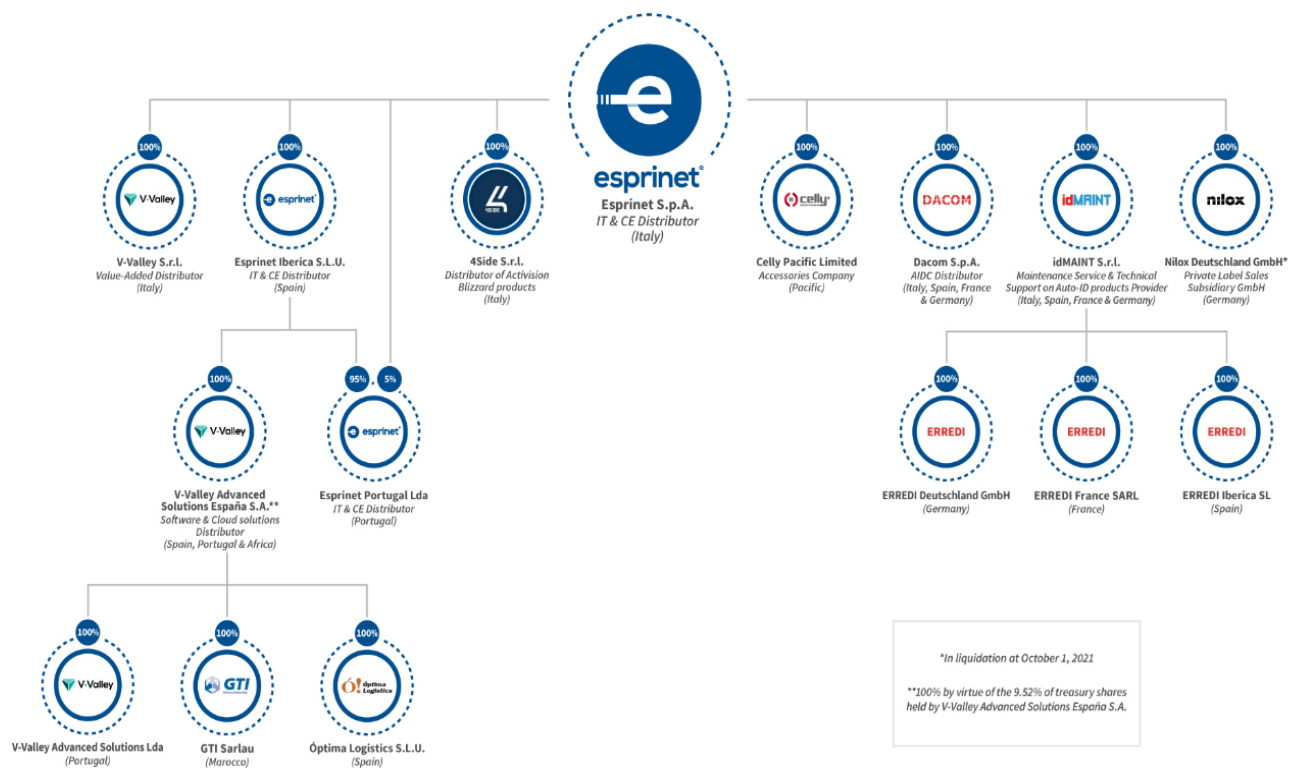
1.2 The Group headed by Esprinet

The current structure of the Esprinet Group includes:

- Subgroup Italy, comprising the Italian companies controlled by Esprinet S.p.A. (V-Valley S.r.l., 4Side S.r.l., Dacom S.p.A. and IdMaint S.r.l.);

- Subgroup Spain, represented by the Spanish companies Esprinet Iberica S.L.U., V-Valley Advanced Solutions España S.A. (formerly GTI Software y Networking S.A.U.) and Optima Logistics S.L.U. in addition to the Portuguese companies Esprinet Portugal Lda and V-Valley Advanced Solutions Portugal Unipessoal Lda and the Moroccan company GTI Software & Networking S.A.R.L.A.U;
- Nilox Deutschland GmbH and Celly Pacific Ltd of Hong Kong;
- The subsidiaries of IdMAINT S.r.l. Erredi Iberica S.L.U., Erredi France S.A.R.L., Erredi Deutschland GmbH.

Some descriptive notes on the companies belonging to the Group are given below.



Subgroup Italy

V-Valley S.r.l.

Established in June 2010 under the company name Master Team S.r.l., changed to V-Valley S.r.l. in September of the same year, the company is headquartered in Vimercate (MB), Via Energy Park n. 20 and is 100%-owned by Esprinet S.p.A.

This company, which has been operational since December 2010, includes all the distribution activities of "value" products (essentially high-end *servers*, *storage* and *networking*, virtualisation, *security* and *bar-code scanning*).

4Side S.r.l.

Esprinet S.p.A. owns 100% of the shares of 4Side S.r.l., a company with exclusive distribution rights in Italy for Activision Blizzard products. The company's mission is to become the first independent Italian distributor in the "gaming entertainment" sector through the development of a comprehensive portfolio of video game manufacturers and merchandising.

Dacom S.p.A.

Esprinet has the entire share capital of Dacom S.p.A., a *leader* in the specialised distribution of products and solutions for *Automatic Identification and Data Capture* (AIDC).

IdMAINT S.r.l. and its subsidiaries

Esprinet owns 100% of the share capital of IdMAINT S.r.l., a company specialised in pre- and post-sales maintenance and technical support services for Auto-ID products, which controls the foreign companies Erredi Iberica S.L.U., Erredi France S.A.R.L. and Erredi Deutschland GmbH.

Subgroup Spain

Esprinet Iberica S.L.U.

Originally established by the Group to aid in the Spanish acquisitions made between the end of 2005 and the end of 2006, following the mergers in 2007, Esprinet Iberica S.L.U. is now the third largest electronics distributor in Spain from a stand-alone point of view. However, considering the consolidated values, as a result of the various business combinations, Esprinet Iberica S.L.U. is the market leader.

The company has offices in Zaragoza and Madrid with branch offices in Barcelona and Bilbao.

Logistics activities are mainly carried out at the logistics site in Zaragoza, only approx. 300 km from all the main cities in Spain (Madrid, Barcelona, Bilbao and Valencia) which together account for more than 80% of Spain's IT consumption.

In September 2022, the merger by incorporation of Vinzeo Technologies S.A.U. into Esprinet Iberica S.L.U. was completed.

Vinzeo Technologies S.A.U. was acquired on 1 July 2016 when it represented the fourth largest IT and telephony distributor in Spain.

Distributing Apple products since 2009, Vinzeo holds important distribution agreements both in the ICT "volume" segment (i.e. HP, Samsung, Acer, Asus, Toshiba, Lenovo) and in the "value" segment (mainly Hewlett-Packard Enterprise).

V-Valley Advanced Solutions S.A.

On 1 October 2020, 100% of the capital of GTI Software Y Networking S.A. was acquired (renamed V-Valley Advanced Solutions España, S.A. on 1 October 2021 SA in conjunction with the merger by incorporation of V-Valley Iberian S.L.U., also wholly-owned by Esprinet Iberica S.L.U., which followed the previous merger by incorporation on 31 March 2021 of the wholly-owned subsidiary DIODE España S.A.U), the leading distributor in Spain of Value-Added Reseller and System Integrator software and "cloud" solutions.

V-Valley Advanced Solutions España, S.A. wholly owns the Spanish subsidiary Optima Logistics S.L.U., the Portuguese subsidiary V-Valley Advanced Solutions Portugal Unipessoal Lda (formerly Getix Companhia de Distribuição de Software Unipessoal Lda) and the Moroccan subsidiary GTI Software & Networking SARLAU.

Esprinet Portugal Lda

In April 2015, Esprinet Portugal Lda, a company incorporated under Portuguese law, was established with the aim of further developing the Group's distribution activities on Portuguese territory, until that date carried out by the Spanish subsidiary Esprinet Iberica.

1.3 The Governance Model

The Company, in compliance with the adopted Corporate Governance Code for Listed Companies and with the intention of implementing a constant and progressive adaptation of its *governance* in the light of regulatory updates, developed a set of tools for the governance of the organisation that can be summarised as follows:

Code of Ethics

The Code of Ethics summarises the guidelines of the ethical and social responsibilities that must inspire individual behaviour: it is the basic tool for implementing ethics within the Group, as well as a means of guaranteeing and supporting the company's reputation so as to build external trust.

The adoption of relevant ethical principles in order to prevent the commission of offences is an essential element of the preventive control system, identifying the values of the company and the set of rights and duties that are most important in carrying out the responsibilities of those who, in any capacity, work in or with the company.

The adoption of the Code of Ethics is, in general, the expression of a business context where the primary objective is to meet, in the best possible way, the requirements and expectations of its customers and stakeholders, through:

- the continuous promotion of a high *standard* of internal professionalism;
- full and constant compliance with the regulations in force in the countries where it operates;

- the compliance of its activities with the principles of consistency, transparency and contextual control provision;
- the regulation of relations with Third parties (suppliers, customers, Public Administration) also in order to avoid possible episodes of corruption.

Proxies and delegates

The Company has defined a system of proxies consistent with its organisational structure in order to formally assign powers and responsibilities with regard to the management of business activities.

General organisation chart and Organisational Structure

They briefly describe the Company's structure, hierarchical relationships and relevant aspects of organisational units, activities and their mutual relations.

Handling of corporate information

The Board of Directors, in order to monitor the circulation of inside information before it is disclosed to the public and to ensure compliance with the confidentiality requirements provided for by law, by resolution of 7 April 2006 approved the Regulations for the Management of Inside Information, updated on 27 July 2020, as well as establishing the Lists of Persons with Access to Inside Information.

The Regulation governs the internal management and external disclosure of relevant information, with a special reference to inside information concerning the Company and its subsidiaries; in particular:

- it defines the confidentiality duties imposed on all persons who have access to such information, envisaging, inter alia, that the information may only be disclosed by reason of their work or professional activity;
- it envisages the establishment of Lists of persons who have access to inside information and the procedures for keeping and updating them, identifying the Head of *Corporate Affairs* of the Company as the person in charge thereof and the Chief Executive Officer as substitute.

Those who have access, on an occasional or regular basis, to relevant or inside information are included in the aforementioned Lists. The Lists are also kept and managed on behalf of the subsidiaries.

Internal Dealing

As from 1 January 2003, Esprinet adopted a Code of Behaviour on "*internal dealing*".

The Code of Behaviour regulates the obligations to disclose to the market, with the timing and with reference to the thresholds provided for by the aforementioned Regulation, the transactions, relating to

the Esprinet share, carried out by "relevant persons" (i.e. persons who, by virtue of the position held within the Company, have inside information on its prospects and persons closely related to them), as well as by shareholders holding a stake of at least 10% of the Company's share capital.

Relations with shareholders and shareholders' meeting regulations

Ongoing dialogue with Shareholders and, in particular, with institutional investors is engaged under the instructions of the Chief Executive Officer, who obtains assistance, within the Company, from a restricted number of colleagues who are particularly suited and specifically appointed to offer the greatest possible assistance. Additional contributions come from outside, for specific contractual relationships, from qualified professionals who deal, on the one hand, with the management of legal relations and on the other, with communication.

Dialogue with the Shareholders is an opportunity to share the actions and the strategic *vision* at the basis of the management of the Company with its investors, but it also represents a unique opportunity for defining the activities capable of guaranteeing high standards of governance that the Board of Directors intends to pursue. The role of the administrative body on which the Esprinet Group's corporate governance system is based is crucial in defining transparent management choices, in the efficient implementation of the Internal Control and Risk Management System and in the adoption of a strict governance of potential conflicts of interest. To this end, in accordance with the recommendations of the Corporate Governance Code that the company complies with and based on the best practices in this field, the Company's Board of Directors has adopted the "Policy for managing dialogue with shareholders".

With regard to the functioning of Shareholders' Meetings, the Company adopted Shareholders' Meeting Regulations approved by the Ordinary Shareholders' Meeting and not annexed to the Articles of Association; the Articles of Association and Shareholders' Meeting Regulations are available on the Company's website.

The Articles of Association do not provide for any special rules contrary to the provisions of the Italian Civil Code for the exercise of shares by shareholders.

Internal control system

The Board of Directors defines the guidelines of the internal control system, understood as the set of processes aimed at monitoring the efficiency of company operations, the reliability of financial information, compliance with laws and regulations and the safeguarding of company assets.

This internal control system, thus prepared and continuously implemented, is suitable for effectively monitoring the typical risks of corporate management, including the activities of subsidiaries, as well as the economic and financial situation of the Company and the Group.

The Chief Executive Officer is entrusted with the functions summarised below:

- identifying and dynamically managing the main business risks, taking into account the activities carried out within the Group;
- implementing the guidelines defined by the Board of Directors by designing, implementing and managing the internal control system;
- constantly verifying the adequacy, effectiveness and efficiency of the internal control system;
- adapting the system to changes in operating conditions and the legislative and regulatory framework;
- proposing to the Board of Directors, after consulting the Control and Risk Committee, the appointment, removal and remuneration of the Head of *Internal Audit*, by identifying him/her among those with the required characteristics of independence and expertise.

Moreover, the Head of *Internal Audit* and the Financial Reporting Officer pursuant to Italian Law 262/2005 were appointed as required under the Corporate Governance Code for Listed Companies issued by Borsa Italiana.

Management system for the protection of Personal Data

The Esprinet Group set up the model for the management of obligations deriving from Regulation (EU) 2016/679 on personal data, which includes the processing census, strictly related to the company's ERM model and the relevant risk analysis, with the consequent issuing and updating of the company policy on information security, processing instructions and the use of company tools.

The Company has also updated and issued, in correlation with the processing census, the information to be provided to the interested parties and its grounds of lawfulness, managing consent accordingly where applicable.

Finally, Esprinet appointed a *Data Protection Officer* who, with the cooperation of the *Internal Audit*, set up and planned audits on the matter.

The personal data processing governance structure adopted in the Esprinet Group is described in detail and formalised in document LIG01004.

Certifications

The **Esprinet Group** is committed to achieving excellence in management systems relating to quality, environment, safety and ethics, and embraces the philosophy behind every management system, i.e. constant striving for improvement, thus guaranteeing visibility and value in the market.

Full customer satisfaction, optimal use of resources, quality of the internal and external environment, maximum attention to the safety of employees in the workplace, employee involvement: these are the

guidelines and operating criteria that inspire the Esprinet Group's integrated quality, safety and environmental management system.

With a strong focus on quality, Esprinet S.p.A. has chosen to ensure compliance with regulations and commitments in all areas, in particular with regard to the environment, occupational health and safety by maintaining the following certifications:

- Quality, according to **UNI EN ISO 9001: 2015**;
- Safety and Health Protection, according to **ISO 45001-2018**;
- Environment, according to **UNI EN ISO 14001: 2015**.

Esprinet S.p.A. has been certified for the **Quality System** since 1999 and for the **Safety and Environment System** since 2009 covering the following domain:

- Sale and distribution of products (ICT, cloud services, consumer electronics, telephony and multimedia accessories, sports and outdoor technology products, office products and stationery) and IT services through handling, warehousing, packaging and shipping. Hardware and software platform systems assembly and integration.

In particular:

Health and Safety at work

The Company adopted the *risk assessment document* pursuant to Italian Legislative Decree 81/2008, which contains an exhaustive list of activities at risk, prevention and protection measures and the programme of appropriate measures to ensure the improvement of safety measures over time.

The Company has also adopted an occupational health and safety management system certified in accordance with the ISO 45001-2018 *standard*.

The company's occupational health and safety management system also provides for the monitoring of the regulations and directives of the competent Authorities, so as to be able to promptly comply with the requirements laid down even in the presence of health emergencies.

Environmental Management System

Esprinet is also committed to achieving excellence in its environmental management system, with a constant focus on improving all company processes.

With a strong focus on quality, Esprinet S.p.A. chose to ensure compliance with laws, regulations and commitments in all areas and, in particular, with regard to the environment, as expressed by the maintenance of the UNI EN ISO 14001: 2015 certification with reference to the sale and distribution of products (ICT, cloud services, consumer electronics, telephony and multimedia accessories, sports and outdoor technology products, office products and stationery) and IT services through handling, storage,

packaging and shipping, and with reference to the assembly and integration of *hardware* and *software* platform systems.

1.4 The institutional structure

The description of Esprinet's institutional structure is provided below.

Shareholders' Meeting

The duly constituted Shareholders' Meeting represents all shareholders, and its resolutions- passed in compliance with the law and the Company's Articles of Association- are binding on all shareholders, even those who are absent or dissenting. The ordinary or extraordinary Shareholders' Meeting is called by the Board of Directors at the registered office or in another place indicated in the notice of meeting, provided that it is in Italy. The Shareholders' Meeting can also be convened, in the cases provided for by law, by the Board of Statutory Auditors, through its Chairman, or by at least two members of the Board of Statutory Auditors, upon notice to the Chairman of the Board of Directors.

The Ordinary Shareholders' Meeting must be convened at least once a year within 120 days after the end of the reporting period, or within 180 days in cases provided for by law.

The Shareholders' meeting is chaired by the Chairman of the Board of Directors or, if he/she is absent or unavailable, by the Deputy Chairman, if appointed, or, in their absence, by another person designated by the Shareholders' Meeting. The Chairman of the Shareholders' Meeting ensures that the meeting has been properly convened, establishes the identity of those present and their right to attend, manages the proceedings of the Shareholders' Meeting on the basis of the approved Shareholders' Meeting Regulations, and checks and proclaims the results of votes.

Unless the minutes are drawn up by a notary, the Chairman is assisted by a secretary, who need not be a shareholder, appointed by the Shareholders' meeting, in accordance with the Articles of Association.

Board of Directors

The Company is managed by a Board of Directors appointed by the Shareholders' Meeting and composed of a variable number of members, not less than 7 and not more than 13. It is the responsibility of the Ordinary Shareholders' Meeting to determine the number of members on the basis of lists of candidates submitted and signed by the shareholders, as laid down by Article 13 of the Company's Articles of Association.

The Board - if the Shareholders' Meeting has not already done so - elects the Chairman and possibly a Deputy Chairman from among its members; it can also appoint a secretary from outside its members.

The meetings are chaired by the Chairman, or if he/she is absent or unavailable, by the Deputy Chairman or by the eldest director.

The Board of Directors plays a central role in the company organisation, being vested with the broadest powers for the ordinary and extraordinary management of the company: it is responsible for the functions and responsibilities of the strategic and organisational guidelines, as well as for checking that the necessary controls are in place to monitor the performance of the Company and the Group.

The Board examines and approves the company's strategic choices and all operations of economic, equity and financial importance, having taken as its *standard* of behaviour that of considering those operations that are likely to have a relevant impact on the business and results of operations as significant; it also approves the transactions that may take place with any related parties, without any limit except that of at least the minimum legal and economic substance of the relationship and those intended for approval by the Assembly

Finally, the Board can, within the terms of the law, delegate its powers to an Executive Committee, determining the content, limits and possible methods for exercising the delegated powers pursuant to Article 16 of the Articles of Association.

The general representation of the Company, as well as the corporate signature, shall be vested severally in the Chairman and Deputy Chairman of the Board of Directors and, within the limits of their powers, in the directors to whom the Board of Directors has delegated its powers.

The Chief Executive Officer, who holds office for three years and is responsible for the Company's operations, the application of regulations and the autonomy of the operating structure, is also envisaged.

Board of Statutory Auditors

The Board of Statutory Auditors is appointed by the Shareholders' Meeting, remains in office for three years and is composed of three standing auditors and two alternate auditors who meet the requirements of integrity and professionalism required by the regulations in force. The members are appointed in accordance with the procedure laid down in Article 19 of the Company's Articles of Association.

Financial Reporting Officer pursuant to Italian Law 262/2005

The Board of Directors, subject to obtaining the mandatory opinion of the control body, appoints, as part of the Company's administrative sector, a Financial Reporting Officer (with the appropriate qualifications and specific experience in finance and control and qualified with reliability from an ethical standpoint) responsible for the preparation of corporate accounting documents (as provided for by Law 262/2005) granting him/her the powers and means required to carry out the assigned tasks and determining his/her term of office.

Moreover, Esprinet has the following Committees set up in compliance with the provisions of the Corporate Governance Code of listed companies, with advisory and proactive roles in matters within their scope with direct reference to the Board of Directors (as described in the Committee Regulations):

- ***Control and Risks Committee***: it is composed of non-executive directors, the majority of whom are independent, including at least one member with adequate experience in accounting and finance or risk management, to be assessed by the Board at the time of appointment.

This Committee is responsible for assisting the Board with investigations, making proposals and providing advice so that the main risks faced by the Company and its subsidiaries are correctly identified and adequately measured, managed and monitored, also determining to what extent such risks are compatible with company management that is in line with the strategic objectives identified.

In this context, the Committee is entrusted with the following tasks, in particular:

- a) supporting the Board in the carrying-out of the tasks entrusted to it regarding internal control and risk management by the Corporate Governance Code of Listed Companies relating to:
 - i. the definition of the guidelines for the internal control and risk management system in accordance with the company's strategies;
 - ii. the assessment that the main business risks are adequately identified and managed;
 - iii. the appointment and removal of the Head of "*Internal Audit*", ensuring that he/she has sufficient resources to carry out his/her duties, and on those relating to remuneration, consistently with company policies;
 - iv. the approval, at least once a year, of the work plan prepared by the Head of "*Internal Audit*", having consulted the Board of Statutory Auditors and the CEO;
 - v. the assessment of the opportunity to adopt measures to ensure the effectiveness and impartiality of judgement of the other corporate functions involved in the controls (such as the *risk management*, and legal and non-compliance risk monitoring functions);
 - vi. the assignment to the Supervisory Body of the supervisory functions pursuant to Article 6, paragraph 1, letter b) of Italian Legislative Decree No. 231/2001;
 - vii. the assessment, having consulted the Board of Statutory Auditors, of the results described by the external auditor in any letter of suggestions and in the report on the fundamental issues that emerged during the external audit;
 - viii. the description, in the corporate governance report, of the main characteristics of the internal control and risk management system by evaluating its adequacy;
- b) assessing, having consulted the Financial Reporting Officer, the external auditor and the Board of Statutory Auditors, the correct use of the accounting standards and their consistency for the purposes of preparing the consolidated financial statements;

- c) assessing the suitability of periodic financial and non-financial information in correctly representing the *business* model, the company's strategies, the impact of its activities and the *performance* achieved;
 - d) examining the contents of periodic, non-financial information relevant for the purposes of the internal control and risk management system;
 - e) expressing opinions on specific aspects concerning the identification of the main business risks and supporting the assessments and the decisions of the Board relating to the management of risks deriving from prejudicial events which the latter has gained knowledge of;
 - f) reviewing the periodic reports on the assessment of the internal control and risk management system and those of particular importance prepared by the "*internal audit*" department;
 - g) monitoring the independence, adequacy, effectiveness and efficiency of the "*internal audit*" department;
 - h) asking the "*internal audit*" department to carry out checks in specific operational areas and reporting, at the same time, to the Chairman of the Board of Statutory Auditors;
 - i) performing any additional duties that are assigned to it by the Board;
 - j) reporting to the Board of Directors, at least upon the approval of the annual and half-yearly financial report, on the activities conducted and the adequacy of the internal control and risk management system with respect to the characteristics of the business and the risk profile assumed, as well as on its effectiveness;
 - k) assessing the findings that come to light from the Supervisory Body's reports pursuant to Law No. 231/2001 and from the surveys and examinations carried out by third parties;
 - l) expressing opinions to the Board of Directors on the rules of transparency and substantive and procedural correctness of transactions with related parties and those where a director has an interest either on his/her own behalf or on behalf of third parties, as well as carrying out the tasks attributed to the Committee pursuant to the Consob regulation containing provisions governing related-party transactions adopted by means of resolution no. 17221 of 12 March 2010 and subsequently amended by means of resolution no. 17389 of 23 June 2010, no. 19925 of 22 March 2017 and no. 19974 of 27 April 2017, no. 21396 of 10 June 2020 and no. 21624 of 10 December 2020.
- ***Appointment and Remuneration Committee:*** the Committee consists of at least three non-executive directors, the majority of whom are independent, and is appointed by the Board of Directors. The Committee elects a Chairman from among its members and, on the latter's proposal, appoints a secretary, also from outside the members. The members remain in office for the duration of their term of office as Board members, unless replaced in full or individually by resolution of the Board of Directors.

The Committee is responsible for:

- a) supporting the Board with the following activities:

- i. self-assessment of the Board and its committees;
 - ii. definition of the optimal composition of the Board and its committees;
 - iii. identification of the candidates for the office of director in the event of co-opting;
 - iv. presentation, if applicable, of a list by the outgoing administrative body to be carried out according to the methods that ensure its formation and transparent presentation;
 - v. preparation, updating and implementation of any succession plan of the Chief Executive Officer and the other executive directors;
- b) supporting the Board with drawing up the remuneration plan;
- c) presenting proposals or expressing opinions on the remuneration of executive directors and other directors who hold particular positions as well as on the setting of performance objectives related to the variable component of said remuneration; it remains understood that no directors shall take part in meetings of the Committee in which proposals are formulated to the Board regarding their remuneration;
- d) monitoring the practical application of the remuneration policy and verifying, in particular, the effective attainment of the performance objectives;
- e) periodically evaluating the adequacy and overall consistency of the remuneration policy of the directors and the top management.
- f) with reference to companies that belong to the Group:
 - i. to express an opinion to the Board of the Parent Company about the candidates for the post of director, including the chief executive officer or the COO in cases where the presence of one or more chief executive officers is not provided for;
 - ii. expressing an opinion to the Board of the Parent Company on the proposals for determining the total remuneration due to the board members of the subsidiaries.

With reference to remuneration plans based on financial instruments or otherwise (e.g. *stock option plans*, *share grants*, *phantom stock options*, etc.), the Committee presents to the Board its recommendations about the use of such plans and about all relevant technical aspects associated with their formulation and application. In particular, the Committee draws up proposals for the Board about the incentive scheme deemed most appropriate and monitors the evolution and application over time of the plans approved by the corporate bodies.

The Committee meets whenever the Chairman of the Committee deems it appropriate or is requested by the Chairman of the Board of Directors and in any case before each meeting of the Board of Directors called to resolve on the above-mentioned matters.

- ***Independent Committee:*** composed of three non-executive and independent directors (coincides with the Control and Risk Committee, when it is composed exclusively of Independent Directors).

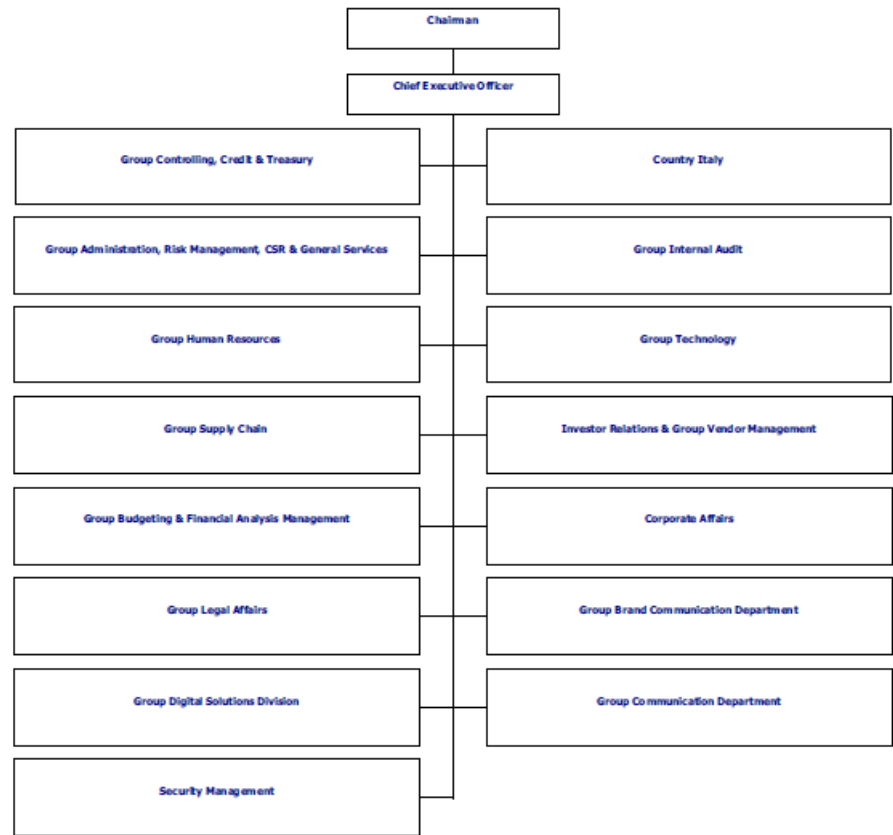
As part of the tasks identified by the Board of Directors in the Procedure on Related Party Transactions adopted by the Company, the Committee expresses its prior reasoned opinion on the Company's interest in the carrying-out of the Related Party Transaction, as well as on the substantial convenience and correctness of the terms and conditions of the same Transaction.

In relation to Related Party Transactions, the Committee has the right to be assisted, at the Company's expense, by one or more independent experts of its choice.

- Competitiveness and Sustainability Committee:** it is assigned with the task of supporting the Board with investigations, making proposals and providing advice, mainly in relation to creating lasting competitive advantages and preliminary conditions for long-term value creation for the various categories of stakeholders in the Company and its subsidiaries (the "Group"). It is in charge of the procedures and policies that can be implemented in the company and proposes sustainability activities in the company; it is appointed by the BoD with a term coinciding with that of the Board itself.

1.5 The organisational structure

The Organisational Structure of Esprinet is represented below.



The activities carried out by the Departments and Divisions into which the Company is organised are described below.

- **Group Controlling, Credit, Treasury:** it deals with management control, final analysis of the company's margin and cost structure and *ex-post* check of *budget* variance/final account. Moreover, it is responsible for granting credit facilities to customers, as part of the sphere of autonomy defined in the Group *Risk Policy*, for debt collection and for customer financing services. It then manages treasury activities, for which it is responsible for defining and managing financial policies that support the *business* of the Company and its subsidiaries, and for managing relations with banks for ordinary finance operations.
- **Group Budgeting & Financial Analysis Management:** it carries out, in close coordination with *Group Controlling*, coordination and management activities of the annual planning cycle (*budget, revised budget, forecast*) and the multi-year business plan.

The Division also supports the Chief Executive Officer and COO in assessing the feasibility and management of M&A transactions, extraordinary finance and, in general, in analysing the economic and financial viability of major investments (*capital budgeting*).

- **Corporate Affairs:** it manages the corporate affairs of the Group's Italian companies, dealing in particular with relations with shareholders and with the bodies involved in the organisation and management of regulated markets (Consob, Borsa Italiana).
- **Group Legal Affairs:** It manages the legal affairs of the Group's Italian companies.
- **Group Human Resources:** it is responsible for the management of human resources within the Group's companies and, more specifically, for recruitment, terminations, *job rotation*, relations with external Bodies (public or third-party bodies bound by contract), personnel training and development, research and selection, and management of personnel disputes.
- **Group Brand Communication Department:** it deals with the preparation and implementation of the *marketing* plan of the Company and its subsidiaries, as well as related external communication initiatives;
- **Group Communication Department:** as part of external communication, it is responsible for managing relations with the market and the financial community;
- **Group Technology:** it deals with the development and maintenance of the information systems and related infrastructures of the Company and its subsidiaries. It also provides technical support for internal users (*help desk*).

The Division is responsible at Group level for the creation and maintenance of *websites* and the creation of *IT tools*.

- **Group Internal Audit:** it supports *management* in implementing and maintaining a structured and formalised system for identifying, measuring, managing and monitoring the main business risks and checks the correct application of the procedures of the internal control system. It is also responsible for the *Health, Safety, Environment & Privacy* area - which is in charge of the correct application of rules and

regulations on health, safety, respect for the environment and respect for privacy, the *Operational & Quality* area - which is in charge of monitoring the effectiveness and efficiency of business processes, also with a view to risk management, as well as the governance of the "Quality System", and the *Finance & Compliance* area - which is in charge of the correct application of rules and procedures for risk management in the administrative, accounting and financial *reporting* area, as well as of checking constant compliance with the pro tempore regulatory provisions in force;

- **Group Administration, Risk Management, CSR & General Services:** it is responsible for general accounting activities, asset cycle, liability cycle and archiving. It prepares and publishes the separate interim and annual financial statements of the Group's Italian companies, as well as the consolidated financial statements. It maintains relations with independent auditors, the Board of Statutory Auditors and the tax authorities, and is responsible for establishing company strategies to ensure corporate social responsibility. Includes *facility management activities*;
- **Group Supply Chain:** includes the *Logistic Department*, which is responsible for logistics activities and the *Supply Chain and Transport Department*, which is responsible for transport activities, monitoring activities related to incoming goods and relevant distribution;
- **Security Management:** it is responsible for supporting *Management in Quality Assurance* and the drafting of *policies*, procedures and standards that reflect the company's requirements and current regulations with regard to physical security;
- **Investor Relations & Group Vendor Management:** it is responsible for *i)* providing information on the financial performance of the Company and the main operations it carries out and *ii)* performing the activities required to identify, qualify, manage and evaluate suppliers;
- **Group Digital Solutions Division:** it is a division dedicated to the development of digital services, created to assist and support SMEs in the digital transition process;
- **Country Italy:** it coordinates the activities of the *Sales & Marketing* divisions through the definition and implementation of sales strategies for the Group's Italian subsidiaries, with responsibility for turnover volumes and sales margins on products.

2 THE ORGANISATION AND MANAGEMENT MODEL OF ESPRINET

2.1 Introduction

Esprinet - in support of the necessary process of identifying, measuring, managing and monitoring the main risks that impact on the proper management of company activities - analysed and checked its organisational system, with the collaboration of specialised consultants, aimed at the adoption of an Organisation and Management Model in compliance with the indications of Italian Legislative Decree

231/2001. The adoption and relative implementation of the Model represents for Esprinet not only a tool for the prevention of the offences under Italian Legislative Decree 231/2001, but most of all a strategic element for the constant improvement of the *Corporate Governance* system.

The drafting of the Model took into account not only the legislative innovations that have taken place on the matter since 2001, but also the Guidelines issued by Confindustria in their most recently updated version of 25 June 2021.

The Model represents a consistent set of principles and rules that:

- affect the regulation of the internal functioning of the Company and the ways in which it relates to the outside world;
- regulate the diligent management of a control system for sensitive activities, aimed at preventing the commission or attempted commission of the offences referred to in Italian Legislative Decree No. 231/2001.

The Model, as approved and subsequently updated several times, includes the following elements:

- process of identifying the company activities within which the offences referred to in Italian Legislative Decree 231/2001 can be committed (“map of sensitive activities”);
- definition and application of general control principles and specific protocols in relation to the sensitive activities identified;
- process of identifying the methods for managing financial resources suitable for preventing offences from being committed;
- Supervisory Body (hereinafter also “SB”);
- Code of Ethics (see par. 1.3 of the General Part of this Model);
- Disciplinary system designed to penalise the violation of the provisions contained in the Model;
- identification of a Plan for communicating the Organisation Model to personnel and parties interacting with the Company.

Pursuant to and for the purposes of Article 6, paragraph 1, letter a) of the Decree, the Organisation and Management Models are issued by the company’s top management as a whole. Therefore, the adoption of this Model is the prerogative and responsibility of the Board of Directors.

The updating of the Model is entrusted to the Chairman of the Board of Directors, according to the express authorisation of the latter.

The amendments made by the Chairman, also on the recommendation of the Supervisory Body, must be ratified by the Board of Directors at the first meeting following the amendment.

Regardless of the occurrence of circumstances requiring immediate updating (such as, by way of example, changes in the internal structure of the Company and/or the way in which business activities are carried out, regulatory changes, etc.), this Model is, in any case, subject to regular review.

2.2 The Guidelines issued by Confindustria

This Model takes into account the "Guidelines for the construction of Organisation, Management and Control Models pursuant to Italian Legislative Decree 231/2001" approved by Confindustria and most recently updated on 25 June 2021.

In particular, Confindustria initially approved the text of its Guidelines on 7 March 2002 and also provided methodological indications for the identification of risk areas and the structuring of the Model. Subsequently, on 3 October 2002, Confindustria prepared a "*Supplementary Appendix to the Guidelines for the construction of Organisation, Management and Control Models pursuant to Italian Legislative Decree No. 231/2001 with reference to the offences introduced by Italian Legislative Decree No. 61/2002*" with the aim of extending the rules laid down by Italian Legislative Decree No. 231/2001 to corporate offences, ensuring greater transparency of procedures and processes within the company and, therefore, guaranteeing more efficient control over the work of *managers*, especially with regard to the Supervisory Body; while on 9 April 2008, it further amended the Guidelines with reference to the following categories of offence: market abuse, virtual child pornography, practices of female genital mutilation, transnational organised crime, manslaughter and grievous or very grievous bodily harm committed in violation of occupational health and safety regulations, and money laundering.

Then, on 21 July 2014, a new version of the Guidelines was approved: it adapts the previous 2008 text to new laws, case laws and application procedures that have occurred in the meantime. In particular, the main amendments and additions to the General Part concern: the new chapter on the lineaments of liability depending on offence and the summary table of predicate offences; the disciplinary system and penalty mechanisms; the Supervisory Body, with a special reference to its composition; the phenomenon of groups of companies.

On 25 June 2021, a final update was approved in which the main new element is the indication of the opportunity of an integrated *compliance* system to ensure the rationalisation of processes and activities (in terms of economic, human, and technological resources), the streamlining of *compliance* activities and the optimisation of information flows and relations between the various control and risk management actors of each organisation (see for example: the *Compliance* function, the *Internal Audit*, the *Privacy Officer*, the *Security Officer*, the *Board of Statutory Auditors*, the *Supervisory Body*). The guidelines call for joint *risk assessments* and periodic maintenance/*review* of *compliance* programmes in a comprehensive and coordinated manner.

The Special Part, dedicated to the analysis of predicate offences through specific *case studies*, was thoroughly revisited, aimed not only at dealing with the new cases of predicate offence, but also at introducing an easier-to use schematic method of analysis.

The Guidelines suggest the use of *risk assessment* and *risk management* methods broken down into the following steps:

- identification of **risk areas**, aimed at checking the business area/sector in which the adverse events provided for by Italian Legislative Decree 231/2001 are feasible;
- preparation of a **control system** that is able to prevent the risks by adopting special protocols.

The most relevant components of the control system proposed by Confindustria are:

- Code of Ethics;
- organisation system;
- manual and IT procedures;
- powers of authorisation and signature;
- control and management systems;
- personnel communication and training.

They must be informed of the following principles:

- verifiability, provable by documents, consistency and adequacy of each transaction;
- application of the principle of segregation of duties (no one can manage an entire process independently);
- documentary evidence of controls;
- provision of an adequate penalty system for the violation of the Italian Civil Code and procedures envisaged by the Model;
- identification of the requirements of the Supervisory Body, (autonomy, independence, professionalism and continuity of action);
- disclosure requirements by the Supervisory Body.

2.3 The project to define and update Esprinet's Organisation and Management Model

The Model, as prescribed by the Decree and recommended by the Confindustria Guidelines and *best practices*, was prepared and subsequently updated several times according to the methodological phases outlined below.

Phase 1 - Organisational analysis and identification of sensitive processes

Identification of the processes and activities within which the offences expressly referred to in Italian Legislative Decree No. 231/2001 can be committed and identification of the persons in charge, i.e. the resources with in-depth knowledge of such processes/activities and of the control mechanisms currently in place (known as “*key officer*”).

Phase 2 - As-Is Analysis

Analysis and formalisation, for each process/sensitive activity, of:

- main phases;
- functions and roles/responsibilities of the internal and external actors involved;
- existing control elements;

in order to check in which areas/sectors of activity and in what ways the offences referred to in Italian Legislative Decree 231/2001 could be committed in abstract terms.

Preparation of a mapping of sensitive processes/activities and identification of the existing control system with reference to the "control principles" (see paragraph 2.4).

Phase 3 - Gap Analysis

Identification of any vulnerabilities and related improvement actions required to ensure that the Organisation Model is suitable for preventing the offences referred to in Italian Legislative Decree 231/2001. To this end, a *Gap analysis* was carried out between the current Model ("*As is*") and the Model to be ("*To be*") with a special reference, in terms of compatibility, to the proxy system, the system of company procedures, and the characteristics of the body entrusted with the task of supervising the functioning of and compliance with the Model.

Phase 4 - Preparation of the Organisation and Management Model

Preparation and updating, on the basis of the results of the previous phases and the comparison with reference *best practices*, as well as according to the choices made by the Company's decision-making bodies and the level of synergistic compliance with the existing internal control system, of the Company's Organisation, Management and Control Model, broken down into the following parts:

- **General Part**, containing a description of the regulatory framework of reference, the activities carried out by the Company and the definition of the structure required for the implementation of the Model such as the operation of the Supervisory Body and the penalty system;
- **Special Part**, whose contents consist of the identification of the Company's activities that can be at risk due to the commission of the offences envisaged by the Decree, with the provision of the relevant control protocols.

Therefore, the Model, as recommended by the Confindustria Guidelines, fulfils the following functions:

- make all those who work under the name and on behalf of Esprinet aware of the need for timely compliance with the Model, the violation of which entails strict disciplinary measures;
- punish any behaviour that, based on a misunderstood social interest, conflicts with laws, regulations or, more generally, with principles of fairness and transparency;
- inform about the serious consequences that could result for the Company (and therefore for all its employees, managers and top management) from the application of the monetary and disqualification penalties envisaged by the Decree and the possibility that they may also be ordered as precautionary measures;
- enable the Company to constantly monitor and carefully supervise sensitive processes so that it can intervene promptly in case of risk profiles.

2.4 Definition of control principles

The control system, finalised by the Company according to the indications provided by the Confindustria Guidelines, as well as by national and international "*best practices*", was implemented by applying the control principles, defined below, to the individual sensitive activities:

- **Regulations:** existence of business provisions fit for providing principles of behaviour, operating methods for carrying out sensitive activities, as well as methods for filing important documents;
- **Traceability:** i) each operation related to the sensitive activity must be, if possible, properly documented; ii) the decision-making, authorisation and carrying-out process of the sensitive activity must be verifiable *ex post*, also by means of special documentary evidence and, in any case, the cases and the methods of the possibility of cancelling or destroying the registrations made must be regulated in detail;
- **Segregation of duties:** segregation of duties and responsibilities among those who authorise, those who carry out and those who control the same activity. This segregation is guaranteed by the intervention, within the same macro business process, of several parties in order to guarantee the independence and objectivity of the processes. The segregation of functions is also implemented by using IT systems that enable certain operations to be carried out only by well-identified and authorised persons;
- **Proxies and delegates:** the powers of authorisation and signature must be: i) consistent with the assigned organisational and managerial liabilities by indicating, if necessary, the approval thresholds of expenses; ii) clearly defined and known within the Company. The corporate roles assigned the power to commit the Company to certain expenditures must be defined, specifying the limits and nature of the expenditures.

- **Monitoring:** aimed at the periodic/timely updating of proxies and the control system in line with the decision-making system, as well as with the entire organisational structure. It concerns the existence of process controls carried out by the competent Heads of Functions or by a third party.

2.5 Recipients of the Model

This Model applies to all those who perform, even de facto, management, administration, direction or control functions of the Company, as well as to all employees, duly trained and informed of the contents of the Model itself, in accordance with the methods defined depending on the degree of responsibility assigned to them.

On the other hand, with regard to agents, consultants and suppliers in general, since they are external parties, they are not directly bound to comply with the rules laid down in the Model, nor can a disciplinary measure be applied to them in case of violation of those rules.

Therefore, the Company distributes the Code of Ethics to the latter, in accordance with specific company rules, providing for specific termination or penalty clauses in the various collaboration contracts by way of penalty in case of violation of the rules contained in the aforementioned Code.

3 SUPERVISORY BODY

3.1 The Supervisory Body of Esprinet (SB): requirements

According to the provisions of the Decree, the Company can be exempt from liability resulting from offences being committed, in its interest or to its advantage, by persons holding top positions or under their supervision and management, if the management body - in addition to having adopted and effectively implemented the Organisation, Management and Control Model suitable for preventing offences - entrusted the task of supervising the functioning and observance of the Model and of updating it to a body with independent powers of initiative and control.

Therefore, the assignment of the aforementioned tasks to an independent body and their correct and effective carrying-out are essential for the exemption from liability under the Decree.

The main requirements of the Supervisory Body (as also referred to in the Confindustria Guidelines) can be summarised as follows:

- autonomy and independence: the body must be included as a *staff* unit in the highest position of authority and must report to the top management;
- professionalism: the body must have the required knowledge, tools and techniques to effectively carry out its business;

- continuity of action: an effective and constant implementation of the Organisation Model is facilitated among the members of the body by the presence of a function that, due to the tasks carried out, guarantees constant activity within the company itself.

The Guidelines envisage that the Supervisory Body can be made up of either one or several members. What is important is that, as a whole, the body itself is able to meet the above-mentioned requirements. In compliance with the provisions of the Decree and following the indications of Confindustria, Esprinet S.p.A. identified its Supervisory Body in such a way that it is able to ensure, in relation to its organisational structure and the degree of risk of committing offences envisaged by the Decree, the effectiveness of the controls and activities the body is in charge of.

Taking into account the opinion expressed by the Italian Data Protection Authority on 12 May 2020 with reference to the processing of personal data by the Supervisory Body in the performance of its duties and functions, Esprinet S.p.A. designated the Supervisory Body and its individual members as persons authorised to process Personal Data pursuant to Article 29 of Regulation (EU) 679/2016 (GDPR) and Article 2 quaterdecies of the Consolidated Law on the Protection of Personal Data.

3.2 General principles on the establishment, appointment and replacement of the Supervisory Body (SB)

The Company's Supervisory Body is established by a resolution of the Board of Directors, which identifies its members. The latter remain in office for the period fixed at the time of their appointment, but not exceeding three years (at the end of which they may be re-elected), or until their removal, in accordance with the provisions of this paragraph.

Upon expiry of the term, the Supervisory Body remains in office until the next Board of Directors meeting during which new appointments (or re-elections) are made.

If, during the period of appointment, one or more members of the Supervisory Body cease to be members of the Body, the Board of Directors shall replace them by its own resolution: in this case, the new member shall cease to be a member together with the other members previously appointed.

Any remuneration for serving as a member of the Supervisory Body is established by the same Board of Directors that appointed it.

The appointment as member of the Supervisory Body is dependent on the presence of subjective eligibility requirements.

In particular, the person appointed as a member of the Supervisory Body must issue a declaration certifying the absence of:

- conflicts of interest, potential or otherwise, with the Company such as to undermine the independence required by the role and tasks of the Supervisory Body;

- direct or indirect ownership of shareholdings of such an extent as to enable it to exercise a significant influence on the Company;
- administration functions - in the three financial years preceding the appointment as member of the Supervisory Body - of companies subject to bankruptcy or other insolvency procedures;
- Conviction, even if not final, or sentence of application of the penalty on request (so-called plea bargaining), in Italy or abroad, for the crimes referred to in the Decree or other crimes in any case affecting professional morality;
- judgement, final or otherwise, of punishment leading to disqualification, temporary or otherwise, from public offices, or temporary disqualification from the managerial posts of legal entities and enterprises.

Should any of the aforementioned reasons for ineligibility be the responsibility of a person already appointed, he/she shall automatically lose his/her office. In this case, the Board of Directors will replace him/her by its own resolution.

In order to guarantee the required freedom and independence to the members of the Supervisory Body, the cancellation of the appointment may only take place for just cause through a specific resolution of the Board of Directors.

In this regard, "just cause" for cancellation of the tasks and powers related to the office of member of the Supervisory Body may be understood as, by way of example only:

- gross negligence in the fulfilment of the duties related to the office;
- “*omitted or insufficient supervision*” - in accordance with the provisions of Article 6, paragraph 1, letter d) of the Decree - which may also result from a judgement, final or otherwise, issued against the Company pursuant to Italian Legislative Decree No. 231/2001, or from judgement imposing the penalty requested (known as plea-bargaining);
- termination of another office if the same was the explicit prerequisite for appointment as a member of the SB.

Considering the special nature of the SB's powers and the related professional content, it can be supported in the carrying-out of its supervisory and control tasks by dedicated personnel. Moreover, it may avail itself of the assistance of the functions within the Company that, from time to time, may be necessary, and may also use external advisory functions when this proves necessary for the more effective and independent performance of its functions.

3.3 Financial resources assigned to the Supervisory Body

In order to be able to operate autonomously and have the most appropriate tools at its disposal to ensure the effective performance of the task assigned to it by this Model, in accordance with the provisions of the Decree, the SB requests a *budget* from the Board of Directors, which provides it after appropriate discussion.

3.4 Functions and powers of the Supervisory Body

The Supervisory Body adopts regulations governing the carrying out of its activities.

The SB is entrusted with the task of supervising:

- compliance with the requirements of the Model, in relation to the different types of offences covered by the Decree and the subsequent regulations that extended its scope;
- the effectiveness of the Model with respect to the company structure and to its actual ability to prevent offences from being committed;
- the advisability of updating the Model, where there is a need to adapt the latter to changes in the company and/or regulatory conditions.

In particular, the Supervisory Body is entrusted with the following powers for the performance of its functions:

- to check the efficiency and effectiveness of the Model, including in terms of conformity between the actual operational arrangements adopted and the procedures formally specified by the Model;
- to check that the requirements of efficiency and effectiveness of the Model continue to be fulfilled over the course of time;
- to encourage the updating of the Model, by putting forward proposals to the Chairman of the Board of Directors or to the Chief Executive Officer, where necessary, with respect to possible updates and alterations to be made in the form of amendments and/or additions that become necessary as a result of:
 - i) significant violations of the requirements of the Model;
 - ii) significant changes in the internal structure of the Company and/or in the ways in which the Company's activities are carried out;
 - iii) regulatory changes;
- to report promptly to the Chairman of the Board of Directors any established violations of the Model that may cause liability to arise for the Company so that appropriate action can be taken;
- to promote initiatives for the distribution of the Model and for staff training and raising staff awareness about compliance with the principles contained in the Model;
- to promote communication and training initiatives with respect to the content of Italian Legislative Decree No. 231/2001, the effect of the legislation on the Company's activities and behavioural standards;
- to provide clarifications about the meaning and application of the provisions contained in the Model;

- to promote the implementation of an effective channel of internal communication for the transmission of significant information within the meaning of Italian Legislative Decree No. 231/2001, while guaranteeing the protection and confidentiality of the reporting person;
- to devise and submit for the approval of the Board of Directors an estimate of the expenditure necessary to carry out correctly the tasks assigned;
- to gain unrestricted access, in compliance with current laws, to any Company Division in order to request information, documentation and data deemed necessary to carry out the duties provided for in Italian Legislative Decree No. 231/2001;
- to request significant information from partners, advisors and external partners, regardless of what they are called;
- to promote the initiation of any disciplinary proceedings resulting from identified violations of this Model.

The results of the activities carried out by the Supervisory Body are communicated to the top management of the Company.

In particular, two *reporting* lines are assigned to the SB:

- the first one, on an ongoing basis, to the Chairman and the Chief Executive Officer;
- the second one, on at least a half-yearly basis in writing, to the Board of Directors and the Board of Statutory Auditors.

The subject of *reporting* is:

- the activity carried out by the SB;
- any critical issues arising both in terms of behaviour or events within the Company, and in terms of the effectiveness of the Model.

Minutes are taken of the meetings of the Supervisory Body and a copy of the minutes is kept by the SB. Minutes can be taken by an external person chosen by the SB, who remains bound to secrecy on the subject matter of the minutes.

Moreover, in carrying out its duties, the Supervisory Body of Esprinet S.p.A. ensures adequate coordination with the Supervisory Bodies of the other Group companies through periodic meetings, as well as through the sharing of documents relating to the supervisory activities carried out.

The Board of Directors, the Board of Statutory Auditors, the Chairman and the Chief Executive Officer have the right to convene the SB at any time.

3.5 Disclosure requirements with regard to the Supervisory Body - Information flows

3.5.1 Disclosure requirements relating to official documents

In order to facilitate the supervision of the effectiveness of the Model, the following information must be transmitted to the SB:

- the measures and/or information coming from the magistrates, criminal police bodies or any other authority, which indicate that investigations were carried out, including investigations on persons unknown, in any case concerning the Company, for the offences set forth in the Decree;
- the reports prepared by the heads of the corporate functions involved in the sensitive activities indicated by the Model (including the independent auditors) as part of their control activities, which may reveal facts, acts, events or omissions with critical profiles with respect to compliance with the provisions of the Decree;
- information relating to the actual implementation of the Organisation Model at all company levels by showing the disciplinary proceedings carried out and of any penalties imposed (including measures against employees), or the dismissal measures of these procedures with the relevant reasons.

3.5.2 Reporting offences or irregularities as part of the employment relationship (known as *whistleblowing*)

Italian Law 179/2017 introduced the obligation for all Companies, provided with an Organisation Model pursuant to Italian Legislative Decree 231/2001, to implement a system that allows their workers the possibility of reporting any unlawful activities of which they have become aware for work reasons (known as *whistleblowing*), inserting in Article 6 of Italian Legislative Decree 231/2001 paragraph 2 bis, which established that the Organisation Model must provide for:

- a) one or more channels enabling the parties indicated in Article 5, paragraph 1, letter a) and b) to submit, for the protection of the entity's integrity, detailed reports of unlawful conduct, relevant under this decree and based on precise and consistent factual elements, or of violations of the entity's organisation and management model, of which they have become aware by reason of the functions performed; these channels ensure the confidentiality of the whistle-blower's identity in the handling of the report;*
- b) at least one alternative reporting channel suitable for ensuring, by computerised means, the confidentiality of the whistle-blower's identity;*
- c) the prohibition of retaliatory or discriminatory acts, direct or indirect, against the whistle-blower for reasons directly or indirectly related to whistle-blowing;*
- d) in the disciplinary system adopted pursuant to paragraph 2. letter e), penalties against those who violate the measures for the protection of the whistle-blower, as well as against those who make reports that turn out to be unfounded with wilful misconduct and gross negligence.*

The term "offences" refers to the commission - or possible commission - of an offence for which the liability of entities pursuant to Italian Legislative Decree 231/2001 is applicable. These offences are listed in this Italian Legislative Decree 231/2001.

The term "irregularity" means any violation of the rules laid down in the Code of Ethics and/or the Esprinet S.p.A. Organisation, Management and Control Model.

Serious violations of the procedures and regulations adopted by Esprinet are also considered "irregularities".

The rule in question aims to encourage the collaboration of workers in identifying possible fraud, dangers or other serious risks that could harm customers, colleagues or the company's own reputation and integrity, by introducing specific protections in favour of the whistle-blower. To this end, the regulation acts on a twofold level: on the one hand, by requiring entities and companies to create an organisational procedure that enables those who deem to report an offence to act without jeopardising their personal position as a result of the report; on the other hand, by providing a system of substantive and procedural guarantees aimed at preventing retaliation by the employer arising from the report or complaint.

The reports must be based on precise and consistent facts, and the Company will not be required to take into consideration reports, anonymous or otherwise, which appear, at first glance, to be irrelevant, groundless or unsubstantiated. In full compliance with the aforementioned regulations, the Company adopted a specific procedure ("Policy for the prevention of fraud and violations of the Code of Ethics and for the management of *whistle-blowing* reports" - DIS01001) that identifies the procedures for sending reports of possible offences, the management of such communications, and indicates the person appointed to receive them. In particular, the procedure identifies the Chairman of the Supervisory Body as the person responsible for receiving and handling reports.

Reports may be made in writing, possibly and on a residual basis also anonymously through specific confidential information channels, as follows:

- by letter to the Chairman of the SUPERVISORY BODY - Esprinet S.p.A., c/o Energy Park 20871 Vimercate (MB)

- *whistle-blowing* platform accessible from any *browser* (also by accessing from mobile devices) with the following address <https://esprinet.eticainsieme.it>. This tool offers the most extensive guarantees of confidentiality for the whistle-blower.

The reports concerning any ascertained or alleged violation of the Model, received by the Chairman of the SB through the *whistle-blowing* platform, shall be forwarded to the other members of the SB and collected and managed by the SB itself.

Any retaliatory or discriminatory conduct committed against the whistle-blower or in any case aimed at violating the whistle-blower's protection measures (duty of confidentiality of the whistle-blower's identity) by the management bodies or by persons acting on behalf of the Company, as well as the conduct of those who make reports that turn out to be unfounded with gross negligence or wilful misconduct, shall be punished in accordance with the procedures set out in Chapter 4.

3.5.3 Reporting obligations by company representatives or third parties

Within the company, all information, including from third parties and pertaining to the implementation of the Model, is also brought to the attention of the SB.

The information generally concerns all information relating to the presumed commission of the offences envisaged by the Decree in relation to the Company's activities or behaviour not in line with the rules of conduct adopted by the Company itself.

The inflow of reports that do not fall under the *whistle-blowing* regulations referred to in the previous point, and indicated in paragraph 3.5.1 or in the Special Part, must be channelled to the SB.

These reports may be sent through the following communication channels:

1. email: ODV@esprinet.com;
2. traditional mail: SUPERVISORY BODY - Esprinet S.p.A. c/o Energy Park 20871 Vimercate (MB);

The SB acts in such a way as to ensure the confidentiality of the identity of the whistle-blower, without prejudice to law requirements and the protection of the rights of the Company or of persons accused wrongly and/or in bad faith.

The criminal act or omission aimed at circumventing disclosure requirements with regard to the SB constitutes a disciplinary offence.

4 THE DISCIPLINARY SYSTEM

4.1 General Principles

An essential aspect for the effective implementation of the Model is the provision of an adequate disciplinary and penalty system against the violation of the rules of conduct outlined in the Model itself to prevent the offences referred to in the Decree and, in general, of the internal procedures referred to in the Model (see Article 6, paragraph 2, letter e, Article 7, paragraph 4, letter b).

The application of disciplinary measures is independent of the actual commission of an offence and, therefore, of the occurrence and outcome of any criminal proceedings.

The rules of conduct imposed by the Model are adopted by the Company in full autonomy in order to best comply with the regulatory provisions that are incumbent on the company itself.

Moreover, the principles of timeliness and immediacy make it inappropriate to delay the imposition of the disciplinary measure pending the outcome of any proceedings brought before the court (see Confindustria Guidelines, Chapter III, point 4, p. 50).

All employees, directors, collaborators of Esprinet S.p.A., as well as all those who have contractual relations with the Company, (agents, consultants and suppliers in general), within the scope of such relations, are subject to the penalty and disciplinary system set out in this Model.

The disciplinary system outlined below also applies to those who:

- violate the protection measures provided for workers who have made reports, such as, by way of example, the prohibition of acts of retaliation and measures to protect the identity of the whistle-blower;
- make reports with gross negligence or wilful misconduct that prove to be unfounded;
- in any case, violate the rules and provisions laid down in the *whistle-blowing* procedure.

The procedure for the imposition of the penalties referred to in this Chapter takes into account the specific characteristics resulting from the legal *status* of the party against whom proceedings are brought. In any case, retaliatory or discriminatory dismissal of the whistle-blower referred to in paragraphs 3.5.2 and 3.5.3 is void. The change in duties pursuant to article 2103 of the Italian Civil Code as well as any retaliatory or discriminatory measures adopted against the whistle-blower are also null and void.

Finally, in case of disputes relating to the imposition of disciplinary measures or to de-tasking, dismissals, transfers or subjecting the whistle-blower to other organisational measures having direct or indirect negative effects on working conditions, it is the Employer's responsibility to prove that such measures are in no way a consequence of the whistle-blowing itself.

The Supervisory Body makes sure that adequate information is given to all the above-mentioned parties, from the beginning of their relationship with the Company, on the existence and content of this penalty system.

4.2 Measures against employees

The behaviour of employees in violation of each rule of behaviour laid down in this Model is defined as a disciplinary offence.

In any case, obstructing the activity of the SB constitutes a disciplinary offence.

In case of any doubt as to the legitimacy of the request for information or documents made by the SB, the employee has the right to contact his or her direct superior. If the refusal persists, the SB may refer the matter to the Chairman of the Board of Directors, who, in compliance with the regulations in force, will summon the worker to provide the information and documents requested by the SB

With reference to the penalties that can be imposed on employees and executives, they are included among those envisaged by the company disciplinary system and/or by the penalty system envisaged by the national collective labour agreement for employees of commercial and service companies, in compliance with the procedures provided for by article 7 of the Workers' statute of rights and any enforceable special regulation.

Therefore, Esprinet S.p.A.'s company disciplinary system is made up of the regulations of the Italian Civil Code and of the conventional regulations of the aforementioned national collective labour agreement. In particular, the disciplinary system describes the behaviour punished according to the importance of the individual cases considered and the penalties actually envisaged for the commission of those offences on the basis of their seriousness.

In relation to the above, the Model refers to the penalties and categories of punishable facts envisaged by the existing penalty system of the aforementioned national collective labour agreement, in order to bring any violations of the Model within the cases already envisaged by the aforementioned provisions.

The types of behaviour that constitute violations of the Model, accompanied by the relevant penalties, are as follows:

1. a worker who violates one of the internal procedures/guidelines envisaged by the Model (e.g. fails to comply with the prescribed rules, omits, without a justified reason, to notify the Supervisory Body of the information requested, omits to carry out checks, etc.) or adopts, in the performance of activities in sensitive areas, a behaviour that does not comply with the requirements of the Model itself, incurs a **"verbal reprimand"**. Such behaviour constitutes a failure to comply with the provisions issued by the Company;
2. a worker who is a persistent offender in violating the procedures/guidelines envisaged by the Model or in adopting, when carrying out activities in sensitive areas, a behaviour that does not comply with the requirements of the Model, incurs the measure of **"written reprimand"**. Such behaviour constitutes a persistent failure to comply with the provisions issued by the Company;
3. a worker who, by negligently performing the work entrusted to him/her, violates the internal procedures/guidelines envisaged by the Model, or adopts, when carrying out activities in sensitive areas, a behaviour that does not comply with the requirements of the Model, incurs a **"fine"** not exceeding the amount of 4 hours of his/her normal remuneration;
4. a worker who, in violating the internal procedures/guidelines envisaged by the Model, or by adopting, when carrying out activities in sensitive areas, a behaviour that does not comply with the requirements of the Model, persists for more than three times in the calendar year in the offence for which a fine is envisaged, incurs the measure of **"suspension"** from service and salary for a period not exceeding 10

days. Such behaviour, committed as a result of a failure to comply with the provisions issued by the Company, constitutes acts contrary to the interests of the Company;

5. a worker who adopts, when carrying out activities in sensitive areas, a behaviour in violation of the requirements of the Model, such as to determine the actual application by the Company of the measures envisaged by Italian Legislative Decree No. 231/2001, as well as a worker who persists in the offences referred to in point 4 above more than three times in the calendar year, shall incur the measure of "**dismissal without notice**". Such behaviour radically undermines the Company's trust in the worker and constitutes serious moral and material damage to the company.

The type and extent of each of the above penalties will be determined by taking into account:

- the intentionality of the behaviour or the level of negligence, carelessness or lack of expertise with regard also to the predictability of the event;
- the overall behaviour of the employee with a special attention to the existence or non-existence of the employee's disciplinary record, within the limits allowed by law;
- the tasks of the worker;
- the functional position of the persons involved in the facts constituting the violation;
- other particular circumstances surrounding the disciplinary offence.

This is without prejudice to the Company's right to claim compensation for damages resulting from an employee's violation of the Model. Any damages claimed will be commensurate:

- with the level of responsibility and autonomy of the employee who has committed the disciplinary offence;
- with the possible existence of criminal records to his/her charge;
- with the degree of intentionality of his/her behaviour;
- with the seriousness of its effects, meaning the level of risk to which the Company reasonably believes it was exposed - pursuant to and for the purposes of Italian Legislative Decree No. 231/2001 - as a result of the reprehended behaviour.

The Personnel Department is responsible for the actual implementation of the disciplinary measures described above for non-executive employees: it applies the penalties according to the possible report of the SB, also after hearing the opinion of the hierarchical superior of the perpetrator.

In any case, the Supervisory Body receives timely information of any deed concerning disciplinary proceedings against a worker for violation of this Model, from the moment of the disciplinary complaint.

This is also with a view to ensuring the necessary involvement of the Supervisory Body in the procedure for the imposition of penalties for violation of the Model, in the sense that a disciplinary measure for violation of the Model may not be imposed without prior notification to the Supervisory Body of the nature of the charge and the type of penalty to be imposed.

The SB shall likewise be notified of any decision to dismiss disciplinary proceedings under this chapter. Workers are given immediate and widespread information on the introduction of any new provisions.

4.3 Measures against managers

When the violation of the rules envisaged by this Model or the adoption, when carrying out activities in the areas at risk, of a behaviour that does not comply with the requirements of the Model itself, is committed by managers, the measures deemed most appropriate in accordance with the provisions of the Italian Civil Code, the Workers' Statute and the Collective Labour Agreement for Managers of Trade and Service Companies will be applied against those responsible, in accordance with the procedure envisaged for other categories of employees, indicated above in point 4.2.

The suspension of any proxies granted to the manager may also be ordered as a specific penalty.

The Board of Directors is responsible for the actual application of the disciplinary measures described above for managers; the individual acts of the disciplinary procedure, from the moment they are challenged, can be signed by the Chairman, who must report to the Board of Directors. The latter remains exclusively competent to adopt the final measure of disciplinary procedure.

The necessary involvement of the Supervisory Body is envisaged in the procedure for imposing penalties on managers for violation of the Model, in the sense that no penalty for violation of the Model may be imposed on a manager without prior notification to the Supervisory Body.

The Supervisory Body shall likewise be notified of any decision to dismiss disciplinary proceedings under this chapter.

4.4 Measures against Directors

In case of violations by Directors, the Supervisory Body shall promptly inform the Board of Directors and the Board of Statutory Auditors, who shall take the initiatives envisaged by the regulations in force that they deem appropriate.

4.5 Measures against external collaborators and partners

Specific contractual clauses included in the letters of engagement or *partnership* agreements provide for the termination of the contractual relationship, or the right to withdraw from it, if external collaborators (project workers, agents, consultants, also belonging to Group companies and also members of control bodies such as auditors and members of supervisory bodies) or other natural persons or legal entities in

any way related to the Company in a contractual relationship, behave in contrast with the lines of conduct indicated in this Model and in the Code of Ethics, such as to entail the risk of committing an offence envisaged by the Decree.

In such cases, the right to claim compensation remains unaffected, should such behaviour cause damage to the Company, such as, purely by way of example, in case of application, even as a precautionary measure, of the penalties envisaged by the Decree against the Company.

The Supervisory Body makes sure that the clauses referred to in this point are included in the contracts signed by the Company.

5 INFORMATION AND TRAINING

The Company, in order to effectively implement the Model and the Code of Ethics, ensures proper dissemination of its contents and principles inside and outside its organisational structure.

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

The communication and training activity is diversified according to the intended recipients, but it must, in any case, be based on principles of completeness, clarity, accessibility and continuity in order to allow the various Recipients to be fully aware of those company provisions they are required to comply with and of the ethical rules that must inspire their behaviour.

In particular, *e-learning* training activities are accompanied by classroom training, aimed at the professional profiles most exposed to the identified risk areas. Moreover, adequate intermediate and final tests are envisaged to check the level of learning of the contents.

Participation in training initiatives is compulsory and subject to specific monitoring to make sure that they are actually used by the recipients.

5.1 Employees

Each employee is required to:

- acquire awareness of the principles and contents of the Model, also through participation in training activities;
- know the operating methods by which their activities must be carried out;

- actively contribute, in relation to his/her role and responsibilities, to the effective implementation of the Model, reporting any shortcomings found in it.

In order to ensure an effective and rational communication activity, the Company promotes the knowledge of the contents and principles of the Model by the employees, with different levels of detail depending on their position and role.

Proper training is guaranteed both for resources already present in the company at the time of adoption of the Model, and for those to be subsequently hired. The training is therefore carried out:

- when the Model is first adopted (collective training);
- at the time of entry into service (also individual training);
- on the occasion of changes in duties that involve a change in the relevant behaviour for the purposes of the Model (individual training in the form of specific and personal instructions);
- in relation to the introduction of substantial changes to the Model or, even earlier, with the occurrence of new events that are particularly significant with respect to the Model (collective training).

Employees can access and consult the documents that constitute the Model directly on the company Intranet in a dedicated area.

New employees are invited, upon hiring, to consult the documents forming the Model and to sign a declaration of knowledge of and compliance with the principles of the Model described therein.

In order to facilitate the understanding of the regulations set forth in Italian Legislative Decree 231/2001 and the rules adopted with the Model, the Company promotes a special training course for its managers, employees and collaborators working in the areas at risk of committing the offences envisaged by the Decree.

The Company also promotes specific training activities for the members of the corporate bodies, and executives with representation functions.

5.2 Other recipients

The communication of the contents and principles of the Model must also be addressed to third parties that have contractually regulated relationships with the Company or that represent the Company without ties of employment (for example: business partners, consultants and other external collaborators, however named).

To this end, the Company provides third parties with a copy of the Code of Ethics, requiring them to formally certify that they have read the document.



SPECIAL PART

--- OMISSIS ---

ANNEX 1

1 ITALIAN LEGISLATIVE DECREE No. 231 OF 8 JUNE 2001

1.1 The administrative liability system envisaged for Entities

The Italian Legislative Decree no. 231 of 8 June 2001 (hereinafter referred to as "Decree") introduced into the Italian legal system an administrative liability system of Entities (to be understood as companies, associations, consortia, etc., hereinafter referred to as "Entities") for certain offences committed in the interest or to the advantage of such Entities, i) by persons who hold functions of representation, administration or management of the Entities themselves or of one of their Organisational Units with financial and functional autonomy, or by natural persons who exercise, also de facto, the management and control of the Entities themselves, as well as ii) by persons subject to the management or supervision of one of the above-mentioned persons. This liability is added to the (criminal) liability of the natural person who actually committed the offence.

The extension of liability aims to involve the Entities that benefited, directly or indirectly, from the commission of the offence in the punishment of certain criminal offences. The penalties envisaged by the Decree are divided into monetary and disqualification penalties, such as the suspension or revocation of licences or concessions, disqualification from carrying on the activity, no contracting with the Public Administration, exclusion or withdrawal of loans and contributions, no advertising of goods and services. The liability envisaged by the Decree also arises in relation to offences committed abroad by the Entity with its head office in Italy, provided that the State of the place where the offence was committed does not proceed against the Entity for these offences.

As for the types of offences intended to entail the aforementioned administrative liability of Entities, the Decree contains their list, which can be summarised, for ease of exposition, in the following categories:

- non-compliance with disqualification penalties (**Article 23 of Italian Legislative Decree No. 231/2001**);
- offences committed in relations with the Public Administration (referred to in **Articles 24 and 25 of Italian Legislative Decree 231/2001**)¹;

¹ These offences are as follows: embezzlement against the State or the European Union (Article 316-bis, Italian Penal Code), undue collection of payments against the State (Article 316-ter, Italian Penal Code), fraud in public supplies (Article 356, Italian Penal Code), aggravated fraud against the State (Article 640, paragraph 2, no. 1, Italian Penal Code), aggravated fraud for the purpose of obtaining public funds (Article 640-bis, Italian Penal Code), computer fraud against the State or other public authority (Article 640-ter, Italian Penal Code), fraud in agriculture (Article 2, Italian Law no. 898/1986), corruption in the exercise of office (Articles 318, 319 and 319-bis, Italian Penal Code), corruption of a public servant (Article 320, Italian Penal Code), judicial corruption (Article 319-ter, Italian Penal Code), incitement to corruption (Article 322, Italian Penal Code), influence peddling (Article 346-bis, Italian Penal Code), embezzlement (Article 324, par. 1, Italian Penal Code), embezzlement by profiting from the error of others (Article 316, Italian Penal Code), abuse of office (Article 323, Italian Penal Code), extortion (Article 317, Italian Penal Code), undue inducement to give or promise benefits (Article 319-quater, Italian Penal Code); corruption, incitement to corruption and extortion of members of the European Communities, officials of the European Communities, foreign countries and international public organisations (Article 322-bis, Italian Penal Code). Italian Law No. 190 of November 2012 introduced into the Italian Penal Code and made reference to in the Decree the provision set

- computer crimes and unlawful data processing crimes (referred to in **Article 24 *bis* of Italian Legislative Decree 231/2001**)²;
- organised crime (referred to in **Article 24-*ter* of Italian Legislative Decree No. 231/2001**)³;

out in Article 319-*quater*, under the heading "Undue inducement to give or promise benefits". With Italian Law No. 69 of 27 May 2015, the penalty regulations concerning crimes against the Public Administration were amended with the provision of harsher penalties for offences envisaged by the Italian Penal Code. Article 317 of the Italian Penal Code "Extortion", which now envisages - as the perpetrator of the offence - the Public Servants in addition to the Public Officer was also amended. Most recently, with Italian Law No. 3 of 9 January 2019, the crime set forth in Article 346 *bis* of the Italian Penal Code, under the heading "Influence peddling", was introduced into the catalogue of predicate offences. The same law also envisaged a tightening of the disqualification penalties that can be imposed on the entity and introduced certain benefits for the entity, in terms of reducing the duration of disqualification penalties in the event that the entity, prior to the judgement in first instance, has taken steps to prevent the criminal activity from being led to further consequences, to ensure the evidence of the offences and to identify the perpetrators or the seizure of the sums or other benefits transferred, and eliminated the organisational shortcomings that led to the offence by adopting and implementing organisational models capable of preventing offences of the kind committed. Lastly, Italian Legislative Decree No. 75 of 14 July 2020, in force since 30 July 2020, concerning the implementation of Directive (EU) 2017/1371 (known as PIF Directive) on "*the fight against fraud affecting the financial interests of the Union by means of penal law*", envisaged the integration of the catalogue of predicate offences set forth in Article 24, Italian Legislative Decree No. 231/2001 with the offence of fraud in public supplies (Article 356, Italian Penal Code) and fraud in agriculture (Article 2 of Italian Law No. 898/1986 concerning EU aid in the agricultural sector) and included the European Union among the parties against whom the offence giving rise to the liability of the entity is committed. The same Italian Legislative Decree no. 75 of 14 July 2020 included among the predicate offences of the administrative liability of entities pursuant to Article 25, Italian Legislative Decree no. 231/2001 the offences of embezzlement (Article 324, para. 1, Italian Penal Code), embezzlement by profiting from the error of others (Article 316, Italian Penal Code) and abuse of office (Article 323, Italian Penal Code), where the offence is against the financial interests of the European Union. On 26 February 2022, Italian Law Decree No. 13 of 25 February 2022 containing "Urgent measures to combat fraud and for safety in the workplace with regard to construction, as well as on electricity produced by plants from renewable sources", Article 2 of which on "Penalties against fraud on public funds" deals with: *i*) embezzlement against the State (now "embezzlement of public funds"), pursuant to Article 316-*bis* of the Italian Penal Code, expanding the scope of operations of the case by punishing distracting conduct regarding not only public funds intended to encourage initiatives aimed at carrying out works or carrying out activities in the public interest, but also loans, subsidised mortgages or other disbursements of the same type intended for the achievement of one or more purposes of public interest, *ii*) misappropriation of public funds, pursuant to Article 316-*ter* of the Italian Penal Code, also including grants, i.e. loans that are subject to particular subsidies in terms of repayment obligations or are even non-repayable and *iii*) aggravated fraud for the purpose of obtaining public funds, pursuant to Article 640-*bis* of the Italian Penal Code, including in this case the subsidies.

² Article 24-*bis* was introduced in Italian Legislative Decree 231/2001 by Article 7 of Italian Law 48/2008. These are crimes of forgery of a public electronic document or document with evidential value (Article 491-*bis*, Italian Penal Code), amended by Italian Legislative Decree no. 7 of 15 January 2016 and by Italian Legislative Decree no. 8 of 15 January 2016, unauthorised access to a computer or telecommunications system (Article 615-*ter*, Italian Penal Code), unauthorised possession and distribution of access codes to IT or telecommunications systems (Article 615-*quater*, Italian Penal Code) dissemination of equipment and devices or IT programmes aimed at damaging or interrupting an IT or telecommunications system (Article 615-*quinqies*, Italian Penal Code), interception, impediment or unlawful interruption of IT or telecommunications systems (Article 617-*quater*, Italian Penal Code), installation of equipment designed to intercept, prevent, or interrupt IT or telecommunications systems (Article 617-*quinqies*, Italian Penal Code), damage to information, data and computer programmes (Article 635-*bis*, Italian Penal Code), damage to information, data and computer programmes used by the State or other public body or otherwise of public utility (Article 635-*ter*, Italian Penal Code), damage to IT or telecommunications systems (Article 635-*quater*, Italian Penal Code), damage to IT or telecommunications systems of public interest (Article 635-*quinqies*, Italian Penal Code) and IT fraud by the electronic signature certifier (Article 640-*quinqies*, Italian Penal Code). Article 24-*bis* was subsequently amended by Italian Law Decree No. 105 of 21 September 2019, converted, with amendments, by Italian Law No. 133 of 18 November 2019, concerning "Urgent provisions on the scope of national cybernetic security and the regulation of special powers in sectors of strategic importance", which extended the criminal liability of Entities to committing the offences set out in Article 1, para. 11 of the aforementioned Italian Law Decree. Italian Law No. 238 of 23 December 2021 (known as European Law) - which came into force on 1 February 2022 - containing provisions for the fulfilment of the obligations arising from Italy's membership of the European Union, expanded the catalogue of offences included in Article 24-*bis* and increased the penalty for the offence of unlawful interception, obstruction or interruption of IT or telecommunication systems (Article 617-*quater*, Italian Penal Code).

³ Article 24-*ter* was introduced in Italian Legislative Decree 231/2001 by article 2 paragraph 29 of Italian Law no. 94 and most recently amended by Italian Law no. 62 of 17 April 2014. With Italian Legislative Decree No. 21 of 1 March 2018, which came into force on 6 April 2018, Article 22-*bis* of Italian Law No. 91/1999, which represents one of the unlawful conducts contemplated in Article 416 of the Italian Penal Code, was repealed and the relevant offence was included within the new Article 601-*bis* of the Italian Penal Code.

- crimes against public faith (referred to in **Article 25^{bis} of Italian Legislative Decree No. 231/2001**)⁴;
- crimes against industry and trade (referred to in **Article 25 ^{bis}.1 of Italian Legislative Decree No. 231/2001**)⁵;
- corporate offences (such as, for example, false corporate communications, obstructed control, unlawful influence on the shareholders' meeting, corruption in the private sector referred to in **Article 25 ^{ter} of Italian Legislative Decree 231/2001**)⁶;

⁴ Article 25-*bis* was introduced in Italian Legislative Decree 231/2001 by Article 6 of Italian Law Decree 350/2001, converted into law, with amendments, by Article 1 of Italian Law 409/2001. These are offences of counterfeiting money, spending and introducing counterfeit money into the State, subject to agreement (Article 453, Italian Penal Code), as amended by Italian Legislative Decree no. 125 of 21 June 2016, forgery of money (Article 454, Italian Penal Code), spending and introducing counterfeit money into the State, without agreement (Article 455, Italian Penal Code), spending counterfeit money received in good faith (Article 457, Italian Penal Code), counterfeiting revenue stamps, introduction into the State, purchase, possession or circulation of counterfeit revenue stamps (Article 459, Italian Penal Code), counterfeiting watermarked paper used for the production of public credit cards or revenue stamps (Article 460, Italian Penal Code), production or possession of watermarks or tools intended for counterfeiting money, revenue stamps or watermarked paper (Article 461, Italian Penal Code), use of counterfeit or forged revenue stamps (Article 464, Italian Penal Code). The regulatory provision was then extended to counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473, Italian Penal Code), and to the introduction and marketing of products in the State under false trademarks (Article 474, Italian Penal Code) with the amendment introduced by Article 17, para. 7, letter a) no. 1) of Italian Law of 23 July 2009.

⁵ Article 25-*bis*.1. was inserted by Article 17, paragraph 7, letter b) of Italian Law No. 99 of 23 July 2009; in particular, these are offences of disruption of freedom of industry and trade (Article 513, Italian Penal Code), unlawful competition under threat or violence (Article 513-*bis*), fraud against national industries (Article 514, Italian Penal Code), fraudulent trading (Article 515, Italian Penal Code), sale of non-genuine food products as genuine (Article 516, Italian Penal Code), sale of industrial products with illegal brands (Article 517, Italian Penal Code), manufacture and trade of goods produced in encroachment of industrial ownership rights (Article 517-*ter*), counterfeiting of geographical indications or designations of origin of agri-food products (Article 517-*quater*).

⁶ Article 25-*ter* was introduced into Italian Legislative Decree 231/2001 by Article 3 of Italian Legislative Decree 61/2002 and most recently amended by Article 12 of Italian Law 69/2015. These are offences of false corporate communications (Article 2621, Italian Civil Code and, if it is a minor offence, Article 2621-*bis*, Italian Civil Code), of false corporate communications of listed companies (Article 2622, Italian Civil Code), obstructed control (Article 2625, paragraph 2, Italian Civil Code), fictitious capital formation (Article 2632, Italian Civil Code), undue return of contributions (Article 2626, Italian Civil Code), illegal distribution of profits and reserves (Article 2627, Italian Civil Code), unlawful transactions involving shares or stocks in the company or its parent company (Article 2628, Italian Civil Code), transactions to the detriment of creditors (Article 2629, Italian Civil Code), failure to disclose a conflict of interest (Article 2629-*bis*, Italian Civil Code), undue allocation of company assets by liquidators (Article 2633, Italian Civil Code), corruption in the private sector (Article 2635, Italian Civil Code), incitement to corruption in the private sector (Article 2635-*bis*, Italian Civil Code), unlawful influence on the Shareholders' meeting (Article 2636, Italian Civil Code), market rigging (Article 2637, Italian Civil Code), obstacle to the exercise of public supervisory authority functions (Article 2638, Italian Civil Code). Italian Legislative Decree No. 39/2010 repealed the provision of Article 2624 of the Italian Civil Code under the heading of forgery of reports or communications of the auditing company, which was thus also excluded from Italian Legislative Decree No. 231/2001. Article 2635 of the Italian Civil Code under the heading "Corruption in the private sector", was introduced in the Decree by Italian Law no. 190 of 6 November 2012. Subsequently, Italian Legislative Decree No. 38 of 15 March 2017 made amendments to Article 2635 of the Italian Civil Code by eliminating the need for the existence of the requirement of harm in order for the offence to be committed and by including additional corporate figures among the offenders; Article 2635 *bis* of the Italian Civil Code was also introduced under the heading "*Incitement to corruption in the private sector*". An accessory penalty of temporary disqualification from the management offices of legal entities was also introduced for those convicted of committing, among others, the offences referred to in Articles 2635 and 2635-*bis* of the Italian Civil Code.

In particular, Italian Law No. 69 of 2015, containing "Provisions concerning crimes against the Public Administration, mafia-type criminal organisations and false accounting", amended the offences punishable under Articles 2612 and 2622 of the Italian Civil Code; in particular, the previous threshold of punishability for false accounting has been eliminated and a specific liability has been provided for directors, general managers, managers responsible for preparing accounting documents, auditors, and liquidators of listed companies or companies that control companies issuing listed financial instruments or that appeal to the public. Article 2621-*bis* "Minor offences" of the Italian Civil Code was also introduced for the commission of the conduct set forth in Article 2621 of the Italian Civil Code, which is characterised as being of minor importance taking into account the nature, size of the company and the ways and effects of the conduct, and Article 2621-*ter* of the Italian Civil Code, which provides for a cause of non-punishability for particularly minor acts. With regard to the elimination in the new wording of the regulations of "albeit assessed", the Joint Sitzings of the Court of Cassation called upon to decide "whether,

- crimes related to terrorism and the collapse of the democratic order (referred to in **Article 25 *quater* of Italian Legislative Decree No. 231/2001**)⁷;
- crimes against the individual (referred to in **Article 25*quater*.1** and **Article 25 *quinquies* of Italian Legislative Decree No. 231/2001**)⁸;
- *market abuse* crime (referred to in **Article 25 *sexies* of Legislative Decree No. 231/2001**)⁹;

for the purposes of the configurability of the crime of false corporate communications, the false "assessment" still has relevance even after the reform under Italian Law No. 69 of 2015", adopted the following solution: "Yes. The offence of false corporate communications exists, with regard to the statement or omission of "assessed" facts, if, in the presence of assessment criteria established by law or generally accepted technical criteria, the agent knowingly deviates from such criteria without providing adequate supporting information, in a manner concretely liable to mislead the recipients of the communications" (See Criminal Division of the Court of Cassation, Joint Sections, hearing of 31 March 2016). Italian Legislative Decree No. 38 of 15 March 2017 made amendments to Article 2635 of the Italian Civil Code (corruption in the private sector) by eliminating the need for the existence of the requirement of harm in order for the offence to be committed and by including additional corporate figures among the offenders; Article 2635-*bis* of the Italian Civil Code was also introduced under the heading "Incitement to corruption in the private sector". An accessory penalty of temporary disqualification from the management offices of legal entities was also introduced for those convicted of committing, among others, the offences referred to in Articles 2635 and 2635-*bis* of the Italian Civil Code

⁷ Article 25-*quater* of Italian Legislative Decree No. 231/2001 was introduced by Italian Law No. 7 of 14 January 2003, concerning the "Ratification and implementation of the International Convention for the Suppression of the Financing of Terrorism, signed in New York on 9 December 1999, and adaptation to the national body of laws".

These offences are envisaged by means of a general "open" reference to all current and future cases of terrorist offences, without indicating the individual provisions, which may give rise to the liability of the entity. Since it is not possible to provide a "closed" and limited list of offenses that could involve the entity pursuant to the combined provisions of art. 25-*quater*, 5, 6 and 7 of Italian Legislative Decree 231/2001, the following is a list of the main offences envisaged by the Italian regulations in the fight against terrorism: associations for the purpose of terrorism, including international terrorism, or collapse of the democratic order (Article 270-*bis*, Italian Penal Code); assistance to members (Article 270-*ter*, Italian Penal Code); recruitment for the purposes of terrorism, including international terrorism (Article 270-*quater*, Italian Penal Code); "Organising transfers for the purposes of terrorism" (Article 270-*quater*.1, Italian Penal Code); training for activities with terrorism purposes, including international terrorism (Article 270-*quinquies*, Italian Penal Code); attack for the purposes of terrorism or subversion (Article 280, Italian Penal Code); incitement to commit any of the crimes against the State (Article 302, Italian Penal Code); armed band and training and participation and assistance to participants in conspiracy or armed band (Articles 306 and 307, Italian Penal Code); unauthorised possession of explosives precursors (Article 678-*bis*, Italian Penal Code); omissions concerning explosives precursors (Article 679-*bis*, Italian Penal Code); offences other than those specified in the Italian Penal Code and special laws, committed in violation of Article 2 of the New York Convention of 8 December 1999, pursuant to which anyone who, by any means, directly or indirectly, unlawfully and intentionally, provides or collects funds with the intent to use them, or knowing that they are intended to be used, in whole or in part, for the purpose of committing: an act constituting an offence under and as defined in one of the treaties listed in the Annex; or any other act intended to cause death or serious physical injury to a civilian, or to any other person not taking an active part in situations of armed conflict, when the purpose of that act, by its nature or context, is to intimidate a population, or to compel a government or international organisation to do or to refrain from doing something.

Italian Law No. 153 of 28 July 2016 introduced into the Italian Penal Code the new offences of Financing of conducts for the purposes of terrorism (Article 270-*quinquies*.1.), Theft of goods or money subject to seizure (Article 270-*quinquies*.2.) and Acts of nuclear terrorism (Article 280-*ter*). These offences are referred to in Article 25-*quater* of Italian Legislative Decree 231/2001.

⁸ Article 25-*quinquies* was introduced in Italian Legislative Decree 231/2001 by Article 5 of Italian Law no. 228. These are the offences of reduction to or keeping in slavery or servitude (Article 600, Italian Penal Code), trafficking in persons (Article 601, Italian Penal Code), purchase and sale of slaves (Article 602, Italian Penal Code), offences related to child prostitution and its exploitation (Article 600-*bis*, Italian Penal Code), child pornography and its exploitation (Article 600-*ter*, Italian Penal Code), possession of pornographic material produced through the sexual exploitation of minors (Article 600-*quater*, Italian Penal Code), tourism initiatives for the exploitation of child prostitution (Article 600-*quinquies*, Italian Penal Code). Article 3, paragraph 1 of Italian Legislative Decree no. 39 of 4 March 2014 introduced, in Article 25-*quinquies*, par. 1, letter c) of the Decree, the reference to the offence of solicitation of minors (Article 609-*undecies*, Italian Penal Code). Italian Law No. 199 of 29 October 2016 amended the article in question, introducing a reference to the offence of "Illegal intermediation and labour exploitation" set forth in Article 603-*bis* of the Italian Penal Code.

Article 25-*quater*.1 was introduced by Italian Law no. 7 of 9 January 2006 and refers to the crime of female genital mutilation (Article 583-*bis*, Italian Penal Code).

⁹ Article 25-*sexies* was introduced in Italian Legislative Decree 231/2001 by Article 9, paragraph 3, of Italian Law no. 62/2005. These are offences of insider dealing (Article 184 of Italian Legislative Decree 58/1998) and market abuse (Article 185 of

- transnational offences (such as, for example, criminal conspiracy and offences of obstruction of justice, provided that these offences meet the requirement of "transnationality")¹⁰;
- crimes relating to health and safety in the workplace (referred to in **Article 25 septies of Italian Legislative Decree 231/2001**)¹¹;
- crimes of receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-money laundering, referred to in **Article 25 octies of Italian Legislative Decree 231/2001**)¹²;
- crimes relating to non-cash payment instruments (referred to in **Article 25 octies.1 of Italian Legislative Decree 231/2001**)¹³;

Legislative Decree 58/1998). Article 26 of Italian Law No. 238/2021 introduces a number of amendments to some of the offences referred to therein with reference to the penalty regulations for the offence of Abuse or unlawful communication of inside information (Article 184 of Italian Legislative Decree No. 58/1998), a predicate offence pursuant to Article 25-sexies of Italian Legislative Decree No. 31/20021, and with reference to the penalty regulations for *market abuse* offences (Articles 182, 183 and 187 of Italian Legislative Decree No. 58/1998).

¹⁰ Transnational offences were not included directly in Italian Legislative Decree 231/2001, but this regulation is applicable to them under Article 10 of Italian Law 146/2006. For the purposes of the aforementioned law, a transnational offence is considered to be an offence punished with a maximum imprisonment of not less than four years whenever an organised criminal group is involved, as well as: a) it is committed in more than one State; b) it has occurred in one State, but a substantial part of its preparation, planning, direction or control is based in another State; c) or it is committed in one State but involves an organised criminal group that engages in criminal activities in more than one State; d) or it is committed in one State but has substantial effects in another State. These are offences of criminal conspiracy (Article 416, Italian Penal Code), mafia-type criminal organisation (Article 416-bis, Italian Penal Code), criminal conspiracy with the purpose of smuggling foreign tobaccos (Article 291-quater, Italian Presidential Decree 43/1973, criminal conspiracy for the purpose of unlawful trafficking in narcotic drugs or psychotropic substances (Article 74, Italian Presidential Decree 309/1990), provisions against illegal immigration (Article 12, par. 3, 3-bis, 3-ter and 5, Italian Legislative Decree 286/1998) inducement not to make statements or to make false statements in court (Article 377-bis, Italian Penal Code) and aiding and abetting (Article 378, Italian Penal Code).

¹¹ Article 25-septies of Italian Legislative Decree 231/2001 was introduced by Italian Law 123/07. These are the offences of manslaughter or grievous or very grievous negligent bodily harm committed in violation of accident-prevention regulations and on the protection of occupational health and safety (Articles 589 and 590, para. 3, Italian Penal Code).

¹² Article 25-octies was introduced in Italian Legislative Decree 231/2001 by Article 63, paragraph 3, of Italian Legislative Decree no. 231/07. These are the offences of receiving stolen goods (Article 648, Italian Penal Code), money laundering (Article 648-bis, Italian Penal Code), use of money, goods or benefits of unlawful origin (Article 648-ter, Italian Penal Code), as well as self-money laundering (648-ter.1, Italian Penal Code) introduced by Italian Law no. 186/2014. This article was amended by Italian Legislative Decree 195/2021 implementing Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by means of criminal law, envisaging i) the extension of the catalogue of predicate offences to include the offences of receiving stolen goods, money laundering, self-money laundering and use of money, goods or benefits of unlawful origin, which now also includes culpable negligence and violations punished by imprisonment for a maximum of more than one year or a minimum of six months; ii) a different penalty depending on whether the predicate offence is a crime or an offence. With regard to receiving stolen goods, the following are also envisaged: i) an aggravating circumstance if the act was committed in the exercise of a professional activity; ii) a new case of receiving stolen goods of special minor nature, where the predicate offence is any offence. For self-money laundering alone, the special-effect mitigating circumstance in the second paragraph, which previously envisaged the milder penalty of imprisonment of one to four years, is now qualified as a common mitigating circumstance. Lastly, it is also worth mentioning that the condition of prosecution of the request by the Minister of Justice provided for by Article 9 of the Italian Penal Code for the offences of receiving stolen goods and self-money laundering committed by a citizen abroad has been removed.

¹³ Article 25-octies.1 was introduced in Italian Legislative Decree 231/2001 by Article 3, paragraph 1, of Italian Legislative Decree no. 184 of 8 November 2021. The catalogue of predicate offences for the liability of legal entities is also extended to Article 493-ter of the Italian Penal Code (misuse and falsification of credit and payment cards), Article 493-quater of the Italian Penal Code (possession and distribution of computer equipment, devices or programmes aimed at committing offences involving non-cash payment instruments) and Article 640-ter of the Italian Penal Code (computer fraud), the latter not only if committed against the State or other public body or the European Union, as already provided for by Article 24 of the Decree, but also "when aggravated by the carrying out of a transfer of money, monetary value or virtual currency".

- crimes relating to copyright violation (referred to in **Article 25 *nonies*** of Italian Legislative Decree No. 231/2001)¹⁴.
- inducement not to make statements or to make false statements in court (referred to in **Article 25 *decies*** of Italian Legislative Decree No. 231/2001)¹⁵;
- environmental offences (referred to in **Article 25 *undecies*** of Italian Legislative Decree No. 231/2001)¹⁶;
- employment of illegally staying third-country nationals (referred to in **Article 25 *duodecies*** of Italian Legislative Decree No. 231/2001)¹⁷;
- racism and xenophobia (referred to in **Article 25 *terdecies*** of Italian Legislative Decree No. 231/2001)¹⁸;

¹⁴ Article 25-*nonies* was introduced by Italian Law no. 99 of 23 July 2009 "Provisions on the development and internationalisation of enterprises and on energy" and provides for the introduction of the decree of Articles 171, first paragraph, letter a), third paragraph, 171-*bis*, 171-*ter*, 171-*septies* and 171-*octies* of Italian Law no. 633 of 22 April 1941 on the subject of "Protection of copyright and other rights relating to its exercise".

¹⁵ Article 25-*decies* was inserted by Article 4, paragraph 1 of Italian Law No. 116 of 3 August 2009, which introduced into the provisions of Italian Legislative Decree No. 231/2001 Article 377-*bis* of the Italian Penal Code, under the heading "Inducement not to make statements or to make false statements in court".

¹⁶ Article 25-*undecies* was inserted by Article 2 of Italian Legislative Decree No. 121 of 7 July 2011, which introduced into the provisions of Italian Legislative Decree 231/2001 certain criminal offences (punishable by way of malice) and crimes resulting in the imposition of fines (punishable by way of negligence), including: 1) Article 137 of Italian Legislative Decree No. 152/2006 (Consolidated Law on the Environment): this concerns violations of administrative authorisations, controls and communications to the competent authorities for the management of industrial wastewater discharges; 2) Article 256 of Italian Legislative Decree No. 152/2006: this refers to activities involving the collection, transport, recovery, disposal or, in general, the management of waste without authorisation or in violation of the requirements contained in the authorisations; 3) Article 257 of Italian Legislative Decree No. 152/2006: these are violations concerning the reclamation of sites that cause pollution of the soil, subsoil and surface water with concentrations exceeding the risk threshold; 4) Article 258 of Italian Legislative Decree 152/2006: this is a criminal offence, punished by way of malice, which penalises the conduct of anyone who, in preparing a waste analysis certificate, provides false information on the nature, composition and chemical/physical characteristics of the waste and anyone who uses a false certificate during transport; 5) Articles 259 and 260 of Italian Legislative Decree 152/2006: these are activities aimed at the illicit trafficking of waste in both simple and organised form; 6) Article 260-*bis* of Italian Legislative Decree 152/2006: these are several criminal offences, punished by way of malice, concerning the waste traceability computerised control system (SISTRI), which punish the conduct of falsifying the waste analysis certificate, transporting waste with an altered electronic certificate or paper form; 7) Article 279 of Italian Legislative Decree 152/2006: this refers to cases where, during the operation of a plant, the limit values allowed for emissions of pollutants are exceeded and this also results in the limit values for air quality being exceeded.

With Italian Law No. 68 of 22 May 2015 on "Eco-crimes", which came into force on 29 May 2015, Title VI-*bis* "Crimes against the environment" was added to Book Two of the Italian Penal Code. Pursuant to Article 1 of the Italian Draft Law, the following environmental offences are included in the list of predicate offences for the administrative liability of entities: 1) Article 452-*bis* of the Italian Penal Code "Environmental pollution"; 2) Article 452-*ter* "Environmental disaster"; 3) Article 452-*quater* "Negligent crimes against the environment"; 4) Article 452-*quater* "Trafficking and abandonment of highly radioactive material"; 5) Article 452-*septies* "Aggravating circumstances" for the offence of criminal conspiracy pursuant to Article 416 of the Italian Penal Code

With Italian Legislative Decree No. 21 of 1 March 2018, which came into force on 6 April 2018, Article 260 of Italian Legislative Decree No. 152 of 3 April 2006 was repealed and the same offence was included within the new Article 452-*quaterdecies* of the Italian Penal Code as a result of the code reserve.

¹⁷ Article 25-*duodecies* was inserted by Article 2 of Italian Legislative Decree No. 109 of 16 July 2012, which introduced into the provisions of the Decree the crime provided for by Article 22, paragraph 12-*bis*, of Italian Legislative Decree No. 286 of 25 July 1998. By Italian Law No. 161 of 17 October 2017, which came into force on 19 November 2017, paragraphs 1-*bis*, 1-*ter* and 1-*quater* were added to Article 25-*duodecies*, which extend the entity's liability to the following offences set out in the Consolidated Law on Immigration: Article 12, paragraphs 3, 3-*bis*, 3-*ter*, "causing illegal entry of illegal immigrants", and Article 12, paragraph 5, "aiding and abetting illegal immigration".

¹⁸ Article 25-*terdecies* was inserted by Article 5 of Italian Law No. 167 of 20 November 2017, which entered into force on 12 December 2017 and introduced Article 3, paragraph 3-*bis* of Italian Law No. 654 of 13 October 1975 into the provisions of Italian Legislative Decree 231/2001. This is the offence of incitement, propaganda and instigation of discrimination or violence

- fraud in sports competitions, abusive gambling or betting and gambling by means of forbidden equipment (referred to in **Article 25 *quaterdecies*** of Italian Legislative Decree No. 231/2001)¹⁹;
- tax offences (referred to in **Article 25 *quinquiesdecies*** of Italian Legislative Decree No. 231/2001)²⁰;
- smuggling offences (referred to in **Article 25 *sexiesdecies*** of Italian Legislative Decree 231/2001)²¹;

on racial, ethnic, national or religious grounds. With Italian Legislative Decree No. 21 of 1 March 2018, which came into force on 6 April 2018, Article 3 of Italian Law No. 654/1975 was repealed and the same offence of "racism and xenophobia" was included within the new Article 604-*bis* of the Italian Penal Code as a result of the code reserve.

¹⁹ Italian Law No. 39/2019, published in the Official Gazette on 16 May 2019, included in the list of predicate offences of Italian Legislative Decree 231/2001 the offences of fraud in sports competitions, abusive gambling or betting and gambling by means of forbidden equipment. The crimes in question are regulated by Italian Law No. 401 of 13 December 1989. Specifically, Article 1 of the aforementioned regulation contemplates sporting fraud, the typical conduct of which consists: i) in offering or promising money or other benefits or advantages to one of the participants in a sporting competition organised by the recognised federations, in order to achieve a result other than that resulting from the fair and proper conduct of the competition, or in the performance of other fraudulent acts aimed at the same purpose ii) in the acceptance of the promise or giving of money or other benefit or advantage by the participant in the competition.

On the other hand, the offence of abusive gambling or betting and gambling is provided for by Article 4 of Italian Law 401/1989, which punishes the carrying-out, organisation and sale of gaming and betting activities in violation of administrative authorisations or concessions.

²⁰ Article 25-*quinquiesdecies* was inserted by Article 39, paragraph 2, Italian Law Decree No. 124 of 26 October 2019, converted, with amendments, by Italian Law No. 157 of 19 December 2019, which entered into force on 25 December 2019. Italian Law No. 157 of 19 December 2019 introduced the offences provided for in Articles 2, 3, 8, 10 and 11 of Italian Legislative Decree No. 74 of 10 March 2000 among the predicate offences of Italian Legislative Decree 231/2001. These are the offences of fraudulent tax-return using invoices or other documents for non-existent transactions; fraudulent tax-return by means of other devices; issuing invoices or other documents for non-existent transactions; hiding or destroying accounting documents; fraudulent tax evasion.

Lastly, Italian Legislative Decree No. 75 of 14 July 2020, in force as from 30 July 2020, concerning the implementation of Directive (EU) 2017/1371 (known as PIF Directive), relating to "*the fight against fraud affecting the Union's financial interests by means of criminal law*", has expanded the catalogue of tax offences underlying the administrative liability of legal persons, also including the offences of untrue declaration (Article 4, Italian Legislative Decree 74/2000); failure to declare (Article 5, Italian Legislative Decree 74/2000); undue compensation (Article 10-*quater*, Italian Legislative Decree 74/2000), if committed as part of cross-border fraudulent systems and for the purpose of evading value added tax for a total amount of no less than Euro 10 million. The same Italian Legislative Decree No. 75 of 14 July 2020 also introduced an exception to the non-punishability of the attempt if the offences of fraudulent tax-return using invoices or other documents for non-existent transactions (Article 2, Italian Legislative Decree 74/2000), fraudulent tax-return by means of other devices (Article 3, Italian Legislative Decree 74/2000) and untrue declaration (Article 4, Italian Legislative Decree 74/2000) are also committed in the territory of another EU Member State in order to evade VAT for a total value of at least Euro 10 million (Article 6, par. 1-*bis*), Italian Legislative Decree 74/2000).

In particular, paragraph 2 of Article 25 *quinquiesdecies* envisages a specific aggravating circumstance, establishing that "if, as a result of the commission of the crimes indicated in paragraph 1, the entity obtained a significant profit, the monetary penalty is increased by one third". In general, the monetary penalties applicable for the aforementioned tax offences are a maximum of 400 or 500 quotas and the disqualification penalties of no contracting with the Public Administration, other than to obtain public services, the exclusion from facilities, loans, grants and subsidies and the possible revocation of those already granted, and no advertising of goods and services, are applicable.

²¹ The article was inserted by Article 5, paragraph 1, letter d) of Italian Legislative Decree No. 75 of 14 July 2020, in force as from 30 July 2020, concerning the implementation of Directive (EU) 2017/1371 (known as PIF Directive) on "the fight against fraud affecting the financial interests of the Union by means of criminal law". The Article envisages the application to the Entity of the monetary penalty of up to two hundred quotas, as well as the disqualification penalties of no contracting with the Public Administration, other than to obtain public services, the exclusion from facilities, loans, grants and subsidies and the possible revocation of those already granted, and no advertising of assets or services, in relation to the commission of the offences set out in Italian Presidential Decree No. 43 of 23 January 1973 (Consolidation law on Customs). This concerns, in particular, the following offences: Smuggling of goods across land borders and customs areas (Article 282); Smuggling of goods in border lakes (Article 283); Smuggling of goods by sea (Article 284); Smuggling of goods by air (Article 285); Smuggling in non-customs areas (Article 286); Smuggling for undue use of goods imported with customs facilities (Article 287); Smuggling in customs warehouses (Article 288); Smuggling in cabotage and road traffic (Article 289); Smuggling in the export of goods eligible for duty drawback (Article 290); Smuggling in temporary import or export (Article 291); Smuggling of foreign tobacco products (Article 291-*bis*, *ter* and *quater*). Other cases of smuggling (Article 292); Aggravating circumstances of smuggling (Article 295). Where the border rights due exceed one hundred thousand euro, a monetary penalty of up to four hundred quotas is envisaged.

- crimes against cultural heritage (referred to in **Article 25 *septiesdecies*** of Italian Legislative Decree 231/2001)²²;
- laundering of cultural heritage and devastation and looting of assets (referred to in **Article 25 *duodevicies*** of Italian Legislative Decree 231/2001)²³.

1.2 Adoption of the Organisation, Management and Control Model as a condition exempting administrative liability

Article 6 of the Decree introduces a special form of exoneration from administrative liability for offences if the Entity proves:

1. that it has adopted and effectively implemented, through its governing body, before committing the offence, organisational and management models fit for preventing offences such as those that occurred;
2. that it has entrusted an Internal Body, having autonomous decision-making and control powers, with the responsibility of supervising the operation of and compliance with the models, as well as ensuring it is regularly updated, proposing any need for intervention by the Board of Directors;
3. that the persons who committed the offence have fraudulently avoided the aforesaid Organisation and Management Models;
4. that there has been no omitted or insufficient supervision by the Body referred to in letter 2 above.

The Decree also envisages that - in relation to the extension of the delegated powers and to the risk of committing the offences - the Organisation, management and control models set forth in letter a) must meet the following requirements:

1. identify the areas at risk of committing the offences envisaged by the Decree;
2. prepare specific protocols in order to plan the formation and implementation of the entity's decisions in relation to the offences to be prevented;
3. envisage ways of identifying and managing the company's financial resources that are suitable for preventing offences from being committed;

²² Article 25-*septiesdecies* (Crimes against cultural heritage), introduced by the reform of crimes against cultural heritage, approved by the Chamber of Deputies on 3 March 2022 and currently being published in the Official Gazette, envisages monetary and disqualification penalties for crimes relating to theft of cultural heritage (Article 518-*bis*, Italian Penal Code), embezzlement of cultural heritage (Article 518-*ter*, Italian Penal Code), receiving stolen goods of cultural heritage (Article 518-*quater*, Italian Penal Code), forgery of a private agreement relating to cultural heritage (Article 518-*octies*, Italian Penal Code), sale of cultural heritage (Article 518-*novies*, Italian Penal Code), unlawful import of cultural heritage (Article 518-*decies*, Italian Penal Code), unlawful exit or export of cultural heritage (Article 518-*undecies*, Italian Penal Code), destruction, dispersion, deterioration, defacement, smearing and unlawful use of cultural or landscape heritage (Article 518-*duodecies*, Italian Penal Code) and forgery of works of art (Article 518-*quaterdecies*, Italian Penal Code).

²³ Article 25-*duodevicies* (Laundering of cultural heritage and devastation and looting of cultural and landscape heritage), introduced by the reform of offences against cultural heritage, approved by the Chamber of Deputies on 3 March 2022 and currently being published in the Official Gazette, envisages the extension of the liability of the legal entity to the offences of laundering of cultural heritage (Article 518-*sexies*, Italian Penal Code) and devastation and looting of cultural and landscape heritage (Article 518-*terdecies*, Italian Penal Code).

4. prescribe disclosure requirements vis-à-vis the board in charge of supervising the functioning and observance of the Model;
5. set up an internal disciplinary system capable of punishing the non-compliance with the measures set out in the Model.

The same Decree provides that Organisation and Management Models can be adopted, guaranteeing the above requirements, on the basis of codes of behaviour (also called Guidelines) drawn up by representative trade associations and communicated to the Ministry of Justice.

1.3 Liability for offences in groups of companies

The Decree does not expressly address aspects related to the liability of the entity belonging to a group of companies, despite the fact that this phenomenon is widespread.

Considering that the group cannot be considered a direct centre of attribution of liability for offences and cannot be included among the subjects indicated in Article 1 of Italian Legislative Decree No. 231/2001, it is necessary to question the operation of organisation models in relation to offences committed by subjects belonging to such an association of companies.

1.3.1 The liability of the holding company for the offence committed in the subsidiary

As also highlighted by the Confindustria Guidelines in their last updated version, the holding/parent company may be held liable for the offence committed in the activity of the subsidiary if:

- a predicate offence has been committed in the immediate and direct interest or advantage of the subsidiary as well as the parent company;
- natural persons functionally related to the parent company participated in the commission of the predicate offence by making a causally relevant contribution (Court of Cassation, Fifth Penal Section, judgement no. 24583 of 2011), proven in a concrete and specific manner.

Therefore, not only must each Group company have an effective and efficient Organisation Model, but it must be consistent with the *holding* company's system of control protocols and an adequate exchange of information between the respective Supervisory Bodies must be ensured.

ANNEX 2

Esprinet S.p.A.'s Organisation Model was adopted by the Board of Directors at its meeting on 13/05/2004 and subsequently updated on the dates indicated below:

- 14/03/2008;
- 11/05/2009;
- 13/05/2010;
- 27/07/2011;
- 14/03/2012;
- 30/10/2013;
- 19/03/2014;
- 14/05/2015;
- 25/07/2016;
- 11/09/2018;
- 15/04/2020;
- 17/06/2021;
- 10/11/2022.