



LB OFFICINE MECCANICHE

ORGANISATION, MANAGEMENT AND
CONTROL MODEL
PURSUANT TO DECREE 231/2001

OF
LB OFFICINE MECCANICHE

Document updates

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GENERAL PART

1.0 LEGISLATIVE FRAMEWORK: DECREE 231/2001 AND AMENDMENTS - reference

As mandated by Law 3000 dated 29 September 2000, on 8 June 2001 the Italian legislator issued Decree 231/2001 on “*Governance of the administrative responsibilities of legal persons, companies and associations, including those that are not legal persons*”, aligning Italian law on the responsibilities of legal persons with a number of International Conventions already signed by the Italian State.¹

Consistent with that Decree, the Company has always complied in full with the rules and regulatory and ethical principles enacted in the legislation.

To facilitate consultation of the Model - making it more effective and efficient - the regulatory framework is described more fully in Attachment A, which is an integral part of this Model.

2.0 GUIDELINES ISSUED BY TRADE ASSOCIATIONS

As envisaged in art. 6, para. 3, of the Decree, Models may be adopted on the basis of codes of conduct prepared by Trade Associations and submitted to the Ministry of Justice that, when appropriate, may make observations. Confindustria was the first Association to publish guidance for the preparation of Models. Those Guidelines, issued in March 2002, were then partially amended and updated in May 2004, in March 2008 and in 2015 (hereinafter, the ‘Guidelines’).

¹ In particular: the Brussels Convention dated 26 July 1995 on the protection of the European Communities' financial interests; the Brussels Convention dated 26 May 1997 on the fight against corruption involving officials of the European Communities or officials of Member States; the OECD Convention dated 17 December 1997 on combating bribery of foreign public officials in international business transactions.

The Confindustria Guidelines therefore represent an essential starting point for the Model prepared by LB OFFICINE MECCANICHE SPA.

3.0 ORGANISATION, MANAGEMENT AND CONTROL MODEL of LB OFFICINE MECCANICHE SPA

3.1 OBJECTIVES PURSUED BY ADOPTING THE MODEL

The purpose of the Model adopted by **LB OFFICINE MECCANICHE SPA** is to establish a structured and organic system of procedures, other regulatory tools and checking activities designed, primarily, to prevent (via ex ante checks) commitment of the offences envisaged in the Decree.

In particular, by identifying the risk areas and, consequently, procedures for preventing the risk of committing offences, the Model seeks to:

- make all those who work in risk areas in the name and on behalf of LB OFFICINE MECCANICHE SPA aware that, in the event of violating the instructions contained in the Model, they might commit an unlawful act subject to administrative and criminal penalties for not only themselves, but also the Company;
- reiterate that such forms of unlawful conduct are strongly condemned by LB OFFICINE MECCANICHE SPA (even if there might appear to be an advantage for the Company), because they contravene the law and the ethical-social principles that underpin all corporate activities;
- enable LB OFFICINE MECCANICHE SPA to monitor the risk areas and take timely action to prevent and tackle the commitment of identified offences.

3.2 STRUCTURE

The Model comprises a “General Part” and several “Special Parts” addressing the types of offence that, theoretically, might be committed at the Company, considering the nature of the activities carried out.

The Code of Ethics is also an integral part of the Model.

The Organisational Model may be supplemented by additional Special Parts, should future legislation further extend the types of offences that might give rise to penalties for the Company.

All appendices and addenda referred to herein, under whatever name, are an integral part of the Model as well.

In this regard, the Board is entitled to adopt resolutions for the expansion of the Model by adding new Special Parts as a result of legislative changes made to or affecting the scope of application of Decree 231/2001.

3.3 GENERAL PART

Pursuant to art. 6, para. 3, of Decree 231/2001 (and the Confindustria Guidelines), the General Part of the Model has three fundamental purposes:

a) Identification and mapping of risks

Art. 6, para. 2.a), of Decree 231/2001 states, above all, that the **Model must ensure the mapping of risks**: in other words, it is necessary to analyse all the activities of the Company and identify within them any operational and decision-making phases exposed to the risk of committing unlawful deeds.

The mapping of risks is never final or set in stone. On the contrary, it must be subjected to ongoing checks and review and, consequently, updated regularly to take account of any changes in the organisation and activities of the Company and its operating environment.

b) Design of a system of ex ante checks

Pursuant to art. 6, para. 2.b), of Decree 231/2001, following the completion of this analysis and the identification of risk areas within the Company, it is necessary to establish specific protocols for the provision of training about them and the implementation of corporate decisions regarding the areas concerned.

The Special Parts addressing each risk area therefore contain guidelines for actions and procedures (e.g. separation of functions, decisions made together by several persons etc.) capable of preventing or, at least, heavily reducing the risk of committing offences.

Beyond the established procedures applied on an ex ante basis, it will always be possible to check individual operations or corporate behaviours subsequently, on an ex post basis.

As with the mapping of risks, the above actions and procedures are never final: indeed, their adequacy and effectiveness must be reassessed constantly and any improvements, extensions or amendments found to be necessary, on a case-by-case basis, must be proposed and implemented immediately.

c) Appointment of the Supervisory Body (SB)

The General Part must then identify a SB tasked with

- constantly checking compliance with the requirements of the Model, as well as with the specific actions and procedures established in implementation of the Model, by the executives and employees of the Company;
- constantly assessing the adequacy of the mapping of risks and the procedures described in points a) and b);
- recommending amendments for Board approval.

The Supervisory Body appointed by LB OFFICINE MECCANICHE SPA operates on a collegial basis.

3.4 SPECIAL PARTS AND CODE OF ETHICS

The Special Parts of this Model describe the various types of offence and indicate certain specific rules that are additional to the general rules identified in the Model.

The Code of Ethics contains rules of an ethical nature that must be observed by all its recipients in the context of their corporate activities.

The Special Parts and the Code of Ethics are an integral part of the Model.

3.5 ADOPTION OF THE MODEL

LB OFFICINE MECCANICHE SPA applied the following criteria when adopting the Model:

a) Preparation and update of the Model

The Company prepares and applies the Model, amending it as circumstances change.

b) Implementation of the Model

The Company is responsible for implementing the Model in relation to the activities carried out; the specific task of the SB is to verify and check on the effective implementation of the Model in relation to those activities.

c) Verification and checking of Model effectiveness

Given its role, the SB adopts a pro-active approach when coordinating work to check on application of the Model.

3.6 APPROVAL OF THE MODEL

The Model is prepared and approved by resolution of the Board. This Model was issued by the Executive Committee (in compliance with the requirements of art. 6, para. 1.a), of Decree 231/2001); all significant amendments or additions will be prepared and approved by resolution of the Board.

4.0 MAPPING OF RISKS

4.1 RISK AREAS IN TERMS OF THE COMMITMENT OF OFFENCES

The activities of the Company exposed to the risk of committing offences are described in the respective Special Parts.

The Mapping of Risks document is an integral part of this Model, but subject to precise confidentiality rules. The members of the SB and the Board have direct access to this document, as do the Shareholders. The document can also be read by the Public Authorities upon legitimate request.

5.0 SUPERVISORY BODY

5.1 REQUIREMENTS AND COMPOSITION

In linking the exoneration of the Company from responsibility to the adoption and effective implementation of an organisation, management and control model that is suitable for preventing commitment of the offences identified in Decree 231/2001, art. 6 envisages the appointment of a Supervisory Body within the Company with the specific task of *“supervising the functioning and application of the organisational model, as well as its update”*.

The duties assigned to the Supervisory Body require it to exercise autonomous powers of initiative and control.

In order to guarantee maximum reliability and the absence of conflicts of interest, the members of the Supervisory Body must be selected from among those highly qualified individuals who have experience in the conduct of administrative or legal (corporate, criminal, civil, criminal procedures) activities, or persons who have held executive roles or who have carried out or who carry out professional or University teaching activities in the areas of law, economics, finance or, in any case, matters governed by and/or included in Decree 231/2001.

The members must absolutely not hold operational mandates or have operational duties within the Company that might conflict with the duties and activities assigned to them.

In addition to the above professional qualities, it is also necessary to ensure that the personal characteristics of the members of the Supervisory Body make them suitable to carry out the tasks assigned to them.

Accordingly, there must not be any reasons for incompatibility or conflicts of interest that might undermine the independence of the members and their freedom of action and opinion.

In addition, the members must not be legally prohibited, struck off, bankrupted or sentenced in a manner involving temporary or permanent prohibition from holding public office or directorships; they must not have been subjected to preventive measures ordered by the judicial authorities, unless subsequently reinstated; lastly, they must not be under investigation or charged in criminal proceedings for deliberate offences - other than the identified offences - or subject to proceedings for administrative violations of corporate, banking or financial laws.

The members of the Supervisory Body are appointed for a period of three years, with automatic renewal.

In the event of resignations, the SB must notify the Board promptly, which will make the necessary replacements.

Should even just one of the professional and/or personal requirements indicated above cease to be satisfied, the appointment of the member concerned will lapse. Members of the Supervisory Body must notify the Board immediately should any of the above requirements no longer be satisfied.

The appointment of a member of the Supervisory Body may only be revoked for just cause, following a resolution adopted by the Board that must be notified to the Board of Statutory Auditors.

Members of the Supervisory Body must keep secret all information and news obtained in the exercise of their functions. This obligation does not apply, however, to their dealings with the Board.

The Supervisory Body ensures the confidentiality of the information in its possession, especially if relating to reports received about alleged violations of the Organisational Model. In addition, the Supervisory Body avoids receiving and utilising confidential information for purposes other than those identified in the “Duties and powers” section and, in all cases, for purposes unrelated to the functions of the Supervisory Body, unless expressly and knowingly authorised to do so.

In all cases, all information held by members of the SB must be processed in compliance with the relevant current legislation and, in particular, in compliance with Regulation (EU) 2016/679 on the protection of personal data (GDPR).

Non-compliance with the above obligations represents just cause for revoking the appointment of the member concerned.

The mandate of the SB is governed by the provisions of the Italian Civil Code.

5.2 PREROGATIVES AND RESOURCES

Having regard for the special nature of the duties assigned to the SB and the specific professional skills required in order to carry out its tasks, the SB of the Company may draw on other internal personnel (executives or employees) when specific knowledge and skills are needed for certain analyses and to assess specific operational and decision-making aspects of the activities of the Company.

In all cases, the SB is entitled when necessary to draw on professional skills not available within the Company or among its members, including those possessed by such external professionals as accountants, technicians, lawyers etc.

At the start of its mandate and annually thereafter, the SB presents an annual expenditure budget to the Board, requesting approval.

In particular:

- This annual request for financial resources must be sufficiently detailed and the Board will not refuse unreasonably to make these funds available for autonomous use, without any need for the SB to obtain prior authorisation, for the purposes envisaged in this Model;

Should exceptional events or circumstances (i.e. not arising in the ordinary course of the activities of the SB) make it necessary to allocate additional funds not included in the annual budget, the SB must submit a justified request to the Board, giving reasonable details about the amount requested and the related reasons and circumstances, and confirming that the annual budget is insufficient to address the exceptional events or circumstances identified.

If presented in the above manner, the Board will not unreasonably reject the request.

Autonomy and independence: these requirements are fundamental to ensure that the Supervisory Body is not directly involved in the operational activities that it supervises.

Accordingly, it is necessary to guarantee that the decisions made by the SB cannot be challenged by corporate bodies and ensure proper reporting to the Board.

- **Professionalism:** the technical-professional skills available within the SB must be adequate to carry out the assigned functions; these characteristics, combined with the independence of the body, guarantee the objectivity of its opinions.
- **Continuity of action:**
The SB:
 - must work constantly on the supervision of the Organisational Model, exercising the necessary powers of investigation;
 - must be an internal organisation, in order to guarantee the continuity of the supervision provided;

- must ensure implementation of the Organisational Model and its constant update;
- must not perform operational duties that might influence the required overview of corporate activities.

5.3 DUTIES AND POWERS

The Supervisory Body is assigned the following duties:

1. check the efficiency and effectiveness of the Organisational Model adopted in terms of impeding and preventing commission of the offences currently envisaged in Decree 231/2001, and those that in future may result in the Company being held responsible for a crime;
2. verify compliance with the actions and procedures envisaged in the Organisational Model and identify any deviant behaviour from an analysis of the information flows and reports required from all recipients of the Model;
3. make proposals to the Board for the update and improvement of the Organisational Model adopted, by making the amendments and/or additions deemed necessary as a result of:
 - a) significant violations of the requirements of the Organisational Model
 - b) significant changes in the internal organisation of the Company and/or the manner in which the business is conducted
 - c) legislative amendments to Decree 231/2001 or, in any case, the imposition of new responsibilities on the Company
4. following the identification of serious violations of the Organisational Model, report the facts to the Board so that appropriate disciplinary measures can be taken;
5. prepare a report for the Board every year, or more frequently, on the verification work and checks carried out and their outcome.

The SB is granted the widest powers to carry out the above duties. In particular:

- the work performed by the Supervisory Body cannot be challenged by any corporate organisation or body;

- the Supervisory Body has full access - without need for any prior consent - to all Company functions in order to obtain all information and data deemed necessary for performance of the tasks envisaged in Decree 231/2001;
- in addition to support from all Company functions and bodies and/or their advisors, the Supervisory Body may also be assisted by external consultants working under its direct supervision and responsibility;
- in order to carry out its activities, the Supervisory Body has full economic/operational autonomy without any expenditure limits.

5.4 INFORMATION FLOWS

The SB must be informed about all aspects of Model implementation in the risk areas and about any violations of its requirements.

All executives and/or employees of the Company must provide written information, ideally without anonymity and **with a guarantee of complete confidentiality**, about any possible internal anomalies or unlawful activities; the SB may also receive and evaluate written reports and communications from third parties, even if submitted anonymously.

The SB may request the Board, executives and/or employees to provide all types of information and/or documentation needed for its verification work and checks, with an obligation for those parties to respond promptly to each request.

The SB may request the Board to take disciplinary action against those who fail to provide the required information.

The Board may call on the SB at any time to report on the functioning of the Model or on other specific situations.

In addition, each year the SB will prepare and submit to the Board a written report on its activities and on the implementation of the Model.

Communications may be sent to the SB by certified e-mail at the address odv.lb@pec.it or by ordinary e-mail at the address odv@lb-technology.com.

Communications can also be sent by post to the “Supervisory Body of LB Officine Meccaniche Spa”, at the same address as LB OM.

6.0 DISCIPLINARY SYSTEM

6.1 GENERAL PRINCIPLES

In order to ensure effective application of the Model, art. 6, para. 2.e), of Decree 231/2001 requires the implementation of a disciplinary system for violations of the rules of conduct identified in the Model in order to prevent the envisaged offences. The application of disciplinary penalties is not dependent on the outcome of a criminal trial, if any, since the rules of conduct imposed by the Model are identified independently by the Company and their violation may be penalised even if a criminal offence has not been committed.

As stated above, the SB may recommend the Board to take disciplinary action.

6.2 MEASURES IN RELATION TO EMPLOYEES

Behaviour by employees in violation of the individual rules of conduct contained in this Model is subject to disciplinary action.

The penalties levied against employees are envisaged in the National Collective Employment Contract applied by the Company, in compliance with the procedures envisaged in art. 7 of Law 300/1970 (Workers’ Statute) and in any special regulations that may be applicable.

The penalties will be levied by the Employer.

6.3 MEASURES IN RELATION TO EXECUTIVES

If the rules of conduct envisaged in this Model are violated by an executive, the disciplinary measures envisaged in the National Collective Agreements for that category will be applied. These disciplinary measures will be imposed by the Board.

6.4 MEASURES IN RELATION TO SHAREHOLDERS

If the Model rules are violated by Shareholders, the Board will take the appropriate action.

6.5 MEASURES IN RELATION TO EXTERNAL COLLABORATORS AND PARTNERS

Conduct by external collaborators and partners that violates this Model, and results in exposure to the risk of committing an offence envisaged in Decree 231/2001, may result in termination of the contractual relationship and possible claims for compensation should that conduct cause losses for the Company, such as the application of penalties pursuant to Decree 231/2001.

See the Disciplinary Code attached to this Model for more information.

7.0 MODEL DISSEMINATION AND AWARENESS

7.1 TRAINING OF PERSONNEL

The Company promotes awareness about the Model, the internal controls adopted and Model updates among all employees, who are therefore required to understand and comply with its contents, as well as to contribute to its implementation in the best possible way. The Company provides personnel training during ad hoc meetings held shortly after approval of the Model and following its update and/or amendment.

All new recruits are given training on the Organisational Model adopted by the Company.

See the training manual attached to this Model for more information.

7.2 INFORMATION FOR EXTERNAL COLLABORATORS AND PARTNERS

The Company also promotes knowledge of and compliance with the Model among its external collaborators and partners.

They are informed about the contents of the Model from the start of their professional or commercial relationship with the Company.

8.0 PERIODIC CHECKS

As part of the duty to monitor and update the Model assigned to the SB by art. 6, para. 1.b), of Decree 231/2001, the SB may:

- carry out periodic checks, even without notice, to verify compliance with the internal procedures and controls adopted by the Company;
- monitor changes in the organisation and the adequacy of the risk analysis with support from other internal bodies or function managers;
- check and analyse any reports received in order to consider making recommendations to the Company for corrective actions or the enhancement of internal procedures.

The frequency of the above checks will be determined at the discretion of the SB.

9.0 MODEL AND CODE OF ETHICS

The rules of conduct contained in this Model supplement those documented in the Code of Ethics.

For this reason, the Code of Ethics is presented in an appendix that is part of the Model, since the objectives of the latter are different to those pursued by adopting and complying with the Code of Ethics.

In particular, the Code of Ethics comprises the set of corporate principles and best practices that underpin the activities of LB OFFICINE MECCANICHE SPA and with which all employees, executives, external collaborators and partners are required to comply. The Model, on the other hand, is responsive to the specific requirements of Decree 231/2001, with a view to preventing the commitment of certain types of offence.

Compliance with the general rules contained in the Code of Ethics is a prerequisite for complying with the Model and preventing the commitment of offences envisaged in Decree 231/2001; accordingly, the Code of Ethics is also integral to the Special Part covering the individual types of offence.

SPECIAL PART

1 Objectives and document management

1.1 Document objectives

The purpose of the “Organisation, Management and Control Model - Special Part” is to document the more specialist aspects of the Organisational Model of LB. This document supplements with greater detail the “Organisation, Management and Control Model - General Part”, which in turn is clarified further by the attached operating procedures.

This document seeks to enable the managers and staff of LB Organisational Units to determine whether their O.U.:

- has duties that expose LB to the risk of committing offences;
- and/or is responsible for implementing specific prevention protocols.

This document classifies prevention protocols and sensitive activities in relation to the relevant types of offence.

1.2 Status of document within the overall “Organisation, Management and Control Model” of LB

To the extent applicable, the “Organisation, Management and Control Model” is addressed to the following parties:

- Shareholders;
- Directors;
- Statutory Auditors;
- members of the Supervisory Body;
- Auditing Firm;

- Employees (first, second and third-level professionals; managers; executives);
- Collaborators (for example but without limitation: interns, contract workers, project workers and temporary staff).

The Model comprises two distinct documents:

Organisation, Management and Control Model -
General Part;

Organisation, Management and Control Model -
Special Part.

The “Organisation, Management and Control Model - General Part” is provided to all recipients in the same form, as it contains prevention protocols of a general nature i.e. protocols that represent common tools for the prevention and repression of every type of offence envisaged in Decree 231/2001.

The “Organisation, Management and Control Model - Special Part” contains specific prevention protocols that are communicated selectively to the O.U. responsible for their implementation.

Each O.U. is therefore informed about the prevention protocols for which it is responsible.

The specific prevention protocols may be:

- suitable for preventing several types of offence: in that case, they are repeated for each of those offences;
- suitable for preventing a single type of offence;
- suitable for preventing a specific behaviour that represents an example of a specific offence.

2 Structure

The “Organisation, Management and Control Model - Special Part” comprises:

- the process of identifying and updating sensitive activities and prevention protocols;
- the sensitive activities and prevention protocols identified;

- attachments.

Sensitive activities are those exposed to the risk that an offence envisaged in Decree 231/2001 may be committed (even on a contributory basis). Both the sensitive activities and the prevention protocols are specifically linked to one or more identified Organisational Units.

Prevention protocols are not always assigned to the O.U. that carries out the sensitive activity.

3 Prevention protocols

The prevention protocols are addressed in the “Organisation, Management and Control Model - Special Part” and work in synergy with the protocols specific to that Part: in particular, they represent common tools for the prevention and repression of the offences envisaged in Decree 231/2001 and are communicated to all recipients of the Model.

The prevention protocols for which LB requires compliance derive from the elements underpinning the “Organisation, Management and Control Model”, as described in the “Model - General Part” and/or its attachments. These protocols are listed below:

Code of Ethics;

Disciplinary System;

LB Organisation Chart, Function Chart and Model of Processes; LB

Regulation governing update of the Organisation, Management and Control Model pursuant to Decree 231/01;

System of mandates and delegated powers;

Corporate and Group regulations;

Criteria for the segregation of functions;

Criteria for the processing of personal data;

Criteria for the management of relations with third parties;

Criteria for the management of financial resources in order to prevent offences;

Criteria for the filing of documentation and the traceability of operations.

4 Identification of sensitive activities and prevention protocols

Art. 6, para. 2, of Decree 231/01 establishes that the Organisation, Management and Control Model must “identify the activities exposed to the risk of committing offences”, hereinafter referred to as “sensitive activities”. The identification of sensitive activities contributes to the prevention of offences, which is implemented by:

- identifying protocols suitable for the prevention of offences;
- providing specialist training to O.U. personnel involved in sensitive or prevention activities, so that they can recognise behaviours that may represent an offence pursuant to Decree 231/2001, and apply correctly the protocols for which they are responsible.

As mentioned, the “mapping” of sensitive activities provides a foundation for the proper definition of the Model and is based on a careful analysis of the various types of offence.

For this purpose, LB has carried out an orderly process for the identification of sensitive activities and prevention protocols, involving:

- analysis and legal understanding of the principal types of offence;
- identification of the areas and O.U. involved in sensitive activities, and in activities that include prevention protocols;
- further analysis of activities that may be sensitive at the O.U. concerned and identification of the related prevention protocols;
- preparation of the Special Part of the Model via the identification and organisation of the sensitive activities and prevention protocols adopted by LB.

Each step in the identification process was guided by the indications obtained from the following sources:

Primary legislation;

Jurisprudence;

Best practices (trade associations).

4.1 Sensitive activities

As already explained, sensitive activities at any specific LB O.U. comprise those activities theoretically exposed to the risk of committing, or attempting to commit, an offence envisaged in the Decree.

The identification of sensitive activities therefore involves:

- understanding the processes by which each offence could be committed;
- determining how those processes would apply to LB in context;
- analysis of the Function Chart to identify the duties assigned to each LB Organisational Unit.

The work to identify and analyse the sensitive activities was facilitated by making reference to the business areas contained in the LB Model of Processes.

For the purposes of this Model, each sensitive activity is described solely by the duties documented in the Function Chart, as these are codified with the clear assignment of responsibility to the O.U. concerned.

In the context of LB, each sensitive activity is defined by associating:

- type(s) of offence;
- duties indicated in the Function Chart;
- O.U. to which the duties are assigned

4.2 Prevention protocols

A prevention protocol is an organisational variable that acts on the resources, organisational processes and IT systems involved in a sensitive activity, or on the results of that activity, with the effect of eliminating or reducing the probability or frequency of committing offences envisaged in Decree 231/01.

List of Protocols

PERSONNEL ADMINISTRATION

This protocol relates to the process of personnel administration and the associated control criteria.

The document specifies the principles of conduct that must be followed by all LB OM personnel who are involved in any way.

Risk areas

The activities considered to be “at risk” in the context of personnel administration are listed below:

- selection and recruitment of personnel;
- personnel management.

Reference Organisational Units

The following persons and Organisational Units are involved in personnel administration activities:

- Chief Executive Officer;

– Manager of the Unit concerned;

- HR function.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the LB OM Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in personnel administration activities - due to their role or O.U. - are presented below merely by way of example:

a. work in compliance with the meritocratic criterion, considering the real operational needs of LB OM;

b. select and hire based on confirmed organisational needs, guaranteeing that the choice of candidates is based on assessments of their technical suitability and aptitude;

apply transparency criteria when assessing the skill and professionalism, ability and personal potential of candidates;

c. check and ensure that documentation exists confirming proper application of the selection and hiring procedures;

d. ensure that economic conditions are determined in a manner consistent with the role of the candidate and the responsibilities and duties assigned;

It is absolutely forbidden to:

- a. promise or allow promises of recruitment, career advancement, salary increases, benefits or bonuses to persons close to or recommended by public officials when this does not reflect the real operational needs of LB OM and the meritocratic criterion;
- b. show favouritism;
- c. promise or allow promises of recruitment, career advancement, salary increases or any other benefits as consideration for activities not in compliance with the law and the Code of Ethics;
- d. hire personnel in any way that does not comply with current regulations;
- e. hire or promise recruitment to those employees of the Public Administration, or their relatives by birth or marriage, who have participated personally in P.A. authorisation procedures or audit activities involving LB OM.

Checking criteria

The checking criteria to be applied by the above functions involved in personnel administration are presented below.

Selection and recruitment of personnel

1. decision to start the recruitment of new personnel made by the Chief Executive Officer.
2. Hiring of candidates via:
 - a) collection and analysis of CVs;

- b) interviews of candidates by the Unit concerned and formalisation of the results, explaining the reasons for the choice of candidates.
3. Determination of remuneration levels based on objective criteria that take account of the role and responsibilities of the employee.
 4. Signature of employment contracts by a person holding suitable powers, considering the corporate system of mandates and delegated powers.
 5. Filing of the employment contract and documentation used during the selection process.
 6. Submission of required communications about the persons hired to the agencies concerned and filing of the related documentation.
 7. Submission of data about the hiring of persons belonging to protected categories to the agencies concerned by the relevant deadlines established by law.

Personnel management

1. Assignment of salary increases, bonuses and career advancement formalised in official documents signed by the Chief Executive Officer.
2. Analysis and approval by the manager of the Unit concerned, if appropriate, of holidays, leave of absence and overtime hours worked by employees.
3. Approval of holidays and leave of absence by the manager of the Unit concerned.

4. Verification of the information generated by the attendance reporting system (badges) by the Administrative Secretariat before transfer to the external payroll bureau.
5. Verification by the HR function of the accuracy of the data included in the payslips by the external bureau.
6. Verification of the processing carried out by the external bureau and approval of the related payments by the Chief Executive Officer.
7. Maintenance of relations with the social security and pension agencies by a person authorised in accordance with the corporate system of mandates and delegated powers.
8. If foreign citizens are employed, periodic checks of the validity of their residence permits by the HR function.

PURCHASES OF GOODS, SERVICES AND PROFESSIONAL WORK

This protocol relates to the management of purchasing activities and the associated control criteria.

The document specifies the principles of conduct that must be followed by all LB OM personnel who are involved in any way.

Risk areas

The activities considered to be “at risk” in the context of managing the purchases of goods, services and professional work are listed below:

- managing purchases of goods;
- managing purchases of services and professional work;

- managing purchases of fixed assets.

Reference Organisational Units

The following persons and Organisational Units are involved in managing the purchases of goods, services and professional work:

- Chief Executive Officer;
- Buying Office;
- Commercial Unit;
- Administration Department;
- Logistics Unit;
- Board of Directors;
- Beneficiary of the services and consultancy purchased.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the LB OM Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in managing the purchases of goods, services and professional work - due to their role or O.U. - are presented below:

- a. comply with current regulations;

- b. establish relationships solely with persons of good repute, who are not engaged in illegal activities and whose ethical background is compatible with that of LB OM. In this regard, Recipients involved in managing relations with suppliers, consultants and collaborators are required to check in advance the information available about them;
- c. ensure the transparency of agreements and avoid signing secret agreements that are against the law;
- d. comply with the principles of transparency, motivation and non-discrimination in the selection of suppliers, professionals and consultants;
- e. select from the list of potential suppliers that guarantee the best price-quality combination;
- f. define, in the best possible way, transparent criteria for determining a maximum offer price for each product or service, so that any anomalies can be identified.
- g. check the identity of counterparts, whether legal or natural persons, and any parties for which they act, and verify the ethical standards and financial strength of contractual counterparts;
- h. guarantee that all appointments granted to third parties to represent and/or work on behalf of LB OM are set down in writing, requiring - possibly via specific contractual clauses - all suppliers, professionals and consultants to comply with the principles of conduct specified in the Code of Ethics;

- i. check that the contractual service has been provided or, in any case, on the progress of work, before paying the agreed price;
- j. ensure the traceability of the decision-making and authorisation procedures and checking activities carried out;
- k. pay the related consideration in a transparent manner that is always documented and can be reconstructed.

It is absolutely forbidden to:

- a. assign contracts for supplies, consultancy and professional services to persons or companies “close to” or “recommended” by public parties without the transaction satisfying the necessary quality and value requirements;
- b. establish relationships or arrange transactions with third parties if there is a justified suspicion that this might expose LB OM to the risk of committing the offences of receiving, laundering or using money, assets or benefits deriving from illegal sources (e.g. in the case of prices well below market levels);
- c. make payments to suppliers, consultants, professionals and similar working for LB OM, without appropriate justification in the context of the contractual relationship established with them and the services provided;
- d. make expense payments to suppliers, consultants, professionals and similar that cannot be justified appropriately in relation to the type of work performed;
- e. issue or accept invoices for non-existent transactions;

f. create off-book funds as a result of contractual transactions arranged at above market prices or by invoicing transactions that did not take place, in whole or in part;

g. arrange to be represented by consultants or third parties when this might give rise to conflicts of interest.

Checking criteria

The checking criteria to be applied by the functions involved in managing the purchases of goods, services and professional work are presented below.

Managing purchases of goods, services and professional work

1. Preparation and periodic update (at least every year) by the Administration Department of the list of suppliers and professionals.
2. If the nature or object of the supply or appointment means that the contract cannot be awarded to parties on the list of qualified suppliers or professionals, the Unit requesting the purchase/service must obtain and analyse at least two different quotations, select the supplier or consultant guaranteeing the best quality/value combination, and formalise the reasons for the choice made.
3. Selection of consultants and external professionals by the Chief Executive Officer with support as necessary from the Unit concerned.
4. Approval of fixed asset purchases by the Chief Executive Officer.

5. Prior to final selection, check by the Unit concerned on the identities of the counterparts, whether legal or natural persons, and of any parties for which they act, so that no relationships are commenced with parties or bodies that do not intend to accept the ethical principles of the Company, and verification of the ethical standards and financial strength of contractual counterparts (e.g. via the analysis of Chamber of Commerce searches).
6. Verification by the Administration Department of the ethical standards and financial strength of contractual counterparts (e.g. via the analysis of Chamber of Commerce searches).
7. Verification by the Unit concerned of supplier compliance with the contractual requirements.
8. Verification by the Unit concerned that any appointments granted by LB OM to third parties, authorising them to represent or work on behalf of the Company, are always set down in writing, and that such parties are required - via specific clauses in the related orders and contracts - to agree to comply strictly with all applicable laws and regulations including, in particular, Decree 231/2001.
9. Approval by the Unit concerned of the price lists received from suppliers, after comparing them with market data among other procedures.
10. Signature by the Chief Executive Officer of orders and contracts with suppliers and professionals.
11. Check by the Production Unit that the contents of the order confirmation received from the supplier are consistent with the purchase order.

12. On receipt of goods, check by the Warehouse Unit that the declared quantity agrees with that actually delivered and application of the confirmation stamp to the goods checked. Verification by the Administration Department of the consistency of the information stated on the purchase invoice with the related supporting documentation (purchase order, delivery note etc.).

13. Verification by the Administration Department that all payments are consistent with the contractual terms and conditions and, when preparing periodic reports, that either invoices have been received for the outstanding contracts or accruals have been made.

14. Periodic verification by the Administration Department of the consistency of the accounting records with the information recorded in the fixed asset register.

15. In the case of services, verification by their beneficiary of the consistency and reasonableness of the invoice with respect to the services provided.

16. Filing by the Administration Department of the documentation related to managing the purchases of goods, services and professional work (e.g. list of qualified suppliers, invoices, orders).

DISPUTES AND SETTLEMENT AGREEMENTS

This protocol relates to the management of disputes involving LB OM and the associated control criteria.

The document specifies the principles of conduct that must be followed by all LB OM personnel who are involved in any way.

Risk areas

- Management judicial and out-of-court disputes;
- Settlement of disputes

Reference Organisational Units

This protocol applies to all Functions, within or outside LB OM, involved in the management of judicial and out-of-court disputes (administrative, civil, criminal, fiscal, employment and social security related) and settlements with public agencies.

The contents of this protocol seek to guarantee compliance by LB OM with current regulations and the principles of transparency, propriety, objectivity and traceability when carrying out the activities concerned.

Process description

The management of disputes involves the phases described below. These are carried out under the responsibility of the competent Units, working together with the Unit affected by the dispute and any external professionals who may be appointed.

- a) opening of the judicial or out-of-court dispute;
- b) collection of information and documentation regarding the dispute;
- c) analysis, assessment and production of evidence;
- d) preparation of defensive submissions and subsequent updates, both directly and in collaboration with external professionals;
- e) participation in the case, where useful or necessary, in the event of judicial disputes;
- f) maintenance of constant contact with any professionals appointed, as identified with reference to official registers;

- g) payments and settlements;
- h) closure of the dispute.

The process of managing settlement agreements covers all activities necessary to prevent or settle a dispute via agreements or reciprocal waivers and concessions, in order to avoid the start or continuation of judicial proceedings.

The process comprises the following phases:

- 1) analysis of the event giving rise to the dispute and verification of the elements available for reaching a settlement;
- 2) management of the negotiations held to define and formalise a settlement;
- 3) preparation, signature and execution of the settlement agreement.

Principles of conduct

It is absolutely forbidden to behave in a manner contrary to the law and the Code of Ethics at any time during the process, even by recourse to external professionals, in order to:

- favour improperly the interests of LB OM by inducing - with violence or threats or, alternatively, by the offer or promise of money or other benefits - a person to remain silent or lie when called before the judiciary to make declarations usable in criminal proceedings;
- influence the final ruling in favour of LB OM at the time of inspections or checks or verification work carried out by Public Agencies or Bodies or parties appointed by the judiciary;

- influence improperly the decisions of the judiciary at the time of ruling on the dispute or arbitration proceedings, or the position of the Public Administration when the P.A. is a counterpart to the dispute;
- request or induce the P.A. to grant favourable treatment or omit relevant information, thereby influencing improperly the management of its relationship with LB OM.

The Managers of the Functions concerned are required to take all necessary action to guarantee the effectiveness and concrete application of the principles of conduct and control described in this protocol.

Checking criteria

- a) settlement agreements must be signed by the Chief Executive Officer;
- b) the Unit concerned must monitor constantly the progress of the dispute, not least so that any settlement opportunities arising can be assessed promptly;
- c) each significant phase in the process must be documented in writing;
- d) in order to allow reconstruction of the responsibilities and reasons for choices made, the Unit concerned is also responsible for filing and retaining, telematically, electronically or otherwise, the documentation evidencing its work on the management of disputes and settlement agreements with the Public Administration.

The following principles of conduct must be applied, in particular, to relations with the Public Administration:

- 1) All Units involved in any way in the management of disputes and settlement agreements with the Public Administration must comply with the procedures described in this protocol, relevant current legislation, internal regulations and any requirements specified in the Code of Ethics.
- 2) the parties involved in the process and who have responsibility for signing deeds or documents that are valid outside of LB OM must be authorised appropriately;
- 3) if third parties are involved in the management of disputes and settlement agreements with the Public Administration, the related contracts or appointment letters must specifically confirm their knowledge of the requirements of Decree 231/2001 and their agreement to comply with them;
- 4) the payment of fees or remuneration to any collaborators or external consultants involved must be approved in advance by the O.U. responsible for evaluating the quality of the service provided and the consequent reasonableness of the consideration requested; in all cases, the remuneration recognised must be justified appropriately in relation to the type of work to be performed and/or the value of the dispute, considering the applicable professional rates;
- 5) personnel must ignore and promptly report to their Manager, for appropriate action, any requests received or merely identified for improper benefits, or attempted malfeasance by an official of the Public Administration; in turn, the Manager must notify the report received to the SB;

- 6) In all cases, it is forbidden to arrange or collaborate in the arrangement of conduct that might be deemed an offence pursuant to Decree 231/2001 and, in particular, for example but without limitation, conduct during formal and informal meetings, including those held by external professionals and third parties, that is contrary to the law, the Code of Ethics and the Internal Code in order to induce Judges or members of Arbitration Panels (including officially appointed experts and support staff) to favour improperly the interests of LB OM.

GIFTS AND SPONSORSHIPS

This protocol relates to the management of gifts and sponsorships and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing gifts and sponsorships are listed below:

- management of gifts;
- management of sponsorships;
- management of discount policies.

Reference Organisational Units

The following Functions are involved in managing gifts and sponsorships:

- Chief Executive Officer;

– Administration Department.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of gifts and sponsorships - due to their role or O.U. - are presented below merely by way of example:

- a. ensure full traceability of the decision-making and authorisation procedures and checking activities carried out;
- b. ensure that the value of the gifts and sponsorships made is low and, in all cases, does not compromise the integrity and reputation of one of the parties and/or influence the ability of the beneficiary to form independent opinions;
- c. ensure that all gifts and sponsorships are authorised in compliance with the corporate system of mandates and delegated powers;
- d. ensure that all the documentation produced and delivered is properly filed, so that the various phases in the process can be traced.

It is also forbidden to:

- a. promise or make monetary payments that are not for institutional or operational purposes;

b. promise or grant benefits of any kind in order to influence the independence of opinion of any person or to obtain any benefit for the Company.

Checking criteria

The checking criteria to be applied by the O.U. involved in managing gifts and sponsorships are presented below.

Management of gifts and sponsorships

1. Management of the activities relating to gifts and sponsorships by the Chief Executive Officer.
2. Definition of specific thresholds for the value of gifts, so that they fall within the range of normal courtesy.
3. Requests, formalised in writing, for the purchase of goods to be offered as gifts must detail the following information: a) type of goods and related value, b) recipients, c) reason for the initiative; a summary file must be kept of all gifts made.
4. Sponsorship initiatives and the purchase of goods to be offered as gifts must be authorised by the Chief Executive Officer.
5. All documentation relating to the management of gifts and sponsorships must be filed by the Administrative Department.

CORPORATE IT SYSTEMS

This protocol relates to the management of corporate IT systems and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing corporate IT systems are listed below:

- management of logical access to data and systems;
- management of backups;
- management of software, equipment, devices and IT programs;
- management of network security;
- management of physical security.

Reference Organisational Units

The following Functions are involved in managing corporate IT systems:

- Unit manager;
- IT;
- Chief Executive Officer.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of corporate IT systems - due to their role or O.U. - are presented below merely by way of example:

- a. use the IT resources assigned solely for the performance of business-

related work;

- b. take good care of credentials for access to the corporate IT systems, ensuring that third parties do not become aware of them, and update passwords periodically;
- c. avoid installing additional software and programs beyond those installed or to be installed for business purposes;
- d. avoid using assets protected by copyright without the necessary licences;
- e. limit browsing the Internet and the use of e-mail via corporate IT systems to business-related activities.

It is also forbidden to:

- a. use the IT resources assigned by the Company for purposes other than business-related work;
- b. take action, with assistance from third parties or otherwise, intended to gain access to the IT systems of others in order to:
 - obtain without authorisation information contained in the above IT systems;
 - damage or destroy data contained in the above IT systems;
 - use in an unauthorised manner or disseminate the access codes to IT or telematic systems;

- c. take action to destroy or alter the IT documents that represent evidence for the purposes of Decree 231/2001;
- d. use or install programs other than those authorised by the Company;
- e. make illegal downloads or transmit to third parties content that is copyright protected;
- f. access private areas (e.g. server / technical rooms etc.) without appropriate authorisation, whether on a temporary or permanent basis.
- g. evade or attempt to evade the various corporate security mechanisms (anti-virus software, firewalls, proxy servers etc.);
- h. reveal personal credentials (user name and password) to others for access to the Company network or even other sites/systems;
- i. hold or disseminate in an unauthorised manner the access codes to IT or telematic systems belonging to third parties or public entities;
- j. unlawfully intercept, impede or prevent IT or telematic communications;
- k. access the Company network and programs using a different user-id to that assigned;
- l. copy, transfer to other media, distribute, communicate, present or show in public the contents of a database.

Checking criteria

The checking criteria to be applied by the O.U. involved in managing corporate IT systems are presented below.

Management of logical access to data and systems

1. Access to corporate IT systems only granted to authorised persons.
2. Recognition of users by their personal usernames and passwords.
3. Configuration of the domain and application passwords in accordance with Decree 196/2003, as amended.

Management of backups

4. Backup the systems in use.
5. Management of backup activities solely by authorised personnel.
6. Access to backup media solely by authorised persons.

Management of software, equipment, devices, IT programs and network security

7. Equip workstations with licensed software.
8. Protect the network with firewalls.
9. Control access to corporate applications using profiles based on the O.U. of each user.
10. Prevent all workstations from downloading software directly from the Internet.

11. Apply anti-virus and anti-spam filters to all incoming e-mail.
12. Manage the network structure using solely authorised personnel.
13. Formalise specific agreements with an external consultant, containing termination clauses pursuant to Decree 231/2001, for the management of corporate IT systems.
14. Prepare, with periodic updates by IT, a list of software installed on all workstations.
15. Allow access to IT infrastructure (e.g. DP room) solely to authorised personnel.
16. Configure the rights of individual users differently to those of the system administrator.
17. File backup media and documentation relating to the management of information systems under the responsibility of IT.

RELATIONS WITH THE PUBLIC ADMINISTRATION

This protocol relates to the management of relations with the Public Administration and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing relations with the Public Administration, the Supervisory Authorities and the Judiciary are listed below:

- management of authorisations, permits, concessions and official procedures;

- management of public loans and grants;
- management of inspections;
- management of relations with the judiciary.

Reference Organisational Units

The following Functions are involved in managing relations with the Public Administration, the Supervisory Authorities and the Judiciary:

- Chief Executive Officer
- Administration Department
- HR function
- Plant maintenance manager
- Reception
- After-sales unit
- External professionals
- Employees

In the context of their activities, these parties must know and comply with:

- a) the applicable sector regulations;
- b) the Code of Ethics;

c) the system of internal control and therefore the internal procedures, the documentation and the instructions relating to the organisational structure.

Principles of conduct

It is forbidden to initiate, collaborate with or cause conduct that, individually or collectively, results directly or indirectly in commitment of any of the offences indicated in the LB Manual of Criminal Offences attached to the Model.

In particular, it is prohibited to:

- 1) make monetary gifts to Italian or foreign public officials;
- 2) distribute and/or receive gifts and presents, except within the scope of accepted internal practice (i.e. in excess of normal commercial practice or courtesy or, in any case, to obtain favourable treatment in relation to any activity); in particular, it is prohibited to make any type of gift to Italian or foreign public officials (even in countries where making gifts is widespread) or their families, that might influence their independence or induce them to provide benefits of any kind to the Company. Allowed gifts are always of low value or intended to promote charitable or cultural initiatives, or the reputation of the Company. The gifts offered - ignoring those of low value - must be documented adequately to allow verification by the SB. The same rules apply in relation to gifts and presents received by the employees of LB OM S.p.A.; accordingly, persons who, on the initiative of third-party suppliers, receive gifts at the office or at home that are not acceptable on the above basis must inform the Company and return them to the donor. Additionally, it is not acceptable for employees at any level/grade to attend conferences and/or seminars organised and paid for by suppliers. Any exceptions must be considered and made by the Manager of the Administration Department, on condition that

participation is useful for the operations of the Company and that the purpose of the invitation is absolutely not to obtain favourable treatment in the conduct of business relations;

3) give or promise benefits of any kind in favour of representatives of the Public Administration, whether Italian or foreign, that might have the consequences envisaged in the previous point (this and subsequent references to relations with the P.A. apply with regard to both public agencies and persons who provide public services);

4) request payments not justified by appropriate services provided in full compliance with the agreed contractual conditions;

5) present untrue declarations to Italian or EU public bodies in order to obtain loans, grants or payments of any kind;

6) allocate amounts received from Italian or EU public bodies, in the form of loans, grants or other payments, for purposes other than those for which they were provided;

7) provide services to third parties, consultants and suppliers without appropriate justification in the context of the contractual relationship established with them.

In order to comply with the rules and prohibitions listed in the above paragraphs and sections, both in Italy and abroad, Recipients of the Model must follow the procedures described below when carrying out significant activities, such as requesting permits and/or presenting any deed, document, declaration, application needed in relation to any official procedures at public offices, or to participate in tenders or direct negotiations, or to apply for public funds. They must also comply with the general principles and rules described in the General Part of this Model.

The following principles are established:

- employees and members of corporate bodies other than the Sole Director who maintain relations with the P.A. on behalf of group companies, with the power to commit those companies, must be granted the related formal powers in a specific mandate; other persons must be assigned specific powers in the context of their responsibilities within the organisation;
- cash payments are prohibited, except in exceptional cases that must be fully documented;
- declarations made to Italian or EU public bodies in order to obtain loans, grants or other payments must be absolutely true in every respect. Any funds received must be managed transparently, with the preparation of a specific report on their actual usage;
- personnel responsible for the control and supervision of requirements relating to the performance of the above activities (payment of invoices, allocation of funds received from the State or EU bodies etc.) must dedicate particular attention to compliance and report any irregularities or anomalies immediately;

Checking criteria

The checking criteria to be applied by the functions involved in managing relations with the Public Administration, the Supervisory Authorities and the

Judiciary are listed below.

Management of authorisations, permits, concessions and official procedures

1. Check the completeness, truth and accuracy of the data and information prepared for the Public Administration and the Supervisory Authorities by the Unit concerned (e.g. by the RSPP for matters relating to occupational health and safety), ensuring that the checks performed are appropriately traceable (e.g. by initialling checked documents).
2. Signature by the Chief Executive Officer of all documentation delivered or sent to the Public Administration, the Supervisory Authorities and Funding bodies.
3. Management of relations with the Public Administration and the Supervisory Authorities solely by persons holding suitable powers or under powers delegated by them.

Management of inspections

- 1) Formalisation of a register that records visits to the Company by third parties and, in particular, officials of the P.A., indicating their names, times of arrival and departure, and the body to which they belong.

2) Preparation of a list of persons to be contacted by reception in the event of inspection visits.

3) Formalisation of the results of inspections in minutes signed by the Chief Executive Officer, the Manager of the Unit concerned and the participants in the inspection; any challenges raised by the Company must be made in writing, without fail. If the officials of the P.A. do not prepare minutes, the Manager of the Unit concerned must prepare a summary report.

4) Inspection visits must be attended by two persons (employees/executives of LB OM) from two different O.U. who do not have a hierarchical relationship.

5) The documents prepared in the context of the visit must be checked by suitably authorised persons.

5) A copy of the final inspection minutes, or the report referred to in point 3 above, must be sent to the Supervisory Body.

WORKPLACE SAFETY

This protocol relates to the management of workplace safety and the associated control criteria.

Risk areas

The risk area pursuant to art. 25-septies of Decree 231/2001 is represented by the management of occupational health and safety matters.

Reference Organisational Units

The following Functions are involved in managing workplace safety:

- Employer;
- Manager of the Prevention and Protection Office - RSPP;
- Workers' Safety Representative - RLS;
- Appointed Doctor - MC;
- Designated Manager;
- Principal (for contracting activities covered by Title IV, TUS);
- Employee members of emergency and first-aid teams.

For various reasons, the above activities may also involve other business functions and persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

In addition to the rules specified in the Model, when carrying out their activities the members of corporate bodies, employees, consultants and partners of LB OM S.p.A. must know and comply with the following:

- a) the applicable sector regulations;
- b) the Code of Ethics;
- c) the system of internal control and therefore the internal procedures, the documentation and the instructions relating to the organisational structure.

In general with regard to workplace safety, recipients are expressly required to comply with the following principles of conduct:

- a) behave in a proper, transparent and collaborative manner, ensuring compliance with laws and internal procedures, when carrying out all activities that might result in occupational health and safety risks for workers;
- b) promote and apply operationally a culture of safety and prevention when carrying out their respective activities; in particular, all workers must take care of their own health and safety and those of others present in the workplace who might be affected by the consequences of their actions or omissions;
- c) comply with the formalised system of delegated powers and exercise diligently the powers delegated, reporting promptly any difficulties or issues with their exercise;
- d) facilitate the constant improvement of occupational health and safety, participating in work to monitor, assess and review the effectiveness and efficiency of the measures implemented;
- e) Avoid conduct detrimental to all other workers that might give rise to psychological risks linked to the “organisation of work, gender differences, age, origination from other countries and type of contract used” and, in any case, conduct that represents “mobbing”;
- f) comply with all indications, notices, procedures and verbal and other instructions given from time to time with regard to occupational health and safety (including those regarding the use of personal protective equipment);
- g) deliver the necessary training courses prepared by the Company;

- h) make all the communications required by law and the regulations to the supervisory authorities in a timely and proper manner, and in good faith, without hindering in any way the performance of their supervisory functions;
- i) report to the Supervisory Authorities the actions taken and the technical-organisational measures adopted to enhance workplaces and reduce the risks associated with carrying out business activities.

All employees, executives and collaborators are strictly forbidden to:

- initiate, collaborate with or cause conduct that, directly or indirectly, results in the commitment of any occupational health and safety offences identified in the LB Manual of Criminal Offences attached to the Model;
- violate the principles and procedures adopted by the Company in relation to workplace safety, including those envisaged in this Special Part of the Organisational Model;
- access restricted work areas without authorisation;
- deactivate or reduce the efficiency of personal or collective protection devices;
- use machines, equipment, instruments, tools, materials and personal protective equipment that are unsuitable and non-compliant with the current regulations governing the specific “at risk” activities carried out;
- in the context of their authorised duties, carry out activities and operations for which they do not have the required skills, or under unsafe working conditions.

Working together with the Employer, the RSPP must:

- a) Identify periodically the risks relating to occupational health and safety;

- b) Analyse and assess the probability of occurrence and the scope for losses or injuries deriving from workplace safety incidents, having regard for the history of injuries associated with each activity, and work to reduce the number of repetitions;
- c) Update periodically the risk assessment document prepared pursuant to Decree 81/2008, as amended;
- d) Define and periodically update the plan for prevention and protection actions based on the results of the risk assessment performed, as well as the programmes for informing and training workers with regard to their occupational health and safety;
- e) Check periodically on compliance with the technical-structural standards required by law for equipment, plant, workplaces and chemical, physical and biological agents;
- f) Check that workers receive adequate information and training about the prevention and protection measures to be adopted when carrying out their activities and managing emergencies, having regard for the identified specific risks to which they are exposed;

Executives and authorised managers:

are required to monitor effective compliance with the procedures established by the Employer and the adoption of appropriate prevention and protection measures, notifying the Prevention and Protection Office on a timely basis about any exceptions, their causes and any issues identified in relation to occupational health and safety.

Checking criteria

Without prejudice to the discretionary power of the SB to make specific checks following the receipt of reports and otherwise, the SB will also carry out periodic sample checks on business activities potentially at risk of causing death or injuries due to negligence, to ensure that they follow the rules specified in the Model and, in particular, the relevant internal

procedures.

For this purpose, the SB is guaranteed unrestricted access to all relevant corporate documentation.

ENVIRONMENTAL COMPLIANCE

This protocol relates to the management of environmental compliance and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing environmental compliance are listed below:

- 1) management of waste;
- 2) management of atmospheric emissions;
- 3) management of discharged water;
- 4) prevention of contamination of the soil, sub-soil, surface and underground waters;
- 5) management of ozone-depleting substances.

Reference Organisational Units

The management of environmental matters involves both the Chief Executive Officer and the Production Manager, as the person in charge of managing the “environmental” system.

Principles of conduct

All corporate functions involved in any way in this protocol and, more generally, in the management of environmental matters must comply with

the operating procedures detailed in the internal regulations of the Company, the relevant current legislation and the rules of conduct specified in the Code of Ethics.

In particular, all recipients of this document must:

- a. comply with current legislation;
- b. comply with the requirements of Italian and international regulations on the protection of the environment, as well as with all the instructions given by persons with responsibility for saving the environment;
- c. report hazards to the environment promptly to the responsible functions;
- d. work in compliance with the established corporate system of mandates and delegated powers;
- e. avoid pursuing cost and time efficiencies at the expense of the environment.

The person in charge of managing the environmental system must also:

- a. define suitable rules with precise protections to be implemented in order to ensure the necessary level of environmental protection;

- b. promote a culture in which all employees and collaborators participate in this commitment;
- c. guarantee, in part by the formalisation of suitable information, an appropriate level of training and education for employees and third-party collaborators, and check that the latter comply with the environmental regulations and rules of conduct and control defined by LB, where applicable;
- d. disclose promptly to the organisations identified by law and/or internally all reports or risk events or hazards for the environment, regardless of how serious, in compliance with the emergency procedures formalised by the Company.

It is absolutely forbidden to:

- a. provide false information about the nature, composition and chemical-physical characteristics of waste, or falsify in whole or in part the data held regarding the traceability of waste;
- b. behave in a manner that might represent an offence envisaged in Decree 152/2006;
- c. abandon or dump waste unlawfully on land or in the water;
- d. transport waste using Company vehicles on behalf of LB or customers without obtaining the necessary authorisation.

Checking criteria

The checking criteria to be applied by the O.U. involved in managing environmental matters are presented below.

Waste management

The manager of the environmental system, assisted by operators from the O.U. concerned, must:

1. identify suitable areas for the temporary storage of factory waste in order to guarantee compliance with the regulatory requirements;
2. supervise checks on the volume and storage duration of the waste held temporarily, in order to ensure compliance with the relevant legislation;
3. supervise the proper placement of the stored waste, ensuring the presence of suitable signage in the storage areas;
4. check that the suppliers of waste disposal services satisfy the relevant legal requirements (e.g. authorisations, inclusion on the national register of waste managers);
5. check that the contracts signed with the suppliers of waste disposal services contain “231” clauses that would release the Company should they not comply with the principles of conduct adopted by LB OM;
6. carry out periodic checks that the waste managers continue to satisfy over time the above legal requirements, which were verified during selection process;

7. supervise and take all necessary action to ensure that the identification of waste and the related specific methods of disposal is performed carefully, in accordance with the regulations and in compliance with the authorisations granted, using accredited third-party laboratories that have been given full and clear information about the waste production process and guaranteeing the truth and completeness of the declarations made;
8. check the accuracy of the data reported in the annual waste declaration (MUD) before signing it and arrange to send the data to the responsible agencies;
9. check periodically on the receipt, by the legal deadline, of the fourth copy of the Waste Identification Sheet.

Management of atmospheric emissions

The manager of the environmental system, assisted by operators from the O.U. concerned, must:

1. supervise the work to monitor the validity of emission authorisations, making reference to the environmental diary, in order to maintain authorisations and regulatory compliance;
2. check on the proper monitoring of emissions and, if the prescribed / regulatory limits on atmospheric emissions are exceeded, implement the necessary corrective actions to reduce the “excess” or, in any base, comply with the established values and make the required reports to the responsible agencies.

Management of discharged water

The manager of the environmental system, assisted by the Quality function and, as required, by operators from the O.U. concerned, must:

1. check that all discharges are authorised in advance;
2. check the periodic and proper performance of all operations / checks / verifications by the assigned personnel and/or by the suppliers of maintenance services, in order to ensure that the water networks of the installation are in perfect working order and prevent breakages and/or excessive discharges;
3. supervise the proper monitoring of water discharges and check compliance with the current regulatory requirements and environmental authorisations, making reference to the environmental diary;
4. ensure that emergency procedures are implemented properly in the event of spillages or breakages that contaminate the drainage system.

Prevention of contamination of the soil, sub-soil, surface and underground waters

The manager of the environmental system, assisted by operators from the O.U. concerned, must:

1. check that the storage tanks used satisfy the design requirements, given the chemical-physical properties of the substances held and the level of hazard involved;

2. ensure that the movement of polluting substances complies with the operational procedures intended to prevent accidents resulting in the spillage of those substances and pollution of the soil, sub-soil and underground waters;
3. ensure, should pollution occur, that all countermeasures are taken to limit its impact, necessary reports are sent promptly to the responsible agencies and action is taken to determine the extent of the pollution.

Management of ozone-depleting substances

The manager of the environmental system, assisted as necessary by operators from the O.U. concerned, must check that:

1. the installations containing ozone-depleting substances are subjected to periodic maintenance, in order to keep them in good working order, and to checks on the seals of their refrigerant circuits, in order to protect the environment from possible leaks;
2. the installation registration plate, the quantity of ozone-depleting substances and the maintenance information are properly recorded, filed and updated periodically.

GENERAL LEDGER ACCOUNTING AND FINANCIAL STATEMENTS

This protocol relates to the management of the general ledger, the preparation and approval of financial statements and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing the general ledger, and preparing and approving financial statements are listed below:

- management of the general ledger;
- preparation of financial statements.

Reference Organisational Units

The following Functions are involved in the general ledger, and preparing and approving financial statements:

- Chief Executive Officer;
- Administration Department;
- Board of Directors.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of the general ledger and the preparation and approval of financial statements - due to their role or O.U. - are presented below merely by way of example:

a. comply with:

- the Civil Code and other current rules and regulations;

- accounting standards (Italian and/or IAS);

- the Code of Ethics;

b. behave in a proper, transparent and collaborative manner when accounting for the operations of the Company and preparing the annual financial statements;

c. provide the shareholders and the public in general with true and complete information about the economic and financial position of the Company and the outlook for its activities;

d. ensure that, in addition to being properly recorded, each transaction is authorised, verifiable, legitimate, consistent and reasonable;

e. ensure that the statements of economic and financial position are true and correct and prepared on a timely basis;

f. comply scrupulously with all legal requirements that protect the amount and existence of the share capital of the Company, in order to safeguard the guarantees provided to creditors and third parties in general.

It is absolutely forbidden to:

a. prepare or communicate data that is false, incomplete or does not provide a true and fair view of the economic and financial position of the Company;

b. omit the disclosure of data and information required by law regarding the economic and financial position of the Company;

- c. return contributions to the owners or release them from the obligation to make them, except in the case of capital reductions allowed by law;
- d. distribute profits or advance profits not actually earned or those that, by law, must be allocated to reserves;
- e. jeopardise share capital and the reserves not distributable by law by purchasing or subscribing for shares in the Company, except in the cases allowed by law;
- f. make capital reductions, mergers or spin-offs in violation of the laws that protect creditors;
- g. engage in the fictitious formation or increase of share capital;
- h. determine or influence decisions adopted at the shareholders' meeting by preparing false or fraudulent documentation designed to alter the normal process of decision making at the shareholders' meeting.

Checking criteria

The checking criteria to be applied by the O.U. involved in managing the general ledger, and preparing and approving financial statements, are presented below.

Managing the general ledger, preparation and approval of the financial statements

1. Accounting entries are recorded on the system solely by authorised persons who have been assigned suitable access profiles.

2. Management of tax matters with support from an external consultant. All information communicated to the tax advisor must be filed by the Administration Manager.
3. Quarterly check of administrative/accounting data and annual examination of the financial statements by the auditing firm.
4. Check and approval of the annual financial statements by the Board of Directors.
5. Check by the Administration Manager of the documentation provided to the Board of Directors.
6. Periodic check by the Administration Manager of the reconciliation of general ledger balances with the detailed sectional accounts.
7. Resolution by the Board of Directors on the proposed allocation of net profit for the year.
8. Approval of the annual financial statements at the shareholders' meeting.
9. Formalisation in minutes of the decisions made by the Board of Directors.
10. Filing of the minutes of meetings of the Board of Directors by the Administration Department.
11. Filing of all documentation relating to the preparation and approval of the annual financial statements by the Administrative Department.

CASH AND FINANCIAL FLOWS

This protocol relates to the management of cash and financial flows and the associated control criteria.

Risk areas

The activities considered to be “at risk” in the context of managing cash and financial flows are listed below:

- managing payments;
- managing collections;
- managing relations with banks;
- cash management.

Reference Organisational Units

The following persons and functions are involved in managing cash and financial flows:

- Chief Executive Officer;
- Administration Department.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of cash and financial flows - due to their role or O.U. - are presented below merely by way of example:

- a. comply with current laws and regulations;
- b. work in compliance with the corporate system of mandates and delegated powers;
- c. privilege use of the banking channel, where possible, when collecting or paying amounts that derive from the revenue and expenditure cycles of the Company;
- d. issue cheques that are endorsed as non-transferable;
- e. ensure the traceability of the decision-making and authorisation procedures and checking activities carried out;
- f. comply in full with the anti-money laundering regulations and internal procedures and controls.

It is absolutely forbidden to:

- a. open anonymous savings books or accounts or use fictitious names for them, or use accounts opened in foreign branches, when there is no correlation with the underlying economic/commercial activity;
- b. create off-book funds as a result of payments that are not justified (in whole or in part);
- c. hold or transfer cash or bearer bank or postal deposit books or bearer securities denominated in Euro or foreign currencies, if the total amount of all related transactions is equal to or exceeds the limits established by current legislation (Decree 231/2007, as amended);

- d. request the issue and use of bank and postal chequebooks without endorsement of the cheques as non-transferable;
- e. make payments or collect cash and bank and postal cheques for amounts equal to or exceeding the limits established by current legislation and that do not indicate the name or business name of the beneficiary;
- f. make international credit transfers without identifying the counterpart;
- g. make payments that are not adequately documented and authorised;
- h. make cash payments to suppliers in excess of the established amounts;
- i. make any cash payments, except for certain types of purchase, and especially not for large amounts;
- j. promise or make cash payments, directly or via third parties, to officials of the Public Administration on a personal basis, in order to promote or facilitate the interests of the Company or related entities, even as a result of unlawful pressure;
- k. make payments to or remunerate third parties working on behalf of the Company, without appropriate justification in the context of the contractual relationship established with them;
- l. engage in transactions that facilitate the laundering of off-book funds deriving from unlawful or criminal activities;
- m. return banknotes received in good faith to circulation if they are suspected of being false.

Checking criteria

The checking criteria to be applied by the functions involved in managing cash and financial flows are presented below.

Managing payments

1. On the receipt of invoices, check by the Administration Department and the O.U. requesting the goods/services that the amount ordered agrees with amount received in terms of quantity and price. Differences outside of the tolerance are investigated with help from the O.U. concerned.
2. Check of the payment slip and its authorisation by the Chief Executive Officer.
3. Monitoring of compliance with the limits imposed by current regulations on the use of cash.
4. Verification by the Administration Department that the country in which the supplier is registered is the same as that in which the activities were carried out or the goods were supplied, and as the country of the current account to which payment was made.

Managing collections

5. When adding a new customer to the database, the Administration Department checks the identity of the counterpart, regardless of whether it is a legal or natural person.
6. The Administration Department checks that cash movements always take place via financial intermediaries, banks, credit institutions or other parties required to comply with the anti-money laundering directives and on compliance with all legal requirements that limit the use of cash and bearer securities.

7. Verification by the Administration Department that the country in which the customer is registered is the same as that of the related cash flows.

8. Verification of sales above a certain amount and collections below an average payment amount.

Managing relations with banks

9. Bank current accounts, lines of credit and loans are arranged by the Chief Executive Officer.

10. Preparation of bank reconciliations by the Administration Department.

Cash management

11. Verification by the Administration Department of all cash movements and their approval by a person authorised in accordance with the corporate system of mandates and delegated powers.

12. Definition of a maximum limit for cash transactions of not more than Euro 1,000.

13. Records of cash movements are sent by certified e-mail to the Chief Executive Officer.

Intercompany contracts

13. All services provided by Group companies to LB OM must be governed by a written contract;

14. a summary of the service contracts arranged with Group companies is sent periodically to the Board of Statutory Auditors of LB OM;

15. The above service contracts must envisage:

- an obligation for the Company to confirm the truth and completeness of the documentation or information supplied for the purpose of obtaining the services requested;
- the power of the SB of the Company to request information from the SB of the company providing the services or - after informing the latter - from the functions of the company providing the services, in order to perform its supervisory function properly.

Expense advances and reimbursements

This protocol relates to the management of expense advances and reimbursements and the associated control criteria.

This document specifies the principles of conduct and control that must be followed by all LB OM personnel who are involved in any way.

Reference Organisational Units

- Chief Executive Officer;
- Manager of the requesting party;
- Administration Department;

– Employees.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of expense advances and reimbursements - due to their role or O.U. - are presented below merely by way of example:

a. request/authorise expense advances or reimbursements only if incurred for work-related reasons.

It is forbidden to:

- 1) make advances and reimbursements that cannot be justified appropriately in relation to the type of work performed by personnel;
- 2) make payments to external collaborators that cannot be justified appropriately in relation to current local business practices;
- 3) create off-book funds by reimbursing expenses that were not incurred in whole or in part.

Checking criteria

The checking criteria to be applied by the functions involved in managing expense advances and reimbursements are presented below.

Managing expense advances and reimbursements

1. Authorisation of the payment of advances and reimbursements by the Chief Executive Officer.
2. Verification and approval of advances and reimbursements by the Manager of the O.U. to which the requester belongs.
3. Completion by the employee of the expense reimbursement form, indicating the amounts for each type of expenditure, and authorisation of the “expense claim” by the Manager of the O.U. to which the requester belongs.
4. Verification by Administration Department of the consistency of the expense claim with the supporting receipts.
5. Advances to employees are recorded on a form signed by the requester, indicating the amount paid.
6. All documentation relating to the management of expense claims and receipts must be filed by the Administrative Department.

Self-money laundering

This protocol relates to the management of processes designed to prevent self-money laundering and the associated control criteria.

This document specifies the principles of conduct and control that must be followed by all LB OM personnel who are involved in any way.

Legal background

Art. 3, para. 5, of Law 186/2014 added the crime of self-money laundering to the list of offences envisaged in Decree 231/01 and subject to penalties for the Company if committed.

The special nature of self-money laundering establishes an unusual link between that crime and Decree 231/2001.

While art. 648-ter1 of the Criminal Code applies to whoever invests the proceeds deriving from a deliberate crime of any type, the inclusion of this crime among those envisaged in Decree 231/2001 paves the way for the Company to have administrative responsibility for a series of envisaged offences currently not specified in the Decree.

Self-money laundering exists if the following three conditions are satisfied at the same time:

- 1) the party creates or contributes to the creation of proceeds, in the form of money, assets or other benefits, as a result of a deliberate crime;
- 2) the party employs those proceeds, via subsequent, independent conduct, in entrepreneurial, economic and/or financial activities;
- 3) a concrete obstacle is created to the process of identifying the criminal sources of the above proceeds;

it follows that all deliberate crimes capable of generating profits represent a risk for the Company, as their commitment would be the first step in committing the crime of self-money laundering.

At corporate level, therefore, prevention of the crime of self-money laundering must be based on the prevention of deliberate crimes that are capable of generating investible profits, such as:

- a) crimes against assets;
- b) offences against the Public Administration;
- c) corporate offences;
- d) crimes against public trust;
- e) organised crimes;
- f) tax and financial offences.

In particular, with regard to the offences referred to in letter f), the following tax offences might give rise to administrative responsibility pursuant to Decree 231/01:

- a) fraudulent declarations using invoices or other documents for non-existent transactions;
- b) fraudulent declarations by other means;
- c) untrue declarations;
- d) omitted declarations;
- e) issue of invoices or other documents for non-existent transactions;
- f) hiding or destruction of accounting documents;
- g) failure to pay over certified withholding taxes;
- h) failure to pay over VAT collected;
- i) improper offsets;
- j) fraudulent failure to pay taxes due;

Risk areas

Given the above legal background and that the above deliberate crimes capable of generating profits, excluding the tax and financial offences, have already been mapped and processed as separate envisaged offences giving rise to administrative responsibility, the following risk areas are identified in the context of the potential use / substitution / transfer of cash / assets / benefits deriving from the commitment of a deliberate crime:

- management of invoicing;
- management of payments;
- management of collections;
 - management of purchases;
 - management of financial investments;
 - management of transfers of goods or benefits, including intercompany transfers.

Reference Organisational Units

- Chief Executive Officer;
- Administration Department;
 - External accounting manager;
 - Purchasing Department.

For various reasons, the above activities may also involve other Organisational Units and/or persons authorised in accordance with the corporate system of mandates and delegated powers.

Principles of conduct

Without prejudice to the requirements of the Code of Ethics, the main principles of conduct to be followed by all Recipients of the Model involved in the management of processes to prevent self-money laundering - due to their role or O.U. - are presented below merely by way of example:

All recipients of this protocol are forbidden to:

- initiate, collaborate with or cause conduct that results, directly or indirectly, in commitment of any of the offences considered above;
- violate the principles and procedures adopted by the Company and/or envisaged in this Special Part.

Accordingly, this Special Part places an express obligation on the above recipients to:

1. behave in a proper, transparent and collaborative manner, ensuring compliance with laws and internal procedures, when carrying out all activities linked to the issue and recording of invoices, the keeping of the accounting records, the recording of related movements and the preparation of financial statements;
2. ensure that all accounting processes are carried out in a transparent and documented manner.

Specifically, it is absolutely forbidden to:

- a) provide unnecessary services or invoice services that have not actually been provided;
- b) issue duplicate invoices for the same service;
- c) fail to issue credit notes if, even in error, services are invoiced that have not been provided or are not eligible for payment;
- c) fail to record and document the funds of LB OM and their movements;
- d) present false declarations or documents or omit necessary information in order to apply for or use grants, loans, assisted loans or other funds of the type listed and made available by the State, the PA in general, other public bodies or the EU or other international public bodies;
- e) allow any commercial incentives that are inconsistent with authorised limits and that have not been approved and recorded in accordance with the established internal procedures;
- f) recognise any commission, discounts, rebates or allowances that have not been authorised in accordance with current regulations and granted officially to companies upon presentation of documentary support.

Corruption between private persons

This protocol relates to the management of processes designed to prevent the crime of corruption between private persons, envisaged and punished by art. 2635 of the Civil Code, and the associated control criteria. This crime falls within the wider context, already discussed, of preventing all types of corruption.

This document specifies the principles of conduct and control that must be

followed by all LB OM personnel who are involved in any way.

Risk areas

- Management of relations with customers or suppliers;
- Management of the selection and recruitment of personnel;
- Management of relations with banks and creditors.

Reference Organisational Units

- Chief Executive Officer;
- Statutory Auditors;
- All business functions;
- All employees.

Principles of conduct

All recipients of this protocol are forbidden to:

- request or receive, offer or give directly or via intermediaries, remuneration, gifts, economic or other benefits, from/to private persons and/or bodies represented directly or indirectly by them, unless they do not exceed a modest value, normal courtesy or business practice and, in any case, cannot be interpreted as seeking improperly to influence the relations between LB OM and the persons and/or bodies represented directly or indirectly by them, even via the use of personal funds or resources;
- make payments of modest value, not contemplated by corporate procedures or those of the receiving body, in order to accelerate, facilitate or guarantee the performance of an activity already falling within the duties of the private

persons or bodies with which LB OM maintains relations, even via the use of personal funds or resources;

Furthermore, all activities representing payments or gifts in any form, carried out in the context of the areas indicated above, must be properly recorded among the accounting documentation.

LB OM must prepare accounting documents that reflect every transaction in reasonable detail, as well as implement and execute suitable checks to guarantee that:

- transactions are real and only carried out following authorisation from senior management;
- transactions are recorded in order to allow the preparation of financial statements in accordance with the accounting policies adopted;

No practices whose nature and substance make them equivalent to corruption, including payments for proper and routine activities, can be tolerated merely because they are “normal” in the business sector or country in which the activities are carried out.

No service can be required or accepted if provided in violation of the values and principles of the Code of Ethics, or in violation of the law and the procedures described in the Model.