ANNEX "A"

MAJOR CRIMES AND RISKY ACTIVITIES

PROTOCOLS AND PRESCRIPTIONS

INDEX

Premises

It should be noted that this document is divided into annexes (hereinafter also referred to as "**Annexes"), due to the different categories of** Predicate Offences and activities at risk for Angiodroid S.p.A. Each Annex contains:

1. a brief description of the types of Predicate Offence;
2. the processes and business activities deemed to be at risk of committing the same predicate offences;
3. a summary of the system of controls and preventive protocols adopted by the Company;
4. the principles of conduct and the specific behavioural requirements that must be adopted by the Recipients in relation to the offences considered.

The areas and activities of the Company exposed to the risk of committing the Predicate Offences (all precisely indicated in paragraph 2 of the following Annexes) were specifically mapped and identified in detail during the *risk assessment* activities carried out by the Company, pursuant to the Decree, prior to the adoption of the Organisational Model and its subsequent update. The results of this activity (which are referred to here in full), together with the description of the methodology used and the operational steps followed for the purpose of identifying the activities at risk, are reported in the relevant *risk assessment* documentation and are to all intents and purposes an integral part of this Model. It should be noted that the risk areas considered for each annex include both the indication - for each area - of the specific activities considered to be directly related to the risk of committing the Offences ("**Direct Risk Activities**"), as well as those activities which, although not having any direct relationship with the Offences, could nevertheless meet the conditions or pre-constitute the means and instruments for the commission of the offences in question (" **Instrumental Activities**").

Reference should be made to the relevant *risk assessment* documentation both for the detailed association between each risk activity and the individual types of crime considered relevant in the context of the Offences considered from time to time, and for the illustrative indication of the possible methods of committing the same, as well as for the detailed identification of the control system adopted by the Company for their prevention (including, among other things, rules of conduct, company policies and procedures, traceability and organization tools), which is to all intents and purposes an integral part of this Model.
The *risk assessment* documentation is kept in a specific archive set up at the Company's registered office ("**Archive 231**").

Finally, it should be noted that this document is limited to identifying and summarizing the descriptive content and the general principles relevant to the preparation of the Model, since the actual identification of risk prevention systems is concretely defined through reference to the control tools used in the company's operating reality (including the

Company's Code of Ethics, procedures, operating instructions, *policies*, authorization systems, organizational structure, system of proxies and powers of attorney, rules of conduct, methods of management of financial resources, traceability and documentation tools, etc.), to be understood as fully referred to in this Model through the references contained in this document and in the *risk assessment* activities. And in fact, for reasons of brevity, as well as of the "practicability" and functionality of the Organizational Model itself, it is necessary not to slavishly and materially transcribe within this document the entire system of procedures and further controls in place, all the more so when one considers that the set of these operational control tools constitute a "living body", dynamic and constantly evolving, subject to almost daily updating needs precisely in order to ensure its effective implementation (think, for example, of the operating instructions of the quality management system). **Nevertheless, the Company's Code of Ethics, and the aforementioned procedures and control systems must be understood as an integral and essential part of the Organizational Model, of which they constitute the "operational" core.**

The Company's Board of Directors, also on the initiative and suggestion of the Supervisory Body, will have the right to supplement the Model at any time, to amend its parts and to add further annexes or Special Parts.

Angiodroid S.p.A.

Organizational Model

Special part

ANNEX "1"
CRIMES AGAINST THE PUBLIC ADMINISTRATION AND CORRUPTION BETWEEN PRIVATE INDIVIDUALS

1. RELEVANT OFFENCES

Knowledge of the structure and application requirements of the offences that may give rise to liability pursuant to the Decree is an essential component of the prevention activities envisaged within the framework of the Organisational Model adopted by the Company.

In consideration of the above, the following is a brief description of the relevant crimes against the Public Administration pursuant to Articles 24 and 25 of the Decree, as well as the crimes of *"Corruption between private individuals"* (Article 2635 of the Italian Civil Code) and "*Instigation to corruption between private individuals"* (Article 2635 *bis of* the Italian Civil Code), referred to in Article 25 ter of Legislative Decree 231/2001.

1.1 Public official and person in charge of a public service

First of all, it should be clarified that the concept of Public Administration in the criminal sense is different and broader than the common one. In fact, the types of crimes against the Public Administration acquire relevance if committed by or against "public officials" and "persons in charge of public service", i.e. subjects who may not even belong to the Public Administration subjectively understood (thus, for example, the notary can be a public official even if he is not part of the Public Administration).

Concept of public official

Art. Article 357 of the Criminal Code defines "public officials" as those who exercise a legislative, judicial or administrative function". Consequently, what matters for the purposes of the concept of public official is the specific function performed by the staff member and not whether it is public or private.

More precisely, those who perform a function must be considered p.u.:

1. legislative: i.e. those public bodies (Parliament, Regions and Government) which, according to the Italian Constitution, have the power to issue acts having the force of law;
2. judicial: i.e. those judicial bodies (civil, criminal and administrative) and their auxiliaries (registrar, secretary, expert, interpreter, etc.), for the application of the law to the specific case;
3. administrative: i.e. those who carry out an activity governed by public law rules (with the exclusion, therefore, of activities regulated by private acts such as contracts) and who are holders of deliberative, certifying or authoritative powers.

It should be noted that deliberative power means the power to participate in the formation and manifestation of the will of the Public Administration (e.g., the mayor or councillor of a municipality, the member of tender commissions as well as other subjects who, in the exercise of their functions, contribute to "forming" the will of the Public Administration).

By authoritative power we mean the power that allows the P.A. to achieve its goals through real commands, with respect to which the private individual is in a position of subjection (for example, the power exercised by members of the police, inspection offices, officials of supervisory bodies – Bank of Italy and Consob – etc.).

The power of certification is the power to draw up documentation to which the legal system attributes privileged probative value (think, for example, of the power granted to notaries).

Concept of public service officer

Art. Article 358 of the Criminal Code defines "persons in charge of a public service as those who, for whatever reason, provide a public service", as such as "an activity regulated in the same forms as the public function, but characterized by the lack of the typical powers of the latter, and with the exclusion of the performance of simple tasks of order and the provision of merely material work". The expression "in any capacity" must be understood in the sense that a person exercises a public function, even without a formal or regular investiture (in charge of a "de facto" public service): even in this case, in fact, the relationship between the P.A. and the person who performs the service is not relevant, but rather the activity actually carried out.

"Public Service" means an activity governed by public law and authoritative acts, but characterized by the lack of authoritative, deliberative and certifying powers. The public service is therefore an activity governed in the same way as the civil service (i.e. by rules of public law or by authoritative acts), but which lacks the powers typical of the latter.
Examples of public service appointees are: employees of supervisory authorities who do not contribute to forming the will of the authority and who do not have authoritative powers, employees of entities that perform public services even if they are private entities, employees of public offices, etc.

1.2 Corruption

Article 318 of the Criminal Code: Corruption in the exercise of office

A public official who, in the exercise of his functions or powers, unduly receives, for himself or for a third party, money or other benefits or accepts the promise thereof shall be punished with imprisonment from three to eight years.

Article 319 of the Criminal Code: Corruption for an act contrary to official duties

A public official who, by omitting or delaying or omitting or delaying an act of his office, or by performing or having performed an act contrary to the duties of office, receives, for himself or for a third party, money or other benefits, or accepts the promise thereof, shall be punished with imprisonment from six to ten years

Article 319 *bis of* the Criminal Code: Aggravating circumstances

The penalty shall be increased if the act referred to in Article 319 relates to the conferral of public employment, salaries or pensions, or the conclusion of contracts in which the administration to which the public official belongs is concerned, and the payment or reimbursement of taxes.

Article 319 *ter* of the Criminal Code: Corruption in judicial acts

If the acts referred to in Articles 318 and 319 are committed to favour or harm a party in civil, criminal or administrative proceedings, the penalty of imprisonment of between six and twelve years shall apply.

If the act results in the unjust sentence of a person to imprisonment not exceeding five years, the penalty shall be imprisonment from six to fourteen; if the unjust sentence of imprisonment of more than five years or life imprisonment is resulted, the penalty shall be imprisonment from eight to twenty years.

Article 320 of the Criminal Code: Corruption of a person in charge of a public service

The provisions of Articles 318 and 319 shall also apply to a person in charge of a public service.

In any case, the penalties shall be reduced by no more than one third.

Article 321 of the Criminal Code: Penalties for the corruptor

The penalties laid down in the first paragraph of Article 318, Article 319, Article 319a, Article 319b and Article 320 in relation to the above-mentioned cases of Articles 318 and 319 shall also apply to any person who gives or promises money or other benefits to a public official or person in charge of a public service.

Article 322 of the Criminal Code: Incitement to corruption

Any person who offers or promises money or other benefits not due to a public official or to a person in charge of a public service, for the exercise of his functions or powers, shall, if the offer or promise is not accepted, be subject to the penalty laid down in the first paragraph of Article 318, reduced by one third.

If the offer or promise is made in order to induce a public official or a person in charge of a public service to omit or delay an act of his office, or to do an act contrary to his duties, the offender shall, if the offer or promise is not accepted, be subject to the penalty laid down in Article 319, reduced by one third.

The penalty referred to in the first paragraph shall apply to a public official or person in charge of a public service who solicits a promise or donation of money or other benefits for the performance of his duties or powers.

The penalty referred to in the second paragraph shall apply to a public official or person in charge of a public service who solicits a promise or donation of money or other benefits from a private individual for the purposes indicated in Article 319.

Article 322bis of the Criminal Code: Embezzlement, bribery, undue inducement to give or promise benefits, corruption and incitement to bribery of members of international courts or

organs of the European Communities or international parliamentary assemblies or international organizations and officials of the European Communities and foreign States

The provisions of Articles 314, 316, 317 to 320 and the third and fourth paragraphs of Article 322 shall also apply:

(1) the members of the Commission of the European Communities, the European Parliament, the Court of Justice and the Court of Auditors of the European Communities;

(2) officials and other servants engaged under contract under the Staff Regulations of Officials of the European Communities or the Conditions of Employment of Servants of the European Communities;

(3) persons seconded by the Member States or by any public or private body attached to the European Communities performing duties corresponding to those of officials or servants of the European Communities;

(4) members and employees of bodies established on the basis of the Treaties establishing the European Communities;

(5) persons who, within other Member States of the European Union, perform functions or activities corresponding to those of public officials and persons in charge of a public service;

(5a) judges, prosecutors, assistant prosecutors, officials and servants of the International Criminal Court, persons seconded by States Parties to the Treaty establishing the International Criminal Court who perform functions corresponding to those of officials or servants of the International Criminal Court, and members and employees of bodies established on the basis of the Treaty establishing the International Criminal Court;

(5-ter) persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within international public organisations;

(5-quarter) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;

5-d) to persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within States outside the European Union, where the act offends the financial interests of the Union.

The provisions of the second paragraph of Articles 319-quarter, 321 and 322, first and second paragraphs, shall apply even if the money or other benefit is given, offered or promised:

(1) the persons referred to in the first paragraph of this Article;

(2) persons who perform functions or activities corresponding to those of public officials and persons in charge of a public service within other foreign States or international public organisations.

The persons referred to in the first subparagraph shall be treated in the same way as public officials, where they perform corresponding functions, and as persons entrusted with a public service in other cases.

Corruption consists of an agreement between a private individual and a public official or a person in charge of a public service through which the former gives or promises the latter a sum of money or another benefit to "reward" him for the exercise of his function or powers

(so-called corruption for the exercise of the function) or to induce him to perform an act contrary to the duties of his office or to delay/ omit a dutiful one.

In essence, the rules on corruption are intended to sanction any conduct aimed at remunerating a public official or a person in charge of a public service in exchange for his or her willingness to serve the public service.

The rules on corruption were amended by Law no. 190 of 6 November 2012 on "*Provisions for the prevention and repression of corruption and illegality in the public administration*", as part of an overall intervention to combat corruption, characterised – in general – by a tightening of penalties of the existing rules, as well as by the introduction of new types of offences (including the offence of undue inducement to give or promise money or benefits and the crime of corruption between private individuals, on which see below) and recently, by a further regulatory intervention, Law No. 3 of 9 January 2019 on "Measures to combat crimes against the public administration, as well as on the statute of limitations of the crime and on the transparency of political parties and movements" which determined, Among others, a tightening of the penalties provided for certain crimes of corruption, as well as the reformulation of art. 346-bis of the Criminal Code "Trafficking in illicit influence" (see *below*), introduced into the Criminal Code by the so-called "Severino" law (Law no. 190/2012).

Corruption is necessarily a multi-subjective crime, in the sense that, for its subsistence, there must be conduct both on the part of the public official, who accepts the bestowal or promise of the benefit, and on the part of the private individual, who gives or promises the money or utility.

In general, the penal code punishes both public officials and private individuals.

In this regard, it should be noted that, in general, the offence exists for the sole fact that a sum of money or other benefit has been given or even simply promised to the public official, without the need for the performance of the act (the latter is only the end to which the promise or bestowal must tend).

It is further emphasized that in order to constitute the crime of incitement to corruption, the simple offer or promise is sufficient, provided that this is characterized by adequate seriousness and is capable of psychologically disturbing the public official or the person in charge of public service so as to give rise to the danger that he or she will accept the offer or promise.

In addition, it should be noted that the object of the promise or donation may consist either of a sum of money paid to the public official, even indirectly or through an intermediary, or of any benefit, including of a non-pecuniary nature, in favour of the public official or persons connected to him (think, for example, of the attribution of fictitious advice to a family member of the public official, or the employment of the family member himself).

Finally, it should be remembered that, pursuant to art. 322 bis of the Criminal Code, the crimes of bribery and corruption are also relevant if they refer to members of international courts or bodies of the European Communities or of international parliamentary assemblies or international organizations and officials of the European Communities and foreign States.

Article 346-bis of the Criminal Code: Trafficking in illicit influence

Anyone who, except in cases of complicity in the offences referred to in Articles 318, 319, 319-ter and in the offences of corruption referred to in Article 322-bis, exploiting or boasting existing or alleged relationships with a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, unduly causes to be given or promised, to himself or to others, money or other benefits, as the price of his illicit mediation towards a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, or to remunerate him in relation to the exercise of his functions or powers, shall be punished with imprisonment from one year to four years and six months.

The same penalty applies to those who unduly give or promise money or other benefits.

The penalty is increased if the person who unduly causes money or other benefits to be given or promised to himself or to others is a public official or person in charge of a public service.

The penalties shall also be increased if the acts are committed in connection with the exercise of judicial activities or to remunerate the public official or the person in charge of a public service or one of the other subjects referred to in Article 322-bis in relation to the performance of an act contrary to official duties or the omission or delay of an act of his office.

If the facts are particularly minor, the penalty is reduced.

Article 346-bis of the Criminal Code: Trafficking in illicit influence

Anyone who, except in cases of complicity in the offences referred to in Articles 318, 319, 319-ter and in the offences of corruption referred to in Article 322-bis, exploiting or boasting existing or alleged relationships with a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, unduly causes to be given or promised, to himself or to others, money or other benefits, as the price of his illicit mediation towards a public official or a person in charge of a public service or one of the other subjects referred to in Article 322-bis, or to remunerate him in relation to the exercise of his functions or powers, shall be punished with imprisonment from one year to four years and six months.

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The penalties shall also be increased if the acts are committed in connection with the exercise of judicial activities or to remunerate the public official or the person in charge of a

public service or one of the other subjects referred to in Article 322-bis in relation to the performance of an act contrary to official duties or the omission or delay of an act of his office.
If the facts are particularly minor, the penalty is reduced.

The offence referred to in art. 346-bis of the Criminal Code, introduced into the Criminal Code by Law no. 190/2012, with which an organic reform of crimes against the Public Administration was implemented, was reformulated by Law no. 3 of 9 January 2019 "Measures to combat crimes against the public administration, as well as in the matter of the statute of limitations of the crime and in the matter of transparency of political parties and movements".
With the provision of the crime of "Trafficking in illicit influences", the legislator intended to extend criminal protection also to "grey areas" of fraudulent activities which, although not integrating the extremes of a real corrupt agreement, are endowed with a significant criminal potential.

The case in question incriminates, with a view to anticipating protection, conduct instrumental to the implementation of future unlawful agreements, punishing in particular those who, by exploiting existing relationships with a public official or person in charge of a public service, unduly give or promise themselves or others money or other benefits as the price of their mediation (to the advantage, or, alternatively, as remuneration for the public official.

The crime punishes both the intermediary of the corrupt agreement and the corruptor with the provision of the same penalty. In the event that the mediation is successful – the trafficker actually works with the public official and the latter accepts the promise or the donation of money – there will be, on the other hand, a trilateral concurrence in the most serious crime of corruption for the exercise of the function (Article 318 of the Criminal Code), own corruption (Article 319 of the Criminal Code), corruption in judicial acts (Article 319-ter of the Criminal Code) or against the Community and international Public Administration (Article 322-bis of the Criminal Code) with the absorption of the disvalue of the fact and exclusion of the punishability of the minor crime referred to in art. 346-bis of the Criminal Code.

<u>Article 353 of the Criminal Code: Disturbed freedom of enchantments</u>
Anyone who, by violence or threats, or with gifts, promises, collusion or other fraudulent means, prevents or disturbs the tender in public tenders or private tenders on behalf of public administrations, or drives away bidders, shall be punished with imprisonment from six months to five years and a fine from €103 to €1,032.
If the offender is a person appointed by law or authority to carry out the aforementioned enchantments or tenders, imprisonment is from one to five years and the fine from €516 to €2,065.

The penalties set out in this article shall also apply in the case of private tenders on behalf of private individuals directed by a public official or a legally authorised person, but shall be reduced by half.

The crime in question occurs in cases where the competition in public tenders or private tenders on behalf of public administrations is prevented or disturbed, by means of violence or threats, gifts, promises, collusion or other fraudulent means.
Since it is an offence of danger, this offence arises regardless of whether or not the race is successful, it being sufficient that the regular course of the race has been diverted.

Article 353-bis of the Criminal Code: Disturbed freedom of the procedure for choosing the contractor
Unless the act constitutes a more serious crime, anyone who, by means of violence or threats or gifts, promises, collusion or other fraudulent means, disturbs the administrative procedure aimed at establishing the content of the notice or other equivalent act, in order to condition the manner in which the public administration chooses the contractor, shall be punished with imprisonment from six months to five years and a fine from €103 to €1,032.

The offence provided for by art. Article 353 bis of the Criminal Code punishes the conduct of anyone who disturbs the administrative procedure aimed at establishing the content of the notice or other equivalent act with violence or threats, or with gifts, promises, collusion or other fraudulent means, in order to condition the methods of choice of the contractor by the Public Administration.

1.3 Bribery and undue inducement to give or promise benefits

Article 317 of the Criminal Code: Bribery
A public official or person in charge of a public service who, by abusing his position or powers, compels someone to give or promise unduly money or other benefits to him or to a third party shall be punished with imprisonment of between six and twelve years.

Bribery occurs when the public official or the person in charge of a public service, abusing his or her position or powers, "forces" someone to give or unduly promise, to him or even to a third party, money or other benefits, which may consist of any pecuniary or non-pecuniary advantage, including of a moral nature (including favors of a sexual nature, political advantage, etc.),
Compulsion presupposes the exercise, by the public official or person in charge of a public service, of violence or threats such as to alter the process of forming the will of the private individual, determining him to make a choice different from the one he would otherwise have made. In essence, the private individual is presented with a "just evil". In essence, in the face of the prevaricatory attitude of the active subject, the private individual is left with no other option than to pay or promise the undue benefit, for the sole purpose of avoiding even greater damage.

This explains why, in the crime of extortion, the active subject, sanctioned by the law, is only the public official or the person in charge of a public service and not, on the other hand, the private bribery who is considered the victim of the crime.

The private individual may participate in the commission of the offence when, through his own conduct, he materially concurs with the public official or with the person in charge of a public service to coerce, by threats or other fraudulent means, the will of the taxable person to induce him to make an undue promise, or he morally concurs with the active subject through any activity or attitude which, acting on the will of the latter, it gives rise to or reinforces the criminal intent (e.g. during a tax audit by the Guardia di Finanza, the subject, even an employee, may carry out conduct that, together with the coercion put in place by the public official or in agreement with him, contributes to the commission of the crime by determining a colleague to the bestowal or undue promise).

Article 319 *quarter of the* Criminal Code: Undue inducement to give or promise benefits
Unless the act constitutes a more serious offence, a public official or person entrusted with a public service who, by abusing his position or powers, induces someone to improperly give or promise money or other benefits to him or to a third party shall be punished with imprisonment from six years to ten years and six months.
In the cases referred to in the first paragraph, any person who gives or promises money or other benefits shall be punished with imprisonment of up to three years

The crime of undue inducement to give or promise benefits was introduced by Law 190/2012.

The constitutive fact of the crime in question is represented by the coercion of the will of the private individual, which occurs when the public official, abusing his quality and powers, "induces" the private person to give or promise services that are not due. The conduct of the private individual may have as its object both money and also other benefits (e.g. through various hires or gifts, including apartments, cars or various benefits, etc.), which may benefit both the public official and third parties.

Unlike the crime of extortion, in which the will of the private person is completely subjugated by the coercion of the public official, the conduct of "induction" is characterized by a lesser intensity, which nevertheless places the private person in a state of psychological subjection. In such a case, however, precisely because of the lower intensity of the pressure exerted by the public official, the private individual retains a certain freedom of choice and acts not to escape an unjust evil (as happens in the case of bribery), but rather to obtain an undue advantage which, otherwise, he could not obtain. In essence, the private individual is certainly in an unequal condition, but he still remains free to comply with the unlawful request of the public official, which explains why, in the case of induction, the private individual is also liable for the offence committed, even if the penalty is reduced.

Legislative Decree no. 75/2020 extended the scope of application of the aforementioned offence to conduct that offends the financial interests of the European Union, however there is a limit of punishability that excludes from criminal liability cases in which the damage or profit from the crime does not exceed 100,000.00 euros.

1.4 Embezzlement and abuse of office

The offences considered in this paragraph have been introduced into art. 25 of Legislative Decree no. 231/2001 by Legislative Decree no. 75 of 14 July 2020, which intervenes in the implementation of EU Directive 2017/1371 (the so-called PIF Directive), relating to the fight against fraud affecting the financial interests of the European Union. In fact, the liability of the Entity for the following offences exists only when their commission offends the financial interests of the European Union.

Embezzlement (Article 314, paragraph 1, of the Criminal Code)
A public official or person in charge of a public service who, by reason of his office or service, possesses or otherwise has the possession or other movable property of another, appropriates it, shall be punished with imprisonment from four to ten years and six months.
The penalty of imprisonment from six months to three years applies when the offender has acted for the sole purpose of making momentary use of the thing, and this, after momentary use, has been immediately returned.

Embezzlement by profiting from the mistake of others (Article 316 of the Criminal Code)
A public official or person in charge of a public service who, in the performance of his duties or service, taking advantage of the error of another, receives or improperly retains, for himself or for a third party, money or other benefits, shall be punished with imprisonment from six months to three years.
The penalty is imprisonment from six months to four years when the act offends the financial interests of the European Union and the damage or profit exceeds €100,000.

Art. 314 of the Criminal Code applies to the Entity within the limits of the first paragraph, since the hypothesis of embezzlement does not fall within the list of predicate crimes pursuant to Legislative Decree 231/2001.
Embezzlement essentially represents the crime of embezzlement committed by a public official or a person in charge of a public service, it is therefore a crime aimed at harming the good performance of the PA and the patrimonial interests of the same and of private individuals.
The prerequisites of the conduct are: 1) the possession (de facto power over the property) or the availability (possibility of disposing) of the thing, where with this last term the peculate is made configurable even in cases of mediated possession (the agent disposes of the thing by means of the possession of others, so that in any case the agent can return to hold it at

any time); 2) the existence of a functional relationship between the thing and the agent, given by the fact that the latter must have ownership over the thing according to his office or service; 3) the altruism of the good.
It is a crime of mere conduct in which appropriation is punished, understood as behaving uti dominus towards the money or movable thing possessed.
In the specific case of embezzlement by profiting from the mistake of others, on the other hand, the typical fact consists in the receipt (undue acceptance) or retention (withholding of what has been delivered by mistake) of money or other benefits. Such goods must have come to the public entity during the exercise of its functions or service, by means of spontaneous delivery by a third party who is mistakenly convinced of the correctness of his actions. Fraud, here generic, consists in the awareness on the part of the active subject of such an error and in taking advantage of it.

Abuse of office (Article 323 of the Criminal Code)
Unless the act constitutes a more serious offence, a public official or person in charge of a public service who, in the performance of his duties or service, in violation of specific rules of conduct expressly provided for by law or by acts having the force of law and from which no margin of discretion remains, or by failing to abstain in the presence of his own interest or that of a close relative or in other prescribed cases, intentionally procures an unfair financial advantage for himself or others or causes unjust damage to others, is punishable by imprisonment of between one and four years.
The penalty is increased in cases where the advantage or damage is of a significant nature.

The offence in question has its own nature, given that the active subject can only be a public official or a person in charge of a public service, it is a restricted conduct, as the conduct of the offender, relevant for the purposes of committing the crime, is expressly regulated by the law, and provides, on a subjective level, for the intentional intent of the agent. Therefore, the liability of the Entity arises only in the event that one of its representatives acts, in the interest or to the advantage of the organization, in conjunction with the public entity. Who, in turn, must operate in the exercise of his functions, in violation of specific rules of conduct expressly provided for by law or by acts having the force of law and from which no margin of discretion remains, or by failing to refrain in the presence of his own interest or that of a close relative or in the other prescribed cases and with the intention of procuring for himself or others an unfair financial advantage or to cause to others others an unjust damage.

1.5 Fraud against the state or other public body

Article 640, paragraph 2, no. 1, of the Criminal Code: Fraud
Anyone who, by artifice or deception, misleading someone, procures for himself or others an unjust profit to the detriment of others, is punished with imprisonment from six months to three years and a fine from €51 to €1,032.
The penalty is imprisonment from one to five years and a fine from €309 to €1,549:

1) if the act is committed to the detriment of the State or another public body or the European Union or under the pretext of exempting someone from military service;
(2) if the offence is committed in such a way as to give rise to the injured party's fear of an imaginary danger or to mistaken the belief that he or she must comply with an order issued by the Authority;
2-bis. if the act is committed in the presence of the circumstance referred to in Article 61, number 5).
The offence is punishable on complaint by the injured party, unless one of the circumstances provided for in the previous paragraph or the aggravating circumstance provided for by art. 61, first paragraph, number 7.

For the purposes of applying the provisions of Legislative Decree 231/2001, the case of fraud is relevant only in the event that the taxable person of the artifices and deceptions that characterize the related conduct is the State or other public body or the European Union, in the face of the amendment introduced by Legislative Decree no. 75/2020 (art. 640, paragraph 2, no. 1).

The crime of fraud to the detriment of the State or other public body occurs when, by fraudulently misleading someone through artifice or deception, the active subject procures for himself or others an unfair profit, to the detriment of the State or other public body. Think, for example, of the transmission to the tax authorities of documentation containing false information in order to obtain an undue tax refund; or, more generally, to the sending to social security institutions or local administrations of communications containing false data with a view to any advantage or facilitation for the Company.

1.6 Computer Fraud

Article 640-ter *of the* Criminal Code: Computer fraud to the detriment of the State or other public body
Anyone who, by altering in any way the operation of a computer or telematic system or intervening without right in any way on data, information or programs contained in a computer or telematic system or pertaining to it, procures for himself or others an unfair profit to the detriment of others, is punished with imprisonment from six months to three years and a fine from € 51 to € 1,032.
The penalty is imprisonment from one to five years and a fine from €309 to €1,549 if one of the circumstances provided for in number 1) of the second paragraph of Article 640 occurs, i.e. if the act produces a transfer of money, monetary value or virtual currency or is committed with abuse of the capacity of system operator.
The penalty is imprisonment from two to six years and a fine from €600 to €3,000 if the act is committed with theft or improper use of the digital identity to the detriment of one or more subjects.
The offence is punishable on complaint by the injured party, unless one of the circumstances referred to in the second and third paragraphs or some of the circumstances provided for in

Article 61, first paragraph, number 5, occurs, limited to having taken advantage of personal circumstances, also with reference to age, and number 7.

For the purposes of applying the provisions of Legislative Decree 231/2001, the case of computer fraud is relevant with regard to crimes against the PA only in the event that the alteration of the computer or telematic system or the data contained therein is perpetrated to the detriment of the State or other Public Body.

The agent's fraudulent activity does not affect the person, but the computer system pertaining to him/her, through his/her manipulation.

The conducts punished by the law include alterations of the electronic registers of the Public Administration to make it appear that essential conditions exist for participation in tenders or for the subsequent production of documents certifying non-existent facts and circumstances or, again, to modify tax and/or social security data of interest to the company (e.g. 770 form) already transmitted to the administration.

1.7 Fraud in public procurement

Article 356 of the Criminal Code: Fraud in public supplies
Anyone who commits Fraud in the execution of Supply Contracts or in the fulfilment of the other contractual obligations indicated in the previous article shall be punished with imprisonment from one to five years and a fine of not less than €1,032.
The penalty shall be increased in the cases provided for in the first paragraph of the preceding article.

The rule, introduced by Legislative Decree 75/2020, concerns all activities relating to "public supply" contracts, i.e. agreements concluded with the State, with a public body, or with a company providing public services or public necessity, aimed at providing goods and services. The fraudulent element can be identified in contractual bad faith, i.e. in the presence of a malicious expedient or deception, such as to make the performance of the contract appear to be in conformity with the obligations assumed. It is therefore required that the acting party conduct does not comply with the duties of commercial loyalty and morality and contractual good faith.

1.8 Offences relating to public disbursements

Article 316bis of the Criminal Code: Embezzlement of public disbursements
Any person who is not a member of the public administration and who has obtained from the State or from another public body or from the European Communities contributions, subsidies, loans, subsidised loans or other disbursements of the same type, however named, intended for the achievement of one or more purposes, does not allocate them to the intended purposes, shall be punished with imprisonment from six months to four years.

Article 316 *ter* of the Criminal Code: Undue receipt of public disbursements
"Unless the fact constitutes the offence provided for in Article 640-bis, anyone who, through the use or presentation of false declarations or documents or attesting to things that are not true, or through the omission of due information, unduly obtains, for himself or for others, contributions, subsidies, loans, subsidised loans or other disbursements of the same type, however called, granted or disbursed by the State, by other public bodies or by the European Communities shall be punished with imprisonment of between six months and three years. The penalty is imprisonment from one to four years if the act is committed by a public official or a person in charge of a public service with abuse of his or her position or powers. The penalty is imprisonment from six months to four years if the act offends the financial interests of the European Union and the damage or profit exceeds €100,000.
When the amount unduly received is equal to or less than €3,999.96 3, only the administrative sanction of the payment of a sum of money from €5,164 to €25,822 applies. In any case, this penalty may not exceed three times the benefit obtained."

Article 640 *bis of* the Criminal Code: Aggravated fraud to obtain public disbursements
The penalty shall be imprisonment of between two and seven years and shall be prosecuted ex officio if the offence referred to in Article 640 relates to grants, loans, subsidised loans or other disbursements of the same type, however called, granted or disbursed by the State, other public bodies or the European Communities.

All activities relating to obtaining grants, loans, subsidised loans or other disbursements of the same type provided by the State, other public bodies or the European Communities, and the management of the same by the Company, have risk profiles.

Especially:

1. The offence referred to in Article 316 *bis* presupposes that the Entity has previously obtained on a regular basis, from the State or from another public body or from the European Communities, contributions, subsidies or loans that have a public purpose predefined and expressed in the concession measure. All these disbursements are characterized by being granted at more favorable conditions than those of the market. In particular, the contributions are contributions to expenses for activities and initiatives and can be capital (non-repayable disbursements that are assigned to those who find themselves in certain situations) and/or interest account (the State or the Public Body assumes all or part of the interest due for credit operations). Grants are non-repayable grants that are periodic or *one-off*. Loans are acts of negotiation by which sums of money are disbursed to an individual, on favourable terms, which must be repaid in the medium and/or long term with payment of interest, in part or in full, by the State or other public body. The offence is committed by the beneficiary of the subsidy who does not properly administer the money received because he does not achieve the public purpose envisaged in the administrative measure ordering the disbursement. Even the partial diversion of the sums obtained from the intended

purpose entails the commission of the crime, without it being relevant that the planned activity has nevertheless taken place;

2. The offence referred to in art. 316 *ter of the* Criminal Code, in addition to the similar and more serious crime referred to in art. 640 *bis* of the Criminal Code, is a tool to combat fraud committed in the preparatory phase for the granting of public disbursements. The scheme of this offence provides that the contribution is received as a result of the use or submission of false declarations or documents or due to the omission of due information. With respect to the hypothesis provided for in art. 640 *bis* of the Criminal Code, the consummation of the crime of undue receipt of disbursements is unrelated both to the misleading of the disbursing entity and to a causation of an event harmful to the same: with this offence the legislator intended to hit the simple falsehoods or omissions of information that allowed the agent to obtain the financing;

3. The offence referred to in Article 640 *bis of* the Criminal Code, after the recent clarification of the United Sections of the Supreme Court which put an end to a jurisprudential conflict, can be qualified as an aggravating circumstance of the fraud contemplated in Article 640 of the Criminal Code; it is distinguished by the specific object of the illegal activity: contributions, loans, subsidized loans or other disbursements of a public nature. The conduct referred to in art. 640 *bis of the* Criminal Code contains a *quid pluris* with respect to the offence described in art. 316 *ter* of the Criminal Code: the offence is committed when false or reticent behaviour, due to the concrete methods of implementation and the context in which it takes place, is characterised by a particular charge of artificiality and deception towards the disbursing body. The fraudulent activity must result in a series of events: the misleading of others, the performance of an act of asset disposal by the deceived person, the obtaining of an unfair profit by the agent or a third party by deception of others.

1.9 Corruption between private individuals and incitement to corruption between private individuals

Article 2635 of the Italian Civil Code Corruption between private individuals

Unless the act constitutes a more serious offence, directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, of companies or private entities who, even through an intermediary, solicit or receive, for themselves or for others, money or other benefits not due, or accept the promise thereof, for performing or omitting an act in violation of the obligations inherent in their office or the obligations of loyalty, they shall be punished with imprisonment from one to three years. The same penalty applies if the act is committed by those who, within the organizational framework of the company or private entity, exercise managerial functions other than those of the persons referred to in the previous sentence.

The penalty shall be imprisonment of up to one year and six months if the offence is committed by a person under the direction or supervision of one of the persons referred to in the first paragraph.
Any person who, even through an intermediary, offers, promises or gives money or other benefits not due to the persons referred to in the first and second paragraphs shall be punished with the penalties provided for therein.
The penalties set out in the preceding paragraphs shall be doubled in the case of companies whose securities are listed on regulated markets in Italy or in other Member States of the European Union or which are widely circulated among the public pursuant to Article 116 of the Consolidated Law on Financial Intermediation, pursuant to To Legislative Decree of 24 February 1998, No. 58, as amended.
Without prejudice to the provisions of Article 2641, the amount of confiscation for equivalent value may not be less than the value of the benefits given, promised or offered.

2635 *bis*. Incitement to corruption between private individuals
Anyone who offers or promises money or other benefits not due to directors, general managers, managers in charge of preparing corporate financial reports, statutory auditors and liquidators, of companies or private entities, as well as to those who carry out a work activity in them with the exercise of managerial functions, so that he performs or omits an act in violation of the obligations inherent in his office or the obligations of loyalty, If the offer or promise is not accepted, he shall be subject to the penalty laid down in the first paragraph of Article 2635, reduced by one third.
The penalty referred to in the first paragraph shall apply to directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, of companies or private entities, as well as to those who carry out work in them with the exercise of managerial functions, which they solicit for themselves or for others, even through an intermediary, a promise or giving of money or other benefits, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty, if the solicitation is not accepted.

The case of corruption between private individuals was introduced by Law No. 190 of 6 November 2012 (Law 190/2012) containing provisions for the prevention and repression of corruption and illegality in the Public Administration, which intervened on this point by reformulating the crime referred to in Article 2635 of the Italian Civil Code (previously entitled "*Infidelity following a bestowal or promise of benefits*").
With Legislative Decree no. 38 of 15 March 2017 on "*Implementation of Council Framework Decision 2003/568/JHA of 22 July 2003 on the fight against corruption in the private sector*", the Legislator intervened again on the case of corruption between private individuals and also introduced the crime of instigation to corruption between private individuals referred to in art. 2635 *bis* c.c.
In particular, the legislation in question has modified the typical conduct of the crime of corruption between private individuals, thus providing for the punishability of the conduct consisting in soliciting or receiving, even through an intermediary, for oneself or for others,

money or other benefits not due, or accepting the promise thereof, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty. The new offence has, therefore, expanded the punishability of the offence in question.

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In addition, Legislative Decree no. 38/2017 introduced the crime of instigation to corruption between private individuals, which provides for the punishability of the same subjects provided for in art. 2635 of the Italian Civil Code in the event that the objective element of the offence is articulated in the following ways:

1. offer or promise money or other benefits, not due, to top management or those with managerial functions in companies or private entities, aimed at the performance or

omission of an act in violation of the obligations inherent in the office or the obligations of loyalty, when the offer or promise is not accepted;

2. solicit for himself or for others, even through an intermediary, a promise or donation of money or other benefits, to perform or omit an act in violation of the obligations inherent in their office or the obligations of loyalty, provided that the solicitation is not accepted;

The penalty for the crime of incitement to corruption is imposed on the basis of the basic penalty for the crime of corruption between private individuals, reduced by one third.

Finally, Legislative Decree no. 38/2017 amended Article 25 *ter* of Legislative Decree 231/2001, aligning the criteria of objective and subjective imputation with those of the other predicate offences of Legislative Decree 231/2001 and tightening the penalties against legal persons.
It is important to underline, in this regard, that the administrative liability of the entity pursuant to Legislative Decree 231/2001 exists only on the company to which the "corrupt" subjects belong, and not, on the other hand, on the other hand, on the company to which the "corrupt" belong. Moreover, it could not be otherwise, since it is precisely the "corrupting" society that receives an interest or advantage from the fact of the crime, while the "corrupt" society suffers, evidently, only a prejudice from such conduct, as provided for by the provision itself, which requires the integration of a "harm" for society as a consequence of the unlawful act or omission.

It should be noted that, for the purposes of the offence pursuant to Article 2635 of the Italian Civil Code, the promise (and not necessarily the giving) of the "bribe" is sufficient, which can consist not only of money, but also of any other utility (e.g. car, apartments and various benefits, gifts of considerable value, sexual benefits, etc.).
Finally, Articles 2635 and 2635 *bis of* the Italian Civil Code were further amended by Law no. 3/2019, which eliminated in both provisions the provision for the punishability of crimes on complaint, which are therefore now prosecuted ex officio.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a risk of committing crimes against the Public Administration referred to in Articles 24 and 25 of the Decree ("**Crimes against the Public Administration**") are, in general, those within which significant relationships are maintained with public officials or persons in charge of public service, in relation to control and verification activities and/or obtaining authorizations and permits, or for the performance of commercial activities (i.e. participation in tenders for public contracts) or in relation to the receipt or use of public funding and disbursements.

With specific reference to the crime of corruption between private individuals, the areas at risk are represented, on the one hand, by those that could directly benefit from a corrupt agreement made in the interest of the Company (e.g. in relation to the increase in sales of the Company's products), including in particular those that participate in the so-called "active cycle" (e.g. sales, administration, etc.). On the other hand, all areas that could be involved in activities instrumental to the creation of corrupt cash provisions (e.g. management of purchases of services and consultancy with invoicing of non-existent services, management of entertainment expenses, management of payments and treasury, etc.) or in the management of utilities that could be used as illicit "remuneration" (e.g. management of company benefits, personnel selection and hiring, gifts, organization of events, etc.).
In addition, there could be a phenomenon of corruption between private individuals also in the context of intra-group relationships, for example where a representative of the Company promises money or other benefits to a director or statutory auditor of a parent company, subsidiary or associated company for the purpose of omitting an act of his office (e.g. to report a situation of risk or irregularity found in the Company).

The following table provides a list of these areas, with a brief indication - for each area - of the specific activities considered to be at potential risk of committing Crimes against the Public Administration ("**Risk Activities**"), as well as those activities which, although not involving any contact with the Public Administration, could nevertheless meet the conditions or preconstitute the means and instruments for the commission of offences in ("**Instrumental Activities**").

AREA	RISK ACTIVITIES/ INSTRUMENTAL ACTIVITY
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	1. *Exercise of authorisation and representation powers – Relations with the Public Administration* 2. *Procurement management (strategic consulting)* 3. *Judicial activity* 4. *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	5. *Ordinary treasury management (management of receipts, payments and cash flow)* 6. *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)* 7. *Management of expense reimbursements and travel costs* 8. *Relations with business partners (Registry)* 9. *Subsidies and public funding*
BUSINESS / GLOBAL SALES	10. *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale*

	11. Management of commercial offers and contracts – Management of relations with third parties – Participation in public and private tenders *12. Giveaways & Sponsorships* *13. Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING DEPARTMENT)	*14. Supplier Selection and Qualification* *15. Management of purchases of goods and/or services* *16. Receipt of goods and performance of services*
QUALITY ASSURANCE & REGULATORY AFFAIRS	*17. Management and discipline of the Company's operational processes (sales, design, procurement, etc.)* *18. Staff training and information* *19. Internal audits on compliance with procedures* *20. Management of non-conformities* *21. CE Marking*
R&D AND TECHNICAL	*22. New product development* *23. In-house technical support – Product audits* *24. Production – Fabrication* *25. CE Marking* *26. Compliance with industrial property rights*
I/E & LOGISTICS (LOGISTICS DEPARTMENT)	*27. Management of relations with the Customs Agency – Access to Customs IT systems and electronic submission of customs documentation* *28. Imports – Exports*
HUMAN RESOURCES	*29. Personnel selection, management of recruitment and remuneration and reward policy*
IT	*30. IT system management* *31. Personal data management and databases* *32. Use of company devices – Management of access to the Company's Internet and intranet* *33. Managing eSignature Devices*
HEALTH AND SAFETY – ENVIRONMENT	*1. Relations with the Public Administration – Inspections and controls*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PROTOCOLS FOR THE PREVENTION OF CRIMES AGAINST THE PUBLIC ADMINISTRATION.

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given

below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) GENERAL MANAGEMENT:

1. Exercise of authorisation and representation powers - Relations with the Public Administration

- The Chairman and/or the CEO, within the framework of the company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments;
- relations with the PA are maintained in accordance with the rules of conduct set out in the Company's Code of Ethics;
- the documentation that provides for the PA as the final recipient is drawn up by the I/E & Logistics Manager and signed by the General Management on the basis of its power of representation.

2. Procurement management (strategic consulting)

- The General Management chooses the Company's strategic consultants: the Chairman of the Board of Directors and/or the CEO sign the consultancy contract on the basis of their power of representation. The management of strategic consultancy is delegated to the Administration for the execution of the payment of the related fee.

3. Judicial activity

- Decisions regarding the management of disputes (initiation or conclusion of litigation, settlement of litigation) in which the Company is involved are taken by the General Management, which also liaises with external consultants.

4. Personnel management activities (recruitment and dismissal)

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) I/E & LOGISTICS (ADMINISTRATION OFFICE):

1. Ordinary treasury management (management of receipts, payments and cash flow)

i) Collections management

- The Administration Office records receipts in the management system, after matching them to the relevant invoice issued by the Company, and exclusively against real transactions on the basis of orders and contracts;

- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

ii) Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the Head of the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the Chief Executive Officer is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

2. Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

3. Management of expense reimbursements and travel costs

- The Company has adopted a specific company regulation to govern the management of expense reports;
- the reimbursement of expense reports takes place only upon presentation of the proof by the employee;
- the expense reports of employees and collaborators are always authorized in advance by the Head of Department;
- the payment of expense reports is made by the Administration Office;
- the Administration Office, with the authorization of the CEO, provides the traveling staff who request them with company credit cards ("*Corporate Cards*") linked to their personal current accounts, and requests for reimbursement of expenses are subject to control. The relevant expense receipts are archived to ensure the traceability of controls.

4. Relations with business partners (Registry)

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer data is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.).
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the

Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

5. Subsidies and public funding

- The management of public funding is the responsibility of the Marketing & Business Development Office, supported by the Administration Office for the reporting of activities;
- the Marketing & Business Development Manager prepares the documentation relating to the calls for tenders; this documentation is subject to control and verification by the General Management;
- The Marketing & Business Development Manager, as part of his activities aimed at obtaining public funding, accesses the portals of the public administration for the upload of the projects covered by the calls for tenders.

c) BUSINESS / GLOBAL SALES:

1. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

2. *Management of commercial offers and contracts - Management of relations with third parties - Participation in public and private tenders*

- The activities relating to the management of commercial offers are divided into the hands of the Business - Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;

- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- periodically, the Business – Global Sales function interfaces with the Public Administration for the issuance of Certificates of Origin and Visas, required by some foreign countries for the accompaniment of shipped products;
- in the context of public or private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business department. If the tender is awarded, both the Global Sales function and the Clinical Development function are responsible for executing the activities subject to the tender.

3. *Giveaways & Sponsorships*

- The disbursement or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed a modest value and must be limited to normal commercial and courtesy practices.

4. *Management of returns and credit notes*

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) I/E & LOGISTICS (PURCHASING DEPARTMENT)

1. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product

samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

4. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

4. *Receipt of goods and performance of services*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;

- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

e) QUALITY ASSURANCE & REGULATORY AFFAIRS

a. *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)*

- The Company has adopted the quality management system in accordance with ISO 13485 (and other equivalent requirements for other countries);
- the Company has adopted a so-called procedure of procedures, which establishes, with reference to the Quality Management System (QMS), the methods of management and discipline of the Company's operating processes, i.e. the methods of drafting, approving and issuing the company procedures adopted. In addition, the Company has adopted a Quality policy and manual, which establish values, objectives, rules, responsibilities and procedures adopted by the Company for the management of the QMS;
- the QA & RA Manager and the General Management are responsible for the management and discipline of the Company's operational processes.

b. *Staff training and information*

- The QA & RA Manager and the General Management, on the basis of formalized business processes and with the involvement of individual department heads, manage and plan the staff training and information activities necessary for each staff member.

3. *Internal audits on compliance with procedures*

- The QA & RA Manager/Specialist conducts an internal audit on an annual basis, to assess compliance with processes in which the QA & RA function is not directly involved; an annual audit by external consultants is also conducted to assess compliance with the processes in which the QA & RA function is involved, in order to ensure impartiality of judgment;
- in the event that an employee does not apply a procedure, the Head of the department concerned is involved, for the application of any corrective and/or preventive actions;
- The QA & RA Manager, together with the General Management, plans and coordinates auditing activities (internal/external) with reference to the various areas of the company.

4. *Management of non-conformities*

- The Company has adopted a specific procedure that defines the operating procedures for the management of "non-conformities" of products and processes related to Quality;
- the person who detects the non-compliance must liaise with the QA & RA Manager in order to activate the non-compliance management process, highlighting it by filling in the appropriate dedicated forms;
- the QA & RA function, in collaboration with the other heads of the company departments involved, establishes any corrective and/or preventive actions to be taken in the event of non-compliance.

5. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
  the QA & RA function and the R&D and Technical function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products; the QA & RA Manager, in collaboration with the R&D and Technical Manager, ensures the drafting and correct filing of technical files;
- the QA & RA function, together with the R&D and Technical function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

f) R&D AND TECHNICAL

a. *New product development*

- During and at the end of the product development phase, the R&D and Technical department carries out verification tests of the same (even if their development is carried out in outsourcing), in order to ensure the qualitative and quantitative conformity of the works;

- for each device made for marketing, the R&D and Technical department prepares specific manuals / information containing the technical data of the product, the methods of use and maintenance, as well as indications relating to the safety of users and the environmental impact of the product;
- the technical documentation is subsequently approved by the General Management.

2. *In-house technical support – Product audits*

- The R&D and Technical function carries out checks on product development activities and subsequent development results;
- the relevant documentation on these checks is, if necessary, signed by the QA & RA department, and collected within the technical file ("Technical File") of the device that is placed on the market, as established by the relevant procedure adopted by the Company;
- The testing activities of each individual device, carried out before they are placed on the market, are documented and recorded on a computer database.

3. *Production – Fabrication*

- The Company has adopted a procedure that governs the management of the production/manufacturing of products (i.e. *"production, handling, storage, distribution and post-distribution processes carried out by the company"*).
- the production of the Company's assets is entrusted to third parties on the basis of a specific contract that defines the individual activities that they will have to carry out for the Company;
- production activities are carried out in compliance with the requirements of CFR and/or ISO 13485 and/or European Directive 93/42/EEC;
- The General Management, in collaboration with the Head of the Business – Global Sales function and the Technical Manager and the R&D and Technical function, plans the annual production of the Company's products, based on product sales forecasts and market needs.

4. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;

- the R&D and Technical function and the QA & RA function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the R&D and Technical Manager, in collaboration with the QA & RA Manager, ensures the drafting and correct filing of technical files;
- the R&D and Technical function, together with the QA & RA function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

5. *Compliance with industrial property rights*

- The Company is the owner of patents;
- before the placing on the market of new processes, procedures or products, the Company outsources to external professionals, on the basis of a written contract, the necessary prior art searches in order to verify the existence of other people's intellectual property rights;
- subcontractors, consultants and/or suppliers who participate in outsourced activities related to the design, development and production of the Company's projects and products are required to sign a confidentiality agreement;
- furthermore, the Company's personnel in charge of R&D activities are required to sign specific confidentiality clauses with reference to the confidential information with which they come into contact;
- the individual department heads authorize access to secret or confidential information – by sharing folders and files on Google Drive – only to those who work or collaborate with the relevant function.

g) I/E & LOGISTICS (LOGISTICS DEPARTMENT)

a. *Management of relations with the Customs Agency - Access to Customs IT systems and electronic submission of customs documentation*

- Relations with the Customs Agency in the interest of the Company are maintained by external freight forwarders – possibly supported by the Logistics Department (e.g. in the case of inspections or controls);
- the Logistics Department formally confers a mandate of direct representation to the freight forwarders, verifying that the service of the same has actually been performed. The General Management, after consulting the Logistics Department, authorizes the payment of the service, and the payment is subsequently ordered by the Administration Office;
- Customs documentation is submitted by freight forwarders, as specified in the representation mandate.

b. Imports – Exports

- The sporadic import activities on behalf of the Company are carried out by external freight forwarders, supported by the Logistics Department:
- the freight forwarder prepares and signs the import/export customs declaration;
- the Logistics Department provides data relating to the customs classification of the goods, the quantity, origin and value of the goods, and checks that the data are correct;
- the Logistics Department prepares the documentation accompanying the import/export customs declaration and checks its correctness;
- for export, the Administration Office, after consultation with the Logistics Department, provides for the payment of customs duties (and any VAT);
- the Logistics Department verifies the correspondence between the imported/exported goods and what is indicated in the accompanying tax and customs documentation and, in the event of any inconsistencies, there is still a trace of the control activities by the function;
- the Administration Office and the Logistics Department carry out checks on the correctness of customs duties and taxes (such as border duties).

h) HUMAN RESOURCES:

a. Personnel selection, management of recruitment and remuneration and reward policy

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;
- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;
- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";
- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while

payments to staff are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

i) EN:

a. *IT system management*

- The Company uses, for most of its activities, the *Google Workspace* platform and, in a completely residual way, a *Customer Relationship Management system* with *daily backup*. These systems are routinely maintained.

b. *Personal data management and databases*

- Personal data is managed by the Company in accordance with current legislation on the protection of personal data.

c. Use of company devices – Management of access to the Company's Internet and intranet

- Access to IT systems is protected by two-factor authentication ("*2FA")* for Google services, while it is protected by "*ID-password*" for the CRM management system;
- the systems are equipped with a Windows system antivirus active both online and offline, and any *phishing* attempts or other suspicious access are notified to the Company by Google services;
- the Marketing & Business Development department manages the Company's website;
- the licenses for the use of the software used by the Company are automatically renewed.

d. Managing eSignature Devices

- the CEO uses an electronic signature service by adopting the necessary protocols and precautions in the management of credentials and access security, (e.g. periodic change of password).

j) HEALTH AND SAFETY – ENVIRONMENT

a. Relations with the Public Administration – Inspections and controls

- relations with PA staff are maintained in accordance with the rules of conduct set out in the Company's Code of Ethics.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

Angiodroid's relations with national, EU and international public institutions (hereinafter the "**Institutions**"), as well as with public officials or persons in charge of public services, may be maintained exclusively by the heads of departments and employees delegated to do so and must be carried out in strict compliance with current legislation and on the basis of principles of transparency, fairness and loyalty, at any stage of the relationship management.
Under no circumstances shall Angiodroid be represented, in relations established with Institutions and Public Officials, by collaborators, consultants or third parties, if situations of conflict of interest may arise.

4.2 Specific requirements

Recipients who, by reason of their office or function or mandate, interact, directly or indirectly, with Institutions or Public Officials must:

- ensure that relations with Institutions and Public Officials take place in absolute compliance with the laws and regulations in force, the principles of loyalty and fairness, at any stage of the management of the relationship;
- ensure that the aforementioned relationships are managed exclusively by persons with appropriate powers;
- in the case of inspections or meetings with public officials or persons in charge of public services, ensure the participation of at least two company resources;
- ensure adequate traceability of relations with Institutions and Public Officials;
- promptly and completely report to its hierarchical manager on the progress of the individual phases of the procedure, or on any exceptions found during the same;
- communicate, without delay, to its hierarchical manager and, at the same time, to the Supervisory Body any conduct carried out by persons operating within the public counterparty, aimed at obtaining favours, illicit donations of money or other benefits, including towards third parties, as well as any other critical issues or conflicts of interest that arise in the context of the relationship with Institutions or Public Officials.

In the context of relationships, of any nature, established with Institutions or Public Officials, including control and verification activities or the request for public contributions and funding, the Recipients are absolutely forbidden to:

- promise and/or offer, even through an intermediary, money, gifts, gifts, benefits or other benefits to Public Officials or their family members or to persons related to them;
- unlawfully seek or establish personal relationships of favour, influence and interference, capable of influencing, directly or indirectly, the outcome of the relationship;

- promise and/or offer employment opportunities or business opportunities to Public Officials or persons indicated by them or related to them;
- accept gifts, gifts, benefits or other benefits from Public Officials or from subjects, including third parties, connected to them, or give in to recommendations or pressures from them;
- solicit and obtain confidential information;
- falsify and/or alter any minutes, statements or documents, whether created by the Company or created by third parties, or omit the production of true documents in order to obtain undue advantages or benefits of any nature and/or to avoid or evade the imposition of sanctions of any kind on Angiodroid;
- falsifying and/or altering documents or omitting to produce them in order to obtain the favour or approval of a project that does not comply with the regulations in force or the disbursement of a loan that is not due or due to a different extent;
- unduly obtain contributions, loans, subsidized mortgages, relief from social security charges, tax benefits or other disbursements in any way called, through the use or presentation of false or misleading documents or through the omission of due information;
- use grants, grants, or funding intended for Angiodroid for any purpose other than those for which they were granted;
- engage (directly or indirectly) in any activity that may favour or harm one of the parties to the proceedings, during civil, criminal or administrative proceedings;
- stealing, altering or manipulating the data and contents of the computer or telematic system of Institutions, in order to obtain unfair profits or cause damage to third parties.

In carrying out their activities, the Addressees of the Code must cooperate with the Judicial Authority, the Police and any other Public Official who has inspection powers, providing maximum availability and assistance.
Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior or the Personnel Manager and/or the Supervisory Body.

4.3 Rules of conduct for instrumental activities

The commission of offences against the Public Administration can also be facilitated by the violation of rules of conduct relating to relations with customers, suppliers, the conferral of professional assignments, the selection of personnel, the making of gifts and donations.
Therefore, due to the above, in the management of such relationships, it is necessary that the following rules of conduct are observed.
The Recipients who, by reason of their assignment or their function or mandate, manage relations with customers, including the Public Administration, must:

- comply with internal procedures for managing customer relationships;
- not to harm, directly or indirectly, the reputation that Angiodroid has gained over the years towards its customers;

- Provide accurate and comprehensive information about Angiodroid's products so that customers can make informed decisions.

Recipients who, by reason of their office or function or mandate, manage the procurement of goods, services and professional assignments, including at the Public Administration, must:

- observe internal procedures for the procurement of goods, services and professional assignments and for the selection of personnel;
- provide for the selection of contractors through clear, certain and non-discriminatory procedures;
- select only qualified and reputable persons and companies;
- choose, among a shortlist of potential suppliers, the one that guarantees the best ratio between quality and convenience;
- motivate and track the choice of the supplier/professional;
- ensure that no relationship is initiated with persons or entities that do not intend to comply with the Company's ethical and governance principles, with particular reference to the Code;
- ensure that any assignments entrusted to third parties to operate on behalf of and/or in the interest of the Company are always assigned in writing and in compliance with the law, and that there is any specific clause that binds compliance with the ethical-behavioral principles adopted by Angiodroid, as reflected in the Model and the Code;
- require all consultants and suppliers to undertake to strictly comply with the laws and regulations in force in Italy and in the countries in which Angiodroid operates, as well as the principles and procedures set out in the Model and the Code of Ethics, possibly placing specific clauses in the relevant contracts;
- verify the actual fulfilment of the service covered by the contractual relationship and any progress reports, by means of a specific written certificate issued by the staff on the basis of concrete verification, if necessary accompanied by the declaration issued by the supplier/consultant;
- ensure that all the control activities required by company procedures are systematically carried out, both during the selection phase and in the subsequent management of the contract;
- ensure the correct archiving of all documentation produced as part of the procurement process of goods, services and professional assignments and, in particular, that certifying: i) the reason for the choice made during the selection of the supplier; ii) the actual performance of the service covered by the contractual relationship and any progress reports;
- settle the fees in a transparent manner, which can always be documented and reconstructed a posteriori, to this end by keeping the relevant documentation;
- immediately report to the Supervisory Body any critical issues that have emerged during the aforementioned contractual relationships and about doubts regarding possible violations of the Code by suppliers, external collaborators and consultants.

It is also forbidden to:

- negotiate, promise, propose or assign professional, commercial, financial or, more generally, supply of goods or services to persons, entities or companies that are known or have reason to believe are close or in any case pleasing to members of the public administration, in order to obtain preferential treatment or advantages of any kind for the Company and, in any case, in the absence of the necessary requirements of quality and convenience of the purchase transaction;
- make payments to suppliers, consultants, professionals and the like who operate on behalf of the Company, which are not adequately justified in the context of the contractual relationship established with them;
- make payments to a person other than the other party to the contract or to a third country other than that of the parties or to the performance of the contract, unless there is an adequate reason in writing;
- recognize reimbursement of expenses in favor of suppliers, consultants, professionals and the like that are not adequately justified in relation to the type of assignment performed;
- create funds for acquisitions of supplies and/or professional services that do not exist in whole or in part;
- favour, in the procurement processes, suppliers and sub-suppliers and consultants as indicated by representatives of the public administration as a condition for the subsequent performance of the activities (e.g. assignment of the order, granting of the license, etc.);
- be represented by consultants or third parties when situations of conflict of interest may arise.

No Recipient may offer or promise, directly or indirectly, money and/or material benefits of any kind and/or entity to third parties, public officials, public service appointees or private parties, to influence or compensate an act of their office or to induce them to do or omit their activity or in any case to acquire or promote favorable conditions for the Company.
Acts of commercial courtesy, such as gifts or forms of hospitality, are allowed when they are of modest value (meaning an indicative value not exceeding € 100.00) and in any case such as not to compromise the integrity or reputation of one of the parties and cannot be interpreted, by an impartial observer, as aimed at acquiring advantages or preferential treatment in an improper way. In any case, this type of expenditure must always be authorised and properly documented.
Employees, department managers and/or managers who receive gifts of no modest value (meaning an indicative value of more than € 100.00) or preferential treatment not directly attributable to normal courtesy relations must promptly inform their superior, or the Personnel Manager and/or the Supervisory Body.
In the event that irregularities or doubts are found regarding the application of these rules of conduct, the Recipients are required to promptly contact the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "2"
COMPUTER CRIMES AND UNLAWFUL PROCESSING OF DATA

1. RELEVANT OFFENCES

Knowledge of the structure and application requirements of the offences that may give rise to liability pursuant to the Decree is an essential component of the prevention activities envisaged within the framework of the Organisational Model adopted by the Company.

In view of the above, the following is a brief description of the relevant computer crimes pursuant to art. 24bis of the Decree.

1.1 Computer system and computer data

The provisions on computer crimes – the subject of a recent reform by Law no. 48 of 19 March 2008 ratifying the Council of Europe Convention on Computer Crime, signed in Budapest on 23 November 2001 – presuppose a common reference to the definitions of "computer system" and "computer data".

The first expression refers to any device or group of interconnected or connected equipment, one or more of which, on the basis of a program, performs the automatic processing of data (Article 1 of the Convention): this is a rather broad definition and suitable to include any kind of electronic, computer or telematic instrument, which is capable of processing information (e.g., even a PDA or mobile phone that supports programs that can process data).

"Computer data", on the other hand, is defined as any representation of facts, information or concepts in a form that can be used in a computer system, including a program capable of allowing a computer system to perform a function (*software*).

1.2 Intrusion offences Illegal

Article 615 *ter* of the Criminal Code: Unlawful access to a computer or telematic system
Anyone who illegally enters a computer or telematic system protected by security measures or maintains it against the express or tacit will of those who have the right to exclude him, is punished with imprisonment of up to three years.
The penalty is imprisonment from one to five years:
(1) if the act is committed by a public official or by a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or by a person who exercises, even abusively, the profession of private investigator, or with abuse of the quality of system operator;
2) if the offender uses violence against property or persons to commit the act, or if he is clearly armed;
3) if the event results in the destruction or damage of the system or the total or partial interruption of its operation, or the destruction or damage of the data, information or programs contained therein.

If the acts referred to in the first and second paragraphs concern computer or telematic systems of military interest or relating to public order or public security or health or civil protection or in any case of public interest, the penalty shall be, respectively, imprisonment from one to five years and from three to eight years.
In the case provided for in the first paragraph, the offence shall be punishable on complaint by the injured party; in other cases, the procedure is ex officio

Article 615 *quarter of the* Criminal Code: Possession and unlawful dissemination of access codes to computer or telematic systems
Any person who, in order to make a profit for himself or another or to cause damage to others, unlawfully procures, holds, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs apparatus, tools, parts of apparatus or tools, codes, keywords or other means suitable for access to a computer or telematic system, protected by security measures, or in any case providing indications or instructions suitable for the aforementioned purpose, is punished with imprisonment of up to two years and a fine of up to €5,164.
The penalty is imprisonment from one to three years and a fine from €5,164 to €10,329 if any of the circumstances referred to in the fourth paragraph of Article 617-quarter occur.

These are provisions introduced by art. 4 of Law 547/1993 in order to adapt the penal code to the progressive spread of information technology.

Article 615 *ter of the* Criminal Code provides for the criminal offence of the conduct of those who illegally enter a computer or telematic system of others (as long as it is protected), or of those who remain there against the will of those who have the right to exclude them. In essence, the case is intended to sanction those who violate the confidentiality of other people's communications or information, which are increasingly transmitted through protected computer systems. Moreover, the rule does not disregard the disclosure to third parties of the information illegally collected, since only access is made in the absence of authorizations (e.g. authentication credentials) or in the presence of authorizations for a function other than the one for which the access is performed. Furthermore, the configurability of the offence does not include the damage or destruction of systems or data, which constitute, on the other hand, aggravating circumstances that give rise to an increase in the penalty. The penalty is also increased if the offence is committed with abuse of the quality of system operator (a position held by those who, professionally or because of the functions actually exercised, find themselves intervening on data and programs on a non-occasional basis – e.g. programmer, system engineer, analyst, etc.).

Abusive access can be carried out both in a "virtual" way (e.g. through an act of hacking) and in a "physical" or material way, i.e. for example, through the illegal introduction into the premises where the computer is located.

Article 615 *quarter of the* Criminal Code, on the other hand, aims to sanction preparatory and instrumental conduct for abusive access, consisting in the possession or dissemination, in various forms (acquisition, reproduction, dissemination, communication or delivery) of access codes (such as passwords, pins, etc.) through which it is possible to overcome the protection devices with which an information system can be equipped. Even in this case, the conduct is punishable regardless of the occurrence of access, as it is likely to create a situation of danger to the protected property.

1.3 Computer damage offences

Article 615 *quinquies* of the Criminal Code: Possession, dissemination and unlawful installation of equipment, devices or computer programs aimed at damaging or interrupting a computer or telematic system

Any person who, with the aim of unlawfully damaging a computer or telecommunications system, the information, data or programs contained therein or pertaining to it, or to facilitate the total or partial interruption or alteration of its operation, unlawfully procures, holds, produces, reproduces, imports, disseminates, communicates, delivers or, in any other way, makes available to others or installs equipment, computer devices or programs, is punishable by imprisonment of up to two years and a fine of up to €10,329

Article 635 *bis of the* Criminal Code: Damage to information, data and computer programs

Unless the act constitutes a more serious offence, anyone who destroys, deteriorates, deletes, alters or suppresses the information, data or computer programs of others shall be punished, on complaint by the injured party, with imprisonment from six months to three years.

If the offence is committed with violence to persons or with threat or abuse of the capacity of system operator, the penalty is imprisonment from one to four years.

Article 635 *ter* of the Criminal Code: Damage to information, data and computer programs used by the State or by other public bodies or in any case of public utility

Unless the act constitutes a more serious offence, any person who commits an act aimed at destroying, deteriorating, erasing, altering or suppressing information, data or computer programs used by the State or other public body or pertaining to them, or in any case of public utility, shall be punished with imprisonment from one to four years.

If the act results in the destruction, deterioration, deletion, alteration or suppression of information, data or computer programs, the penalty is imprisonment from three to eight years.

If the offence is committed with violence to persons or with threat or abuse of the capacity of system operator, the penalty is increased.

Article 635 *quarter of the* Criminal Code: Damage to computer or telematic systems

Unless the act constitutes a more serious crime, anyone who, through the conduct referred to in Article 635-bis, or through the introduction or transmission of data, information or programs, destroys, damages, renders, in whole or in part, unusable computer or telematic systems of others or seriously obstructs their operation shall be punished with imprisonment from one to five years.
If the offence is committed with violence to persons or with threat or abuse of the capacity of system operator, the penalty is increased.

Article 635 *quinquies of the* Criminal Code: Damage to computer or telematic systems of public utility
If the act referred to in Article 635-quarter is aimed at destroying, damaging, rendering, in whole or in part, computer or telematic systems of public utility or seriously hindering their operation, the penalty shall be imprisonment from one to four years.
If the act results in the destruction or damage of the computer or telematic system of public utility or if it is rendered, in whole or in part, unusable, the penalty is imprisonment from three to eight years.
If the offence is committed with violence to persons or with threat or abuse of the capacity of system operator, the penalty is increased.

Article 1, paragraph 11, Legislative Decree no. 105/2019, converted with amendments by Law no. 133/2019: Violation of the rules on the national cyber security perimeter
1. In order to ensure a high level of security of the networks, information systems and IT services of public administrations, public and private bodies and operators established in the national territory, on which the exercise of an essential function of the State, namely the provision of a service essential for the maintenance of civil activities, depends, social or economic activities that are fundamental to the interests of the State and whose malfunctioning, interruption, even partial, or improper use, may result in a prejudice to national security, the national cyber security perimeter is established.
[...]
11. Any person who, in order to obstruct or condition the completion of the procedures referred to in paragraph 2(b) or paragraph 6(a), or of the inspection and supervisory activities referred to in paragraph 6(c), provides information, data or factual elements that are not true, relevant to the preparation or updating of the lists referred to in paragraph 2, letter b), or for the purposes of the communications referred to in paragraph 6, letter a), or for the performance of the inspection and supervisory activities referred to in paragraph 6), letter c) or fails to communicate the aforementioned data, information or factual elements within the prescribed periods, shall be punished with imprisonment from one to three years.

These provisions aim to sanction the various types of computer damage, as well as the conduct that makes it possible.
Especially:

- Article 615 *quinquies* preventively represses a series of conducts that do not yet constitute damage but are considered intrinsically dangerous for the integrity of data, programs and computer systems. In particular, the acquisition, production, reproduction, import, delivery, communication or making available of computer programs (e.g. viruses), devices or equipment is a crime if such conduct is carried out with the aim of damaging data, programs or computer systems. Given the "preventive" nature of this provision, the conduct acquires relevance even if the damage has never occurred;
- Article 635 *bis* punishes anyone who destroys, deteriorates or renders useless information, data, or computer programs of others (with the exception of computer systems, the damage of which is more severely sanctioned by a subsequent case);
- Article 635 *ter* sanctions anyone who commits an act aimed at damaging information, data, or computer programs used by the State or other public body, even if the damage does not actually occur. Compared to the previous rule, therefore, the threshold of punishability is set back to less offensive conduct (damage is not required but the simple performance of acts aimed at harming) in consideration of the public nature or public utility of the "attacked" data and programs. If the damage occurs, however, the penalty is increased;
- Article 635 *quarter* punishes damage to computer systems through the introduction or transmission of data or programs or through the conduct referred to in Article 635 bis (destruction, damage, deterioration, cancellation, alteration, suppression of data or programs). With respect to this article, art. Article 635c provides for higher penalties, as the damage does not concern the mere data or program, but the entire computer system;
- Article 635 *quinquies* sanctions the same conduct as in the previous article if it is aimed at damaging a State computer system or in any case of public utility. In this case, however, the act is punished even if the damage does not occur, for the sole reason of having exposed the system to danger. This is due to the importance attached to the smooth functioning of public services and public utilities that are carried out through IT systems. If damage occurs, the penalty is increased;
- Art. Article 1, paragraph 11, of Legislative Decree no. 105/2019 punishes the conduct of those who obstruct the preparation and identification of networks, information systems and information services relating to the management of classified information or in any case relating to public administrations, bodies or operators on which the exercise of an essential function of the State depends; as well as supervisory or inspection activities related to the aforementioned proceedings. The offender must act in order to obstruct or condition the proper conduct of the aforementioned activities.

1.4 Offences protecting the freedom and secrecy of communications

Article 617 *quarter of the* Criminal Code: Unlawful interception, impediment or interruption of computer or telematic communications

Anyone who fraudulently intercepts communications relating to a computer or telematic system or between several systems, or prevents or interrupts them, shall be punished with imprisonment from one year and six months to five years.
Unless the act constitutes a more serious criminal offence, the same penalty shall apply to any person who discloses, by any means of information to the public, in whole or in part, the content of the communications referred to in the first subparagraph. The offences referred to in the first and second paragraphs shall be punishable on complaint by the injured party. However, the offence is punished ex officio and the penalty is imprisonment from three to eight years if the offence is committed:
(1) to the detriment of a computer or telematic system used by the State or by another public body or by an undertaking providing public services or services of public necessity;
(2) by a public official or a person in charge of a public service, with abuse of powers or with violation of the duties inherent in the function or service, or with abuse of the quality of system operator;
3) by those who practice, even illegally, the profession of private investigator.

Article 617 *quinquies of the* Criminal Code: Installation of equipment designed to intercept, prevent or interrupt computer or telematic communications
Anyone who, except in the cases permitted by law, in order to intercept communications relating to a computer or telematic system or between several systems, or to prevent or interrupt them, procures, holds, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs equipment, programs, codes, keywords or other means suitable for intercepting, Preventing or interrupting communications relating to a computer or telematic system or between several systems is punishable by imprisonment from one to four years. The penalty shall be imprisonment of between one and five years in the cases provided for in the fourth paragraph of Article 617 quarter.

Articles 617 *quarter* and 617 *quinquies* of the Criminal Code protect the inviolability and secrecy of communications that take place through computer and telematic systems, which are subject to protection – like any form of communication – also by art. 15 of the Constitution.

More precisely:

- Article 617 *quarter* punishes anyone who fraudulently prevents, interrupts or intercepts communications relating to a computer or telematic system. The law also punishes anyone who discloses the content of such communications to the public. There are aggravating circumstances that lead to an increase in the penalty, including abuse of the status of system operator. Interception consists in the acknowledgment, with or without recording, of the communications indicated and must be fraudulent, i.e. it must take place in a hidden and artificial manner;

- Article 617d punishes the unlawful installation of equipment capable of intercepting, interrupting or preventing communications relating to computer or telematic systems, thus sanctioning activities preparatory to the interception or interruption of communication. The offence, therefore, is committed when the installation of the appliance is completed, regardless of its actual operation.

1.5 Cyber Fraud in Certification Services

Article 640 *quinquies of the* Criminal Code: Computer fraud of the entity that provides electronic signature certification services

A person who provides electronic signature certification services, who, in order to procure an unfair profit for himself or others or to cause damage to others, violates the obligations provided for by law for the issuance of a qualified certificate, is punished with imprisonment of up to three years and a fine from 51 to 1,032 euros.

This provision punishes the conduct of the person in charge of providing electronic signature certification services that violates the obligations provided for by law for the issuance of the certificate. An infringement is punishable only if it is committed with the aim of making a profit for oneself or others or causing damage to others. It is, therefore, a crime that can only be committed by persons in possession of the qualification of certifier, but subjects without the qualification can also contribute to it, for example, by instigating or soliciting the certifier to commit the crime.

1.6 The crimes of forgery

With reference only to electronic documents, the following offences are relevant:

Article 476 of the Criminal Code: Material falsity committed by a public official in public documents

A public official who, in the performance of his duties, forms, in whole or in part, a false act or alters a true document, shall be punished with imprisonment of between one and six years.

If the falsity concerns an act or part of an act, which is authentic until a complaint of forgery is filed, imprisonment is from three to ten years.

Article 477 of the Criminal Code: Material falsity committed by a public official in certificates or administrative authorizations

A public official who, in the performance of his duties, falsifies or alters certificates or administrative authorisations, or, by means of forgery or alteration, makes it appear that the conditions required for their validity have been fulfilled, shall be punished with imprisonment of between six months and three years.

Article 478 of the Criminal Code: Material falsity committed by a public official in certified copies of public or private documents and in certificates of the content of documents

A public official who, in the performance of his duties, supposing the existence of a public or private document, simulates a copy of it and issues it in legal form, or issues a copy of a public or private document other than the original, shall be punished with imprisonment of between one and four years.

If the falsity concerns an act or part of an act, which is authentic until a complaint of forgery is filed, imprisonment is from three to eight years.

If the falsity is committed by the public official in a certificate on the content of documents, whether public or private, the penalty is imprisonment from one to three years.

Article 479 of the Criminal Code: Ideological falsity committed by a public official in public acts

A public official who, by receiving or executing a document in the performance of his duties, falsely certifies that an act was performed by him or took place in his presence, or attests that he has received statements not made to him, or omits or alters statements received by him, or in any case falsely attests facts of which the act is intended to prove the truth, shall be subject to the penalties laid down in Article 476.

Article 480 of the Criminal Code: Ideological falsity committed by a public official in certificates or administrative authorizations

A public official who, in the performance of his duties, falsely attests, in certificates or administrative authorizations, facts of which the act is intended to prove the truth, shall be punished with imprisonment from three months to two years.

Article 481 of the Criminal Code: Ideological falsity in certificates committed by persons performing a service of public necessity

Anyone who, in the exercise of a health or legal profession, or other service of public necessity, falsely attests, in a certificate, facts of which the act is intended to prove the truth, shall be punished with imprisonment of up to one year or with a fine from € 51.00 to € 516.00. These penalties apply together if the offence is committed for profit.

Article 482 of the Criminal Code: Material falsity committed by a private individual

If any of the acts referred to in Articles 476, 477 and 478 are committed by a private individual or by a public official outside the performance of his duties, the penalties laid down in those Articles, reduced by one third, shall apply respectively.

Article 483 of the Criminal Code: Ideological falsity committed by a private individual in a public act

Any person who falsely testifies to a public official, in a public document, facts of which the act is intended to prove the truth, shall be punished with imprisonment of up to two years. In the case of false declarations in civil status documents, imprisonment may not be less than three months.

Article 484 of the Criminal Code: Forgery in registers and notifications

Anyone who, being obliged by law to make records subject to inspection by the Public Security Authority, or to make notifications to the Authority itself about their industrial, commercial or professional operations, writes or allows false indications to be written is punished with imprisonment up to six months or a fine up to € 309.00.

Article 487 of the Criminal Code: Forgery on a blank sheet of paper. Public deed

A public official who, by abusing a blank sheet of paper, which he has possession of by reason of his office and by a title that implies the obligation or faculty to fill it, writes or has written a public deed other than the one to which he was obliged or authorized, is subject to the penalties established respectively in articles 479 and 480 of the Criminal Code.

Article 488 of the Criminal Code: Other falsehoods on a blank sheet of paper. Applicability of the provisions on material falsehoods

In cases of falsity on a blank sheet of paper other than those provided for in Article 487, the provisions on material falsity in authentic documents shall apply.

Article 489 of the Criminal Code: Use of a false document

Whoever, without being complicit in falsehood, makes use of a false act shall be subject to the penalties laid down in the preceding articles, reduced by one third.

Article 490 of the Criminal Code: Suppression, destruction and concealment of true documents

Any person who, in whole or in part, destroys, suppresses or conceals a genuine authentic authentic instrument or, in order to confer an advantage on himself or on others or to cause damage to others, destroys, suppresses or conceals a holographic will, a bill of exchange or another instrument of credit which may be transferred by endorsement or to the bearer shall be subject to the penalties laid down in Article 476 respectively, 477 and 482, according to the distinctions contained therein.

Article 491 of the Criminal Code: Forgery in a holographic will, promissory note or credit instrument

If any of the falsehoods referred to in the preceding articles relate to a holographic will, or a bill of exchange or other instrument of credit transferable by endorsement or bearer, and the act is committed with the aim of bringing an advantage to oneself or to others or to causing damage to others, the penalties laid down in the first part of Article 476 and Article 482 respectively shall apply.

In the case of forgery or alteration of the documents referred to in the first paragraph, the person who uses them, without being complicit in the falsity, shall be subject to the penalty established in Article 489 for the use of a false public document.

Article 491 bis of the Criminal Code: Electronic documents

If any of the falsehoods referred to in this Chapter relate to a public electronic document having probative value, the provisions of that Chapter relating to authentic instruments shall apply.

Article 419 *bis* of the Criminal Code extends the rules on the crimes of falsity in deeds to public electronic documents, to be understood as any representation of data, information or concepts that can be used in a system or with a computer program.
This is a series of crimes designed to protect the public faith of documents, i.e. the trust and security that people place in certain documents, in the light of the probative value recognized by the legal system (and, in particular, to public documents, but also certificates and administrative authorizations, bills of exchange, etc.).
In general terms, forgery can fall either on the "ideological" content of the act (e.g. an act that is perfectly intact and genuine but not truthful in its content), or on the materiality of the act (e.g. a document originally true in its content, but subsequently forged or altered by erasures or abrasions).
Even with specific regard to electronic documents, forgery can affect the truthfulness of the content of the deed (and in this it does not differ from the "paper" forgery), or on the external genuineness of the deed, and in this it proves to be even more insidious than the "ordinary" forgery. In fact, a forged electronic document can appear in all respects similar to the original one.
The concept of electronic document is derived from art. 1, letter p) of Legislative Decree no. 82 of 7 April 2005 ("Digital Administration Code"), which defines it as a "computerised representation of legally relevant acts, facts or data". Art. Article 491bis of the Criminal Code also specifies that, in order to be relevant, the forgery must relate to an electronic document with probative value.
In this regard, the electronic document can be considered to have probative value when it is drawn up in compliance with the technical rules that guarantee the identification of the author and the integrity of the document (Article 20 of the Digital Administration Code).

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The area that presents a potential risk of committing computer crimes referred to in Article 24 *bis* of the Decree ("**Computer Crimes**") can be identified mainly with the "**IT"** function, in which the activities of managing resources and the company's IT system are concentrated. However, it should be noted that the use of IT equipment, and with it the "risk of crime", is now so generalized in the performance of the various business activities that it extends substantially to every area and operational process of the Company. There is also a risk of committing Computer Crimes (e.g. in relation to the possible creation or use of false documents *pursuant to* Article 491-bis *of* the Criminal Code) for those activities that involve the use of digital signature devices and access to IT or telematic systems of the PA (e.g. in tax matters, etc.).
The following table provides a list of the specific activities that, within the area identified above, are to be considered at risk pursuant to the Decree ("**Risk Activities**").

AREA AT RISK	ACTIVITIES AT RISK
EN / ALL FUNCTIONS THAT HAVE ACCESS TO COMPUTER SYSTEMS	• *IT system management* • *Personal data management and databases* • *Use of company devices – Management of access to the Company's Internet and intranet* • *Managing eSignature Devices*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS IN THE FIELD OF COMPUTER CRIMES

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

IT AREA / ALL FUNCTIONS THAT HAVE ACCESS TO IT SYSTEMS

i. *IT system management*

- The Company uses, for most of its activities, the *Google Workspace* platform and, in a completely residual way, a *Customer Relationship Management system* with *daily backup*. These systems are routinely maintained.

ii. *Personal data management and databases*

- Personal data is managed by the Company in accordance with current legislation on the protection of personal data.

iii. *Use of company devices – Management of access to the Company's Internet and intranet*

- Access to IT systems is protected by a two-factor authentication system ("*2FA")* for Google services, while it is protected by an "*ID-password*" for the CRM management system and external IT portals;
- the systems are equipped with a Windows system antivirus active both online and offline, and any *phishing* attempts or other suspicious access are notified to the Company by Google services;
- the Marketing & Business Development department manages the Company's website;
- the licenses for the use of the software used by the Company are automatically renewed.

iv. *Managing eSignature Devices*

- the CEO uses an electronic signature service by adopting the necessary protocols and precautions in the management of credentials and access security, (e.g. periodic change of password).

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1. General principles of conduct

The Company, in carrying out its activities, necessarily makes use of IT tools, including *personal computers*, peripherals, storage devices, *software*, e-mail, databases, *internet* and corporate computer network, *fax* and voice mail as well as any other device or technology for the processing of data in electronic format (hereinafter the "**IT Tools").**"), which may be granted for use by the Recipients for the performance of their respective work activities, and is aware of the need for these Tools to be used lawfully and correctly and in such a way as to prevent the risk of their improper use.

The Recipients, therefore, must use the IT Tools in compliance with the regulations in force (with particular reference to the laws in force on the protection of personal data, computer offences and copyright).

The Recipients must also comply with the general principles and rules of conduct set out below, in compliance with regulatory obligations, company procedures and the Company's Code of Ethics:

1. use IT tools exclusively for work purposes and not for personal purposes, except as permitted by company *policies*;
2. scrupulously comply with company *policies* and regulations for the use of IT tools;
3. comply with the procedures relating to authentication and authorisation profiles in accessing the IT Tools;
4. safeguard the confidentiality of keywords and access codes to the IT Tools in order to prevent unauthorised access;
5. promptly report any theft or loss of IT Tools in order to allow the Company to take appropriate measures to prevent unauthorised access;
6. submit to the Information Systems area all files of uncertain or external origin, even if they are related to the work activity
7. promptly notify the SB of any anomalies or irregularities found with respect to the aforementioned obligations or prohibitions.

4.2 Specific requirements

Furthermore, the Recipients are strictly forbidden to:

- access the IT Tools through authorization or authentication profiles other than those assigned;
- leave the IT Tools unattended without adequate protection or, in any case, allow access to unauthorised parties;

- modify the *hardware* and *software* configurations pre-set by the Information Systems area (e.g. through the installation of unauthorized programs, burners, *wireless cards*, modems, *webcams*, *mobile phone interface software, removable media), unless expressly authorized by the* person in charge of the company's IT systems;
- download*,* duplicate, store *files* and/or data not strictly related to the work activity;
- destroy, deteriorate, erase, suppress information, data, information or computer programs of others without the express and documented authorization;
- use *software* or *hardware* or any other tool or equipment designed to intercept, falsify, alter or suppress the content of computer documents or to interrupt communications relating to a computer or telematic system (such as, for example, *viruses*, *worms*, *trojans*, *spyware*, *dialers*, *keyloggers*, *rootkits*);
- unduly alter and/or modify, through the use of the electronic signature of others or in any other way, electronic documents;
- process or transmit false and/or altered data electronically or electronically;
- illegally enter a computer or telematic system protected by security measures or, in any case, illegally procure or hold access codes to computer or telematic systems.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "3"
CORPORATE CRIMES

3. RELEVANT OFFENCES

Knowledge of the structure and application requirements of the offences that may give rise to liability pursuant to the Decree is an essential component of the prevention activities envisaged within the framework of the Organisational Model adopted by the Company.

In view of the above, the following is a brief description of the relevant corporate offences pursuant to Article 25ter of the Decree ("**Corporate Offences").** With reference to the crimes of *"Corruption between private individuals"* (Article 2635 of the Italian Civil Code) and "*Incitement to corruption between private individuals"* (Article 2635 *bis of the* Italian Civil Code), referred to in Article 25ter of Legislative Decree 231/2001, please refer to Annex "1" for their discussion.

1.1 Offences of False Corporate Communications and False Corporate Communications shareholders and creditors

Article 2621 of the Italian Civil Code: False corporate communications
Except in the cases provided for by art. 2622, directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators, who, in order to obtain an unfair profit for themselves or for others, knowingly present material facts that are not true or omit material facts whose disclosure is required by law in the financial statements, reports or other corporate communications addressed to shareholders or the public, knowingly expose material facts that do not correspond to the truth or omit material material facts whose disclosure is required by law on the economic, equity or financial situation of the company or group to which it belongs, in a manner specifically likely to mislead others, shall be punished with imprisonment of between one and five years.
The same penalty also applies if the falsehoods or omissions concern assets owned or administered by the company on behalf of third parties.

Article 2621-bis of the Italian Civil Code: Minor offences
Unless they constitute a more serious offence, the penalty of six months to three years' imprisonment shall apply if the acts referred to in Article 2621 are minor, having regard to the nature and size of the company and the manner or effects of the conduct.
Unless they constitute a more serious offence, the same penalty as in the preceding paragraph shall apply where the acts referred to in Article 2621 concern companies which do not exceed the limits laid down in the second paragraph of Article 1 of Royal Decree No 267 of 16 March 1942. In this case, the offence can be prosecuted by the company, the shareholders, the creditors or the other recipients of the corporate communication.

Article 2622 of the Italian Civil Code: False corporate communications of listed companies
Directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators of companies issuing financial instruments admitted to trading on a regulated market in Italy or in another country of the European

Union, who, in order to obtain an unfair profit for themselves or for others, knowingly disclose material facts in their financial statements, reports or other corporate communications addressed to shareholders or the public, do not knowingly disclose material facts truthful or omitting material facts whose disclosure is required by law on the economic, equity or financial situation of the company or group to which it belongs, in a manner concretely likely to mislead others, shall be punished with imprisonment from three to eight years.
The companies referred to in the previous paragraph shall be treated in the same way as:
1) companies issuing financial instruments for which a request has been submitted for admission to trading on a regulated market in Italy or another country of the European Union;
(2) companies issuing financial instruments admitted to trading on an Italian multilateral trading facility;
3) companies that control companies issuing financial instruments admitted to trading on a regulated market in Italy or in another country of the European Union;
4) companies that call on public savings or otherwise manage them.
The provisions of the preceding paragraphs shall apply even if the falsehoods or omissions relate to assets owned or administered by the company on behalf of third parties.

The material object of the offence is mainly the draft financial statements and the reports, although the unlawful conduct may also concern other corporate communications provided for by law and addressed to shareholders or the public (such as documents to be published pursuant to Articles 2501 ter-2504 *novies of the* Italian Civil Code in the event of a merger or demerger, or, in the case of interim dividends, Pursuant to art. 2433 *bis* of the Italian Civil Code), inter-organic communications (between different bodies of the company) and those with a single recipient remain outside the scope of the crime.

The presentation of facts that do not correspond to the truth or the concealment of information may be carried out not only through the material alteration of accounting data (such as, for example, in the case of the recording in the financial statements of services never performed or carried out at a value lower than the real value), but also through an artificial valuation of assets or values included in such communications: for example, the valuation of tangible or financial fixed assets that are part of the Company's assets, carried out in a manner that does not comply with the criteria indicated in the report or with those provided for by law or on the basis of parameters that are in any case unreasonable, and in any case such as to deceive shareholders or creditors.
Thus, in particular, the offence may be committed in the interest of the Company in the case, for example, of the creation of illiquid hidden reserves, obtained through the undervaluation of assets or the overvaluation of liabilities to facilitate the self-financing of the social enterprise or to cover any losses incurred during the financial year.
Again, by way of example, closed triangulation (recognizable in the event that a company transfers values to another which in turn transmits them to a third party) and corporate constructions (a company establishes or acquires the total shareholding of another and the latter carries out the same operation with a third party up to a company that is usually based in a tax haven).

There are also many economic and financial instruments that can be used to transfer money from one company to another: over-invoicing or false invoicing (e.g. for fictitious consultancy or provision of fictitious goods or services), active financing, instrumental use of derivative products, stipulation of *futures contracts* on securities, indices, stipulation of options on shares or currencies, Etc.

Offences can also be committed where the information relates to assets owned or managed by a company on behalf of a third party.

It should be noted that Law no. 262 of 2005 (the so-called savings law) introduced an aggravating circumstance in the event that the falsity results in harm to a significant number of savers induced to make investment choices on the basis of the information reported in the company's records.

The offences of false corporate communications are distinguished between false corporate communications in "non" listed companies (Article 2621 of the Italian Civil Code) and false corporate communications in listed companies or equivalent to them (Article 2622 of the Italian Civil Code) and both take the form of a false or reticent presentation of material facts relating to the company, aimed at determining a distorted corporate representation.

The unlawful conduct was modified compared to the past by Law no. 69 of 27 May 2015, containing "Provisions on crimes against the public administration, mafia-type association and false accounting" and, more precisely, consists of:

I) knowingly exposing material facts that are not true;

(II) in (knowingly) omitting material facts whose disclosure is required by law on the economic, equity or financial situation of the company or group to which it belongs.

In both cases, the conduct must be carried out in a manner that is concretely likely to mislead others. The aim remains the same as outlined in the previous formulation, that is, to obtain an unjust profit for oneself or for others.
The active subjects of the crime are directors, general managers, managers in charge of preparing corporate accounting documents, statutory auditors and liquidators.

In relation only to false corporate communications in unlisted companies, there is a mitigated hypothesis for minor offences (Article 2621-bis of the Italian Civil Code) and non-punishability for particularly tenuous nature (Article 2621-ter of the Italian Civil Code).

Finally, it should be noted that among the main changes compared to the previous formulation, introduced by Law no. 69 of 27 May 2015, there is the exceeding of the quantitative threshold of punishability, as well as a significant tightening of penalties. In addition, the criminal relevance of "false valuations" relating to balance sheet items has been eliminated, even if the best doctrine has clarified that the criminal relevance of valuations

remains, even in the relief of the new formulation, to the extent that they contain or in any case result in the statement of a fact.

1.2 Prevented control

Article 2625, paragraph 2, of the Italian Civil Code: Prevented control

Directors who, by concealing documents or by other suitable artifices, prevent or in any case obstruct the performance of control or auditing activities legally attributed to shareholders, other corporate bodies or auditing firms, are punished with an administrative fine of up to €10,329.

If the conduct has caused damage to the members, imprisonment of up to one year is applied and a complaint is filed against the injured party.

The penalty is doubled in the case of companies whose securities are listed on regulated markets in Italy or in other European Union countries or are widely distributed to the public pursuant to Article 116 of the consolidated law referred to in Legislative Decree no. 58 of 24 February 1998.

For the purposes of this rule, the activities carried out by the members of the Board of Directors, as well as by the employees who collaborate with them, which may have an influence on the initiatives and control activities of shareholders, other corporate bodies or auditing firms, are taken into consideration.

More precisely, these are the activities that affect:

- on shareholder control initiatives provided for by the Civil Code and other regulatory acts, such as Article 2422 of the Italian Civil Code, which provides for the right of shareholders to inspect the company's books;
- on the control activities of the Board of Statutory Auditors, provided for by the Civil Code and other regulatory provisions, such as Articles 2403 and 2403-bis, which provide for the power of the members of the Board of Statutory Auditors to carry out inspections and controls and to request information from the directors on the progress of corporate transactions or certain business;
- on the activities of auditing firms, provided for by the relevant laws, such as those governed by Articles 2409 bis to *septies* of the Italian Civil Code.

The offence – which punishes offences that hinder the control activities attributed to shareholders, corporate bodies and auditing firms – exists not only when, through the concealment of documents or other suitable artifices, the aforementioned activities are prevented, but also when they are only hindered.

In order for the offence to be committed, it is necessary that the conduct has resulted in damage to the members.

1.3 Undue restitution of contributions

Article 2626 of the Italian Civil Code: Undue restitution of contributions

Directors who, except in cases of legitimate reduction of the share capital, return, even simulatedly, the contributions to the shareholders or release them from the obligation to execute them, are punished with imprisonment of up to one year.

With regard to the activity related to the repayment of contributions, this may take on unlawful connotations when it is carried out outside the cases of legitimate reduction of the share capital (Article 2306 of the Italian Civil Code) or reduction of the excess capital (Article 2445 of the Italian Civil Code).
The conduct can be carried out either in an overt form, i.e. by making it appear in the resolution that the sums are unduly allocated to a repayment outside the cases provided for by law, or in simulated form, for example, by carrying out fictitious commercial transactions with a shareholder that involve the transfer to the latter of sums taken from the share capital. In this case, the payment of the sums to the shareholder is formally made on the basis of the fictitious transaction (e.g. a simulated purchase of goods from the shareholder), but in substance it is an undue restitution of contributions.
All the conduct carried out by the directors or by the functions called upon to provide support to them relating to the return of contributions to shareholders or the release of the obligation to carry them out is taken into consideration.

1.4 Illegal distribution of profits and reserves

Article 2627 of the Italian Civil Code: Unlawful distribution of profits and reserves
Unless the act constitutes a more serious offence, directors who distribute profits or advances on profits not actually earned or allocated by law to reserves, or who distribute reserves, even if not constituted with profits, which cannot be distributed by law, shall be punished with imprisonment for up to one year. The restitution of profits or the replenishment of reserves before the deadline for approving the financial statements extinguishes the offence.

The offence exists either if profits or advances are distributed on profits not actually achieved or allocated by law to reserves, or when reserves are distributed, even if not constituted with profits, which cannot be distributed by law.
As far as profits are concerned, the term must be understood in its broadest sense, including any increase in shareholders' equity compared to the nominal value of the capital, even if independent (unlike profit for the year) of the performance of the economic activity.
They must then be profits or advances on profits not actually achieved (and therefore fictitious), or not distributable because they are destined by law to a legal reserve, such as, for example, those imposed on the company by art. 2423 paragraph 4, 2426, n. 4, 2428 of the Italian Civil Code.
The distribution of reserves, even if not made up of unavailable profits, is also punished.
In this regard, it should be noted that the cause of extinction of the offence represented by the return of profits or replenishment of reserves within the deadline set for the approval of

the financial statements extinguishes only the liability of the natural person who committed the crime, but not that of the company.

1.5 Unlawful transactions on the shares or quotas of the parent company

Article 2628 of the Italian Civil Code: Unlawful transactions on shares or quotas of the company or of the parent company

Directors who, except in the cases permitted by law, purchase or subscribe to shares or shares, causing damage to the integrity of the share capital or reserves that cannot be distributed by law, are punished with imprisonment of up to one year.

The same penalty applies to directors who, except in cases permitted by law, purchase or subscribe to shares or quotas issued by the parent company, causing an injury to the share capital or reserves that cannot be distributed by law.

If the share capital or reserves are replenished before the deadline set for the approval of the financial statements for the year in relation to which the conduct was committed, the offence is extinguished.

In the present case, the unlawful purchase or subscription of shares in the company or parent company by directors is sanctioned only if it causes damage to the integrity of the share capital or non-distributable reserves.

It should be noted that the cause of extinction of the offence represented by the reconstitution of the share capital within the deadline set for the approval of the financial statements extinguishes only the liability of the natural person who committed the crime, but not also that of the company.

1.6 Transactions to the detriment of creditors

Article 2629 of the Italian Civil Code: Transactions to the detriment of creditors

Directors who, in violation of the provisions of the law for the protection of creditors, carry out reductions in share capital or mergers with other companies or demergers, causing damage to creditors, shall be punished, on complaint by the injured party, with imprisonment from six months to three years.

Compensation for damages to creditors before judgment extinguishes the crime.

The law punishes directors who carry out share capital reduction or merger or demerger operations, in such a way as to cause damage to creditors.

With reference to share capital reduction operations, the following examples of criminal conduct can be cited: execution of the resolution to reduce the share capital despite the opposition of the company's creditors or in the absence of a resolution by the Court.

With reference to mergers or demergers, it is worth mentioning the execution of such transactions before the deadline referred to in art. 2503 paragraph 1, if the exceptions

provided for therein are not present or in the presence of an objection and without the authorization of the Court.

1.7 Failure to disclose conflict of interest

Article 2629 *bis of* the Italian Civil Code: Failure to disclose the conflict of interest
The director or member of the management board of a company whose securities are listed on regulated markets in Italy or in another Member State of the European Union or are widely distributed to the public pursuant to Article 116 of the Consolidated Law referred to in Legislative Decree No. 58 of 24 February 1998, as amended, or of a person subject to supervision pursuant to the Consolidated Law referred to in Legislative Decree 1 September 1993, A person who infringes the obligations laid down in the first paragraph of Article 2391 shall be punished with imprisonment of between one and three years if the breach resulted in damage to the company or to third parties

The case in question was introduced by Law 262/2005.
The criminal conduct consists in the failure of the director or member of the management board to disclose his or her personal interests in the operations of the company in which he or she operates and which, in any case, must be listed.
In particular, art. Article 2391 of the Italian Civil Code requires the members of the Board of Directors to inform the other members of the Board and the Statutory Auditors of any interest that they have, on their own behalf or on behalf of third parties, in a specific transaction of the Company, specifying its nature, terms, origin and scope.

1.8 Fictitious capital formation

Article 2632 of the Italian Civil Code: Fictitious capital formation
Directors and contributing shareholders who, even in part, fictitiously form or increase the share capital through the allocation of shares or quotas in an overall amount greater than the amount of the share capital, reciprocal subscription of shares or quotas, significant overvaluation of contributions of assets in kind or receivables or of the company's assets in the event of transformation, They are punishable by imprisonment of up to one year.

With reference to the activities relating to the allocation of shares, it may be a criminal offence when these are issued for a nominal value lower than that declared as the capital would be inflated to an extent corresponding to the difference between the allocation value and the nominal value.
As far as the reciprocal subscription of shares is concerned, this is sanctioned because it creates the illusory multiplication of social wealth and the offence exists even when the transactions are not contextual, it being sufficient that they are the subject of a single agreement.
Significant overvaluation of contributions and assets in kind or receivables or of the company's assets in the event of transformation (which occurs when the criteria of

reasonableness and correlation between the result of the estimate and the valuation parameters followed and set out are violated, criteria already partially explained by the legislator in Article 2343 of the Italian Civil Code) is also sanctioned as it creates an illusory increase in wealth.

1.9 Undue distribution of company assets by liquidators

Article 2633 of the Italian Civil Code: Undue distribution of the company's assets by the liquidators
Liquidators who, by distributing the company's assets among the shareholders before the payment of the company's creditors or the setting aside of the sums necessary to satisfy them, cause damage to the creditors, shall be punished, on complaint by the injured party, with imprisonment of between six months and three years. Compensation for damages to creditors before judgment extinguishes the crime.

The offence arises whenever the liquidator proceeds with the distribution of the company's assets before the satisfaction of all the company's creditors or without setting aside the resources intended for this purpose and this causes damage to the company's creditors (i.e. when the amount of the assets is not such as to allow the satisfaction of the claims of the aforementioned creditors).

1.10 Unlawful Influence on the Assembly

Article 2636 of the Italian Civil Code: Unlawful influence on the shareholders' meeting
Whoever, by simulated or fraudulent acts, determines the majority in the assembly, with the aim of procuring an unjust profit for himself or others, shall be punished with imprisonment from six months to three years.

For the purposes of the rule in question, conduct aimed at convening the shareholders' meeting, admission to participation in the shareholders' meeting and counting of votes for the resolution are taken into account.
The rule aims to prevent fraudulent conduct (such as, for example, the fictitious transfer of shares to a trusted person in order to obtain their vote at the shareholders' meeting or the fictitious subscription of a loan with pledge of the shares, so as to allow the pledgee creditor to exercise the right to vote at the shareholders' meeting) from illegitimately influencing the formation of the majority at the shareholders' meeting.

1.11 Rigging the market

Art. 2637 of the Italian Civil Code: Rigging
Anyone who spreads false news, or carries out simulated transactions or other artifices concretely capable of causing a significant alteration in the price of unlisted financial instruments or for which a request for admission to trading on a regulated market has not

been submitted, or of significantly affecting the trust that the public places in the financial stability of banks or banking groups, It is punishable by imprisonment from one to five years.

The case in question was profoundly amended by Law 262/2005, which excluded the application of this rule to companies with securities listed on the stock exchange. The active subjects of the crime are not only the directors of companies, but everyone. The dissemination of false news and the use of fraudulent means in order to influence the public are sanctioned not only when they are reflected in an increase or decrease in the value of the shares of the company whose directors carry out the criminal conduct or of other securities belonging to it but, more generally, when they are likely to cause a significant alteration in the price of unlisted financial instruments, or for which no request for listing has been submitted.

1.12 Obstacle to the exercise of the functions of public supervisory authorities[1]

Article 2638 of the Italian Civil Code: Obstacle to the exercise of the functions of public supervisory authorities

Directors, general managers, managers in charge of preparing the company's financial reports, statutory auditors and liquidators of companies or entities and other persons subject by law to the public supervisory authorities, or required to do so, who, in the communications to the aforementioned authorities required by law, in order to hinder the exercise of supervisory functions, they present material facts that do not correspond to the truth, even if they are the subject of assessments, on the economic, equity or financial situation of the subjects under supervision or, for the same purpose, conceal by other fraudulent means, in whole or in part facts that they should have communicated, concerning the situation itself, shall be punished with imprisonment from one to four years. The punishment is also extended to the case in which the information concerns assets owned or managed by the company on behalf of third parties. The same penalty shall apply to directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors and liquidators of companies, or entities and other persons subject by law to the public supervisory authorities or subject to obligations towards them, who, in any form, including omitting the communications due to the aforementioned authorities, knowingly hinder its functions. The penalty is doubled in the case of companies whose securities are listed on regulated markets in Italy or in other European Union countries or are widely distributed to the public pursuant to Article 116 of the consolidated law referred to in Legislative Decree no. 58 of 24 February 1998.
3-bis For the purposes of criminal law, the resolution authorities and functions referred to in the decree transposing Directive 2014/59/EU are equivalent to supervisory authorities and functions.

[1] *Fra le Autorità di Vigilanza rientrano, ad esempio, la Consob, la Banca d'Italia, l'ISVAP, l'Autorità garante per la concorrenza ed il mercato, l'Autorità per le garanzie nelle telecomunicazioni, l'Autorità per l'energia elettrica ed il gas*.

The conduct is divided into two modes (false communications and obstruction of the supervisory authority) with the aim of hindering the functions of the aforementioned authorities, to be identified not only in Consob and the Bank of Italy, but in any other authority with supervisory powers (for example, the Italian Competition Authority, the Italian Data Protection Authority, etc.).
In the first case, the conduct consists in the presentation in communications addressed to the supervisory authority and specifically provided for by law of material facts that do not correspond to the truth, even if subject to assessment, on the economic, equity or financial situation of the company, or in the concealment by fraudulent means, in whole or in part, of facts that should have been communicated.
In the second hypothesis, on the other hand, any conduct, active or omissive, that in any form, including through the failure to communicate due to the authority, obstructs supervisory functions is sanctioned.

1.13 False or omitted declarations for the issuance of the preliminary certificate

Art. 54 of Legislative Decree 19/2023: False or omitted declarations for the issuance of the preliminary certificate:
Any person who, in order to make it appear that the conditions for issuing the preliminary certificate referred to in Article 29 have been fulfilled, who produces documents who are wholly or partly false, alters true documents, makes false statements or omits relevant information, shall be liable to imprisonment of between six months and three years.

In conclusion, it should be noted that, from the point of view of the subjective scope of application of the above-mentioned types of corporate crime, Legislative Decree 62/2001 extends the criminal liability deriving from them not only to persons with the subjective qualifications required by the various cases (e.g. directors, general managers, statutory auditors, liquidators) but also to persons required to perform the same functions, differently qualified and to persons who exercise in a continuous and significant way the typical powers inherent in the qualification or function.

Article 2639 of the Italian Civil Code (ECC) Extension of Subjective Qualifications.
For the offences provided for in this Title, the person formally invested with the qualification or holder of the function provided for by civil law shall be treated in the same way as both those who are required to perform the same function, differently qualified, and those who exercise the typical powers inherent in the qualification or function in a continuous and significant manner. Except in cases of application of the rules concerning the offences of public officials against the public administration, the sanctioning provisions relating to directors also apply to those who are legally appointed by the judicial authority or by the public supervisory authority to administer the company or the assets owned or managed by it on behalf of third parties.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a risk of committing Corporate Crimes are, in general terms, those directly involved in the preparation of corporate documents (e.g. financial statements), in the management of share capital transactions or other extraordinary transactions and in the holding or disclosure of sensitive information relating to the Company. Moreover, although corporate crimes (for the most part) can only be committed by qualified persons (i.e. directors or persons in charge of preparing corporate accounting documents), criminal conduct can be made possible (and facilitated) with the "support" of other business areas (and persons in charge of other and different functions).

Below is a list of these areas, with an indication - for each area - of the specific activities considered to be at potential risk of committing Crimes ("**Risk Activities**"), as well as those activities that, although not directly involved in Risk Activities, could nevertheless meet the conditions or preconstitute the means and tools for the commission of Crimes ("**Instrumental Activities**").

AREA	RISK ACTIVITIES/ INSTRUMENTAL ACTIVITY
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Ordinary treasury management (management of receipts, payments and cash flow)* • *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)* • *Management of expense reimbursements and travel costs* • *Management, authorization and control of extraordinary transactions and transactions relating to share capital* • *Management of accounting and preparation of the financial statements –- Preparation of the financial statements and corporate communications* • *Preparation and control of tax returns* • *Subsidies and public funding*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS IN THE FIELD OF CORPORATE CRIMES

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) **GENERAL MANAGEMENT:**

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

b) **I/E & LOGISTICS (ADMINISTRATION OFFICE):**

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records receipts in the management system, after matching them to the relevant invoice issued by the Company, and exclusively against real transactions on the basis of orders and contracts;
- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the Head of the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the Chief Executive Officer is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

ii. *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)*

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

iii. *Management of expense reimbursements and travel costs*

- The Company has adopted a specific company regulation to govern the management of expense reports;
- the reimbursement of expense reports takes place only upon presentation of the proof by the employee;

- the expense reports of employees and collaborators are always authorized in advance by the Head of Department;
- the payment of expense reports is made by the Administration Office;
- the Administration Office, with the authorization of the CEO, provides the traveling staff who request them with company credit cards ("*Corporate Cards*") linked to their personal current accounts, and requests for reimbursement of expenses are subject to control. The relevant expense receipts are archived to ensure the traceability of controls.

iv. *Management, authorization and control of extraordinary transactions and transactions relating to share capital*

- Any decisions regarding extraordinary transactions and those relating to share capital are reserved to the Board of Directors.

v. *Management of accounting and preparation of financial statements – Preparation of financial statements and corporate communications*

- The Company has outsourced to external tax consultants the activities relating to accounting, the preparation of the financial statements and the documentation relating to them, on the basis of specific written contracts, which govern the related activities.
- the General Management provides for the preparation of a written schedule of accounting obligations and with reference to the obligations necessary for the preparation of the financial statements;
- the draft of the financial statements is made available to the members of the Board of Directors, via email, at the time of the convocation of the shareholders' meeting for the approval of the financial statements.

vi. *Preparation and control of tax returns*

- The management of tax compliance is carried out by external tax consultants and the related controls are carried out by external auditors, on the basis of specific contracts in written form in both cases.

vii. *Subsidies and public funding*

- The management of public funding is the responsibility of the Marketing & Business Development Office, supported by the Administration Office for the reporting of activities;
- the Marketing & Business Development Manager prepares the documentation relating to the calls for tenders; this documentation is subject to control and verification by the General Management;
- The Marketing & Business Development Manager, as part of his activities aimed at obtaining public funding, accesses the portals of the public administration for the upload of the projects covered by the calls for tenders.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

Angiodroid's conduct is characterized by the utmost compliance with current legislation and is based on the principles of transparency, fairness and loyalty in order to guarantee the integrity of the share capital, the protection of creditors and third parties who establish relations with the Company.
Accounting transparency is based on the truthfulness, accuracy and completeness of the basic information for the relevant accounting records. The Recipients, within the scope of their respective competences and functions, must:

- collaborate to ensure that the operating facts are correctly and promptly represented in the accounts, each entry having to reflect exactly what results from the supporting documentation;
- to behave correctly, transparently and collaboratively, in compliance with the law, accounting principles and internal company procedures, in all activities aimed at drawing up the financial statements and other corporate communications, in order to provide Shareholders and third parties with truthful and correct information on the Company's economic, equity and financial situation;
- comply with the rules of correct, complete and transparent recording in the accounting of facts relating to the Company's management;
- ensure that each transaction is not only correctly recorded, but also authorised, verifiable, legitimate, consistent and congruous;
- ensure that for each operation there is adequate documentary support in order to be able to proceed, at any time, to carry out checks that attest to the characteristics and reasons of the operation and identify who authorized, carried out, registered and verified the operation itself;
- strictly comply with all the rules laid down by law to protect the integrity and effectiveness of the share capital, in order not to harm the guarantees of creditors and third parties in general;
- promptly report any irregularities to the SB.

4.2 Specific requirements

For each operation, it is mandatory to keep adequate supporting documentation of the activity carried out in the records, in order to allow:

- easy accounting entry;
- the identification of the different levels of responsibility;
- the accurate reconstruction of the operation, also with the aim of reducing the probability of interpretative errors.

Each record must reflect exactly what is reflected in the supporting documentation. It is the responsibility of each Recipient, within the scope of their competences, to ensure that the documentation is archived, easily traceable and ordered according to logical criteria.
Recipients who become aware of any omissions, falsifications, negligence in the accounts or documentation on which the accounting records are based, are required to report the

facts to their superior or to the Supervisory Body, to which they may also contact in case of doubts about the methods of processing and storing the above documentation.
Recipients who become aware of any omissions, falsifications, negligence in the accounts or in the documentation on which the accounting records are based, are required to report the facts to their superior or to the Supervisory Body.
The Recipients involved in various ways in the execution of obligations relating to: *i)* distribution of profits or reserves; *(ii)* capital transactions as well as obligations related to such transactions, such as contributions in kind and valuation of the same; *(iii)* transactions on treasury shares or those of subsidiaries; *(iv)* mergers, demergers or transformations, are required to act with honesty, fairness and transparency and in full compliance with current regulations.
It is also forbidden to:

- carry out simulated transactions or spread false news about the Company and its subsidiaries, as well as their business;
- represent or transmit for the elaboration and representation in financial statements, reports and prospectuses or other corporate communications, false, incomplete or, in any case, unrealistic data on the economic, equity and financial situation of the Company and its subsidiaries;
- omit data and information required by law on the economic, equity and financial situation of the Company and its subsidiaries;
- return contributions to Shareholders or release them from the obligation to make them, except in cases of legitimate reduction of the share capital;
- allocate profits or advances on profits not actually earned or allocated by law to reserves;
- purchase or subscribe to shares of the Company and/or its subsidiaries except in the cases provided for by law, which entail damage to the integrity of the share capital;
- carry out reductions in share capital, mergers or demergers, in violation of the provisions of the law to protect creditors, causing them damage;
- proceed with the fictitious formation or increase of the share capital, allocating shares for a value lower than their nominal value at the time of the share capital increase;
- determine or influence the adoption of the resolutions of the Shareholders' Meeting, by carrying out simulated or fraudulent acts aimed at altering the regular procedure for the formation of the Shareholders' Meeting's will;
- disseminate false news or carry out simulated transactions or other artifices likely to cause a significant alteration in the price of financial instruments not listed on a regulated market, or likely to affect public confidence in the financial stability of banking institutions.

4.3 Relations with Shareholders, Statutory Auditors, Auditors and Supervisory Authorities

The Recipients of this Model are required to ensure maximum cooperation and transparency in the relations they may be called upon to maintain with the Board of Statutory Auditors, the Auditors or the Independent Auditors, the public supervisory authorities and the

Shareholders, in relation to the control activities carried out by them, and must refrain from any conduct aimed at hindering the search or diverting the attention of the statutory auditors, of the auditors or of the Shareholders in the exercise of their respective control activities.
In managing these relationships, the Recipients must:

- maintain, with regard to the control activities assigned to the Statutory Auditors, the Auditors or the Independent Auditors and the public supervisory authorities, a behaviour that allows them to carry out their institutional activities;
- ensure the regular functioning of the Company and the corporate bodies, guaranteeing and facilitating all forms of internal control over the company's management provided for by law, as well as the free and correct formation of the shareholders' will.

It is also forbidden to:

- conceal the documentation necessary for the performance of control activities by Statutory Auditors, Auditors, public supervisory authorities and Shareholders;
- provide documentation containing unclear, inaccurate or incomplete information;
- behave in a way that hinders the performance of control activities by Statutory Auditors, Auditors, public supervisory authorities and Shareholders.

The Recipients of this Model are required to promptly comply with any request from institutions, supervisory authorities or public supervisory authorities, providing full cooperation and avoiding obstructive behaviour.

4.4 Relationships with customers and third parties

Recipients who, by reason of their assignment or function or mandate, manage customer relations must:

- observe the internal procedures for the management of the sales process and relations with customers, as well as the procedures regarding procurement, personnel selection, management of credit notes and entertainment expenses;
- not to harm, directly or indirectly, the reputation that Angiodroid has gained over the years towards its customers;
- provide accurate and comprehensive information about Angiodroid's products so that customers can make informed decisions;
- communicate, without delay, to its hierarchical manager and, at the same time, to the Supervisory Body any conduct carried out by persons operating within client companies or in any case of the counterparty, aimed at obtaining favours, illicit donations of money or other benefits, including towards third parties, as well as any other critical issues or conflicts of interest that arise in the context of such relationships.

In the context of relationships, of any nature, established with customers, agents, distributors or third parties in general, the Recipients are strictly forbidden to:

- promise and/or offer, even through an intermediary, money, gifts, gifts, benefits or other benefits (e.g. organization of events, granting of company benefits such as cars or apartments for rent, etc.), which may compensate or influence their work or which, in

any case, may be interpreted by an impartial observer as aimed at acquiring advantages or preferential treatment in an improper way;
- unlawfully seek or establish personal relationships of favour, influence and interference, capable of influencing, directly or indirectly, the outcome of the relationship;
- promise and/or offer employment opportunities or business opportunities to counterparties or persons indicated by them or related to them;
- solicit and obtain confidential information;
- unduly obtain advantageous commercial conditions for Angiodroid, for example by giving money or benefits to employees of client companies or third parties for the purpose of influencing their work or evaluation.

The Recipients are also obliged to comply with the rules of conduct dictated in relation to relations with the Public Administration and the related instrumental activities.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "4"
CRIMES WITH THE AIM OF TERRORISM OR SUBVERSION OF THE DEMOCRATIC ORDER

1. RELEVANT OFFENCES

1.1 Premises

The relevance of crimes with the purpose of terrorism and subversion of the democratic order ("**Crimes with the purpose of terrorism**") for the purposes of the administrative liability of entities is the result of the amendment made by art. 3 of Law No. 7/2003 ratifying the 1999 International Convention for the Suppression of the Financing of Terrorism, which introduced art. 25 *quarter* of the Decree. This provision does not specify in detail the crimes the commission of which may determine the Company's liability pursuant to the Decree, limiting itself to recalling the crimes provided for by the Criminal Code or by special laws and having the purpose of terrorism or subversion.

These Offences correspond to those indicated below:

- Subversive associations (Article 270 of the Criminal Code);
- Associations with the aim of terrorism, including international terrorism, or subversion of the democratic order (Article 270 *bis of the* Criminal Code);
- Assistance to members (Article 270 *ter of the* Criminal Code);
- Enlistment for the purpose of terrorism, including international terrorism (Art. 270 *quarter*);
- Training for activities with the aim of terrorism, including international terrorism (Article 270 *quinquies of the* Criminal Code);
- Attack for terrorist or subversive purposes (Article 280 of the Criminal Code);
- Act of terrorism with deadly or explosive devices (Article 280 *bis of the* Criminal Code);
- Kidnapping for the purpose of terrorism or subversion (Article 289 *bis of the* Criminal Code);
- Incitement to commit a crime against the international and internal personality of the State (Article 302 of the Criminal Code);
- Special aggravating circumstance referred to in art. 1, Law no. 15 of 15 February 1980;
- Crimes committed in violation of the New York International Convention for the Suppression of the Financing of Terrorism of 9 December 1999.

In order to facilitate the understanding of the application requirements of the Decree and thus make the implementation of the Model more effective, the following is a brief description of the Offences whose commission is theoretically conceivable in consideration of the characteristics of the Company and the peculiarity of the activity carried out by it.

1.2 The Aims of Terrorism and Subversion of the Democratic Order

A common requirement necessary for the commission of the crimes in question is the terrorist and subversive purpose that characterizes them.

As far as the purpose of **terrorism** is concerned, at the interpretative level, there has long been an attempt to give an unequivocal meaning to the expression, trying to overcome its generality by referring to concepts taken from the social and political sciences, without, however, achieving satisfactory results from the point of view of definiteness and the specific case.

In the end, it was the legislator himself who gave a normative definition of terrorism with Article 270 *sexies of the* Criminal Code, introduced by Law no. 50 of 31 July 2005, which considers committed for the purpose of terrorism "*conduct which, by its nature or context, may cause serious damage to a country or an international organization and is carried out with the aim of intimidating the population or coercing public authorities or an organization international law to carry out or refrain from carrying out any act or to destabilize or destroy the fundamental political, constitutional, economic and social structures of a country or an international organization, as well as other conduct defined as terrorist or committed for the purpose of terrorism by conventions or other norms of international law binding on Italy*".

Terrorist conduct, therefore, is characterized by being directed towards "countries" or "international organizations" and, therefore, for a "political" purpose in the broad sense.

On the other hand, **conduct aimed at subverting the institutional structure or the constitutional order of the legal system** is considered subversive.

1.3 Subversive Association

Article 270 of the Criminal Code: *Subversive associations*
Any person in the territory of the State who promotes, establishes, organises or directs associations which are direct and capable of violently subverting the economic or social orders established in the State or of violently suppressing the political and legal order of the State, shall be punished with imprisonment of between five and ten years. Any person who participates in the associations referred to in the first paragraph shall be punished with imprisonment of between one and three years.
The penalties shall be increased for those who re-establish, even under a false name or in a simulated form, the associations referred to in the first paragraph which have been ordered to be dissolved.

1.4 Associations with the aim of terrorism and subversion of the democratic order

Article 270 *bis of* the Criminal Code: Associations with the aim of terrorism, including international terrorism, and subversion of the democratic order

Any person who promotes, establishes, organizes, directs or finances associations that aim to commit acts of violence with the aim of terrorism or subversion of the democratic order shall be punished with imprisonment of between seven and fifteen years.
Anyone who participates in such associations is punished with imprisonment from five to ten years.
For the purposes of criminal law, the purpose of terrorism also occurs when the acts of violence are directed against a foreign state, an institution or an international body.
The confiscation of the things that served or were intended to commit the crime and of the things that are the price, the product, the profit or that constitute the use of the crime is always obligatory in the case of the convict.

The present case presupposes the existence of an "association", i.e. an organization of men and means resulting from the creation of a stable bond between several subjects for the pursuit of a common purpose. Since the legislator has not set a limit on the minimum number of members (as, on the other hand, in the case of criminal association), the crime can be considered integrated even in the presence of an organization consisting of two elements.

1.5 Assistance to associates

Article 270 *ter* of the Criminal Code: *Assistance to members*
Any person who, except in cases of complicity in the crime or aiding and abetting, gives shelter or provides food, hospitality, means of transport, means of communication to any of the persons participating in the associations referred to in Articles 270 and 270bis shall be punished with imprisonment of up to four years. The penalty is increased if the assistance is provided continuously.
A person who commits the act in favour of a close relative is not punishable.

This is a rule aimed at sanctioning the conduct of subversive, subversive and terrorist associations. On a subjective level, the general awareness of providing assistance to a member of such associations is required, while it is not necessary for the offender to want the realization of the terrorist or subversive aims that they are intended to achieve, provided that he is aware of it.

1.6 Terrorist offences

Article 280 of the Criminal Code: *Attack for terrorist or subversive purposes*
Any person who, for the purpose of terrorism or subversion of the democratic order, threatens the life or safety of a person shall be punished, in the first case, with imprisonment of not less than twenty years and, in the second case, with imprisonment of not less than six years.
If the attempt on the safety of a person results in a very serious injury, the penalty of imprisonment of not less than eighteen years shall apply; If serious injury results, the penalty of imprisonment of not less than twelve years shall apply.

If the acts referred to in the preceding paragraphs are directed against persons exercising judicial or penitentiary functions or public security functions in the exercise of or by reason of their duties, the penalties shall be increased by one third.
If the facts referred to in the preceding paragraphs result in the death of the person, life imprisonment shall apply in the case of an attempt on life and, in the case of an attempt on safety, imprisonment of thirty years.
Mitigating circumstances, other than those provided for in Articles 98 and 114, which are concurrent with the aggravating circumstances referred to in the second and fourth paragraphs, may not be considered equivalent or prevailing in relation to them, and the reduction of the penalty shall be made on the basis of the amount of the penalty resulting from the increase resulting from the aforementioned aggravating circumstances.

Article 280 *bis of the* Criminal Code: *Act of terrorism with deadly or explosive devices*
Unless the act constitutes a more serious crime, anyone who, for the purpose of terrorism, carries out any act aimed at damaging the movable or immovable property of others, through the use of explosive or otherwise lethal devices, shall be punished with imprisonment from two to five years.
For the purposes of this Article, explosive or otherwise deadly devices shall mean weapons and similar materials referred to in Article 585 and capable of causing significant material damage.
If the offence is directed against the seat of the Presidency of the Republic, the Legislative Assemblies, the Constitutional Court, organs of the Government or in any case bodies provided for by the Constitution or by constitutional laws, the penalty is increased by up to half.
If the act endangers public safety or seriously damages the national economy, imprisonment of five to ten years applies.
Mitigating circumstances, other than those provided for in Articles 98 and 114, which are concurrent with the aggravating circumstances referred to in the third and fourth paragraphs, may not be considered equivalent or prevailing in relation to them, and the reduction of the penalty shall be made on the basis of the amount of the penalty resulting from the increase resulting from the aforementioned aggravating circumstances.

1.7 The special aggravating circumstance in the field of terrorism and subversion of the democratic order

Aggravating and mitigating circumstances (Article 270 bis.1 of the Criminal Code)
For offences committed for the purpose of terrorism or subversion of the democratic order, punishable by a penalty other than life imprisonment, the penalty shall be increased by half, unless the circumstance is a constituent element of the offence.
Where other aggravating circumstances are present, the increase in the penalty provided for the aggravating circumstance referred to in the first subparagraph shall apply first. Mitigating circumstances, other than those provided for in Articles 98 and 114, which are concurrent with the aggravating circumstance referred to in the first paragraph may not be

considered equivalent or prevailing in relation to that aggravating circumstance and to the aggravating circumstances for which the law establishes a penalty of a different kind or determines its measure independently of the ordinary penalty of the offence, and the reduction of the penalty is made on the amount of the penalty resulting from the increase resulting from the aforementioned aggravating circumstances.
For crimes committed for the purpose of terrorism or subversion of the democratic order, without prejudice to the provisions of Article 289-bis, against the competitor who, by dissociating himself from the others, strives to prevent the criminal activity from being carried to further consequences, or concretely helps the police and judicial authorities in the collection of decisive evidence for the identification or capture of competitors, The sentence of life imprisonment is replaced by that of imprisonment from twelve to twenty years, and the other penalties are reduced from one third to one-half.
Where the circumstance referred to in the third subparagraph applies, the aggravating circumstance referred to in the first subparagraph shall not apply.
Except in the case provided for in the fourth paragraph of Article 56, the person guilty of a crime committed for the purpose of terrorism or subversion of the democratic order who voluntarily prevents the event and provides decisive evidence for the exact reconstruction of the fact and for the identification of any competitors is not punishable.

On the basis of this rule, introduced by Legislative Decree no. 21 of 1 March 2018, which repealed art. 5 of Legislative Decree No. 625/1979 converted with amendments by Law No. 15/1980, any crime provided for by the Criminal Code or special laws, even if not specifically aimed at repressing terrorism, is aggravated in the sanctioning treatment according to the measure indicated above.
In addition, it is important to underline that, thanks to the postponement made through this provision, the administrative liability of the entity pursuant to Article 25 *quarter* of the Decree is also likely to constitute crimes other than those expressly described, provided that they are carried out with the aim of terrorism and subversion of the democratic order.

1.8 The New York Convention of 9 December 1999

The International Convention for the Suppression of the Financing of Terrorism ("Convention"), adopted by the United Nations AG with resolution 54/109 in New York on 8 December 1999, acquired binding force in our legal system with the ratification and execution law of 14 January 2003 n.7, published in the Official Gazette n. 21 of 27 January 2003 and entered into force the following day.

Pursuant to art. 2 of the Convention, it is a criminal offence to commit a person who, by any means, directly or indirectly, illegally or intentionally, provides or collects funds with the intention of using them or knowing that they are intended to be used, even partially, in order to accomplish:

a) an act constituting an offence within the meaning of the Treaties annexed to the Convention; or
b) any other act intended to cause the death or serious bodily injury of a civilian, or of any other person who is not an active party in situations of armed conflict.

For the offence to exist, it is not necessary that the funds are actually used for the performance of the acts described above, their destination being sufficient. On the other hand, it is required that the purpose of the acts described above, by its nature or by the context in which it is carried out, is to intimidate a population, or to exert forms of pressure or coercion on a government or an international organization, forcing them to perform or refrain from carrying out a certain act or behavior (e.g. calling an election, freeing prisoners, etc.).

In addition to the above, it is also an offence under the Convention who:

The. takes part as an accomplice in the commission of an offence as described above;
II. organises or directs any other person with a view to committing any of these offences;
III. contributes to the commission of the crimes, with a group of people acting with a common purpose. Such contribution must be intentional and:
(a) it must be carried out in order to facilitate the criminal activity or purpose of the group; or
(b) it must be provided with the full knowledge that the group's intent is to commit one of the offences sanctioned by the Convention.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

In general, and although the probability of occurrence of crimes with terrorist purposes in the interest or to the advantage of the entity is extremely low, it was considered that there is a risk of occurrence of the crimes in question in areas that involve the establishment of financial relationships within the group or with counterparties based in "at risk" countries. Consider, in particular, the following areas and activities:

AREA	RISK ACTIVITIES/ INSTRUMENTAL ACTIVITY
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers* • *Procurement management (strategic consulting)* • *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Ordinary treasury management (management of receipts, payments and cash flow)*

	• *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)* • *Relations with business partners (Registry)*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale* • *Management of commercial offers and contracts - Management of relations with third parties* • *Giveaways & Sponsorships* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services* • *Receipt of goods and performance of services*

The list of sensitive activities, moreover, is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) GENERAL MANAGEMENT:

i. *Exercise of authorisation and representation powers*
The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

ii. *Procurement management (strategic consulting)*
The General Management chooses the Company's strategic consultants: the Chairman of the Board of Directors and/or the CEO sign the consultancy contract on the basis of their power of representation. The management of strategic consultancy is delegated to the Administration for the execution of the payment of the related fee.

iii. *Personnel management activities (recruitment and dismissal)*
The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) I/E & LOGISTICS (ADMINISTRATION OFFICE):

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records the receipts in the management system, after matching them to the relevant invoice issued by the Company;
- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the Chief Executive Officer is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

ii. *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)*

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

iii. *Relations with business partners (Registry)*

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer database is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.);
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

k) The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational

reliability. This information collected about the customer is recorded in a special document, archived internally;

l) where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

ii. *Management of commercial offers and contracts - Management of relations with third parties*

m) The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;

n) the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;

o) sales prices are determined by the Business – Global Sales function, based on a predetermined price list;

p) the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;

q) in the context of public or private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business department. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Giveaways & Sponsorships*

r) The disbursement or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed a modest value and must be limited to normal commercial and courtesy practices.

iv. *Management of returns and credit notes*

s) The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;

t) adjustments relating to customer accounts are authorised by the General Management;

u) There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) I/E & LOGISTICS (PURCHASING)

i. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality

of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);

- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and performance of services*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the

incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

The Recipients, within the scope of their respective competences and functions, must:
- ensure compliance with current legislation, as well as company procedures and protocols regarding the management and use of company financial resources;
- ensure that the disbursement of funding/donations/sponsorships in favour of third parties (non-profit organisations, associations, bodies of any kind) takes place only by persons authorised to do so and in compliance with the company's authorisation procedures, as well as according to the principles of transparency, clarity and verifiability of the resources used;
- carefully verify, before proceeding with the disbursement of funding/donations/sponsorships, the identity, seriousness and integrity of the beneficiary of the funding/donation/sponsorship, as well as the specific destination of the requested contribution;
- absolutely refrain from promoting, constituting, organizing or directing associations that propose to carry out acts of violence with the aim of subverting the democratic order, as described in Special Part A of the Model;
- absolutely refrain from providing, directly or indirectly, funds to persons intending to carry out acts of terrorism;
- comply with the additional principles of conduct and rules of conduct dictated with reference to crimes against the Public Administration (instrumental activities) and crimes of money laundering, self-laundering, receiving stolen goods and use of capital of illegal origin;
- promptly report any irregularities to the SB.

4.2 Specific requirements

The Recipients are expressly forbidden to:
- establish commercial or financial relationships of any kind with persons whose names have been reported by the competent authorities in the field of terrorism prevention (the list of names is contained in the lists published by the UIF – Financial Intelligence Unit of the Bank of Italy – at the address http://www.bancaditalia.it/UIF/terrorismo/liste);

- pay suppliers, consultants, intermediaries or business partners fees that are not adequately justified by the existing contractual relationship with them;
- proceed with the disbursement of loans/donations/sponsorships in favour of third parties if there is a reasonable suspicion that the amounts disbursed are actually used for purposes other than those expressly declared;
- establish relationships with consultants, suppliers, intermediaries or business partners if these subjects:
  i) carry out their professional or entrepreneurial activity through "façade" or "shell" structures or entities, without an effective operational structure (e.g. without any employees or specific physical headquarters, etc.);
  ii) request payments, refunds, gifts or other benefits intended to be passed on to the customer or to third parties through false or inflated invoices or in any case through simulated transactions (e.g. commissions for non-existent transactions, etc.);
  iii) request or have requested that their identity remain hidden.

If the Recipients have already established relations with these subjects, they are required to interrupt them without hesitation and to promptly notify the SB.
With reference to the management of the company's financial resources, the Recipients are obliged to:

- ensure that any financial transaction (in particular related to funding/donations/sponsorships in favour of third parties) is adequately traceable on the basis of appropriate supporting documentation and archived in an orderly manner;
- carry out commercial or financial transactions only with subjects previously identified by the Company in accordance with company procedures;
- in the event that there are resources of the Company managed by third parties such as intermediaries or consultants, ensure that these resources are used only for the purpose agreed upon by a specific written contract;
- require its intermediaries, partners, distributors, suppliers, consultants and, more generally, subjects who have financial relationships with the Company (including active and passive sponsorship relationships) to undertake to strictly comply with the laws and regulations in force in Italy and in the other countries in which Angiodroid operates, as well as the principles of conduct, the rules and procedures set out in the Model and the Code of Ethics, with specific clauses in the relevant contracts;
- select the Company's personnel in a transparent manner and on the basis of the sole criteria of professionalism with respect to the assignment or duties, equal treatment and reliability in compliance with company procedures;
- ensure that the data collected in relation to relations with third parties such as customers, dealers, distributors, sponsors or intermediaries is complete and up-to-date, as well as supported by adequate supporting documentation.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "5"
RECEIVING STOLEN GOODS, MONEY LAUNDERING AND USE OF MONEY, GOODS OR UTILITIES OF ILLICIT ORIGIN, SELF-RECYCLING, AS WELL AS CRIMES RELATING TO NON-CASH PAYMENT INSTRUMENTS

1. RELEVANT OFFENCES

The following is a brief description of the offences of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin provided for in Articles 25 *octies* ("**Offences of receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin, as well as self-laundering**") and 25 *octies.1* ("**Offences relating to non-cash** payment instruments") of the Decree in order to allow the Recipients a better understanding of the control systems provided for by the Organisational Model in relation to such Offences and thus make their implementation more effective.

1.1 Receiving

Article 648 of the Criminal Code: Receiving stolen goods

Except in cases of complicity in the crime, anyone who, in order to procure a profit for himself or others, buys, receives or conceals money or things deriving from any crime, or in any case interferes in having them acquired, received or concealed, is punished with imprisonment from two to eight years and a fine from €516 to €10,329. The penalty is increased when the offence concerns money or property deriving from the offences of aggravated robbery pursuant to Article 628, third paragraph, aggravated extortion pursuant to Article 629, second paragraph, or aggravated theft pursuant to Article 625, first paragraph, no. 7-bis).

The penalty is imprisonment from one to four years and a fine from €300 to €6,000 when the offence concerns money or property deriving from a contravention punishable by imprisonment of more than a maximum of one year or a minimum of six months. The penalty is increased if the offence is committed in the exercise of a professional activity.

If the offence is particularly minor, the penalty is imprisonment of up to six years and a fine of up to €1,000 in the case of money or things deriving from a crime and the penalty of imprisonment of up to three years and a fine of up to €800 in the case of money or things deriving from a contravention.

The provisions of this article shall also apply where the offender from whom the money or property originated is not attributable or not punishable or where there is no condition for prosecution relating to that offence.

As a general rule, receiving stolen goods occurs when, after a crime has occurred, persons other than those who committed it or who in any case contributed to committing it acquire the availability of the things deriving from the crime itself, thus making it more difficult to recover them and consolidating the economic damage suffered by the victim of the crime previously committed.

The logical-legal prerequisite of the crime, therefore, is that another crime has been committed prior to it, in which the receiver did not participate.

The conduct consists of buying (for consideration or free of charge, e.g. selling, donating, etc.), receiving (i.e. taking possession of it) or concealing (hiding) money or things deriving

from the predicate crime. The offence also exists in the event that the conduct is limited to the interference or intermediation in the purchase, receipt or concealment of others. Money or thing is considered to have come from a crime when it constitutes the fruit or result of the predicate crime, as well as, according to some, when it served or was intended to commit the crime.

On a subjective level, receiving stolen goods requires the agent to be aware of the criminal origin of the money or thing, accompanied by the aim of procuring a profit for himself or others.

Among the methods of committing such a crime that could be relevant pursuant to Legislative Decree 231/2001 is, for example, the purchase by the company and at particularly advantageous conditions of goods or materials deriving from the crime (for example because they are stolen or counterfeit).

1.2 Recycling

Article 648 *bis of the* Criminal Code: Money Laundering
Except in cases of complicity in the crime, anyone who replaces or transfers money, goods or other benefits deriving from the crime, or carries out other operations in relation to them, in such a way as to hinder the identification of their criminal origin, is punished with imprisonment from four to twelve years and a fine from €5,000 to €25,000.
The penalty is imprisonment from two to six years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is increased when the offence is committed in the exercise of a professional activity.
The penalty is reduced if the money, goods or other benefits are derived from an offence for which the penalty of imprisonment of less than five years is established. The last paragraph of Article 648 shall apply.

The purpose of the law is to prevent that, after the occurrence of a crime, persons other than those who committed it can help the perpetrators of the crime to ensure profit or, in any case, hinder the search for the perpetrators of the crime through the "washing" of the goods coming from it. Money laundering, in fact, similarly to receiving stolen goods, presupposes the commission of a non-negligent crime in which the launderer must not have taken part. Unlike receiving stolen goods, however, money laundering is characterized by the particular ability of the conduct to conceal and hinder the origin of the goods from the predicate crime (thus, for example, those who buy a stolen car commit receiving stolen goods if they are limited to being aware of the criminal origin of the goods: they commit, on the other hand, money laundering if they carry out an activity aimed at concealing this origin - e.g. alteration of chassis number, replacement of license plates, etc.).

The conduct may consist of substituting or transferring money, goods or utilities (e.g., exporting abroad or converting the currency of the money) or carrying out operations that hinder the identification of the criminal origin of the money, good or utility. This conduct includes all activities suitable for carrying out the "washing" of the asset or money in order to lose track of its origin (e.g. repeated transfers to current accounts in the name of intermediaries or trustees, fictitious transactions, etc.).

On a subjective level, the offender is required to be aware and willing to carry out the "cleaning" activities, which presupposes awareness of the criminal origin of the good or money.

The crime of money laundering could be integrated, for example, by the carrying out of fictitious transactions (e.g. purchase of a service or consultancy that does not actually exist), carried out in the context of intra-group relationships or with "façade" commercial counterparties (e.g. "buffer" companies set up *ad hoc* and subsequently closed, trust companies, etc.) in order to reintroduce into the legal circuit money deriving from a crime (e.g. from a crime in tax matters, as is the case in relation to the so-called carousel fraud linked to the phenomenon of intra-community VAT evasion).

1.3 Use of illicit money, goods or benefits

Article 648 ter of the Criminal Code: Use of money, goods or utilities of illicit origin
Anyone who, except in cases of complicity in the crime and in the cases provided for in articles 648 and 648-bis, uses money, goods or other benefits deriving from crime in economic or financial activities, shall be punished with imprisonment from four to twelve years and a fine from €5,000 to €25,000.
The penalty is imprisonment from two to six years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is increased when the offence is committed in the exercise of a professional activity.
The sentence shall be reduced in the case referred to in the fourth paragraph of Article 648.
The last paragraph of Article 648 shall apply.

This is a residual case that sanctions the simple re-use in economic or financial activities of goods or utilities deriving from crime. With respect to money laundering, therefore, it lacks the element of "cleaning" the proceeds of crime and is aimed at sanctioning those apparently legal investment activities that actually contribute to the strengthening of criminal activities, as they "draw" on the proceeds of the same by reintroducing them into the legal circuit.

1.4 Self-recycling

Art. 648 ter. 1. c.p.: Self-laundering

The penalty of imprisonment from two to eight years and a fine of between €5,000 and €25,000 applies to anyone who, having committed or contributed to committing a crime, uses, replaces, transfers, in economic, financial, entrepreneurial or speculative activities, the money, goods or other benefits deriving from the commission of such crime, in such a way as to concretely hinder the identification of their criminal origin.
The penalty is imprisonment from one to four years and a fine from €2,500 to €12,500 when the offence concerns money or things deriving from a contravention punishable by imprisonment for a maximum of one year or a minimum of six months.
The penalty is reduced if the money, goods or other benefits come from an offence for which the penalty of imprisonment of less than five years is established.
In any case, the penalties provided for in the first paragraph shall apply if the money, goods or other benefits derive from a crime committed under the conditions or purposes referred to in Article 416.bis.1.
Except in the cases referred to in the preceding paragraphs, conduct for which money, goods or other benefits are intended for mere personal use or enjoyment shall not be punishable.
The penalty is increased when the offences are committed in the course of a banking or financial activity or other professional activity.
The penalty is reduced by up to half for those who have effectively worked to prevent the conduct from being carried to further consequences or to ensure the evidence of the crime and the identification of the goods, money and other benefits deriving from the crime.
The last paragraph of Article 648 shall apply.

The purpose of the rule is to prevent that, after the occurrence of a crime, the offender himself ensures profit through the "washing" of the goods coming from him. This rule, similarly to receiving stolen goods and money laundering, presupposes the commission of a non-negligent crime but, unlike these, the active subject is the perpetrator of the predicate crime, as well as his competitors. It is, therefore, a separate offence. Typical conduct consists of using, substituting or transferring money, goods or other benefits deriving from the commission of the predicate crime into economic, financial, entrepreneurial or speculative activities.
Two elements contribute to the delimitation of the area of criminal relevance of the fact: the conduct must be capable of concretely hindering the identification of the criminal origin of its object; The goods must be strictly intended for economic, financial, entrepreneurial or speculative activities.
Pursuant to paragraph 5 of the law, conduct for which money, goods or other benefits are intended for mere use or personal enjoyment are not punishable.
The material object of the crime, as already mentioned, is money, goods or other benefits deriving from a non-negligent crime.

1.5 Non-cash means of payment

Concept of non-cash means of payment:

For the purposes of criminal law, Article 1 of Legislative Decree 184/2021 defines a non-cash payment system as "*an intangible or tangible protected device, object or record, or a combination thereof, other than legal tender, which, alone or in conjunction with a procedure or series of procedures, allows the holder or user to transfer money or monetary value, including through digital means of exchange*."

These means of payment are also completely dematerialized, such as digital payment instruments. By way of example, we can include the equipment or IT devices that allow money transfer (such as the most traditional POS, or the most recent POS-Samup) through the use **of payment cards** (such as credit card, debit card and prepaid card), the so-called "**e-payments" payment platforms** (such as home banking, PayPal, PagoPA) and the so-called "**m-payments**"services" that allow payment transactions to be carried out via smartphone or other mobile devices (e.g. Satispay, Google Pay, Amazon Pay, etc.).

1.5.1 Offences relating to non-cash payment instruments

Article 493-ter of the Criminal Code: Improper use and falsification of non-cash payment instruments
Anyone who, in order to make a profit for himself or for others, unduly uses, not being the holder, credit or payment cards, or any other similar document that enables the withdrawal of cash or the purchase of goods or the provision of services or in any case any other payment instrument other than cash, shall be punished with imprisonment from one to five years and a fine from 310 euros to 1,550 euros. The same penalty shall apply to any person who, in order to make a profit for himself or for others, falsifies or alters the instruments or documents referred to in the first sentence, or possesses, transfers or acquires such instruments or documents of illicit origin or in any case falsified or altered, as well as payment orders produced with them.
In the event of conviction or the imposition of the penalty at the request of the parties in accordance with Article 444 of the Code of Criminal Procedure for the offence referred to in the first paragraph, the confiscation of the things used or intended to commit the offence, as well as of the profit or product, shall be ordered, unless they belong to a person unrelated to the offence, or, when this is not possible, the confiscation of goods, sums of money and other benefits of which the offender has the disposal for a value corresponding to such profit or product.
The instruments seized for the purpose of confiscation referred to in the second subparagraph, in the course of judicial police operations, shall be entrusted by the judicial authority to the police bodies upon request.

The rule was adopted by the Legislator in order to implement Directive 2019/713/EU of the European Parliament and of the Council of 17 April 2019 on combating fraud and counterfeiting of non-cash means of payment.
The purpose of the rule is to protect, in addition to the assets of the holder of the non-cash payment instrument (e.g., credit cards), also the public interest of the correct, safe and regular circulation of credit. Therefore, the rule aims to oversee the regularity and certainty of payments made through means of cash substitution, which are now widely used in our economic system.
By way of example, the conduct punishable by the rule could be that of those who, in order to make a profit, use or falsify credit cards of which they are not the holder.
The offence is also committed when a person uses the credit card with the cardholder's consent. In addition, it should be noted that the offence is committed regardless of whether

a profit is actually made or damage is caused and, therefore, even in the event of the introduction of the credit card of illicit origin into the ATM, without entering the PIN.

Article 493-quarter of the Criminal Code: Possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning non-cash payment instruments

Unless the act constitutes a more serious offence, any person who, for the purpose of using it or enabling others to use it in the commission of offences involving non-cash payment instruments, produces, imports, exports, sells, transports, distributes, makes available or in any way procures for himself or others equipment, devices or computer programs which, due to technical-construction or design characteristics, are mainly built to commit such crimes, or are specifically adapted to the same purpose, is punishable by imprisonment of up to two years and a fine of up to 1000 euros.

In the event of conviction or the imposition of the penalty at the request of the parties pursuant to Article 444 of the Code of Criminal Procedure for the offence referred to in the first paragraph, the confiscation of the aforementioned equipment, devices or computer programs shall always be ordered, as well as the confiscation of the profit or proceeds of the offence or, where this is not possible, the confiscation of property, sums of money and other benefits of which the offender has the disposal for a value corresponding to such profit or product.

As for Article 493-ter "*Undue use and counterfeiting of non-cash payment instruments*", the rule was adopted by the Legislator in order to implement Directive 2019/713/EU of the European Parliament and of the Council of 17 April 2019 on combating fraud and counterfeiting of non-cash means of payment.

The purpose of the rule is to prevent the commission of further offences involving non-cash means of payment. In fact, the conduct punished is that of those who produce or disseminate in various capacities ("*imports, exports, sells, transports, distributes, makes available or in any way procures for themselves or others")* hardware or software built or adapted mainly for the commission of crimes concerning payment instruments other than cash.

Article 640-ter of the Criminal Code: Computer fraud (aggravated by the transfer of money, monetary value or virtual currency)

Anyone who, by altering in any way the operation of a computer or telematic system or intervening without right in any way on data, information or programs contained in a computer or telematic system or pertaining to it, procures for himself or others an unfair profit to the detriment of others, is punished with imprisonment from six months to three years and a fine from € 51 to € 1,032. The penalty is imprisonment from one to five years and a fine from €309 to €1,549 if one of the circumstances provided for in number 1) of the second paragraph of Article 640 occurs, i.e. if the act produces a transfer of money, monetary value or virtual currency or is committed with abuse of the capacity of system operator. The penalty is imprisonment from two to six years and a fine from €600 to €3,000 if the act is committed with theft or improper use of the digital identity to the detriment of one or more subjects.

The offence is punishable on complaint by the injured party, unless one of the circumstances referred to in the second and third paragraphs or some of the circumstances provided for in Article 61, first paragraph, number 5, occurs, limited to having taken advantage of personal circumstances, also with reference to age, and number 7.

For a complete description of the crime of Computer Fraud, please refer to Annex "1" "*Crimes against the Public Administration*" in paragraph 1.7 *"Computer Fraud".*

Pursuant to Article 25 *octies.1* of Legislative Decree 231/2001, computer fraud is relevant only in the event that the conduct involves a transfer of money, monetary value or virtual currency.

1.5.2 Other cases relating to non-cash payment instruments

Article 25-octies.1, paragraph 2: Other cases relating to non-cash payment instruments
Unless the act constitutes another administrative offence sanctioned more seriously, in relation to the commission of any other offence against the public faith, against property or which in any case offends the assets provided for by the Criminal Code, when it concerns payment instruments other than cash, the following pecuniary penalties shall apply to the entity:
(a) if the offence is punishable by imprisonment of less than ten years, a fine of up to 500 shares;
(b) if the offence is punishable by a penalty of not less than ten years' imprisonment, a fine of between 300 and 800 shares.

The purpose of the provision is to provide for a closure rule, extending to a vast and unidentified series of offences the cases that may be a prerequisite for the administrative liability of entities.
In accordance with Article 25g.*1*, paragraph 2, any crime provided for by the Criminal Code "*against the public faith, against property or that in any case offends property*" constitutes a predicate offence, where the fact concerns payment instruments other than cash, provided that the fact does not constitute another administrative offence sanctioned more seriously.

1.6 Fraudulent transfer of values

Article 512 *bis of* the Criminal Code: Fraudulent transfer of values
Unless the act constitutes a more serious crime, anyone who fictitiously attributes to others the ownership or availability of money, goods or other benefits in order to evade the provisions of the law on asset prevention or smuggling measures or to facilitate the commission of one of the crimes referred to in Articles 648, 648-bis and 648-ter shall be punished with imprisonment from two to six years.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a direct or indirect risk of committing the Crimes of Receiving Stolen Goods and Money Laundering are those that participate in the management of the company's financial flows, both incoming and outgoing (e.g. payments, collections, sponsorships, etc.); those that involve the establishment of financial relationships with third parties (e.g. purchases, sales, relationships with intermediaries) or the implementation of investments (e.g. extraordinary transactions, *joint* ventures or *commercial partnerships) and* intercompany financial relationships. In this regard, consider the following areas and activities:

AREA	ACTIVITIES AT RISK

GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Ordinary treasury management (management of receipts, payments and cash flow)* • *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)* • *Management of expense reimbursements and travel costs* • *Relations with business partners (Registry)* • *Management, authorization and control of extraordinary transactions and transactions relating to share capital* • *Management of accounting and preparation of financial statements – Preparation of financial statements and corporate communications* • *Preparation and control of tax returns* • *Subsidies and public funding*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale* • *Management of commercial offers and contracts – Management of relations with third parties – Participation in private tenders* • *Giveaways & Sponsorships* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services* • *Receipt of goods and execution of services – Warehouse management*
QUALITY ASSURANCE & REGULATORY AFFAIRS	• *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)* • *Staff training and information* • *Internal audits on compliance with procedures* • *Management of non-conformities* • *CE Marking*
R&D AND TECHNICAL	• *New product development* • *In-house technical support – Product audits* • *Production – Fabrication* • *CE Marking* • *Compliance with industrial property rights*
I/E & LOGISTICS (LOGISTICS DEPARTMENT)	• *Imports - Exports*

It should also be noted that the list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS FOR MONEY LAUNDERING OFFENCES

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) **GENERAL MANAGEMENT:**

i. *Exercise of authorisation and representation powers*

The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

b) **I/E & LOGISTICS (ADMINISTRATION OFFICE):**

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records the receipts in the management system, after matching them to the relevant invoice issued by the Company;
- periodic checks are in place, of which a trace remains, concerning the correctness of the accounting records relating to receipts;

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the CEO is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

ii. *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)*

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

iii. *Management of expense reimbursements and travel costs*

- The Company has adopted a specific company regulation to govern the management of expense reports;

- the reimbursement of expense reports takes place only upon presentation of the proof by the employee;
- the expense reports of employees and collaborators are always authorized in advance by the Head of Department;
- the payment of expense reports is made by the Administration Office;
- the Administration Office, with the authorization of the CEO, provides the traveling staff who request them with company credit cards ("*Corporate Cards*") linked to their personal current accounts, and requests for reimbursement of expenses are subject to control. The relevant expense receipts are archived to ensure the traceability of controls.

iv. *Relations with business partners (Registry)*

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer data is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.).
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

v. *Management, authorization and control of extraordinary transactions and transactions relating to share capital*

- Any decisions regarding extraordinary transactions and those relating to share capital are reserved to the Board of Directors.

vi. *Management of accounting and preparation of financial statements – Preparation of financial statements and corporate communications*

- The Company has outsourced to external tax consultants the activities relating to accounting, the preparation of the financial statements and the documentation relating to them, on the basis of specific written contracts, which govern the related activities.
- the General Management provides for the preparation of a written schedule of accounting obligations and with reference to the obligations necessary for the preparation of the financial statements;
- the draft of the financial statements is made available to the members of the Board of Directors, via email, at the time of the convocation of the shareholders' meeting for the approval of the financial statements.

vii. *Preparation and control of tax returns*

- The management of tax compliance is carried out by external tax consultants and the related controls are carried out by external auditors, on the basis of specific contracts in written form in both cases.

viii. *Subsidies and public funding*

- The management of public funding is the responsibility of the Marketing & Business Development Office, supported by the Administration Office for the reporting of activities;
- the Marketing & Business Development Manager prepares the documentation relating to the calls for tenders; this documentation is subject to control and verification by the General Management;
- The Marketing & Business Development Manager, as part of his activities aimed at obtaining public funding, accesses the portals of the public administration for the upload of the projects covered by the calls for tenders.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001;

ii. *Management of commercial offers and contracts - Management of relations with third parties - Participation in private tenders*

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Giveaways & Sponsorships*

- the disbursement or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed the modest value and must be limited to normal commercial and courtesy practices;

iv. *Management of returns and credit notes*

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) **I/E & LOGISTICS (PURCHASING)**

i. *Supplier Selection and Qualification*

- with reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities related to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the

case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;

- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and execution of services – Warehouse management*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

e) QUALITY ASSURANCE & REGULATORY AFFAIRS

i. *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)*

- The Company has adopted the quality management system in accordance with ISO 13485 (and other equivalent requirements for other countries);
- the Company has adopted a so-called procedure of procedures, which establishes, with reference to the Quality Management System (QMS), the methods of management and discipline of the Company's operating processes, i.e. the methods of drafting, approving and issuing the company procedures adopted. In addition, the Company has adopted a Quality policy and manual, which establish values, objectives, rules, responsibilities and procedures adopted by the Company for the management of the QMS;
- the QA & RA Manager and the General Management are responsible for the management and discipline of the Company's operational processes.

ii. *Staff training and information*

- The QA & RA Manager and the General Management, on the basis of formalized business processes and with the involvement of individual department heads, manage and plan the staff training and information activities necessary for each staff member.

iii. *Internal audits on compliance with procedures*

- The QA & RA Manager/Specialist conducts an internal audit on an annual basis, to assess compliance with processes in which the QA & RA function is not directly involved; an annual audit by external consultants is also conducted to assess compliance with the processes in which the QA & RA function is involved, in order to ensure impartiality of judgment;
- in the event that an employee does not apply a procedure, the Head of the department concerned is involved, for the application of any corrective and/or preventive actions;
- The QA & RA Manager, together with the General Management, plans and coordinates auditing activities (internal/external) with reference to the various areas of the company.

iv. *Management of non-conformities*

- The Company has adopted a specific procedure that defines the operating procedures for the management of "non-conformities" of products and processes related to Quality;
- the person who detects the non-compliance must liaise with the QA & RA Manager in order to activate the non-compliance management process, highlighting it by filling in the appropriate dedicated forms;
- the QA & RA function, in collaboration with the other heads of the company departments involved, establishes any corrective and/or preventive actions to be taken in the event of non-compliance.

v. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
- the QA & RA function and the R&D and Technical function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the QA & RA Manager, in collaboration with the R&D and Technical Manager, ensures the drafting and correct filing of technical files;

- the QA & RA function, together with the R&D and Technical function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

f) R&D AND TECHNICAL

i. *New product development*

- During and at the end of the product development phase, the R&D and Technical department carries out verification tests of the same (even if their development is carried out in outsourcing), in order to ensure the qualitative and quantitative conformity of the works;
- for each device made for marketing, the R&D and Technical department prepares specific manuals / information containing the technical data of the product, the methods of use and maintenance, as well as indications relating to the safety of users and the environmental impact of the product;
- the technical documentation is subsequently approved by the General Management.

ii. *In-house technical support – Product audits*

- The R&D and Technical function carries out checks on product development activities and subsequent development results;
- the relevant documentation on these checks is, if necessary, signed by the QA & RA department, and collected within the technical file ("Technical File") of the device that is placed on the market, as established by the relevant procedure adopted by the Company;
- The testing activities of each individual device, carried out before they are placed on the market, are documented and recorded on a computer database.

iii. *Production – Fabrication*

- The Company has adopted a procedure that governs the management of the production/manufacturing of products (i.e. *"production, handling, storage, distribution and post-distribution processes carried out by the company"*).
- the production of the Company's assets is entrusted to third parties on the basis of a specific contract that defines the individual activities that they will have to carry out for the Company;
- production activities are carried out in compliance with the requirements of CFR and/or ISO 13485 and/or European Directive 93/42/EEC;
- The General Management, in collaboration with the Head of the Business – Global Sales function and the Technical Manager and the R&D and Technical function, plans the annual production of the Company's products, based on product sales forecasts and market needs.

iv. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter.

In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
- the R&D and Technical function and the QA & RA function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the R&D and Technical Manager, in collaboration with the QA & RA Manager, ensures the drafting and correct filing of technical files;
- the R&D and Technical function, together with the QA & RA function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

v. *Compliance with industrial property rights*
- The Company is the owner of patents;
- before the placing on the market of new processes, procedures or products, the Company outsources to external professionals, on the basis of a written contract, the necessary prior art searches in order to verify the existence of other people's intellectual property rights;
- subcontractors, consultants and/or suppliers who participate in outsourced activities related to the design, development and production of the Company's projects and products are required to sign a confidentiality agreement;
- furthermore, the Company's personnel in charge of R&D activities are required to sign specific confidentiality clauses with reference to the confidential information with which they come into contact;
- the individual department heads authorize access to secret or confidential information – by sharing folders and files on Google Drive – only to those who work or collaborate with the relevant function.

g) I/E & LOGISTICS (LOGISTICS DEPARTMENT)

i. Imports - Exports
- The sporadic import activities on behalf of the Company are carried out by external freight forwarders, supported by the Logistics Department:
- the freight forwarder prepares and signs the import/export customs declaration;
- the Logistics Department provides data relating to the customs classification of the goods, the quantity, origin and value of the goods, and checks that the data are correct;
- the Logistics Department prepares the documentation accompanying the import/export customs declaration and checks its correctness;
- for export, the Administration Office, after consultation with the Logistics Department, provides for the payment of customs duties (and any VAT);
- the Logistics Department verifies the correspondence between the imported/exported goods and what is indicated in the accompanying tax and customs documentation

and, in the event of any inconsistencies, there is still a trace of the control activities by the function;
- the Administration Office and the Logistics Department carry out checks on the correctness of customs duties and taxes (such as border duties).

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In the exercise of the activities and duties entrusted to them within the Company, the Recipients must refrain from engaging, collaborating or causing the implementation of conduct that may integrate or in any case facilitate the commission of the Crimes described above.
The Recipients are also expressly forbidden to:

- negotiate, obtain possession of, or conceal money or goods of an unclear or illicit origin;
- replace, transfer money or goods or carry out other operations to hinder the identification of their criminal origin;
- employ, use and/or invest in any way and form, in economic and financial activities, money or goods of unclearly explained or illicit origin;
- transfer (except through authorized intermediaries such as banks, post offices or electronic money institutions) cash, deposit books or bearer securities for total amounts exceeding Euro 3,000 or the different limit provided for by law. The transfer is also prohibited when it is made with several payments below the threshold of € 3,000 that are artificially split in order to evade the application of the prohibition;
- use anonymous tools for the performance of money transfer operations or other benefits.

4.2 Specific requirements

In compliance with the Code of Ethics and the company procedures adopted by the Company, the Recipients are required to comply with the rules of conduct specified below with particular reference to the **Company's** financial management:

- verify the regularity of payments, with particular reference to the full coincidence between the recipients/originators of the payments and the counterparties actually involved in the transactions;
- carry out periodic checks on the company's financial flows, both with reference to payments to third parties and with reference to intra-group payments, and ensure full traceability;
- ensure that cash deployments and financial needs are properly planned and foreseen as part of a *budgeting process*;

- ensure that transactions involving the use or use of economic or financial resources always have an express reason and are documented and recorded in accordance with company procedures;
- carry out payment arrangements, commitments and the issuance of guarantees by the Company in favour of third parties only with the prior authorisation of persons with appropriate powers;
- in the event that there are resources of the Company managed by third parties such as intermediaries or consultants, ensure that these resources are used only for the purpose agreed upon by a specific written contract;
- ensure that *intercompany* activities are formalised in specific agreements that describe in sufficient detail the activities carried out and the services/services performed;
- follow transparency and traceability rules for the conclusion of agreements/*joint ventures* with other companies and verify the economic adequacy of any investments. In such cases, preferably select the counterparty from among subjects already *partners* of the Company or in any case after verification of their reputation and reliability;
- ensure that the documentation concerning each transaction is archived in order to ensure its complete traceability;
- comply with the additional principles of conduct and the rules of conduct dictated with reference to crimes against the Public Administration (instrumental activities);
- promptly notify the SB of any anomalies or irregularities found in relation to the rules of conduct described herein.

It is also forbidden to:

- making payments that are not properly documented;
- create funds for payments that are not adequately justified, in whole or in part;
- make payments or pay compensation to third parties acting on behalf of the Company, which are not adequately justified in the context of the contractual relationship established with them;
- negotiate or conclude transactions with suppliers, customers, consultants, commercial and financial partners, entities or companies that you know or have reason to believe do not have adequate commercial and professional reliability;
- In particular, establish relationships with consultants, suppliers, intermediaries or *business partners* if these subjects:
    i) carry out their professional or entrepreneurial activity through "façade" or "shell" structures or entities, without an effective operational structure (e.g. without any employees or specific physical headquarters, etc.);
    ii) request payments, refunds, gifts or other benefits intended to be passed on to the customer or to third parties through false or inflated invoices or in any case through simulated transactions (e.g. commissions for non-existent transactions, etc.);
    iii) request or have requested that their identity remain hidden.

- proceed with the disbursement of loans/donations/sponsorships in favour of third parties if there is a reasonable suspicion that the amounts disbursed are actually used for purposes other than those expressly declared;
- make payments to persons other than the contracting parties or to a third country other than that of the parties or to the performance of the contract, unless adequate reasons are given in writing.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "6"

TRANSNATIONAL CRIMES, EMPLOYMENT OF ILLEGALLY STAYING THIRD-COUNTRY NATIONALS, INDUCEMENT NOT TO MAKE STATEMENTS OR TO MAKE FALSE STATEMENTS TO THE A.G., SMUGGLING

1. RELEVANT OFFENCES

1.1 Transnational crimes referred to in Law no. 146 of 16 March 2006

The administrative liability of entities in relation to the offences considered in the following Special Section ("**Transnational Crimes**") was introduced by Law no. 146 of 16 March 2006, art. 3 and 10.

Article 3 of the Act defines a **transnational offence** as an offence punishable by imprisonment of not less than four years, if an organised criminal group is involved, as well as:
(a) is committed in more than one State;
(b) or is committed in one State, but a substantial part of its preparation, planning, direction or control takes place in another State;
(c) or is committed in a State, but involves an organised criminal group engaged in criminal activities in more than one State;
(d) or is committed in one State but has substantial effects in another State.

The offences envisaged are:

- criminal conspiracy (Article 416 of the Criminal Code);
- mafia-type associations, including foreign ones (Article 416bis of the Criminal Code);
- criminal conspiracy aimed at smuggling foreign manufactured tobacco (Article 291quater of the consolidated text referred to in Presidential Decree No. 43 of 23 January 1973);
- association aimed at illicit trafficking in narcotic or psychotropic substances (Article 74 of the consolidated text referred to in the Decree of the President of the Republic of 9 October 1990, no. 309);
- provisions against illegal immigration (Article 12, paragraphs 3, 3bis, 3ter and 5, of the Consolidated Law referred to in Legislative Decree No. 286 of 25 July 1998);
- inducement not to make statements or to make false statements to the judicial authority (Article 377bis of the Criminal Code);
- personal aiding and abetting (Article 378 of the Criminal Code).

The following is a brief description of the Offences whose commission is theoretically conceivable in consideration of the characteristics of the Company and the peculiarity of the activity carried out by it.

1.1.1 Criminal conspiracy

Article 416 of the Criminal Code: Criminal conspiracy
When three or more persons join together for the purpose of committing several crimes, those who promote or constitute or organize the association shall be punished, for that reason alone, with imprisonment of between three and seven years.

For the mere fact of participating in the association, the penalty is imprisonment from one to five years.
Leaders are subject to the same penalty as promoters.
If the associates run through the countryside or public streets in arms, imprisonment from five to fifteen years applies.
The penalty is increased if the number of associates is ten or more.
If the conspiracy is intended to commit any of the offences referred to in Articles 600, 601, 601-bis and 602, as well as in Article 12(3-bis) of the consolidated text of the provisions concerning the regulation of immigration and rules on the status of foreigners, referred to in Legislative Decree No 286 of 25 July 1998, as well as in Articles 22(3) and (4), and 22-bis, paragraph 1, of Law no. 91 of 1 April 1999, imprisonment from five to fifteen years applies in the cases provided for in the first paragraph and from four to nine years in the cases provided for in the second paragraph.
If the association is intended to commit any of the offences referred to in articles 600-bis, 600-ter, 600-quarter, 600-quarter.1, 600-quinquies, 609-bis, when the act is committed to the detriment of a minor under the age of eighteen, 609-quarter, 609-quinquies, 609-octies, when the act is committed to the detriment of a minor under the age of eighteen, and 609-undecies, imprisonment from four to eight years shall apply in the cases provided for in the first paragraph and imprisonment from two to six years in the cases provided for in the second paragraph.

A crime occurs when three or more people join together for the purpose of committing crimes.

1.1.2 Mafia-type criminal association

Article 416 *bis* of the Criminal Code: mafia-type association, including foreign ones
Anyone who is part of a mafia-type association formed by three or more people is punished with imprisonment from ten to fifteen years.
Those who promote, direct, or organize the association shall be punished, for that reason alone, with imprisonment from twelve to eighteen years.
An association is of the mafia type when those who are part of it make use of the intimidating force of the associative bond and the condition of subjection and omertà that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make unfair profits or advantages for themselves or for others, or in order to prevent or hinder the free exercise of the vote or to procure votes for oneself or others during electoral consultations.
If the association is armed, the penalty shall be imprisonment of twelve to twenty years in the cases provided for in the first paragraph and from fifteen to twenty-six years in the cases provided for in the second paragraph.

The association is considered armed when the participants have at their disposal, for the achievement of the purpose of the association, weapons or explosive materials, even if concealed or kept in a place of storage.
If the economic activities of which the members intend to assume or maintain control are financed in whole or in part by the price, product, or profit of crimes, the penalties laid down in the preceding paragraphs shall be increased from one-third to one-half.
The confiscation of the things that served or were intended to commit the crime and of the things that are the price, the product, the profit or that constitute the use of the crime is always obligatory in the case of the convict.
The provisions of this article shall also apply to the Camorra, the 'Ndrangheta and other associations, however locally named, including foreign ones, which, using the intimidating force of the associative bond, pursue purposes corresponding to those of mafia-type associations.

The crime occurs when anyone participates in a mafia-type association made up of at least three people.
An association is of the mafia type when those who are part of it make use of the intimidating force of the associative bond and the condition of subjection and silence that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make unfair profits or advantages for themselves or for others or in order to prevent or impede the free exercise of the vote or to procure votes for oneself or others in the course of elections.

1.1.3 Association for the purpose of illicit trafficking in narcotic or psychotropic substances

Article 74 of Presidential Decree no. 309/1990: Association aimed at illicit trafficking of narcotic or psychotropic substances
When three or more persons associate for the purpose of committing more than one of the crimes provided for in Article 70, paragraphs 4, 6, and 10, excluding operations relating to substances referred to in category 3 of Annex I to Regulation (EC) No. 273/2004 and Annex to Regulation (EC) No. 111/2005, or by Art. 73, whoever promotes, establishes, directs, organizes or finances the association is punished for this only with imprisonment of not less than twenty years.
Those who participate in the association are punished with imprisonment of not less than ten years.
The penalty is increased if the number of members is ten or more or if among the participants there are persons addicted to the use of narcotic or psychotropic substances.
If the association is armed, the penalty, in the cases indicated in paragraphs 1 and 3, may not be less than twenty-four years' imprisonment and, in the case provided for in paragraph 2, twelve years' imprisonment. The association is considered armed when the participants

have weapons or explosive materials at their disposal, even if they are concealed or kept in a place of storage.
The penalty shall be increased if the circumstance referred to in letter e) of paragraph 1 of Article 80 occurs.
If the association is formed to commit the acts described in paragraph 5 of Article 73, the first and second paragraphs of Article 416 of the Criminal Code shall apply.
The penalties provided for in paragraphs 1 to 6 shall be reduced from half to two-thirds for those who have effectively worked to secure evidence of the crime or to deprive the association of resources that are decisive for the commission of crimes.
When laws and decrees refer to the offence provided for in Article 75 of Law No. 685 of 22 December 1975, repealed by Article 38, paragraph 1, of Law No. 162 of 26 June 1990, the reference shall be understood as referring to this article.

An offence occurs when three or more persons join together for the purpose of committing crimes related to the production, trafficking or possession of narcotic or psychotropic substances. At the time of issuance of this document, the Company does not have any narcotics products in its portfolio.

1.1.4 Provisions against illegal immigration

Article 12, paragraphs 3, 3 *bis*, 3 *ter* and 5, Legislative Decree 286/1998: Provisions against illegal immigration
[...] 3. Unless the act constitutes a more serious criminal offence, any person who, in breach of the provisions of this Consolidated Act, promotes, directs, organises, finances or carries out the transport of foreign nationals within the territory of the State or performs other acts aimed at procuring their unlawful entry into the territory of the State or of another State of which the person is not a national or does not have a permanent residence permit, It is punishable by imprisonment from six to sixteen years and a fine of 15,000 euros for each person in the event that:
(a*) the offence relates to the illegal entry or stay in the territory of the State of five or more persons;*
(b*) the person being transported has been exposed to danger to his life or safety by procuring his or her illegal entry or stay;*
(c*) the person being transported has been subjected to inhuman or degrading treatment in order to procure his or her illegal entry or stay;*
(d*) the offence is committed by three or more persons in concurrence with each other or using international transport services or forged or altered documents or in any case illegally obtained;*
and*) the perpetrators of the act have weapons or explosive materials at their disposal).*
3-bis. If the acts referred to in paragraph 3 are committed in two or more of the cases referred to in letters a), b), c), d) and e) of the same paragraph, the penalty provided for therein shall be increased

3-ter. The prison sentence shall be increased from one third to one half and a fine of €25,000 shall apply per person if the offences referred to in paragraphs 1 and 3:
(a) they are committed in order to recruit persons for prostitution or sexual or labour exploitation, or concern the entry of minors to be employed in illegal activities in order to facilitate their exploitation;
(b) they are committed with a view to making a profit, even indirectly.
5. Except in the cases provided for in the preceding paragraphs, and unless the act constitutes a more serious offence, any person who, in order to take unfair advantage of the illegal status of the foreign national or in the context of the activities punishable under this article, favours the latter's stay in the territory of the State in breach of the provisions of this consolidated text, He is punishable by imprisonment of up to four years and a fine of up to €15,493. When the offence is committed jointly by two or more persons, or concerns the stay of five or more persons, the penalty is increased from one third to one-half.

The offence is the result of acts aimed at procuring the illegal entry or facilitation of the illegal stay in Italian territory of foreign persons.

1.1.5 Inducement not to make statements or to make false statements to the judicial authority

Article 377 *bis of* the Criminal Code: Inducement not to make statements or to make false statements to the judicial authorities
Unless the act constitutes a more serious offence, any person who, by violence or threat, or by an offer or promise of money or other benefits, induces the person called upon to make statements before the judicial authority not to make statements or to make false statements which may be used in criminal proceedings, when the latter has the right not to answer, is punishable by imprisonment of two to six years

An offence occurs when, by means of violence or threats, someone induces another person called before the judicial authority in criminal proceedings not to make statements or to make false statements. In addition to violence and threats, the conduct may alternatively be carried out with an offer or promise of money or other benefits.

The purpose of the incriminating case is to protect the spontaneity of the procedural behaviour of the person informed of the facts, who could refrain from making statements, or the genuineness of such statements, once the informed person has decided to make them, not making use of the right not to respond. More precisely, art. 377-bis of the Criminal Code. intends to counteract, especially in organised crime proceedings, the possible forms of instrumentalisation of the right to remain silent granted to defendants (or suspects) and defendants in related or related crimes.

It should be noted that the offence in question has taken on independent relevance for the purposes of liability pursuant to the Decree – even regardless of its commission in a

transnational context – following the amendments made to Legislative Decree 231/2001 by art. 4, paragraph 1, Law no. 116 of 3 August 2009, as replaced by art. 2, paragraph 1, Legislative Decree no. 121 of 7 July 2011.

1.1.6 Personal aiding and abetting

Article 378 of the Criminal Code: Personal aiding and abetting
Whoever, after the commission of an offence for which the law provides for the death penalty, life imprisonment or imprisonment, and except in cases of concurrence therein, assists any person to evade the investigations of the authorities, or to evade the investigations of the authorities, shall be punished with imprisonment not exceeding four years.
When the crime committed is that provided for by Article 416-bis, the penalty of imprisonment of not less than two years shall apply in any case.
In the case of crimes for which the law establishes a different penalty, i.e. contraventions, the penalty is a fine of up to €516.
The provisions of this article shall also apply when the person aided is not at fault or it appears that he did not commit the crime

An offence occurs when, after the commission of a crime, an action is taken to help someone to evade investigations or to evade the Authority's searches.

1.2 Employment of illegally staying third-country nationals

Article 22, paragraph 12 *bis* of Legislative Decree no. 286 of 25 July 1998: Employment of illegally staying third-country nationals.
12. An employer who employs foreign workers who do not have the residence permit provided for in this article, or whose permit has expired and whose renewal, revocation or annulment has not been requested within the terms of the law, shall be punished with imprisonment from six months to three years and a fine of 5,000 euros for each worker employed.
12-bis. The penalties for the act provided for in paragraph 12 shall be increased from one third to one-half:
(a) if there are more than three workers employed;
(b) if the workers employed are minors of non-working age;
(c) if the workers employed are subjected to the other particularly exploitative working conditions referred to in the third paragraph of Article 603-bis of the Criminal Code.

The offence penalises the employment of workers without a residence permit, or in possession of a residence permit that has been revoked, cancelled or expired and for which an application for renewal has not been submitted in a timely manner.
The liability of the entity for the crime in question pursuant to Legislative Decree 231/2001, introduced by art. 2, Legislative Decree no. 109 of 16 July 2012, exists in the event that the

case is aggravated by one of the circumstances described in paragraph 12-bis, i.e. if the number of employed workers is greater than three, if they are minors of non-working age or if the workers are subjected to particularly exploitative working conditions, including (Article 603-bis of the Criminal Code):

- the systematic remuneration of workers in a way that is clearly different from national collective agreements or in any case disproportionate to the quantity and quality of the work performed;
- the systematic violation of the legislation relating to working hours, weekly rest, compulsory leave and holidays;
- the existence of violations of the legislation on safety and hygiene in the workplace, such as to expose the worker to danger to health, safety or personal safety;
- subjecting the worker to particularly degrading working conditions, methods of surveillance, or housing situations.

Article 12, paragraphs 3, 3 *bis*, 3 *ter* and 5, Legislative Decree 286/1998: Provisions against illegal immigration

For a description of the offence, please refer to paragraph 1.1.4 above.

1.3 Contraband

Legislative Decree no. 75 of 14 July 2020, issued in implementation of EU Directive 2017/1371 (the so-called PIF Directive) on the fight against fraud affecting the financial interests of the European Union, extended the liability of entities to smuggling offences provided for by Presidential Decree no. 43 of 23 January 1973.

Smuggling tends to be defined as the conduct of a person who, with intent, steals or attempts to remove (smuggling offences are also punished by way of attempt) goods from abroad from the control system established for the assessment and collection of customs duties and border duties, as well as what is equated to them. Art. Article 25, paragraph 2, of Presidential Decree no. 43/1973 refers to the smuggling of foreign goods, subject to border duties, who refuses or is unable to prove their legitimate origin. Pursuant to art. Article 34 of Presidential Decree no. 43/1973 defines customs duties as all duties that customs are required to collect by virtue of a law, in relation to customs operations, while border duties, which are part of customs duties, correspond to import and export duties, levies and other taxes on imports or exports provided for by Community regulations and their implementing rules, and in addition, in the case of imported goods, monopoly rights, border surcharges and any other taxes or surcharges on consumption in favour of the State. In light of the provisions of art. 1, paragraph 4, Legislative Decree no. 8 of 15 January 2016, as amended by the aforementioned Legislative Decree no. 75/2020, there is a limit of punishability: smuggling offences exist only if the amount of border rights violated is greater than ten thousand euros.

Smuggling offences are divided into extra-inspection and intra-inspection. The cases of extra-inspection smuggling concern the illegal conduct of those who introduce foreign goods into the borders of the State, evading the payment of the border duties due, through the

creation of artifices (for example, concealing the goods in packages) aimed at avoiding customs controls (art. 282 et seq. of Presidential Decree no. 43/1973). On the other hand, cases of intra-inspection smuggling arise when the goods are presented to customs for the execution of control procedures, but, through a fraudulent customs classification of the goods (for example, with the presentation of a customs declaration containing incorrect information regarding the nature, quantity, quality or destination of the goods), a liquidation of border duties is determined for an amount less than that due (art. 292 of the DPR. No. 43/1973).
In this sense, the new Article 25 sexiesdecies was introduced in Legislative Decree 231/01, which generally recalls the aforementioned Presidential Decree and, therefore, introduced the following predicate offences:

- Smuggling in the movement of goods across land borders and customs areas (art. 282 Presidential Decree no. 43/1973);
- Smuggling in the movement of goods in border lakes (art. 283 of Presidential Decree no. 43/1973);
- Smuggling in the maritime movement of goods (art. 284 of Presidential Decree no. 43/1973);
- Smuggling in the movement of goods by air (art. 285 Presidential Decree no. 43/1973);
- Smuggling in duty-free areas (art. 286 of Presidential Decree no. 43/1973);
- Smuggling for undue use of imported goods with customs concessions (art. 287 Presidential Decree no. 43/1973);
- Smuggling in customs warehouses (art. 288 of Presidential Decree no. 43/1973);
- Smuggling in the export of goods eligible for restitution of rights (art. 290 Presidential Decree no. 43/1973);
- Smuggling in temporary import or export (art. 291 of Presidential Decree no. 43/1973);
- Smuggling of foreign manufactured tobacco (art. 291-bis of Presidential Decree no. 43/1973);
- Aggravating circumstances of the crime of smuggling foreign manufactured tobacco (art. 291-ter of Presidential Decree no. 43/1973);
- Criminal conspiracy aimed at smuggling foreign manufactured tobacco (art. 291-quarter of Presidential Decree no. 43/1973);
- Other cases of smuggling (art. 294 of Presidential Decree no. 43/1973);
- Aggravating circumstances of smuggling (art. 295 of Presidential Decree no. 43/1973).

In light of the provisions of art. 1, paragraph 4, Legislative Decree no. 8 of 15 January 2016, as amended by the aforementioned Legislative Decree no. 75/2020, there is a limit of punishability: smuggling offences exist only if the amount of border rights violated is greater than ten thousand euros.

<u>Smuggling in the movement of goods across land borders and customs areas (art. 282 Presidential Decree no. 43/1973)</u>

A fine of not less than two and not more than ten times the border fees due shall be imposed on any person who:
(a) introduces foreign goods across the land border in breach of the requirements, prohibitions and limitations laid down in accordance with Article 16;
(b) unload or store foreign goods in the intermediate space between the border and the nearest customs area;
(c) is caught with foreign goods concealed on the person or in the luggage or in the packages or furnishings or among other goods or in any means of transport, in order to avoid customs inspection;
d) removes goods from customs areas without having paid the duties due or without guaranteeing payment, except as provided for in art. 90;
(e) takes out of the customs territory, under the conditions laid down in the preceding paragraphs, national or nationalised goods subject to border duties;
(f) holds foreign goods, when the circumstances provided for in the second paragraph of Article 25 for the offence of smuggling are met.

Smuggling in non-customs areas (art. 286 D.P.R. n. 43/1973)
Anyone in the non-customs territories indicated in art. 2, constitutes unpermitted warehouses of foreign goods subject to border duties, or constitutes such warehouses to an extent greater than permitted.

The customs territories, pursuant to art. 2 of D.P.R. no. 43/1973 include the territories of the Municipalities of Livigno and Campione d'Italia, as well as the national waters of Lake Lugano, enclosed between the shore and the political border in the stretch between Ponte Tresa and Porto Ceresio, not included in the customs territory. Free warehouses, free zones, the sea outside the customs territory (Article 132 of Presidential Decree no. 43/1973), free warehouses established in the main maritime cities or in inland locations that are important for the purposes of foreign trade (Article 164 of Presidential Decree no. 43/1973), free zones established in the main maritime cities or in inland locations that are important for the purposes of foreign traffic (Article 166 of Presidential Decree no. 43/1973) and ships departing from the ports of the State with reference to the goods constituting ship's stores embarked or transhipped (art. 254 of Presidential Decree no. 43/1973).

Smuggling for undue use of goods imported with customs concessions (art. 287 D.P.R. n. 43/1973)
A fine of not less than two and not more than ten times the border duties due shall be imposed on any person who, in whole or in part, gives foreign goods imported duty-free and with a reduction of the duties a destination or use other than that for which the exemption or reduction was granted. Without prejudice to the provisions of art. 140.

The aforementioned Article 140 of Presidential Decree no. 43/1973 regulates the removal of foreign materials and machinery used in particular facilitated uses in the face of a change of destination or the scrapping of the same, the rule requires the payment of any differences

between the rates due at the time of facilitated use and those that would have had to be paid if the asset had been directed directly to the new use.

Smuggling in customs warehouses (art. 288 D.P.R. n. 43/1973)
A concessionaire of a privately owned bonded warehouse who holds foreign goods for which there has not been the required declaration of introduction or which are not included in the warehousing registers shall be punished with a fine of not less than two and not more than ten times the border duties due.

Smuggling in the export of goods eligible for restitution of rights (art. 290 D.P.R. n. 43/1973)
Any person who uses fraudulent means for the purpose of obtaining undue restitution of duties established for the importation of raw materials used in the manufacture of exported domestic goods shall be punished with a fine of not less than twice the amount of the duties which he has wrongly collected or attempted to collect, and not more than ten times the amount of those duties.

Smuggling in temporary import or export (art. 291 D.P.R. n. 43/1973)
Any person who, in the course of temporary importation or export or re-export or re-export or re-importation of goods, subjects the goods to artificial manipulation or uses other fraudulent means in order to evade the payment of duties which they owe, shall be liable to a fine of not less than two and not more than ten times the amount of the duties evaded or attempted to evade.

Temporary importation (so-called temporary admission) is a customs procedure under which non-EU goods (including means of transport) intended to be re-exported can be used in the customs territory of the European Union (totally or partially) free of import duties, without being subject to other charges or commercial policy measures. These goods must be imported for a specific purpose and must be re-exported without any modification (other than normal depreciation resulting from use) and within a specified period.

Other cases of smuggling (art. 292 D.P.R. n. 43/1973)
Any person who, except in the cases provided for in the preceding articles, withholds goods from the payment of the border duties due, shall be punished with a fine of not less than two and not more than ten times the same duties.

Aggravating circumstances of smuggling (art. 295 D.P.R. n. 43/1973)
For the offences provided for in the preceding articles, any person who, in order to commit smuggling, uses means of transport belonging to a person unrelated to the offence shall be punished with a fine of not less than five and not more than ten times the border duties due.
For the same offences, imprisonment from three to five years is added to the fine:
(a) when the offender is caught at gunpoint during the commission of the offence, or immediately afterwards in the surveillance zone;

(b) when in the course of committing the offence, or immediately afterwards in the surveillance area, three or more persons guilty of smuggling are caught together and in such a condition as to obstruct the police;
(c) when the act is connected with another offence against the public faith or against the public administration;
(d) when the offender is an associate for the purpose of committing smuggling offences and the offence committed is one of those for which the association was formed;
d-bis) when the amount of border duties due is more than one hundred thousand euros.
For the same crimes, imprisonment of up to three years is added to the fine when the amount of border duties due is greater than fifty thousand euros and not more than one hundred thousand euros.

With reference to the offences related to the smuggling of manufactured tobacco, it should be noted that the Company's corporate purpose considers the commission of such offences to be unlikely.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a direct or indirect risk of committing the Crimes described above are those that participate in the management of relationships and operations, especially of a financial nature, with foreign counterparties, as well as – with specific regard to crimes relating to illegal immigration and employment of foreign citizens whose stay is illegal – the areas involved in the processes of selection and management of personnel or that, however, they may facilitate the entry of foreigners into the territory of the State for reasons related to the exercise of the company's activity. In this regard, consider the following areas and activities:

AREA	ACTIVITIES AT RISK
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers* • *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Ordinary treasury management (management of receipts, payments and cash flow)*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale* • *Management of commercial offers and contracts - Management of relations with third parties* • *Giveaways & Sponsorships* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services*

	• *Receipt of goods and execution of services – Warehouse management*
I/E & LOGISTICS (LOGISTICS DEPARTMENT)	• *Imports - Exports*
HUMAN RESOURCES	• *Personnel selection, management of recruitment and remuneration and reward policy*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) **GENERAL MANAGEMENT:**

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

ii. *Management activities (recruitment and dismissal) of personnel*

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) **I/E & LOGISTICS (ADMINISTRATION OFFICE):**

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records the receipts in the management system, after matching them to the relevant invoice issued by the Company;
- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the Head of the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the CEO is envisaged;

- Payment of an invoice is only made after it has been matched with the respective order.

ii. *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)*

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

iii. *Management of expense reimbursements and travel costs*

- The Company has adopted a specific company regulation to govern the management of expense reports;
- the reimbursement of expense reports takes place only upon presentation of the proof by the employee;
- the expense reports of employees and collaborators are always authorized in advance by the Head of Department;
- the payment of expense reports is made by the Administration Office;
- the Administration Office, with the authorization of the CEO, provides the traveling staff who request them with company credit cards ("*Corporate Cards*") linked to their personal current accounts, and requests for reimbursement of expenses are subject to control. The relevant expense receipts are archived to ensure the traceability of controls.

iv. *Relations with business partners (Registry)*

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer data is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.).
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function

collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

ii. *Management of commercial offers and contracts - Management of relations with third parties*
- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Giveaways & Sponsorships*
- the provision or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed the modest value and must be limited to normal commercial and courtesy practices.

iv. *Management of returns and credit notes*
- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) **I/E & LOGISTICS (PURCHASING)**

i. *Supplier Selection and Qualification*
- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers"

(who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);

- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and execution of services – Warehouse management*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the

incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

e) **I/E & LOGISTICS (LOGISTICS DEPARTMENTLOGISTICS DEPARTMENT)**

i. *Imports - Exports*

- The sporadic import activities on behalf of the Company are carried out by external freight forwarders, supported by the Logistics Department:
- the freight forwarder prepares and signs the import/export customs declaration;
- the Logistics Department provides data relating to the customs classification of the goods, the quantity, origin and value of the goods, and checks that the data are correct;
- the Logistics Department prepares the documentation accompanying the import/export customs declaration and checks its correctness;
- for export, the Administration Office, after consultation with the Logistics Department, provides for the payment of customs duties (and any VAT);
- the Logistics Department verifies the correspondence between the imported/exported goods and what is indicated in the accompanying tax and customs documentation and, in the event of any inconsistencies, there is still a trace of the control activities by the function;
- the Administration Office and the Logistics Department carry out checks on the correctness of customs duties and taxes (such as border duties).

f) **HUMAN RESOURCES:**

i. *Personnel selection, management of recruitment and remuneration and reward policy*

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;
- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;
- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";

- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while payments to staff are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In carrying out the activities and duties entrusted to them within the Company, the Recipients They are required to:

i. to base all activities and operations carried out on behalf of the Company in full compliance with the laws in force, as well as with the principles of fairness and transparency, with particular reference to activities involving financial relationships with foreign suppliers/customers/intermediaries/distributors and *partners* ;
ii. observe the principles of conduct and the rules of conduct dictated with reference to crimes against the Public Administration (instrumental activities), crimes against the individual, crimes of receiving stolen goods, money laundering and use of money or capital of illegal origin.

4.2 Specific requirements

It is also necessary that:

i. compliance with current legislation, as well as company procedures and protocols, is guaranteed regarding the management and use of financial resources and company assets, including with regard to the performance of the necessary controls, including preventive controls, on assets and resources of foreign origin;
ii. constant control is ensured on the substances produced, held and marketed by the Company, in order to constantly monitor their type and destination;
iii. compliance with current immigration and labour legislation is guaranteed, including with regard to the establishment of the employment relationship;
iv. in no case and for no reason (not even with a probationary agreement or on secondment), is it possible to employ personnel without the necessary residence permit, or with a cancelled, revoked or expired permit without a timely request for renewal having been submitted;
v. any conduct aimed at procuring or facilitating the illegal entry or stay of foreign citizens in the territory of the State is avoided (including the purchase of travel tickets or the organization of events with the participation of foreign citizens without the necessary visas and residence permits);

vi. workers' wages comply with the provisions of the applicable collective agreements and in any case are appropriate with respect to the quantity and quality of the work performed;
vii. the rules on working hours, weekly rest, compulsory leave and holidays are respected;
viii. compliance with regulations on safety and hygiene in the workplace is guaranteed;
ix. it is avoided, for any reason, to subject workers to degrading working conditions and methods of surveillance or in any case not respectful of the dignity or personality of workers;
x. any conduct that has the purpose or effect of inducing a third party to make false statements in the context of criminal proceedings is avoided;
xi. a clear, transparent, diligent and collaborative behaviour is maintained with the Public Authorities, with particular regard to the judging and investigating Authorities, through the communication of all information, data and news that may be requested;
xii. the documentation relating to each economic or financial transaction always has an express reason and is adequately documented and recorded in accordance with the procedures in order to ensure full traceability.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "7"
ORGANISED CRIME OFFENCES

1. RELEVANT OFFENCES

The following is a brief description of the associative and organized crime crimes provided for by Article 24ter of the Decree ("**Organized Crime Crimes**") in order to allow the Recipients a better understanding of the control systems provided for by the Organizational Model in relation to these Crimes and thus make their implementation more effective.

1.1 Organized crime crimes

The administrative liability of entities in relation to Organised Crime Offences is the result of the amendments made to the Decree by Article 2, paragraph 29, of Law No. 94 of 15 July 2009 (containing "*Provisions on public safety*"), which extended the catalogue of predicate offences to the following offences, some of which are already relevant for the purposes of ex Decree where transnational (see Annex 6 of this Special Section):

- criminal conspiracy (Article 416 of the Criminal Code);
- mafia-type associations, including foreign ones (Article 416bis of the Criminal Code);
- political-mafia electoral exchange (Article 416ter) of the Criminal Code);
- kidnapping for the purpose of extortion (Article 630 of the Criminal Code);
- crimes committed by making use of the conditions set out in art. 416bis of the Criminal Code or in order to facilitate mafia-type associations;
- association aimed at illicit trafficking in narcotic or psychotropic substances (Article 74 of the consolidated text referred to in the Decree of the President of the Republic of 9 October 1990, no. 309);
- illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place of public place or open to the public of weapons of war or parts thereof, explosives, clandestine weapons as well as more common firearms excluding those provided for by art. 2, paragraph 3, Law no. 110 of 18 April 1975 (Article 407, paragraph 2, letter a), no. 5 of the Code of Criminal Procedure).

In view of the activity carried out by Angiodroid, the risk of committing crimes related to arms or drug trafficking and kidnapping in the interest or to the advantage of the Company appears to be rather remote.
The following is a brief description of the offences whose commission is theoretically conceivable in view of the characteristics of the Company and the peculiarity of the activity carried out by it.

1.2 Criminal conspiracy

Article 416 of the Criminal Code: Criminal conspiracy

When three or more persons join together for the purpose of committing several crimes, those who promote or constitute or organize the association shall be punished, for that reason alone, with imprisonment of between three and seven years.
For the mere fact of participating in the association, the penalty is imprisonment from one to five years.
Leaders are subject to the same penalty as promoters.
If the associates run through the countryside or public streets in arms, imprisonment from five to fifteen years applies.
The penalty is increased if the number of associates is ten or more.
If the conspiracy is intended to commit any of the offences referred to in Articles 600, 601, 601 bis and 602, as well as in Article 12, paragraph 3-bis, of the consolidated text of the provisions concerning the discipline of immigration and rules on the status of foreigners, referred to in Legislative Decree No 286 of 25 July 1998, as well as in Articles 22, paragraphs 3 and 4, and 22 bis, paragraph 1, of Law no. 91 of 1 April 1999, imprisonment from five to fifteen years applies in the cases provided for in the first paragraph and from four to nine years in the cases provided for in the second paragraph.
If the conspiracy is intended to commit any of the offences referred to in Articles 600A, 600b, 600c, 600c.1, 600d, 609a, when the act is committed to the detriment of a minor under the age of eighteen, 609c, 609d, 609g, when the offence is committed to the detriment of a minor under the age of eighteen, and 609J, imprisonment of four to eight years shall apply in the cases provided for in the first paragraph and imprisonment of two to six years in the cases provided for in the second paragraph.

A crime occurs when three or more people join together for the purpose of committing an indeterminate series of crimes. The penalty is differentiated according to the role played within the association (e.g. mere participant, promoter or organizer), the number of members and the type of so-called purpose-crimes, i.e. the crimes that the association intends to commit.

The configurability of a criminal association presupposes the existence of an agreement of a voluntary and permanent nature between the parties participating in the association. To this end, the existence of a stable, even if minimal or rudimentary, organizational structure is required, without the need for a division by degrees or hierarchy of functions, which is only possible. The association must also be adapted to the implementation of the criminal program pursued by the members, with the common preparation of the necessary means and with the permanent awareness of each member that he is part of the criminal association and that he or she is available for the practical implementation of the program.

It should be noted that criminal conspiracy is sanctioned as an act in itself capable of endangering public order, threatened by the mere existence of an organization permanently oriented to the realization of criminal activities. This crime, therefore, is also configured regardless of the actual realization of the individual purpose-crimes, which can therefore also remain at the stage of a simple "criminal program". In this regard, it should be noted

that any type of crime can be included among the purpose-crimes, including, with particular reference to corporate crime, tax crimes, corruption, money laundering or environmental crimes.

1.3 Mafia-type criminal association, including foreign ones

Article 416bis of the Criminal Code: mafia-type criminal association, including foreign ones
Anyone who is part of a mafia-type association formed by three or more people is punished with imprisonment from ten to fifteen years.
Those who promote, direct, or organize the association shall be punished, for that reason alone, with imprisonment from twelve to eighteen years.
An association is of the mafia type when those who are part of it make use of the intimidating force of the associative bond and the condition of subjection and omertà that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make unfair profits or advantages for themselves or for others, or in order to prevent or hinder the free exercise of the vote or to procure votes for oneself or others during electoral consultations.
If the association is armed, the penalty shall be imprisonment of twelve to twenty years in the cases provided for in the first paragraph and from fifteen to twenty-six years in the cases provided for in the second paragraph.
The association is considered armed when the participants have at their disposal, for the achievement of the purpose of the association, weapons or explosive materials, even if concealed or kept in a place of storage.
If the economic activities of which the members intend to assume or maintain control are financed in whole or in part by the price, product, or profit of crimes, the penalties laid down in the preceding paragraphs shall be increased from one-third to one-half.
The confiscation of the things that served or were intended to commit the crime and of the things that are the price, the product, the profit or that constitute the use of the crime is always obligatory in the case of the convict.
The provisions of this article shall also apply to the Camorra, the 'Ndrangheta and other associations, however locally named, including foreign ones, which, using the intimidating force of the associative bond, pursue purposes corresponding to those of mafia-type associations.

The offence in question penalises participation in a mafia-type association made up of at least three people. An association is of the mafia type when those who are part of it make use of the intimidating force of the associative bond and the condition of subjection and silence that derives from it to commit crimes, to acquire directly or indirectly the management or in any case the control of economic activities, concessions, authorizations, contracts and public services or to make unfair profits or advantages for themselves or for others or in order to prevent or impede the free exercise of the vote or to procure votes for oneself or others in the course of elections.

It should be pointed out that the punishability of the entity in relation to the crime in question may derive not only from the direct participation of its members (top management or subordinates) in the mafia association, but also in the case of so-called **"criminal offences"." external competition",** which is the responsibility of those who, although not part of the organizational structure of the association, however, provide a concrete, specific, conscious and voluntary contribution capable of favoring the strengthening or preservation of the association.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a direct or indirect risk of committing organized crime crimes are, in general, those that participate in the management of relationships and operations with external parties, which could be affiliated to already existing criminal associations and to which company representatives could provide conscious support also in the form of the so-called external participation of the association. Furthermore, the so-called instrumental activities or presupposes to the creation of illicit provisions, which could be used to finance, promote or strengthen the association, thus determining a liability on the part of the entity, must also be considered at risk. More precisely, the following areas and activities are to be considered at risk:

AREA	ACTIVITIES AT RISK
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers* • *Procurement management (strategic consulting)* • *Judicial activity* • *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Ordinary treasury management (management of receipts, payments and cash flow)* • *Relations with business partners (Registry)* • *Management, authorization and control of extraordinary transactions and transactions relating to share capital*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale* • *Management of commercial offers and contracts - Management of relations with third parties* • *Giveaways & Sponsorships* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services* • *Receipt of goods and performance of services*

HUMAN RESOURCES	• *Personnel selection, management of recruitment and remuneration and reward policy*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) **GENERAL MANAGEMENT:**

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

ii. *Procurement management (strategic consulting)*

- The General Management chooses the Company's strategic consultants: the Chairman of the Board of Directors and/or the CEO sign the consultancy contract on the basis of their power of representation. The management of strategic consultancy is delegated to the Administration for the execution of the payment of the related fee.

iii. *Judicial activity*

- Decisions regarding the management of disputes (initiation or conclusion of litigation, settlement of litigation) in which the Company is involved are taken by the General Management, which also liaises with external consultants.

iv. *Personnel management activities (recruitment and dismissal)*

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) **I/E & LOGISTICS (ADMINISTRATION OFFICE):**

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records the receipts in the management system, after matching them to the relevant invoice issued by the Company;
- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the Head of the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the Chief Executive Officer is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

ii. *Relations with business partners (Registry)*

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer data is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.).
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

iii. *Management, authorization and control of extraordinary transactions and transactions relating to share capital*

- Any decisions regarding extraordinary transactions and those relating to share capital are reserved to the Board of Directors.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

ii. *Management of commercial offers and contracts - Management of relations with third parties*

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Giveaways & Sponsorships*

- The disbursement or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed a modest value and must be limited to normal commercial and courtesy practices.

iv. *Management of returns and credit notes*

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) I/E & LOGISTICS (PURCHASING)

i. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;

- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and performance of services*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

e) **HUMAN RESOURCES:**

i. *Personnel selection, management of recruitment and remuneration and reward policy*

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;
- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;
- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";
- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while payments to staff are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In carrying out the activities and duties entrusted to them within the Company, the Recipients must refrain from engaging, collaborating or causing the implementation of conduct that may integrate or in any case facilitate the commission of the crimes described above.
In carrying out the activities and duties entrusted to them within the Company, the Recipients are also required to ensure that:

- the establishment of relationships with third parties is always preceded by a prudent, accurate and careful assessment in the selection activities and in the determination of the conditions relating to the relationship itself, in order to prevent the risk of establishing contacts with subjects belonging to criminal associations of any nature;
- the services requested or provided by or in favour of third parties, with particular reference to consultancy services and activities, are always congruous, correct, transparent and effectively correspond to the interests of the Company;
- intra-group transactions are always formalised in contracts with sufficiently detailed content and accompanied by appropriate forms of reporting;

- the management of financial flows is carried out in compliance with the procedures and authorisation levels adopted, in accordance with the principles of transparency, adequate documentation of each transaction and segregation of functions;
- the exercise of spending and representation powers on behalf of the Company always takes place in compliance with the internal authorisation system and the *governance principles* adopted by the Company;
- absolute correctness, transparency and accuracy in the management of accounting activities and tax compliance is guaranteed.

The Recipients are also expressly forbidden to:

- submit to requests of any nature contrary to the law, the Code of Ethics or this Organizational Model and company procedures, promptly informing their direct superior or the Supervisory Body of such unlawful requests;
- accept any consideration, in the form of money or other benefits, from anyone for the execution of an act contrary to or even in accordance with the duties of his office;
- establish relationships with individuals, entities, companies or associations that are known or have reasonable reason to believe are affiliated or in any case linked to criminal associations, or whose identity, ownership or control links are not adequately ascertained;
- in particular, establish relationships with subjects who: i) carry out their professional or entrepreneurial activity through "façade" or "shell" structures or entities, without an effective operational structure (e.g. without any employee or specific physical location, etc.); ii) refuse to provide information useful for their identification or provide false or inaccurate information; iii) request or offer services that, although theoretically advantageous for the Company, present irregularities or suspicions; iv) engage in conduct in contracts with tax, accounting or anti-money laundering legislation;
- possess or introduce into the company weapons of any nature or narcotic or otherwise prohibited substances.

4.2 Specific requirements

In compliance with the Code of Ethics and the company procedures adopted by the Company, the Recipients are required to comply with the rules of conduct specified below:

- With reference to the **selection of human resources**:
  - the selection of personnel at any level must take place in a transparent manner, in compliance with company procedures, through the traceable and motivated evaluation of a minimum number of candidates and with the participation of several subjects, based solely on the criteria of specific professionalism with respect to the position, equal treatment and reliability with respect to the risk of criminal infiltration;
  - for the purposes of assessing reliability, it is necessary to acquire, in accordance with the laws and collective agreements in force, a copy of the certificate of the criminal record and pending charges or a self-certification in which the employee declares that he or she has not been convicted or has proceedings pending with reference to

the crimes provided for by the Decree, with particular reference to the crimes of association and money laundering;
- ensure that the recruitment and management of non-EU staff is carried out in compliance with the provisions on immigration, both with regard to employees and in cases of intra-group secondment, training, or temporary staff;
- access to the company premises and their appurtenances, as well as to any external construction sites and to any other premises that fall within the legal availability of the Company is allowed only to authorized persons and vehicles.

➢ With reference to the **selection of suppliers and consultants** and the management of related relationships:
- the selection of suppliers must be preceded by the identification of the counterparty and by a careful assessment of technical and professional suitability, to be carried out in compliance with company procedures, through the evaluation of a plurality of offers on the basis of predetermined criteria in accordance with the principles of transparency, equal access opportunities, professionalism, economic reliability, providing that the principle of economy can never prevail over the other criteria;
- in the event of reasonable doubt as to the seriousness and integrity of the supplier/consultant, information is obtained and elements such as the application of preventive measures or precautionary measures in criminal proceedings for major crimes, the seriousness of the integrity of shareholders/directors, the acquisition of anti-mafia certification even during or at the time of the conclusion of the relationship are taken;
- adopt a register/list of qualified suppliers (*vendor list*) adequately protected from unauthorized access/modifications;
- provide for anomaly indices linked to the supplier, with the adoption of additional measures in the event of the actual presence of anomalies or in cases of greater risk (e.g. geographical area with a greater risk of infiltration);
- in procurement, subcontracting and service contracts in general, acquire appropriate documentation that certifies compliance with the regulations on labour/assistance/social security/immigration and safety at work by the supplier (e.g. DURC, single work book, etc.);
- ensure the segmentation of functions in the selection of the supplier/consultant;
- ensure that the actual performance of the service is always verified and documentable;
- provide in contracts, under penalty of termination, clauses by which the counterparty undertakes not to commit significant crimes pursuant to Legislative Decree 231/01;
- provide, in procurement and supply contracts, for specific prohibitions on subcontracting or entrusting to third parties unless expressly authorised by the client, which may only be granted if the contractor guarantees compliance with the protocols aimed at preventing the commission of the offences in question;

- with reference to **joint venture/partnership activities** (e.g. ATI, RTI) with Italian or foreign counterparties:

- the conclusion of joint ventures or commercial partnerships must always be preceded by a careful identification and verification of the reliability and integrity of the counterparty;
- provide for anomaly indices linked to the partner with the adoption of additional/corrective measures (e.g. verification of the application of prevention measures or the application of precautionary measures in criminal proceedings for relevant crimes, acquisition of anti-mafia certification, etc.) in the presence of such anomalies or in cases of greater risk (e.g. geographical areas with greater risk of infiltration, etc.). These indices and measures must be taken into account both in the constitutive phase of the relationship and throughout its duration;
- provide in contracts, under penalty of termination, clauses by which the counterparty i) undertakes not to commit relevant crimes pursuant to Legislative Decree 231/01; ii) declares that he/she is acting in his/her own name or indicates the beneficial owner or beneficial owner of the relationship; iii) undertakes not to declare false/incomplete data;

- With reference to the **qualification of customers and the identification of new business opportunities**:

- ensure the identification and assessment of the reliability and commercial seriousness of customers, also through the analysis of anomaly indices related to the customer with the adoption of additional/corrective measures in the presence of such anomalies or in cases of greater risk. These indices and measures must be taken into account both in the constitutive phase of the relationship and throughout its duration;
- ensure that prices are in line with market prices;

- With reference to **intercompany activities and extraordinary transactions**:

- formalise intra-group activities in specific contracts with sufficiently detailed content;
- adopt traceable forms of reporting on intra-group activities;
- ensure the traceability of *intercompany balance reconciliations*;
- ensure that the assumption of medium- and long-term liabilities must be authorised by means of a reasoned decision by a person with appropriate powers;
- in extraordinary transactions, ensure a careful and prudent identification and assessment of the reliability and seriousness of the counterparty, including through *due diligence activities* conducted by specialized professionals and the analysis of elements of attention and anomaly indices related to the target company, its shareholders and directors;

- with reference to **the management of treasury and payments**, the Recipients are required to ensure:

- that cash and cheques are used in a limited manner only to the movements permitted by company procedures;
- the traceability of every bank and cash transaction;
- the making of payments and collections in compliance with the treasury procedures and the authorization levels adopted;
- traceability of the payment authorization and accounting process;
- traceability of bank and cash reconciliations;
- the segregation of functions between those who authorise and those who make payments;
- the adoption of anomaly indices related to the management of financial resources and appropriate preventive/corrective measures in the event of the occurrence of such indices or in cases of increased risk;

➢ with reference to **sponsorship activities or the disbursement of donations**, also in collaboration with public entities, the Recipients have the duty to guarantee:

- the identification of the subjects involved in active and passive sponsorship activities and the verification of their reliability and integrity;
- the prediction of anomaly indices related to these subjects with the adoption of additional/corrective measures in the presence of such anomalies or in cases of greater risk (e.g. geographical areas with greater risk of infiltration, etc.);
- complete transparency and traceability of the financial flow.

➢ with reference to the **management of tax affairs**, the Recipients:

- they are expressly forbidden to issue invoices or other documents for non-existent transactions;
- they are obliged to keep accounting records and other documents that must be kept for tax purposes in a correct and transparent manner, ensuring their orderly archiving and protection through appropriate manual and/or computerised procedures;
- they must draw up periodic tax returns according to criteria of truthfulness, timeliness, completeness and exhaustiveness in compliance with current legislation and company procedures, absolutely avoiding indicating fictitious assets or liabilities or of an amount different from the actual one (e.g. revenues to a lesser extent than the real one or costs to a higher extent);
- they must comply with the company's accounting procedures, in compliance with the principles of segregation of tasks adopted.

➢ the Recipients are also required to comply with the principles of conduct and the rules of conduct dictated with reference to crimes against the Public Administration (instrumental activities), transnational crimes, crimes of receiving stolen goods, money laundering and use of money or capital of illegal origin and environmental crimes.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "8"
CRIMES AGAINST INDUSTRY AND COMMERCE

1. RELEVANT OFFENCES

Following the amendments made by Law no. 99 of 23 July 2009, which introduced art. 25bis.1 of the Decree, the administrative liability of the entity also exists in relation to the crimes against industry and commerce listed below:

- Disturbed freedom of industry or commerce (Article 513 of the Criminal Code);
- Unlawful competition with threat or violence (Article 513 *bis of the* Criminal Code);
- Fraud against national industries (Article 514 of the Criminal Code);
- Fraud in the exercise of commerce (Article 515 of the Criminal Code);
- Sale of non-genuine foodstuffs as genuine (Article 516 of the Criminal Code);
- Sale of industrial products with false signs (Article 517 of the Criminal Code);
- Manufacture and trade of goods made by usurping industrial property rights (Article 517 *ter of the* Criminal Code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517 *quarter of the* Criminal Code).

In consideration of the type of activity carried out by the Company, only some of the above-mentioned offences can be abstractly configured in the interest or to the advantage of the same, a brief illustration of which is given below. More precisely, among the relevant crimes, the crimes of disturbed freedom of industry or commerce (Article 513 of the Criminal Code), unlawful competition with violence and threats (Article 513bis of the Criminal Code) and fraud in the exercise of commerce (Article 515 of the Criminal Code) will be examined in this Annex. With reference to the crimes of fraud against national industries (Article 514 of the Criminal Code), sale of industrial products with false signs (Article 517 of the Criminal Code) and manufacture and trade of goods made by usurping industrial property rights (Article 517 *ter* of the Criminal Code), these will be analyzed in Annex 9 below, among the crimes against industrial property.

1.1 Disturbed freedom of industry or commerce

Article 513 of the Criminal Code: Interference with the freedom of industry or commerce
Anyone who uses violence against property or fraudulent means to prevent or disturb the exercise of an industry or trade shall be punished, on complaint of the injured party, if the fact does not constitute a more serious crime, with imprisonment of up to two years and a fine from €103 to €1,032.

The offence is defined in the case of the use of violence against property (e.g. damage, destruction or deterioration of property) or fraudulent means to prevent or disturb the exercise of an industrial or commercial activity. "Fraudulent means" must be understood as those such as to deceive the victim (e.g. simulated or dissimulated conduct, lies, deception). The conduct must be aimed at preventing or in any case hindering the economic activity of

others, while it is not required that the impediment or disturbance is actually achieved for the integration of the crime.

It should be considered that among the possible methods of committing the crime in question, there may also be, for example, the transfer of employees, boycott, auction disturbance or the implementation of anti-competitive agreements if carried out fraudulently with the aim of hindering the activity of a competitor.

Disturbed freedom of industry or commerce

Article 513 of the Criminal Code: Interference with the freedom of industry or commerce
Anyone who uses violence against property or fraudulent means to prevent or disturb the exercise of an industry or trade shall be punished, on complaint of the injured party, if the fact does not constitute a more serious crime, with imprisonment of up to two years and a fine from €103 to €1,032.

The offence is defined in the case of the use of violence against property (e.g. damage, destruction or deterioration of property) or fraudulent means to prevent or disturb the exercise of an industrial or commercial activity. "Fraudulent means" must be understood as those such as to deceive the victim (e.g. simulated or dissimulated conduct, lies, deception). The conduct must be aimed at preventing or in any case hindering the economic activity of others, while it is not required that the impediment or disturbance is actually achieved for the integration of the crime.

It should be considered that among the possible methods of committing the crime in question, there may also be, for example, the transfer of employees, boycott, auction disturbance or the implementation of anti-competitive agreements if carried out fraudulently with the aim of hindering the activity of a competitor.

1.2 Unlawful competition with threat or violence

Article 513bis of the Criminal Code: Unlawful competition with threat or violence
Anyone who, in the exercise of a commercial, industrial or otherwise productive activity, carries out acts of competition with violence or threats is punished with imprisonment from two to six years.
The penalty is increased if the acts of competition concern an activity financed in whole or in part and in any way by the State or other public bodies

The law penalizes the performance of unfair competition acts carried out with violence or threats. An offence may, for example, arise in the case of intimidation or undue pressure exerted on a competitor's employee to force him to withdraw a business proposal.

1.3 Fraud in the exercise of trade

Article 515 of the Criminal Code: Fraud in the exercise of commerce

Anyone who, in the exercise of a commercial activity, or in a shop open to the public, delivers to the buyer a movable thing for another, or a movable thing, in terms of origin, provenance, quality or quantity, different from that declared or agreed, is punished, if the fact does not constitute a more serious crime, with imprisonment of up to two years or a fine of up to € 2,065.

In the case of valuables, the penalty is imprisonment of up to three years or a fine of not less than €103.

The rule, set up to protect the fairness and correctness of commercial exchanges, sanctions anyone who, in the exercise of a commercial activity or in a shop open to the public, delivers to the buyer a movable thing completely different from the one agreed or declared or in any case different from the same in terms of origin, quantity, quality, or provenance. Divergence of origin occurs when the good comes from a place of production other than the one declared or agreed. There is a difference of origin when the item comes from a producer other than the one agreed on account of certain qualities. Finally, diversity can concern the quantity (weight, size, or number) or quality (in terms of usability, characteristics, composition or value) and the product.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The cases described above are designed to safeguard the regular exercise of commercial activity, as well as the loyalty, fairness and security of exchanges. The areas that present a direct or indirect risk of committing crimes against industry and commerce are, therefore, those that relate to the management of relations with competitors and the production and marketing of the products manufactured by the Company.
More precisely, the following areas are to be considered at risk:

AREA	ACTIVITIES AT RISK
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	1. *Exercise of authorisation and representation powers* 2. *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	3. *Relations with business partners (Registry)*
BUSINESS – GLOBAL SALES	4. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale;* 5. *Management of commercial offers and contracts – Participation in private tenders – Management of relations with third parties* 6. *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	7. *Supplier Selection and Qualification* 8. *Management of purchases of goods and/or services*

	9. Receipt of goods and performance of services
QUALITY ASSURANCE & REGULATORY AFFAIRS	*10. Management and discipline of the Company's operational processes (sales, design, procurement, etc.)* *11. Staff training and information* *12. Internal audits on compliance with procedures* *13. Management of non-conformities* *14. CE Marking*
R&D AND TECHNICAL	*15. New product development* *16. In-house technical support – Product audits* *17. Production – Fabrication* *18. CE Marking* *19. Compliance with industrial property rights*
HUMAN RESOURCES	*20. Personnel selection, management of recruitment and remuneration and reward policy*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3.CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

1. GENERAL MANAGEMENT:

1. Exercise of authorisation and representation powers

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

2. Personnel management activities (recruitment and dismissal)

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

2. I /E & LOGISTICS (ADMINISTRATION OFFICE)

1. Relations with business partners (Registry)

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer database is

concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.);

- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

3. BUSINESS – GLOBAL SALES:

1 *Customer qualification, identification of new business opportunities – Participation in private tenders – Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

2. Management of commercial offers and contracts - Management of relations with third parties

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;

- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

3. Management of returns and credit notes

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

1. I/E & LOGISTICS (PURCHASING)

1 *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

2 *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;

- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

3. Receipt of goods and performance of services

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

1. QUALITY ASSURANCE & REGULATORY AFFAIRS

1. *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)*

- The Company has adopted the quality management system in accordance with ISO 13485 (and other equivalent requirements for other countries);
- the Company has adopted a so-called procedure of procedures, which establishes, with reference to the Quality Management System (QMS), the methods of management and discipline of the Company's operating processes, i.e. the methods of drafting, approving and issuing the company procedures

adopted. In addition, the Company has adopted a Quality policy and manual, which establish values, objectives, rules, responsibilities and procedures adopted by the Company for the management of the QMS;
- the QA & RA Manager and the General Management are responsible for the management and discipline of the Company's operational processes.

2. *Staff training and information*
   - The QA & RA Manager and the General Management, on the basis of formalized business processes and with the involvement of individual department heads, manage and plan the staff training and information activities necessary for each staff member.
3. *Internal audits on compliance with procedures*
   - The QA & RA Manager/Specialist conducts an internal audit on an annual basis, to assess compliance with processes in which the QA & RA function is not directly involved; an annual audit by external consultants is also conducted to assess compliance with the processes in which the QA & RA function is involved, in order to ensure impartiality of judgment;
   - in the event that an employee does not apply a procedure, the Head of the department concerned is involved, for the application of any corrective and/or preventive actions;
   - The QA & RA Manager, together with the General Management, plans and coordinates auditing activities (internal/external) with reference to the various areas of the company.
4. *Management of non-conformities*
   - The Company has adopted a specific procedure that defines the operating procedures for the management of "non-conformities" of products and processes related to Quality;
   - the person who detects the non-compliance must liaise with the QA & RA Manager in order to activate the non-compliance management process, highlighting it by filling in the appropriate dedicated forms;
   - the QA & RA function, in collaboration with the other heads of the company departments involved, establishes any corrective and/or preventive actions to be taken in the event of non-compliance.
5. *CE Marking*
   - The products manufactured by the Company are subject to CE marking obligations;
   - in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;

- the QA & RA function and the R&D and Technical function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the QA & RA Manager, in collaboration with the R&D and Technical Manager, ensures the drafting and correct filing of technical files;
- the QA & RA function, together with the R&D and Technical function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

1. R&D AND TECHNICAL

1. New product development

- During and at the end of the product development phase, the R&D and Technical department carries out verification tests of the same (even if their development is carried out in outsourcing), in order to ensure the qualitative and quantitative conformity of the works;
- for each device made for marketing, the R&D and Technical department prepares specific manuals / information containing the technical data of the product, the methods of use and maintenance, as well as indications relating to the safety of users and the environmental impact of the product;
- the technical documentation is subsequently approved by the General Management.

2. In-house technical support – Product audits

- The R&D and Technical function carries out checks on product development activities and subsequent development results;
- the relevant documentation on these checks is, if necessary, signed by the QA & RA department, and collected within the technical file ("Technical File") of the device that is placed on the market, as established by the relevant procedure adopted by the Company;
- The testing activities of each individual device, carried out before they are placed on the market, are documented and recorded on a computer database.

3. Production – Fabrication

- The Company has adopted a procedure that governs the management of the production/manufacturing of products (i.e. *"production, handling, storage, distribution and post-distribution processes carried out by the company"*).
- the production of the Company's assets is entrusted to third parties on the basis of a specific contract that defines the individual activities that they will have to carry out for the Company;
- production activities are carried out in compliance with the requirements of CFR and/or ISO 13485 and/or European Directive 93/42/EEC;
- The General Management, in collaboration with the Head of the Business – Global Sales function and the Technical Manager and the R&D and Technical

function, plans the annual production of the Company's products, based on product sales forecasts and market needs.

4. CE Marking

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
- the R&D and Technical function and the QA & RA function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the R&D and Technical Manager, in collaboration with the QA & RA Manager, ensures the drafting and correct filing of technical files;
- the R&D and Technical function, together with the QA & RA function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

5. Compliance with industrial property rights

- The Company is the owner of patents;
- before the placing on the market of new processes, procedures or products, the Company outsources to external professionals, on the basis of a written contract, the necessary prior art searches in order to verify the existence of other people's intellectual property rights;
- subcontractors, consultants and/or suppliers who participate in outsourced activities related to the design, development and production of the Company's projects and products are required to sign a confidentiality agreement;
- furthermore, the Company's personnel in charge of R&D activities are required to sign specific confidentiality clauses with reference to the confidential information with which they come into contact;
- the individual department heads authorize access to secret or confidential information – by sharing folders and files on Google Drive – only to those who work or collaborate with the relevant function.

1. HUMAN RESOURCES:

1. *Personnel selection, management of recruitment and remuneration and reward policy*

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;

- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;
- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";
- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while payments to staff are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

4. PROTOCOLS AND PRESCRIPTIONS

4.1 General principles of conduct

In carrying out the activities and duties entrusted to them within the Company, the Recipients must refrain from engaging, collaborating or causing the implementation of conduct that may integrate or in any case facilitate the commission of the crimes described above.
In carrying out the activities and duties entrusted to them within the Company, the Recipients are also required to ensure that:

1. the activities carried out by the Company towards competitors are always based on principles of fairness and transparency, in compliance with current competition and antitrust legislation;
2. the execution of the contracts to which the Company is a party is inspired by the principles of transparency, fairness, good faith and diligent collaboration;
3. in the production and marketing activities carried out by the Company, ensure compliance with the procedures regarding the quality of the product, ensuring that it complies in terms of quality, quantity, origin and origin with what has been agreed with the buyer.

In any case, it is forbidden to:

- exert undue pressure, threats or any form of violence against competitors and/or their collaborators or employees;
- entering into agreements or arrangements with competitors that are likely to undermine competition;

- engage in fraudulent activities (including the use of false documents, deception, lies, illegal theft of information, etc.) with the aim of gaining competitive advantages or harming a competitor, including through the boycott of the relevant business or the transfer of employees;
- threaten competitors with legal action or other measures against them when such measures are knowingly specious, unfounded or aimed solely at impairing the performance of competitors' economic activity;
- produce or market goods by origin, provenance, quality or quantity other than that declared or agreed.

4.2 Specific requirements

In compliance with the Code of Ethics and the company procedures adopted by the Company, the Recipients are required to comply with the rules of conduct specified below:

- ensure that the stipulation of agreements or arrangements of any kind with competitors is authorised only by persons with appropriate powers and is preceded by a careful assessment of the rules on competition, involving specialised consultants where appropriate from the start of the commercial initiative;
- avoid contacts of any kind with competitors that may create the impression of irregular agreements or arrangements, in particular in relation to aspects such as prices, offers, sales territories, contractual conditions, production quantities, market shares, distribution methods;
- ensure that the reward system for employees, especially those in risk areas, is based on realistic objectives that are consistent with the tasks and activities carried out and the responsibilities assigned;
- ensure that the assignments given to collaborators/intermediaries or external consultants are drawn up in writing, with prior limitation to the autonomous use of financial resources;
- prudently assess, if necessary with specific advice, the evaluation of proposed mergers, joint ventures, acquisitions or other commercial agreements that could be contrary to competition law;
- comply with the regulations and policies on the use of computer resources and social media, ensuring correct language in relations with competitors, avoiding any statements with defamatory content or even just incorrect or unkind to competitors;
- comply with the company procedures set out in the quality management system, with particular reference to the procedures for controlling incoming and outgoing goods, supplier quality, testing and sales process;
- ensure full correspondence between the declarations contained in the customs and transport documentation with respect to the quality, quantity and origin of the goods sent.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "9"
OFFENCES IN THE FIELD OF INDUSTRIAL PROPERTY

1. RELEVANT OFFENCES

For ease of presentation and conceptual affinity, the following will be dealt with in the category of "**Crimes in the field of industrial property**" the crimes referred to in art. 25bis, paragraph 1, letter f)*bis* of the Decree, as amended by art. 15 of Law no. 99 of 23 July 2009, as well as certain crimes against industry and commerce provided for by art. 25bis.1. of the Decree.
These are, in particular, the following offences:

1. Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473 of the Criminal Code);
2. Introduction into the State and trade of products with false signs (Article 474 of the Criminal Code);
3. Fraud against national industries (Article 514 of the Criminal Code);
4. Sale of industrial products with false signs (Article 517 of the Criminal Code);
5. Manufacture and trade of goods made by usurping industrial property rights (Article 517 *ter of the* Criminal Code);

In consideration of the type of activity carried out by the Company, only some of the above-mentioned offences can be abstractly configured in the interest or to the advantage of the same, a brief illustration of which is given below.

1.1 Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models or designs

Article 473 of the Criminal Code: Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models or designs
Anyone who, being aware of the existence of the industrial property right, counterfeits or alters national or foreign trademarks or distinctive signs of industrial products, or whoever, without being complicit in the counterfeiting or alteration, makes use of such counterfeit or altered trademarks or signs, is punished with imprisonment from six months to three years and a fine from €2,500 to €25,000.
Anyone who counterfeits or alters patents, industrial designs, national or foreign, or, without being complicit in the infringement or alteration, makes use of such counterfeit or altered patents, designs or models, is subject to imprisonment from one to four years and a fine of between €3,500 and €35,000.
The offences referred to in the first and second paragraphs shall be punishable provided that the provisions of national laws, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with.

The rule is designed to protect the trust that consumers place in those means or instruments of recognition that distinguish industrial products and intellectual works. Trademarks and distinctive signs (such as designations of origin), patents, national and foreign industrial designs and models, the notions of which are derived from the relevant civil law (see the

Industrial Property Code, Legislative Decree no. 30 of 10 February 2005) are subject to criminal protection.

The punishable conduct consists of:

1. counterfeiting (abusive reproduction of the trademark, model or invention in relation to identical or similar products that are not genuine in such a way as to confuse consumers as to their origin);
2. alteration (partial reproduction of the trademark, patent or other rights, but always in such a way as to cause confusion between the original and the imitation);
3. or the use of altered or counterfeit markings by those who have not participated in the forgery.

The rule applies on condition that national, EU or international rules on the protection of intellectual or industrial property have been complied with, so that, for example, unregistered trademarks are excluded from protection. However, according to the case-law, it is sufficient for the purposes of the provision in question to submit an application for registration, without it being necessary to wait for the registration process to be completed.

1.2 State Introduction and Trade in Products with False Signs

Article 474 of the Criminal Code: Introduction into the State and trade of products with false signs

Except in cases of complicity in the offences provided for in Article 473, anyone who introduces into the territory of the State, in order to make a profit, industrial products with trademarks or other distinctive signs, national or foreign, counterfeit or altered shall be punished with imprisonment from one to four years and a fine from €3,500 to €35,000.

Except in cases of complicity in counterfeiting, alteration, introduction into the territory of the State, anyone who holds for sale, offers for sale or otherwise puts into circulation, in order to make a profit, the products referred to in the first paragraph shall be punished with imprisonment of up to two years and a fine of up to € 20,000.

The offences referred to in the first and second paragraphs shall be punishable provided that the provisions of national laws, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with.

This type of offence occurs in the case of the introduction into the territory of the State of products or works with counterfeit or altered trademarks and distinctive signs, as well as in the case of possession for the sale or circulation of such products and works. In essence, that provision is intended to punish conduct involving the placing on the market of falsely marked products and is therefore distinguished from the offence of counterfeiting described above in that it logically presupposes the alteration or falsification of the product or work.

With reference to the specific business activity that may be carried out by the Company, the offence in question could be configured through the purchase of counterfeit products from a

foreign supplier, determined by the desire to save compared to the higher costs of the relevant "genuine" product.

1.3 Fraud against domestic industries

Article 514 of the Criminal Code: Fraud against national industries
Anyone who, by offering for sale or otherwise putting into circulation, on national or foreign markets, industrial products, with counterfeit or altered names, trademarks or distinctive signs, causes damage to the national industry shall be punished with imprisonment from one to five years and a fine of not less than €516.
If the rules of domestic law or international conventions on the protection of industrial property have been complied with in respect of trademarks or distinctive signs, the penalty shall be increased and the provisions of Articles 473 and 474 shall not apply.

The offence arises in the event that, through the sale or distribution for any reason of products with counterfeit or altered names, trademarks or distinctive signs, damage is caused to the national industry.

1.4 Sale of industrial products with false signs (Article 517 of the Criminal Code)

Article 517 of the Criminal Code: Sale of industrial products with false signs
Anyone who sells or otherwise puts into circulation intellectual works or industrial products, with national or foreign names, trademarks or distinctive signs, capable of misleading the buyer as to the origin, provenance or quality of the work or product, shall be punished, if the fact is not provided for as a crime by another provision of law, with imprisonment of up to two years and a fine of up to twenty thousand euros.

The offence exists in the case of the sale or circulation of works or products with names, trademarks or distinctive signs capable of misleading the buyer of the origin, provenance or quality of the work or product.

1.5 Manufacture and trade of goods made by usurping industrial property rights

Article 517 ter of the Criminal Code: Manufacture and trade of goods made by usurping industrial property rights.
Without prejudice to the application of articles 473 and 474, anyone who, being aware of the existence of the industrial property right, manufactures or industrially uses objects or other goods made by usurping an industrial property right or in violation of the same shall be punished, on complaint of the injured party, with imprisonment of up to two years and a fine of up to € 20,000.
The same penalty shall apply to any person who, in order to make a profit, introduces into the territory of the State, holds for sale, offers for sale by direct offer to consumers or otherwise puts into circulation the goods referred to in the first paragraph.

The provisions of Articles 474-bis, 474-ter, second paragraph, and 517-bis, second paragraph, shall apply.
The offences referred to in the first and second paragraphs shall be punishable provided that the provisions of national laws, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with.

The law penalizes the conduct of those who, despite being aware of the existence of an industrial property right (e.g. trademark, patent, model or industrial design, etc.), manufacture or industrially use goods or products usurping such right or in violation of it. In addition, the offence also punishes the introduction into the territory of the State, possession for sale or putting into circulation of goods or products made by usurpation or violation.
This is a residual case, applicable to those conducts that, while not integrating the extremes of counterfeiting and alteration required by the most serious crimes referred to in art. 473 and 473 of the Criminal Code described in the previous paragraph, are in any case such as to violate the exclusive rights of use guaranteed by industrial property rights.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas most at risk of committing crimes in the field of industrial property are those related to research and development, design and production activities that could involve the violation of the rights of others (e.g. patents or industrial models); the procurement of goods and services, which could involve the introduction into the territory of the State or the use of counterfeit products; external communication activities and the use of IT resources, which could lead to the infringement of other people's trademarks or distinctive signs (e.g. the use of domain names corresponding to other people's trademarks in the form of *cybersquotting* or *typosquatting*) and sales activities that could lead to the marketing of counterfeit or altered products. More precisely, the following areas are to be considered at risk:

AREA	ACTIVITIES AT RISK
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers* • *Personnel management activities (recruitment and dismissal)*
I/E & LOGISTICS (ADMINISTRATION OFFICE)	• *Relations with business partners (Registry)*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale* • *Management of commercial offers and contracts – Management of relations with third parties – Participation in private tenders* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services*

	• *Receipt of goods and performance of services*
QUALITY ASSURANCE & REGULATORY AFFAIRS	• *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)* • *Staff training and information* • *Internal audits on compliance with procedures* • *Management of non-conformities* • *CE Marking*
R&D AND TECHNICAL	• *New product development* • *In-house technical support – Product audits* • *Production – Fabrication* • *CE Marking* • *Compliance with industrial property rights*
HUMAN RESOURCES	• *Personnel selection, management of recruitment and remuneration and reward policy*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) GENERAL MANAGEMENT:

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

ii. *Personnel management activities (recruitment and dismissal)*

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) I/E & LOGISTICS (ADMINISTRATION OFFICE)

i. *Relations with business partners (Registry)*

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer database is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's

external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.);

- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;
- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

ii. *Management of commercial offers and contracts – Management of relations with third parties – Participation in private tenders*

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Management of returns and credit notes*

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) **I/E & LOGISTICS (PURCHASING)**

i. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while

the payment of suppliers' invoices is the responsibility of the Administration Office;

- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and performance of services*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;
- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

e) **QUALITY ASSURANCE & REGULATORY AFFAIRS**

i. *Management and discipline of the Company's operational processes (sales, design, procurement, etc.)*

- The Company has adopted the quality management system in accordance with ISO 13485 (and other equivalent requirements for other countries);
- the Company has adopted a so-called procedure of procedures, which establishes, with reference to the Quality Management System (QMS), the methods of management and discipline of the Company's operating processes, i.e. the methods of drafting, approving and issuing the company procedures adopted. In addition, the Company has adopted a Quality policy and manual, which establish values, objectives, rules, responsibilities and procedures adopted by the Company for the management of the QMS;
- the QA & RA Manager and the General Management are responsible for the management and discipline of the Company's operational processes.

ii. *Staff training and information*

- The QA & RA Manager and the General Management, on the basis of formalized business processes and with the involvement of individual department heads,

manage and plan the staff training and information activities necessary for each staff member.

iii. *Internal audits on compliance with procedures*

- The QA & RA Manager/Specialist conducts an internal audit on an annual basis, to assess compliance with processes in which the QA & RA function is not directly involved; an annual audit by external consultants is also conducted to assess compliance with the processes in which the QA & RA function is involved, in order to ensure impartiality of judgment;
- in the event that an employee does not apply a procedure, the Head of the department concerned is involved, for the application of any corrective and/or preventive actions;
- The QA & RA Manager, together with the General Management, plans and coordinates auditing activities (internal/external) with reference to the various areas of the company.

Iv. *Management of non-conformities*

- The Company has adopted a specific procedure that defines the operating procedures for the management of "non-conformities" of products and processes related to Quality;
- the person who detects the non-compliance must liaise with the QA & RA Manager in order to activate the non-compliance management process, highlighting it by filling in the appropriate dedicated forms;
- the QA & RA function, in collaboration with the other heads of the company departments involved, establishes any corrective and/or preventive actions to be taken in the event of non-compliance.

v. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
- the QA & RA function and the R&D and Technical function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;
- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the QA & RA Manager, in collaboration with the R&D and Technical Manager, ensures the drafting and correct filing of technical files;
- the QA & RA function, together with the R&D and Technical function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

f) R&D AND TECHNICAL

i. *New product development*

- During and at the end of the product development phase, the R&D and Technical department carries out verification tests of the same (even if their development is carried out in outsourcing), in order to ensure the qualitative and quantitative conformity of the works;
- for each device made for marketing, the R&D and Technical department prepares specific manuals / information containing the technical data of the product, the methods of use and maintenance, as well as indications relating to the safety of users and the environmental impact of the product;
- the technical documentation is subsequently approved by the General Management.

ii. *In-house technical support – Product audits*

- The R&D and Technical function carries out checks on product development activities and subsequent development results;
- the relevant documentation on these checks is, if necessary, signed by the QA & RA department, and collected within the technical file ("Technical File") of the device that is placed on the market, as established by the relevant procedure adopted by the Company;
- The testing activities of each individual device, carried out before they are placed on the market, are documented and recorded on a computer database.

iii. *Production – Fabrication*

- The Company has adopted a procedure that governs the management of the production/manufacturing of products (i.e. *"production, handling, storage, distribution and post-distribution processes carried out by the company"*).
- the production of the Company's assets is entrusted to third parties on the basis of a specific contract that defines the individual activities that they will have to carry out for the Company;
- production activities are carried out in compliance with the requirements of CFR and/or ISO 13485 and/or European Directive 93/42/EEC;
- The General Management, in collaboration with the Head of the Business – Global Sales function and the Technical Manager and the R&D and Technical function, plans the annual production of the Company's products, based on product sales forecasts and market needs.

iv. *CE Marking*

- The products manufactured by the Company are subject to CE marking obligations;
- in this regard, the Company has formalized in writing the process aimed at defining the content of the labels (and the methods of their verification), the instructions for use of the product and other documentation that accompanies or relates to the latter. In addition, the Company has adopted a procedure that describes the contents of the technical file relating to medical devices for which the CE Marking is required;
- the R&D and Technical function and the QA & RA function prepare and control the labels, which are then printed by subcontractors (by virtue of a contract in written form) at the production sites;

- the R&D and Technical department fills in a dedicated form to ensure the conformity of the labels printed and applied to the various products;
- the R&D and Technical Manager, in collaboration with the QA & RA Manager, ensures the drafting and correct filing of technical files;
- the R&D and Technical function, together with the QA & RA function, liaises with a Notified Body for CE marking, which certifies and controls the approval of medical devices designed and released on the market.

v. *Compliance with industrial property rights*

- The Company is the owner of patents;
- before the placing on the market of new processes, procedures or products, the Company outsources to external professionals, on the basis of a written contract, the necessary prior art searches in order to verify the existence of other people's intellectual property rights;
- subcontractors, consultants and/or suppliers who participate in outsourced activities related to the design, development and production of the Company's projects and products are required to sign a confidentiality agreement;
- furthermore, the Company's personnel in charge of R&D activities are required to sign specific confidentiality clauses with reference to the confidential information with which they come into contact;
- the individual department heads authorize access to secret or confidential information – by sharing folders and files on Google Drive – only to those who work or collaborate with the relevant function.

g) **HUMAN RESOURCES:**

i. *Personnel selection, management of recruitment and remuneration and reward policy*

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;
- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;
- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";
- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while payments to staff

are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In carrying out the activities and duties entrusted to them within the Company, the Recipients of this Special Section must:

- ensure that the research, production and marketing activities carried out by the Company are carried out in compliance with company procedures and national, EU and international legislation on intellectual and industrial property;
- comply with the current patents, copyrighted materials and other intellectual property rights of others;
- Ensure that the use of patents, designs, trademarks or confidential information owned by others is always based on a valid agreement or license.

The Recipients are also expressly forbidden to:

- to engage, collaborate with or cause the implementation of conduct that may integrate, or in any case facilitate the commission of the crimes described above;
- use signs, figures or other indications (such as domain names or product names) that may mislead or confuse buyers in relation to the quality, quantity, provenance or origin of the product;
- use trademarks or other intellectual property rights in a way that creates a parasitic attachment to a competitor's business;
- use materials, designs or information of undoubted or uncertain origin, in the absence of due diligence on the ownership of the relevant rights of use;
- solicit, accept, or use information or data obtained in violation of another's intellectual property rights (e.g., from employees of a competitor or supplier);
- disclose information owned by the Company to external parties in the absence of specific authorization from persons with adequate powers.

4.2 Specific requirements

In compliance with the Code of Ethics and the company procedures adopted by the Company, the Recipients are required to comply with the rules of conduct specified below:

- in the case of adoption of new trademarks, distinctive signs, models, patents or industrial designs, verify - also through specific prior art searches, - that such new trademark, patent, model or design does not infringe pre-existing rights of third parties;
- in the event of the introduction of new processes/products/technologies or significant changes to existing processes and products, verify – also with the help of specialized companies – that such changes or innovations do not infringe pre-existing rights of third parties;

- ensure that the selection and appointment of suppliers of goods or works protected by industrial property rights is carried out in compliance with the company's quality procedures;
- in the case of purchase, for any reason, of goods or works protected by trademarks, patents, models or industrial designs, ensure (also through specific contractual clauses) that the supplier is actually in possession of the relevant rights;
- in any case, refrain from purchasing products or goods protected by industrial or intellectual property rights if, based on the circumstances, there is reasonable reason to believe that they are made or distributed in violation of others' intellectual or industrial property rights (e.g. abnormal or disproportionate price compared to the market price);
- in relations with suppliers and in partnerships for the performance of research and design activities, adopt contractual clauses suitable to prohibit the infringement of the intellectual property rights of others;
- ensure that the production and marketing activities carried out by the Company are always carried out in compliance with the industrial property rights of others (trademarks, patents, models and industrial designs);
- in the case of use of goods or works protected by other people's intellectual property rights, verify that such use always takes place in the presence of express consent or license from the owner and in compliance with the limits of this license (e.g. geographical, temporal, etc.);
- in the case of hiring staff in strategic sectors (e.g. research and development), it is necessary to request the commitment of candidates/new hires not to infringe the intellectual property rights of others and/or use confidential information acquired during the previous employment;
- adopt a list/inventory of intellectual property rights used by the Company, indicating their title (e.g. ownership, license of use, etc.) and the time and territorial limits;
- ensure that any waste materials are destroyed or, if reused, adopt appropriate protection clauses with appropriate controls on the person who reuses them;
- in the case of marketing products with trademarks or distinctive signs of others, verify the existence and limits of the license to use it by the owner;
- ensure that the management of company websites is reserved for persons in possession of adequate authorization;
- comply with regulations and policies regarding the use of IT resources;
- in external communications, including presentations or online communication, refrain from using trademarks or distinctive signs of suppliers, customers and partners without express authorization;
- not to disclose or use confidential information provided by customers, suppliers or third parties in general unless there is an explicit intellectual property agreement governing the limits and forms of such use;
- not to use another company and/or external consultants to develop new products or software in the absence of a specific agreement that protects intellectual property rights;

- refrain from threatening anyone (e.g. a competitor) suspected of infringing the company's intellectual property without first requesting a legal or other specialist assessment on the matter.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "10"
OFFENCES RELATING TO COPYRIGHT INFRINGEMENT

1. RELEVANT OFFENCES

The following is a brief illustration of the crimes in the field of copyright which, pursuant to Article 25-novies of Legislative Decree 231/2001 (introduced by Article 15 of Law No. 99 of 23 July 2009), entail the administrative liability of the entity in whose interest or advantage they are committed.
In consideration of the type of activity carried out by the Company, only some of the above-mentioned offences can be abstractly configured in the interest or to the advantage of the same, a brief illustration of which is given below.

Article 171, paragraph 1 letter a-bis) and paragraph 3 of Law no. 633/1941 - Provision of protected intellectual property in the system of telematic networks
Without prejudice to the provisions of Articles 171-bis and 171-ter, a fine of between €51 and €2,065 shall be imposed on anyone who, without having the right to do so, for any purpose and in any form [...]:
(a-bis) make available to the public, by placing it in a system of telematic networks, by means of connections of any kind, a protected intellectual work, or part of it.
[...]
The penalty is imprisonment of up to one year or a fine of not less than €516 if the above offences are committed on a work of another not intended for publication, or with usurpation of the authorship of the work, or with deformation, mutilation or other modification of the work itself, if it results in an offense to the author's honour or reputation.

The case in question penalizes the conduct of those who, without having the right to do so, for any purpose and in any form make available to the public, by entering it into a system of telematic networks, through connections of any kind, a protected intellectual work or part of it (e.g. through *file sharing programs*). The offence is aggravated if it is committed on a work of another person not intended for publication, or with deformation, mutilation or other modification of the work itself, if it results in an offence to the honour or reputation of the author.

Art. 171 bis L. n. 633/1941 Duplication, sale, possession for commercial or business purposes of programs in media not marked by the SIAE
Anyone who illegally duplicates, for profit, computer programs or imports, distributes, sells, holds for commercial or entrepreneurial purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE), is subject to imprisonment from six months to three years and a fine from €2,582 to €15,493. The same penalty shall apply if the act relates solely to any means intended solely to enable or facilitate the arbitrary removal or functional circumvention of devices applied to protect a computer program. The penalty is not less than two years' imprisonment and the fine is €15,493 if the offence is of significant seriousness.
Anyone who, in order to make a profit, on media not marked by SIAE reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the

contents of a database in violation of the provisions of Articles 64-quinquies and 64-sexies, or performs the extraction or re-use of the database in violation of the provisions of Articles 102-bis and 102-ter, i.e. distributes, sells or leases a database, is subject to imprisonment from six months to three years and a fine from €2,582 to €15,493. The penalty is not less than two years' imprisonment and the fine is €15,493 if the offence is of significant seriousness.

The case in question is designed to protect computer works and, in particular, *software* and databases.
The offence is supplemented by the abusive duplication of computer programs and the import, distribution, sale, possession for commercial or business purposes or leasing of programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE) or devices or other means having the sole purpose of allowing or facilitating the removal or circumvention of devices applied to protect a computer program. Pipelines must be built for the purpose of profit.
The law also penalizes those who, again in order to make a profit, reproduce on media not marked by the SIAE, transfer to another medium, distribute, communicate, present or demonstrate in public the content of a database in violation of the relevant legal provisions, or carry out the extraction or reuse of the database or distribute it, sells or leases.

Art. 171 ter L. n. 633/1941 Duplication, transmission, diffusion and distribution of intellectual works
If the offence is committed for non-personal use, anyone who is punishing for profit shall be punished with imprisonment from six months to three years and a fine of between €2,582 and €15,493:
(a) unlawfully duplicates, reproduces, transmits or disseminates in public by any means, in whole or in part, an intellectual work intended for television, cinema, sale or rental circuit, records, tapes or similar media or any other medium containing phonograms or videograms of musical, cinematographic or similar audiovisual works or sequences of moving images;
b) unlawfully reproduces, transmits or disseminates in public, by any means, works or parts of literary, dramatic, scientific or didactic, musical or dramatic-musical works, or multimedia, even if included in collective or composite works or databases;
(c) even if it has not contributed to the duplication or reproduction, introduces into the territory of the State, holds for sale or distribution, distributes, puts on the market, rents or otherwise transfers for any reason, projects in public, transmits by means of television by any process, transmits by radio, causes to be heard in public the duplications or abusive reproductions referred to in letters a) and b);
(d) holds for sale or distribution, puts on the market, sells, rents, assigns for any reason, projects in public, transmits by means of radio or television by any means, videocassettes, cassettes, any medium containing phonograms or videograms of musical, cinematographic or audiovisual works or sequences of moving images, or any other medium for which it is prescribed, pursuant to this law, the affixing of a mark by the Italian Society of Authors and Publishers (S.I.A.E.), without the mark itself or with a counterfeit or altered mark;

e) in the absence of an agreement with the legitimate distributor, retransmits or disseminates by any means an encrypted service received by means of apparatus or parts of apparatus suitable for the decoding of conditional access transmissions;
f) introduces into the territory of the State, holds for sale or distribution, distributes, sells, leases, assigns for any reason, commercially promotes, installs devices or special decoding elements that allow access to an encrypted service without payment of the due fee;
f-bis) manufactures, imports, distributes, sells, rents, assigns for any reason, advertises for sale or rental, or holds for commercial purposes, equipment, products or components or provides services that have the main purpose or commercial use of circumventing effective technological measures referred to in art. 102-quarter or are mainly designed, produced, adapted or manufactured with the aim of making possible or facilitating the circumvention of the aforementioned measures. Technological measures include those applied, or remaining, as a result of the removal of such measures as a result of the voluntary initiative of rightholders or agreements between them and the beneficiaries of exceptions, or as a result of the enforcement of measures of the administrative or judicial authority;
h) unlawfully removes or alters the electronic information referred to in Article 102-quinquies, or distributes, imports for distribution purposes, broadcasts by radio or television, communicates or makes available to the public works or other protected subject-matter from which the electronic information has been removed or altered;
h-bis) unlawfully, also in the manner indicated in paragraph 1 of Article 85-bis of the Consolidated Law on Public Security, referred to in Royal Decree No. 773 of 18 June 1931, performs the fixation on a digital, audio, video or audio-video support, in whole or in part, of a cinematographic, audiovisual or editorial work or carries out the reproduction, the execution or communication to the public of the improperly executed fixation.
It is punishable with imprisonment from one to four years and a fine from €2,582 to €15,493 who:
(a) unlawfully reproduces, duplicates, transmits or disseminates, sells or otherwise puts on the market, transfers for any reason whatsoever or imports more than fifty copies or copies of works protected by copyright and related rights;
(a-bis) in breach of Article 16, for profit, communicates to the public by placing it in a system of telematic networks, by means of connections of any kind, an intellectual work protected by copyright, or part thereof;
b) by carrying out in an entrepreneurial form activities of reproduction, distribution, sale or marketing, importation of works protected by copyright and by committed rights, is guilty of the acts referred to in paragraph 1;
c) promotes or organises the illegal activities referred to in paragraph 1.
3. The penalty shall be reduced if the offence is particularly minor.
4. Conviction for one of the offences referred to in paragraph 1 shall involve:
(a) the application of the additional penalties referred to in Articles 30 and 32-bis of the Criminal Code;
(b) the publication of the judgment in accordance with Article 36 of the Criminal Code;
(c) the suspension for a period of one year of the radio and television broadcasting licence or authorisation for the exercise of production or commercial activities.

5. The amounts resulting from the application of the financial penalties provided for in the preceding paragraphs shall be paid to the National Welfare and Assistance Agency for Painters and Sculptors, Musicians, Writers and Dramatic Authors.

The law penalizes a series of conducts (abusive duplication, reproduction, transmission, dissemination, import, distribution, sale or rental of illegal reproductions, etc.) concerning intellectual works intended for the television, cinema, sale or rental circuit, as well as literary, dramatic, scientific or didactic, musical or multimedia works.

The offence also occurs in the case of conduct (e.g. transmission, dissemination, sale, etc.) involving decoding devices that allow access to encrypted conditional access services (e.g. pay TV) without the payment of the fee due or that are aimed at facilitating the circumvention of technological measures for the protection of works.

The conduct provided for in Article 171 *ter* must be carried out for profit in order for the crime to be considered committed.

It also penalizes the communication to the public of works protected by copyright through the insertion into a system of telematic networks. In this case, the profit motive justifies a more serious sanction than that provided for the same conduct by art. 171, paragraph 1, letter a) bis.

Art. 171 septies L. 633/1941 Omitted or false communication to the SIAE
The penalty referred to in Article 171-ter, paragraph 1, shall also apply:
a) to producers or importers of media not subject to the marking referred to in Article 181-bis, who do not communicate to the SIAE within thirty days from the date of placing on the market on the national territory or importing the data necessary for the unequivocal identification of the supports themselves;
b) unless the act does not constitute a more serious offence, to any person who falsely declares that the obligations referred to in Article 181-bis, paragraph 2, of this law have been fulfilled.

The offence in question is set up to protect the control function exercised by the SIAE and sanctions the omission of the communication obligations imposed on producers and importers of non-marked media, as well as anyone who falsely declares that they have fulfilled the obligations provided for by the legislation on the author.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas most at risk of committing crimes in the field of copyright are those involving the use of computer programs and computer networks and the use of works protected by copyright (e.g. in internal and external marketing and communication activities), as well as

the purchase of material that could be made in violation of the copyright of third parties. More precisely, the following areas are to be considered at risk:

AREA	ACTIVITIES AT RISK
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers*
BUSINESS – GLOBAL SALES	• *Management of commercial offers – Management of relationships with third parties*
IT	• *Use of company devices – Management of access to the Company's Internet and intranet*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) GENERAL MANAGEMENT:

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

b) BUSINESS – GLOBAL SALES

i. *Management of commercial offers and contracts – Management of relationships with third parties*

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;

- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

c) **EN:**

i. *Use of company devices – Management of access to the Company's Internet and intranet*

- Access to IT systems is protected by two-factor authentication ("*2FA")* for Google services, while it is protected by "*ID-password*" for the CRM management system;
- the systems are equipped with a Windows system antivirus active both online and offline, and any *phishing* attempts or other suspicious access are notified to the Company by Google services;
- the Marketing & Business Development department manages the Company's website;
- the licenses for the use of the software used by the Company are automatically renewed.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

In compliance with the Code of Ethics and the company procedures adopted by the Company, the Recipients are required to comply with the rules of conduct specified below:

- refrain from engaging, collaborating or causing the implementation of conduct that may integrate, or in any case facilitate the commission of the crimes described above;
- use the company's IT resources in compliance with the policies and procedures adopted by the Company;
- in the case of the use of musical, cinematographic, multimedia or audiovisual works as well as any other work protected by copyright, ensure that the same is done on the basis of a title (contract, author's license) that gives the Company the relevant rights;
- periodically check the licenses for the use of the company's software and programs and, if necessary, update them promptly.

In any case, it is forbidden to:

- install software or programs other than those that have been reset;
- use company e-mail to exchange files, data, and attachments unrelated to work. In any case, in the case of works protected by copyright, make sure that the Company is in possession of the rights of use;
- use social networks, peer-to-peer programs, streaming or file sharing or otherwise procure, transmit or hold material in violation of copyright;
- download, duplicate, store files and/or data not strictly related to the work activity;

- remove or attempt to remove the programs and measures adopted by the Company to prevent access to certain sites that could facilitate the commission of the crimes identified above (e.g. firewalls, etc.).

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "11"
ENVIRONMENTAL CRIMES

1. RELEVANT OFFENCES

The administrative liability of entities in relation to environmental crimes and offences was introduced by art. 2, paragraph 1, of Legislative Decree no. 121 of 7 July 2011 implementing Directive 2008/99/EC on the protection of the environment through criminal law, as well as Directive 2009/123/EC on pollution from ships.

These are, in particular, the following offences:

- **Offences under the Criminal Code**:
  - Article 452 *bis of the* Criminal Code - Environmental pollution;
  - Article 452 *quarter of the* Criminal Code - Environmental disaster;
  - Article 452 *quinquies of* the Criminal Code - Culpable crimes against the environment;
  - Article 452 *sexies* of the Criminal Code - Trafficking and abandonment of highly radioactive material;
  - Article 452 *octies* of the Criminal Code - Aggravating circumstances;
  - Article 452 *quaterdecies* of the Criminal Code - Organized activities for the illegal trafficking of waste;
  - Article 727 *bis of* the Criminal Code - Killing, destruction, capture, taking, possession of specimens of protected wild animal or plant species;
  - Article 733 *bis of* the Criminal Code - Destruction or deterioration of habitats within a protected site.
- **Offences and offences provided for by Legislative Decree no. 152 of 3 April 2006 on environmental regulations** ("Legislative Decree 152/2006" or "Environmental Code"):
  - Article 137, paragraphs 2, 3, 5, 11, 13 - Criminal sanctions in the matter of water discharges;
  - Article 256, paragraphs 1, letters a) and b), 3, 4, 5 and 6 - Unauthorized waste management activities;
  - Article 257, paragraphs 1 and 2 - Remediation of sites;
  - Article 258, paragraph 4 - Violation of the obligations of communication, keeping of mandatory registers and forms;
  - Article 259, paragraph 1 - Illicit trafficking of waste;
  - Article 260 bis, paragraphs 6, 7, 8 - Computerised system for the control of waste traceability;
  - Art. 279 - Penalties for emissions into the atmosphere.
- **Offences and offences provided for by Law No. 150 of 7 February 1992 on the application in Italy of the Convention on International Trade in Endangered Species of Wild Fauna and Flora**, signed in Washington on 3 March 1973, pursuant to Law No. 874 of 19 December 1975, and Regulation (EEC) No. 3626/82, as amended, as well as rules for the marketing and keeping of live specimens of mammals and reptiles that may constitute a danger to health and public safety (art.

1, paragraphs 1 and 2, art. 2, paragraphs 1 and 2, art. 6, paragraph 4, art. 3 bis, paragraph 1);

- **Offences provided for by Law No. 549 of 28 December 1993 on measures to protect stratospheric ozone and the environment** (Article 3, paragraph 6);
- **Offences provided for by Legislative Decree no. 202 of 6 November 2007 on pollution caused by ships and related sanctions** (Article 8, paragraphs 1 and 2, Article 9, paragraphs 1 and 2).

In consideration of the type of activity carried out by the Company, only some of the above-mentioned offences can be abstractly configured in the interest or to the advantage of the same, a brief illustration of which is given below.

1.1 Environmental pollution

Article 452 bis of the Criminal Code: Environmental pollution
Anyone who unlawfully causes significant and measurable impairment or deterioration shall be punished with imprisonment from two to six years and a fine of between €10,000 and €100,000:

(1) water or air, or large or significant portions of the soil or subsoil;

2) an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna. When pollution is produced in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased from one third to one-half. In the event that pollution causes deterioration, impairment or destruction of a habitat within a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, the penalty is increased from one third to two thirds.

The crime of environmental pollution penalizes anyone who causes, even by way of mere negligence (Article 452-quinquies of the Criminal Code), a compromise or deterioration *of i)* water or air, or of extensive or significant portions of the soil or subsoil; *(ii)* of an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna. The conduct must be carried out "abusively", i.e. substantially in violation of laws, regulations or administrative provisions designed to protect the environment. The impairment or deterioration of the environment must be "significant and measurable", according to an expression that will have to be clarified by case law and practice, but which, according to the first commentators, cannot result in the mere exceeding of the threshold values indicated by the legislator, as it is already subject to autonomous sanction pursuant to Legislative Decree 152/2006.

This is a crime of event and damage, which can be committed by anyone. However, if we consider the type of conduct and the type of event required by the criminal law, it seems likely that the crime may be committed, in particular, by persons with significant managerial powers and a certain position of guarantee whose tasks are to comply with the regulatory obligations imposed by law, especially from the point of view of omission.

The law also provides for an increase in the penalty if the pollution is produced in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species.

1.2 Environmental Disaster

Article 452 quarter of the Criminal Code: Environmental disaster

Except in the cases provided for in Article 434, anyone who unlawfully causes an environmental disaster shall be punished with imprisonment of between five and fifteen years. Alternatively, the following constitute an environmental disaster:

1) the irreversible alteration of the balance of an ecosystem;
(2) the alteration of the balance of an ecosystem whose elimination is particularly costly and achievable only by exceptional measures;
3) the offense to public safety due to the relevance of the fact for the extent of the impairment or its harmful effects or for the number of persons injured or exposed to danger.

When the disaster occurs in a protected natural area or subject to landscape, environmental, historical, artistic, architectural or archaeological constraints, or to the detriment of protected animal or plant species, the penalty is increased from one third to one-half.

The crime of environmental disaster alternatively sanctions: *i)* the irreversible alteration of the balance of an ecosystem, where ecosystem can be understood as a set of living organisms (community), the surrounding physical environment (habitat) and biotic and chemical-physical relationships within a defined space of the biosphere; *(ii)* the alteration of the balance of an ecosystem the elimination of which is particularly costly and can only be achieved by exceptional measures; *(iii)* the offense to public safety due to the relevance of the fact for the extent of the impairment or its harmful effects or for the number of persons injured or exposed to danger. Also in this case, the environmental disaster must be caused "abusively". An environmental disaster is aggravated if it is committed in a protected or restricted area or to the detriment of protected animal or plant species. The offence is also punishable negligently (Article 452-quinquies of the Criminal Code).

The environmental disaster is the most serious case among the new eco-crimes. The standard is aimed at protecting the environment from particularly significant pollution episodes that have irreparable consequences for the environment itself.
It is a crime of event, the typical conduct of which consists in illegally causing an environmental disaster, understood as an alteration (irreversible or whose elimination is particularly costly, achievable only with exceptional measures) of the balance of an ecosystem, or as an offense to public safety due to the relevance of the fact, for the extent of the compromise or its harmful effects or for the number of injured persons or exposed to danger.

1.3 Culpable crimes against the environment

Article 452 quinquies of the Criminal Code: Culpable crimes against the environment
If any of the acts referred to in Articles 452-bis and 452-quarter are committed through negligence, the penalties provided for in the same articles shall be reduced from one third to two thirds.
If the commission of the acts referred to in the preceding paragraph results in the danger of environmental pollution or environmental disaster, the penalties shall be further reduced by one third.

The above-mentioned provision expressly provides that the offences *pursuant* to Articles 452bis of the Criminal Code (Environmental Pollution) and 452quarter of the Criminal Code (Environmental Disaster) may also be committed by way of negligence, in which case, the penalties are reduced.
If, finally, only the danger of environmental pollution were to arise from criminal conduct, the penalties are further reduced.

1.4 Trafficking and abandonment of highly radioactive material

Article 452 sexies of the Criminal Code: Trafficking and abandonment of highly radioactive material
Unless the act constitutes a more serious crime, anyone who illegally sells, purchases, receives, transports, imports, exports, procures to others, holds, transfers, abandons or discards highly radioactive material is punished with imprisonment from two to six years and a fine of between €10,000 and €50,000.
The penalty referred to in the first subparagraph shall be increased if the act results in a risk of impairment or deterioration:
(1) water or air, or large or significant portions of the soil or subsoil;
2) an ecosystem, biodiversity, including agricultural biodiversity, flora or fauna.
If the act endangers the life or safety of persons, the penalty is increased by up to half.

The offence of trafficking and abandonment of highly radioactive material penalises anyone who carries out activities in the field of highly radioactive materials in an abusive manner. The case does not only concern activities related to radioactive waste, but lists a wide range of behaviors that may have as their object highly radioactive materials that do not qualify as waste. An increase in the penalty is provided for in the event of danger of compromise or deterioration of the environmental matrices or in the case of danger to the life and safety of people.

1.5 Aggravating circumstances

Article 452 octies of the Criminal Code: Aggravating circumstances
Where the association referred to in Article 416 is directed, exclusively or jointly, with the aim of committing any of the offences referred to in this Title, the penalties provided for in Article 416 shall be increased.

When the purpose of the association referred to in Article 416-bis is to commit any of the offences referred to in this Title or to acquire the management or control of economic activities, concessions, authorisations, contracts or public services in environmental matters, the penalties provided for in Article 416-bis shall be increased.
The penalties referred to in the first and second paragraphs shall be increased from one third to one half if the association includes public officials or persons in charge of a public service who exercise functions or perform services in environmental matters.

The above-mentioned boundary rule is relevant in the case of environmental crimes committed in association and dictates two circumstances with common effect and one with a special effect of increasing penalties, applicable in the case of aggravated associative crimes.

The above-mentioned offences (environmental pollution, environmental disaster, culpable offences against the environment, trafficking and abandonment of highly radioactive material) as well as the surrounding rule relating to aggravating circumstances, were included in the Criminal Code by Law no. 68/2015, published in the Official Gazette no. 122 of 28 May 2015, containing "provisions on crimes against the environment". They have also been added to the list of relevant predicate offences pursuant to Legislative Decree 231/2001, introducing new hypotheses of administrative liability of companies.

1.6 Organised activities for the illicit trafficking of waste

Article 452 quaterdecies of the Criminal Code: Organised activities for the illicit trafficking of waste
Anyone who, in order to obtain an unfair profit, with several operations and through the preparation of means and continuous organized activities, sells, receives, transports, exports, imports, or otherwise illegally manages large quantities of waste is punished with imprisonment from one to six years. In the case of highly radioactive waste, the penalty is imprisonment from three to eight years. Conviction shall be followed by the additional penalties referred to in Articles 28, 30, 32-bis and 32-ter, with the limitation provided for in Article 33. The court shall, by its conviction or by its judgment in accordance with Article 444 of the Code of Criminal Procedure, order the restoration of the state of the environment and may make the granting of a suspended sentence conditional on the elimination of the damage or danger to the environment. The confiscation of things that were used to commit the crime or that constitute the product or profit of the crime is always ordered, unless they belong to persons unrelated to the crime. If this is not possible, the court identifies property of equivalent value which the convicted person has at his disposal, even indirectly or through an intermediary, and orders its confiscation.

What was previously the subject of Article 260 of Legislative Decree No. 152 of 2006 was transposed into Article 452 quaterdecies of the Criminal Code and, at the same time, into the list of relevant crimes pursuant to Legislative Decree No. 231/2001 by Legislative Decree

No. 21 of 1 March 2018 "*Provisions for the implementation of the principle of delegation of the reservation of the Code in criminal matters pursuant to Article 1, paragraph 85, letter q) of Law no. 103 of 23 June 2017",* which at the same time repealed art. 260 above.
This is a rule introduced in the context of the fight against the so-called "ecomafias", i.e. those sectors of organized crime that have made waste trafficking and disposal their business. The provision punishes the various conducts described (transfer, reception, transport, export, import or abusive management of waste) carried out through the performance of several operations and the preparation of means and organized activities. The crime, therefore, presupposes the existence of an activity with a minimum of structure and organization and requires the presence of a large quantity of waste that must be the object of illegal trafficking. In addition, it is necessary that the organized activities are conducted, on a subjective level, with the aim of making an unfair profit, which, however, does not necessarily have to be patrimonial, as it may also consist of advantages of another nature (e.g. savings in business costs). The choice of the Legislator to include the provision in the body of the Criminal Code suggests the intention to confer on the provisions of art. 452 quaterdecies a greater disvalue, at the same time highlighting the growing attention paid by the Legislator to the fight against the phenomenon of eco-crimes.

1.7 Killing, destroying, capturing, taking or keeping specimens of protected wild animal or plant species

Article 727 bis of the Criminal Code: Killing, destruction, capture, taking, possession of specimens of protected wild animal or plant species
Unless the act constitutes a more serious offence, any person who, outside the permitted cases, kills, captures or possesses specimens belonging to a protected wild animal species shall be punished with imprisonment from one to six months or a fine of up to €4,000, except in cases where the action concerns a negligible quantity of such specimens and has a negligible impact on the conservation status of the species.
Any person who, except in permitted cases, destroys, takes or possesses specimens belonging to a protected wild plant species shall be punished with a fine of up to €4,000, except in cases where the action concerns a negligible quantity of such specimens and has a negligible impact on the conservation status of the species.

The case penalizes unlawful conduct against protected wild animal and plant species and, in particular:
a. the killing, capture or possession, outside of permitted cases, of specimens belonging to a protected wild species;
b. the destruction, removal or possession, except in permitted cases, of specimens belonging to a protected wild species.

The law does not specify which "protected wild species" are subject to protection. According to Art. 1, paragraph 2 of Legislative Decree 121/2011 (which extended the liability pursuant to Decree 231/01 to environmental crimes), the concept must be derived through the

reference to Directive 92/43/EC on the conservation of natural habitats and of wild flora and fauna (the so-called "Habitats" Directive) and Annex I of Directive 2009/147/EC, concerning the conservation of wild birds (the so-called "Birds" Directive).

Since it is a contraventional offence, the conduct is also sanctioned in the event of fault (i.e. lack of intention of the event, caused, however, by non-compliance with precautionary rules or by imprudence, inexperience, negligence attributable to its perpetrator).

In this context, the requirement of the "interest or advantage" of the Company (required for the integration of liability pursuant to Decree 231/01 and which is difficult to reconcile – by its nature – with the commission of a culpable crime) must refer not to the event itself (e.g. destruction of a protected wild species), but to the conduct that did not comply with the environmental legislation that made it possible (e.g. contamination of the area where the protected species is established) and the consequent benefit that the Company could derive also in terms of cost savings or time required for the adoption of preventive measures.

1.8 Destruction or deterioration of habitats within a protected site

Article 733 bis of the Criminal Code: Destruction or deterioration of habitats within a protected site
Anyone who, outside the permitted cases, destroys a habitat within a protected site or otherwise deteriorates it, compromising its conservation status, is punished with imprisonment for up to eighteen months and a fine of not less than 3,000 euros

The rule penalizes any conduct that involves the destruction or significant deterioration of a habitat within a protected site. Even in this case, the conduct is punishable by way of simple negligence, i.e. even in the absence of the voluntary nature of the event.

The notion of habitat is derived from the reference, made by Article 1, paragraph 3 of Legislative Decree 121/2011, to the definitions contained in the existing EU directives on the subject. In particular, "habitat within a protected site" shall mean any habitat of species for which an area is classified as a special protection area in accordance with Article 4(1) or (2) of Directive 2009/147/EC, or any natural habitat or a habitat of species for which a site is designated as a special area of conservation pursuant to Article 4(1) or (2) of Directive 2009/147/EC.4, paragraph 4, of Directive 92/43/EEC (Directive 92/43/EC).

1.9 Penalties for water protection and water discharges

Article 137, paragraphs 2, 3, 5, 11, 13 of Legislative Decree no. 152 of 3 April 2006
Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 1, any person who opens or otherwise carries out new discharges of industrial waste water, without authorization, or continues to carry out or maintain such discharges after the authorization

has been suspended or revoked, shall be punished with imprisonment from two months to two years or with a fine from one thousand five hundred euros to ten thousand euros.
When the conduct described in paragraph 1 concerns the discharge of industrial wastewater containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three of this Decree, the penalty shall be imprisonment from three months to three years and a fine from 5,000 euros to 52,000 euros.
Any person who, other than in the cases referred to in paragraph 5, or referred to in Article 29quattuordecies, paragraph 3, discharges industrial waste water containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to Part Three of this decree without complying with the requirements of the authorisation, or the other requirements of the competent authority pursuant to Articles 107(1) and 108(4), shall be punishable by imprisonment for a term not exceeding two years.
Any person who violates the provisions concerning the installation and management of automatic controls or the obligation to store the results of the same referred to in Article 131 shall be punished with the penalty referred to in paragraph 3.
Unless the act constitutes a more serious offence, any person who, in relation to the substances listed in Table 5 of Annex 5 to Part Three of this Decree, when discharging industrial waste water, exceeds the limit values laid down in Table 3 or, in the case of discharge on the ground, in Table 4 of Annex 5 to Part Three of this Decree, or the more restrictive limits set by the regions or autonomous provinces or by the competent authority pursuant to Article 107, paragraph 1, shall be punished with imprisonment for up to two years and a fine of between three thousand euros and thirty thousand euros. If the limit values set for the substances contained in Table 3/A of the same Annex 5 are also exceeded, imprisonment from six months to three years and a fine from six thousand euros to one hundred and twenty thousand euros shall apply.
The penalties referred to in paragraph 5 shall also apply to the operator of urban waste water treatment plants who, when carrying out the discharge, exceeds the limit values laid down in that paragraph.
An integrated water service operator who fails to comply with the reporting obligation referred to in Article 110(3) or fails to comply with the requirements or prohibitions referred to in Article 110(5) shall be subject to imprisonment from three months to one year or a fine of between three thousand euros and thirty thousand euros in the case of non-hazardous waste, and imprisonment from six months to two years and a fine from three thousand euros to thirty thousand euros if it is hazardous waste.
The holder of a discharge which does not allow access to the premises by the person in charge of the control for the purposes referred to in Article 101(3) and (4), unless the act constitutes a more serious offence, shall be punished with imprisonment for a term not exceeding two years. This is without prejudice to the powers and duties of the persons in charge of the control also pursuant to Article 13 of Law No. 689 of 1981 and Articles 55 and 354 of the Code of Criminal Procedure.
Anyone who does not comply with the rules laid down by the regions pursuant to Article 113(3) shall be punished with the sanctions referred to in Article 137(1).

Any person who fails to comply with the measure adopted by the competent authority pursuant to Article 84(4) or Article 85(2) shall be punished with a fine ranging from one thousand five hundred euros to fifteen thousand euros.
Any person who fails to comply with the prohibitions on discharge laid down in Articles 103and 104 shall be punished with imprisonment for a term not exceeding three years.
Any person who fails to comply with the regional requirements laid down pursuant to Article 88(1) and (2) to ensure the achievement or restoration of the water quality objectives designated pursuant to Article 87, or fails to comply with the measures adopted by the competent authority pursuant to Article 87(3), shall be liable to imprisonment for a term not exceeding two years or to a fine of between EUR 4,000 and EUR 40,000.
The penalty of imprisonment of between two months and two years shall always apply if the discharge into sea waters by ships or aircraft contains substances or materials for which an absolute prohibition of spillage is imposed in accordance with the provisions contained in the international conventions in force on the subject and ratified by Italy, unless they are in such quantities as to be quickly rendered harmless by physical processes, chemical and biological diseases, which occur naturally at sea and provided that there is prior authorisation from the competent authority.
Any person who carries out the agronomic use of livestock manure, vegetation water from oil mills and waste water from agricultural holdings and small agri-food holdings referred to in Article 112, except in the cases and procedures provided for therein, or who does not comply with the prohibition or order to suspend activity issued pursuant to that Article, is punishable by a fine of between one thousand five hundred and ten thousand euros or imprisonment for up to one year. The same penalty applies to anyone who carries out agronomic use outside the cases and procedures referred to in current legislation.

The law sanctions the violation of the regulations dictated on discharges and wastewater by Legislative Decree 152/2006. It should be remembered that the Environmental Code is a rule of form and not of substance: in other words, it does not prohibit pollution in and of itself, but dictates the procedures to be respected for the performance of potentially polluting activities. The offences of "pollution", therefore, are connected to the failure to comply with these procedures or the tabular values indicated from time to time by the legislation.

Among the sanctioned conducts that may be relevant for the Company are the following:

- the opening or carrying out of new discharges in the absence of a permit, or in the presence of a suspended or revoked authorization. For the purposes of liability pursuant to Decree 231/01, the conduct is relevant if it concerns discharges of industrial wastewater containing hazardous substances (i.e. the substances indicated in tables 5 and 3/A of Annex 5 to Part Three of the Environmental Code);
- the discharge of industrial waste water containing hazardous substances shall be punishable even in the presence of a permit, if the requirements contained in the permit itself or the other requirements issued by the competent authority are not complied with;

- exceeding the limit values relating to the presence of hazardous substances in industrial wastewater, set by the same Environmental Code (table 5 of Annex 5 to Part Three of Legislative Decree 152/2006), or the more restrictive limits set by the Regions or by the competent Authority;
- non-compliance with the prohibitions on discharge into the soil and subsoil and groundwater established by art. 103 and 104 of Legislative Decree 152/2006.

1.10 Waste offences

Article 256, paragraphs 1, letters a) and b), 3, 4, 5 and 6 of Legislative Decree no. 152 of 3 April 2006 - Unauthorized waste management activities

Except in the cases sanctioned pursuant to Article 29quattuordecies, paragraph 1, anyone who carries out an activity of collection, transport, recovery, disposal, trade and brokerage of waste without the required authorization, registration or communication referred to in Articles 208, 209, 210, 211, 212, 214, 215 and 216 shall be punished:

(a) imprisonment for a period of three months to one year or a fine of between two thousand six hundred euros and twenty-six thousand euros in the case of non-hazardous waste;

(b) imprisonment from six months to two years and a fine of between two thousand six hundred euros and twenty-six thousand euros in the case of hazardous waste.

The penalties referred to in paragraph 1 shall apply to business owners and managers of entities who abandon or deposit waste in an uncontrolled manner or discharge it into surface or groundwater in violation of the prohibition referred to in Article 192, paragraphs 1 and 2.

Except in the cases sanctioned under Article 29quattuordecies, paragraph 1, anyone who builds or manages an unauthorized landfill shall be punished with imprisonment from six months to two years and a fine from two thousand six hundred euros to twenty-six thousand euros. The penalty is imprisonment from one to three years and a fine from five thousand two hundred euros to fifty-two thousand euros if the landfill is intended, even in part, for the disposal of hazardous waste. The conviction or sentence issued pursuant to Article 444 of the Code of Criminal Procedure shall result in the confiscation of the area on which the illegal landfill is built if it is owned by the perpetrator or co-participant in the crime, without prejudice to the obligations of reclamation or restoration of the state of the places.

The penalties referred to in paragraphs 1, 2 and 3 shall be reduced by half in the event of non-compliance with the requirements contained or referred to in the authorisations, as well as in the event of failure to meet the requirements and conditions required for registration or communication.

Any person who, in violation of the prohibition referred to in Article 187, carries out unauthorised waste mixing activities shall be punished with the penalty referred to in paragraph 1(b).

Any person who carries out the temporary storage at the place of production of hazardous medical waste, in violation of the provisions of Article 227, paragraph 1, letter b), shall be punished with imprisonment from three months to one year or with a fine from two thousand six hundred euros to twenty-six thousand euros. An administrative fine of between two

thousand six hundred euros and fifteen thousand five hundred euros is applied for quantities not exceeding two hundred litres or equivalent quantities.
Anyone who violates the obligations referred to in articles 231, paragraphs 7, 8 and 9, 233, paragraphs 12 and 13, and 234, paragraph 14, shall be punished with an administrative fine ranging from two hundred and sixty euros to one thousand five hundred and fifty euros.
The persons referred to in Articles 233, 234, 235 and 236 who do not comply with the participation obligations provided for therein shall be punished with an administrative fine ranging from eight thousand euros to forty-five thousand euros, without prejudice to the obligation to pay past contributions. Until the adoption of the decree referred to in Article 234, paragraph 2, the sanctions referred to in this paragraph shall not be applicable to the persons referred to in the same Article 234.
The penalties referred to in paragraph 8 shall be reduced by half in the case of adhesion made within the sixtieth day of the expiry of the deadline for fulfilling the participation obligations provided for in Articles 233, 234, 235 and 236.

The case in question penalizes extremely different conducts (collection, transport, recovery, disposal, trade and brokerage of waste), but all characterized by the absence of authorizations, registrations or communications prescribed by law. The offence, therefore, is represented by the performance of the unauthorised authority, since it is not necessary that an injury to the environment or human health has materially occurred, as it is considered that the failure to obtain the required authorisations already constitutes potentially dangerous conduct as it has a considerable probability of harmfulness. The law distinguishes the penalties according to whether it is hazardous or non-hazardous waste, but in both cases they are contraventional offences (and therefore punishable by way of simple negligence).

The standard also punishes waste management conducts carried out even in the presence of an authorization, if the requirements contained or referred to in the same authorization are not observed, or in the event of a lack of the requirements or conditions required for registration (e.g. registration in the register of environmental managers) or for communications (e.g. self-disposal of waste).

Paragraph 3 penalizes the offence of the construction or management of the so-called "illegal landfill", i.e. the landfill built in the absence of the authorization prescribed by law, characterized – according to case law – by the presence of an accumulation of waste and by the character of a tendency to be definitive (requirements that make it possible to distinguish the landfill from the simple abandonment of waste).

Finally, paragraph 5 penalizes the mixing of waste carried out outside the permitted cases, while paragraph 6 concerns the deposit of hazardous medical waste and is therefore not concretely applicable to the activities carried out by the Company.

Article 258, paragraph 4 of Legislative Decree no. 152 of 3 April 2006: Violation of the obligations of communication, keeping of mandatory registers and forms

[....]

4. Undertakings that collect and transport their own non-hazardous waste referred to in Article 212(8) that do not voluntarily participate in the Waste Traceability Control System (SISTRI) referred to in Article 188-bis(2)(a) and transport waste without the form referred to in Article 193 or indicate incomplete or inaccurate data on the form shall be punished with an administrative fine of one thousand six hundred euros per year. nine thousand three hundred euros. The penalty provided for in Article 483 of the Criminal Code applies to those who, in the preparation of a certificate of analysis of waste, provide false information on the nature, composition and chemical-physical characteristics of the waste and to those who make use of a false certificate during transport.

[...]

For the purposes of administrative liability pursuant to the Decree, the second sentence of the provision in question is relevant, which penalizes the conduct of those who, in the preparation of a waste analysis certificate, provide false information on the nature, composition and chemical-physical characteristics of the waste and of those who use a false certificate during transport. The interest protected by the provision is to ensure the full and correct traceability of waste, which is compromised both by the preparation of certificates with false indications and by the use of a false certificate.

Article 259, paragraph 1 of Legislative Decree no. 152 of 3 April 2006: Illicit trafficking of waste

Any person who carries out a shipment of waste constituting illicit trafficking within the meaning of Article 26 of Regulation (EEC) No 259 of 1 February 1993, or carries out a shipment of waste listed in Annex II to the aforementioned Regulation in violation of Article 1(3)(a), (b), (c) and (d) of the same Regulation shall be punished with a fine of between one thousand five hundred and fifty euros and twenty-six thousand euros and imprisonment for up to two years. The penalty is increased in the case of shipment of hazardous waste.

The case regulates the hypothesis of illegal trafficking of waste, subjecting it to criminal sanction, through the reference to Regulation 259/1993/EEC for the determination of the content of the sanctioned case. The Regulation, in fact, despite being directly applicable to our legal system, lacked the corresponding sanction. In particular, the criminal offence occurs when:

a) shipments are made without the notification required by the Regulation being sent to all the competent authorities (Article 26, letter a);
b) when the shipment is made without the consent of the competent authorities concerned or as a result of falsification, false information or fraud (Article 26(b) and (c));

c) when the shipment is missing in the accompanying document or involves disposal or recovery in violation of EU or international standards (art. 26 letters d-e);
d) where the shipment is contrary to the rules on the import and export of waste within the Member States (Article 26(f)).

It should be noted that Regulation 259/1993/EEC was repealed with effect from 12 July 2007 by Regulation 1013/2006, which does not contain an express reference to the illegal trafficking of waste (which could lead to difficulties in the application of the criminal case of referral). Art. 26 of Regulation 259/1993, referred to in the sanctioning case provided for by the Environmental Code, also finds its reference in art. 2, paragraph 35 of the new Regulation, which refers to the similar concept of "illegal shipment" of waste.

Article 260 bis, paragraphs 6, 7 and 8 of Legislative Decree no. 152 of 3 April 2006: Waste traceability control system
[...]
6. The penalty referred to in Article 483 of the Criminal Code shall apply to a person who, in the preparation of a waste analysis certificate, used as part of the waste traceability control system, provides false information on the nature, composition and chemical-physical characteristics of the waste and to anyone who inserts a false certificate in the data to be provided for the purposes of waste traceability.
7. A transporter who fails to accompany the transport of waste with a paper copy of the SISTRI - HANDLING AREA form and, where necessary on the basis of current legislation, with a copy of the analytical certificate identifying the characteristics of the waste shall be punished with an administrative fine ranging from €1,600 to €9,300. The penalty referred to in art. 483 of the Criminal Code in the case of transport of hazardous waste. The latter penalty also applies to a person who, during transport, makes use of a certificate of analysis of waste containing false information on the nature, composition and chemical-physical characteristics of the waste transported.
8. A transporter who accompanies the transport of waste with a paper copy of the SISTRI - AREA Handling fraudulently altered form shall be punished with the penalty provided for in the combined provisions of Articles 477 and 482 of the Criminal Code. The penalty is increased to a third in the case of hazardous waste.
[...]

As of 1 January 2019, the waste traceability control system (SISTRI) is no longer operational, but the provisions and obligations not necessarily related to the presence of the register have remained applicable, therefore art. Article 260bis introduces penalties for violations concerning the information and obligations regarding the control of the traceability of waste.
For the purposes of the administrative liability of the entity, the following offences are relevant:

- the indication of false information on the nature, composition and chemical-physical characteristics of waste;

- the inclusion of a false certificate in the data to be provided for the purpose of waste traceability;
- failure to accompany the transport of hazardous waste, where necessary, with a copy of the waste analysis certificate;
- the use, during the transport of waste, of certificates of analysis containing false information on the nature, composition and chemical-physical characteristics of the waste transported;
- the use, during the transport of waste, of fraudulently altered documentation necessary for transport.

1.11 Remediation of contaminated sites

Article 257, paragraphs 1 and 2 of Legislative Decree no. 152 of 3 April 2006: Site remediation
Unless the act constitutes a more serious offence, any person who causes pollution of the soil, subsoil, surface water or groundwater by exceeding the risk threshold concentrations shall be punished with imprisonment from six months to one year or with a fine of between two thousand six hundred euros and twenty-six thousand euros, if he does not carry out the remediation in accordance with the plan approved by the competent authority in the context of the procedure referred to in Articles 242 et seq. In the event of failure to make the notification referred to in Article 242, the offender shall be punished with imprisonment from three months to one year or a fine from one thousand euros to twenty-six thousand euros.
The penalty of imprisonment from one year to two years and the penalty of a fine from five thousand two hundred euros to fifty-two thousand euros applies if the pollution is caused by dangerous substances.

The case punishes those who cause (even if only by fault) the pollution of a site by exceeding the risk threshold concentrations established by the legislation. Conduct shall be punished if the polluter fails to clean up the pollution in accordance with the plan approved by the competent authority or if he fails to make the mandatory reports in such situations.

In fact, Legislative Decree 152/2006 provides that, in the presence of potential contamination of the site, the person responsible for the pollution or the person who has discovered historical contamination is required to implement the necessary prevention measures within 24 hours, immediately notifying the competent authorities (Article 242 of Legislative Decree 152/2006).

Once the necessary prevention measures have been implemented, the person in charge is required to carry out a preliminary investigation in the area affected by the contamination and, if he ascertains that the level of the threshold concentrations of contamination (CSC) has not been exceeded, he provides for the restoration of the contaminated area, notifying the competent authority with a specific self-certification. In this case, therefore, the

procedure is concluded without the need for remediation, without prejudice to the verification and control activities by the supervisory authorities.

If, on the other hand, the preliminary investigation ascertains that the CSC has been exceeded even for a single parameter, the person responsible for the pollution must immediately notify the competent authorities, also indicating the prevention and safety measures adopted, as well as the characterization plan, to be submitted for authorization by the Region. A further investigation is then carried out to determine the specific risk threshold concentrations (CSRs). If the contaminant concentrations are higher than the CSRs, the responsible party must submit to the Region, within the following six months, the operational project of the remediation or safety interventions and, if necessary, the further environmental remediation and restoration measures.

1.12 Atmospheric emissions and ozone protection

Article 279 of Legislative Decree no. 152 of 3 April 2006: penalties for emissions into the atmosphere

Except in the cases for which Article 6, paragraph 13 applies, to which any sanctions are applied pursuant to Article 29-quattuordecies, anyone who begins to install or operate an establishment without the required authorization or continues to operate with an expired, lapsed, suspended or revoked authorization shall be punished with imprisonment from two months to two years or a fine from 258 euros to 1,032 euros. The same penalty shall be imposed on any person who subjects an establishment to a substantial modification without the authorisation provided for in Article 269(8). Anyone who subjects an establishment to a non-substantial modification without making the notification provided for in Article 269, paragraph 8, is subject to an administrative fine of €1,000, which is imposed by the competent authority.

Any person who, in the operation of an establishment, infringes the emission limit values or requirements laid down in the authorisation, in Annexes I, II, III or V to Part Five of this Decree, in the plans and programmes or in the legislation referred to in Article 271 or in the requirements otherwise imposed by the competent authority pursuant to this Title shall be punished with imprisonment for up to one year or a fine of up to EUR 1,032. If the limit values or requirements infringed are contained in the integrated environmental permit, the penalties provided for in the legislation governing that permit shall apply.

Except in the cases sanctioned pursuant to Article 29-quattuordecies, paragraph 7, anyone who puts a plant into operation or commences to carry out an activity without having given the prior notice required pursuant to Article 269, paragraph 6, or pursuant to Article 272, paragraph 1, shall be punished with imprisonment for up to one year or a fine of up to one thousand and thirty-two euros.

Except in the cases sanctioned pursuant to Article 29-quattuordecies, paragraph 8, those who fail to communicate to the competent authority the data relating to emissions pursuant to Article 269, paragraph 6, shall be punished with imprisonment of up to six months or a fine of up to one thousand and thirty-two euros.

In the cases provided for in paragraph 2, the penalty of imprisonment for up to one year shall always apply if the exceeding of the emission limit values also determines the exceeding of the air quality limit values provided for by current legislation.
Anyone who, in the cases provided for in Article 281, paragraph 1, does not take all the necessary measures to avoid even a temporary increase in emissions shall be punished with imprisonment for up to one year or a fine of up to one thousand and thirty-two euros.
For the violation of the provisions of Article 276, in the event that the same is not subject to the sanctions provided for in paragraphs 1 to 6, and for the violation of the provisions of Article 277, an administrative fine of fifteen thousand four hundred and ninety-three euros to one hundred and fifty-four thousand nine hundred and thirty-seven euros shall be applied.
Pursuant to Articles 17 et seq. of Law No 689 of 24 November 1981, this sanction shall be imposed by the region or other authority indicated by the regional law. The suspension of existing authorisations is always ordered in the event of recidivism.

Art. Article 279 of Legislative Decree 152/2006 establishes the penalties relating to violations of the regulations on air protection and emissions into the atmosphere.

More precisely, for the purposes of liability pursuant to Decree 231/01, the violation of the emission limit values or of the requirements established in the emission authorization that has led to the exceedance of the air quality values is relevant.

Article 3, paragraph 6 of Law No. 549 of 28 December 1993: sanctions on the protection of ozone
The production, consumption, import, export, possession and marketing of the harmful substances listed in Table A annexed to this Law shall be governed by the provisions of Regulation (EC) No 3093/94.
From the date of entry into force of this Law, the authorisation of installations providing for the use of the substances listed in Table A annexed to this Law shall be prohibited, without prejudice to the provisions of Regulation (EC) No 3093/94.
By decree of the Minister for the Environment, in agreement with the Minister for Industry, Commerce and Crafts, the date until which the use of substances listed in Table A, annexed to this Law, for the maintenance and recharging of equipment and installations already sold and installed on the date of entry into force shall be established in accordance with the provisions and timetables of the phase-out programme referred to in Regulation (EC) No 3093/94. the force of this law, and the timing and procedures for the cessation of the use of the substances listed in Schedule B, annexed to this Act, and the essential uses of the substances listed in Schedule B are also identified, in relation to which derogations from the provisions of this paragraph may be granted. The production, use, marketing, import and export of the substances listed in Tables A and B annexed to this Law shall cease on 31 December 2008, with the exception of substances, processes and productions not included in the scope of Regulation (EC) No 3093/94, as defined therein.

The adoption of time limits other than those referred to in paragraph 3, resulting from the ongoing revision of Regulation (EC) No 3093/94, shall result in the replacement of the time limits indicated in this law and the simultaneous adaptation to the new time limits.
Companies that intend to cease the production and use of the substances listed in Table B annexed to this law before the prescribed deadlines may enter into special programme agreements with the Ministry of Industry, Trade and Crafts and the Environment, in order to take advantage of the incentives referred to in art. 10, with priority related to the anticipation of the decommissioning times, according to the procedures that will be established by decree of the Minister of Industry, Commerce and Crafts, in agreement with the Minister of the Environment.
Any person who infringes the provisions of this Article shall be punished with imprisonment for a term not exceeding two years and a fine not exceeding the value of the substances used for production, imported or marketed. In the most serious cases, the conviction is followed by the revocation of the authorisation or licence on the basis of which the illegal activity is carried out.

The law penalizes the violation of the provisions on the production, consumption, import, export, possession and marketing of ozone-depleting substances (listed in table A attached to Law 549/1993), currently regulated by Regulation 3093/94 EC.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas most at risk of committing the crimes considered are those related to the management of relevant environmental aspects in relation to the activity carried out by the Company, with particular reference to waste management, company discharges, emissions into the atmosphere and the use of ozone-depleting substances, as well as possible contamination of the site and the management of the related obligations and communications to the competent authorities. More precisely, the following areas are to be considered at risk:

AREA AT RISK	ACTIVITIES AT RISK
Management of environmental obligations and fulfilments	1.1 Organizational structure in environmental matters; 1.2 Evaluation of environmental aspects; 1.3 Communication and consultation; 1.4 Education and training; 1.5 Management of environmental controls; 1.6 Management of environmental emergencies; 1.7 Documentation and certification management; 1.8 Incident and critical event management;

	1.9 Management of relations with public authorities; 1.10 Management of relationships with third parties (e.g. contractors, suppliers); 1.11 Investment management.
Waste management activities	2.1 Characterization and classification of the waste produced; 2.2 Selection and evaluation of transporters, disposers and third parties involved in waste disposal activities; 2.3 Storage, collection and transport of waste; 2.4 Disposal and recovery of waste and management of the related traceability obligations (keeping of loading/unloading registers, waste form, etc.); 2.5 Disposal of hazardous waste produced
Infrastructure Management	3.1 Operation of production plants; 3.2 Risks related to protected animal species or protected environmental sites; 3.3 Management of emergencies as well as accidents and critical events in environmental matters, from which a danger of soil contamination may arise (e.g. spills, transfers of liquids to the ground, etc.); 3.4 Acquisition, sale or disposal of industrial areas; 3.5 Participation in an administrative remediation procedure.
Activities related to the management of emissions into the atmosphere	4.1 Obtaining and renewing emission permits; 4.2 Compliance with any requirements dictated by the competent Authority in the authorizations; 4.3 Maintenance of abatement, prevention, monitoring and emission reduction systems installed at the plants; 4.4 Census and reporting to the competent authority of the relevant emission points; 4.5 Compliance with and monitoring of the limit values established by the regulations and the requirements of the competent authority.
Activities related to wastewater and water discharge management	5.1 Wastewater management and civil discharges 5.2 Management and monitoring of washing activities of plants and equipment also by third parties; 5.3 Management and monitoring of production activities carried out by third parties (e.g. contractors and subcontractors) in the vicinity of areas that are not waterproofed or subject to meteoric washout.

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

Finally, considering the specific activity carried out by Angiodroid, it was considered possible to exclude the existence of a current risk of the following crimes occurring:

- penalties for atmospheric emissions (Article 279 of Legislative Decree no. 152 of 3 April 2006);
- trafficking and abandonment of highly radioactive material (Article 452-sexies of the Criminal Code).

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

The Company has an internal control system in place that includes a set of procedures, instructions and controls aimed at regulating the activities considered above in order to prevent the commission of Crimes committed in violation of environmental legislation. This system consists of the following components:

A) **An organizational structure** clear and formalised in which the main entities with relevant functions in the field of health, safety and the environment are identified. In particular, the management of environmental obligations is entrusted to the supervision of the external RSPP;

B) **a system of communication, information, education and training** organized on the basis of specific procedures, which guarantee complete documentation and traceability and ensure the involvement of workers in the definition of the most significant activities in relation to environmental management. Especially:

- information to workers is guaranteed through communication methods and tools (e.g. posting on bulletin boards, etc.) that allow workers to be constantly informed;
- formalised and documented internal communication flows between the different levels of the company are guaranteed, among other things through the periodic review of the Environmental Management System by the General Management;
- the training of employees and new hires is ensured through formalized procedures, which guarantee the renewal of the training of those who need it (e.g. change of job);
- The traceability of training activities is guaranteed through participation forms, evaluation questionnaires and certificates of participation in training events.

C) **A system for assessing environmental aspects**, which ensures that it is constantly updated, even in the event of the introduction of new processes/changes to existing processes.

D) **An operational environmental management system** which provides, inter alia, for the adoption of a procedure for emergency management and waste management.

E) **in relations with public authorities**, the exercise of powers of representation on the basis of specific proxies/powers of attorney consistent with the powers actually assigned;

F) **in relations with third parties (including contractors, subcontractors and suppliers),** formalised procedures that ensure the segregation of functions in the selection of suppliers and contractors, the qualification and periodic assessment of suppliers also from the point of view of environmental compliance.

G) A financial resource management system, which provides for adequate planning of investments in environmental matters, while ensuring the coverage of any unforeseen costs in compliance with the authorization levels required by company procedures.
The Company is also equipped with control and prevention tools with reference to each of the risk activities indicated above, analytically described in the Risk Assets Mapping and Risk Assessment update, to which reference should be made for a detailed analysis of the controls in question.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In carrying out the activities and duties entrusted to them within the Company, the Recipients of this Special Section are expressly prohibited from:

- killing, capturing or possessing in any way specimens belonging to a protected wild animal species;
- destroy, take or possess for any purpose specimens belonging to a protected wild plant species;
- destroy or deteriorate in any way a habitat within a protected site;
- discharge waste water into soil, subsoil and groundwater without a permit or in breach of the requirements (including tabular limits) contained in the permit, in measures of the public authority or in the legislation in force;
- carry out activities of collection, transport, recovery, disposal, trade and brokerage of waste in the absence of the authorizations, registrations or communications prescribed by law or in a manner that does not comply with the requirements of the authorizations or the competent authority;
- use, in the management, transport or disposal of waste, of subjects without the necessary authorizations, communications or registrations or in any case not adequately qualified;
- provide, in any form, false information on the nature, composition and chemical-physical characteristics of the waste or make use of false, counterfeit or altered certificates and documentation;
- carry out waste mixing activities outside the permitted hypotheses;
- manage or carry out illegal waste dumps or in any case abandon waste outside the collection and disposal methods expressly permitted by law;
- make emissions into the atmosphere in the absence of the required authorisations or in breach of the requirements (including the tabular limits) contained in the authorisation or provided by the competent authority;
- use or use ozone-depleting substances in any way outside the limits permitted by law and regulations in force.

4.2 Specific protocols and requirements

The Recipients, in addition to being required to comply with the Code of Ethics, must comply with and implement the company procedures adopted by the Company regarding

environmental protection as identified, among other things, in the company manual of the environmental management system.
All Recipients of the Model are required, in particular, and in addition to the provisions of the management system, to comply with the rules of conduct specified below:

- with reference **to the management of all activities with an environmental impact and relations with third parties** in environmental matters:
  - Environmental Impact Assessment:
    1. all company activities, products and processes must be subject to a careful assessment of the effects and environmental impact, with particular reference to controlled and uncontrolled emissions into the atmosphere, discharges into water and sewerage, solid and other waste, in particular hazardous waste, possible contamination of the site;
    2. all data and information used for the purposes of the assessment must be complete, accurate and truthful and must be adequately documented and stored;
    3. the assessment must be promptly updated in the event of regulatory and/or production process changes, as well as any further changes with significant environmental impacts;
  - Applicable regulations: a register of applicable laws and regulations is adopted and periodically updated;
  - Environmental Management Program:
    1. an environmental management programme must be defined by identifying the figures/structures responsible for the implementation of the aforementioned programme, the resources, including economic resources, necessary and the attribution of the related tasks and responsibilities, providing for methods for verifying the effective and effective achievement of the objectives;
    2. adequate planning of the investments and costs necessary to maintain and improve environmental safety standards must be ensured, while ensuring that any unforeseen costs are covered in compliance with the authorization levels required by company procedures;
    3. must be guaranteed an adequate supply of human and instrumental resources necessary for proper environmental management, defining a suitable expenditure budget to allow the adoption of the necessary preventive and protective measures;
  - Internal organization:
    1. A clear and defined system of organisational and operational tasks in environmental matters must be adopted, adequate powers and resources for the performance of the duties assigned, including the necessary means and time;
    2. the assignment of roles and responsibilities in environmental matters must be preceded by a careful assessment of the skills and competencies of the subjects to whom these responsibilities are assigned and accompanied, where necessary, by appropriate training/information interventions;
    3. The roles and responsibilities assigned must be formalised through specific appointments/delegations, accompanied by the right to exercise spending

powers appropriate to the role and responsibilities conferred and updated in the presence of significant organisational changes and whenever the need arises.

- Training & Consultation:
  1. all workers involved in activities that may have an impact or present risks of an environmental nature must be adequately trained and have the necessary skills;
  2. training activities must be carried out in such a way as to ensure effective learning of existing environmental standards, rules and procedures, including the execution of learning verification tests and appropriate forms of documentation;
  3. training must be provided for new hires, as well as, on an ongoing basis, for all levels of the company, from management to clerical and operational levels;
- Suppliers:
  1. in contracts with external parties, appropriate clauses are adopted that call for compliance with the Model and the Code of Ethics;
  2. the compliance with environmental regulations of the activities carried out by suppliers/contractors/subcontractors on behalf of the Company is verified and constantly monitored;
  3. procedures are adopted for the qualification and assessment of the supplier from the point of view of compliance with environmental obligations;
- Communications and external information: communications to the competent public authorities and other external parties (e.g. environmental associations, press, inhabitants of the area, etc.) they must always be carried out in a punctual, correct and truthful manner, on the basis of documented and verifiable evidence only by persons with appropriate powers and in compliance with company procedures;
- Customers and consumers: customers/consumers are provided with instructions to be observed, from an environmental point of view, in the handling, use and disposal of the products manufactured by the Company;
- Environmental documentation: relevant environmental documentation is kept and duly archived by persons specifically appointed for this purpose within the company organization. Documents must be adequately protected (e.g. if they are contained in electronic media by means of appropriate *back-up* procedures), promptly updated in case of changes and be easily accessible in case of need.
- Accidents and emergencies: Critical environmental incidents and events must be properly recorded and monitored according to formalised procedures in order to clarify their causes, and, where appropriate, modify/implement the environmental management system.

- With reference to atmospheric **emission activities** and **the use of ozone-depleting substances**:
  - Permissions:
    1. in relation to any emission activity into the atmosphere as part of the company's activities, it is necessary to proceed with a prior verification of the need for an emission authorisation by the competent authority;

2. the activities that involve emissions into the atmosphere subject to authorization, must be carried out only in the presence of a valid authorization within the limits and in compliance with the requirements of the competent authority or contained in the authorization itself;
3. The validity/extent of the authorisation is subject to constant monitoring. In the event of a change in the production process or regulatory changes, a modification of the valid authorization is promptly requested;

- Procedure for the management of emissions into the atmosphere: the activities of emissions into the atmosphere are governed by a specific procedure, contained in the manual of the environmental management system, which defines the tasks and responsibilities of the process (and to which express reference is made here);
- Ozone-depleting substances: the use of ozone-depleting substances takes place in compliance with the limits and controls of current legislation;
- Controls: periodic checks are carried out to monitor emission levels in order to ensure compliance with the limits prescribed by the regulations and the authorisation

- With reference to **water and water discharge management activities**:
  - Permissions:
    1. the discharge of industrial waste water must be carried out only in the presence of a valid authorization and in compliance with the value limits and requirements established by current legislation, authorization or competent authority;
    2. in the case of domestic wastewater discharge, knowledge of and compliance with the regulations of the water service operator is ensured;
    3. The validity/extent of the authorisation is subject to constant monitoring. In the event of a change in the production process or regulatory changes, a modification of the valid authorization is promptly requested;
  - Procedure: discharge activities are governed by a specific procedure, contained in the manual of the environmental management system, which defines the tasks and responsibilities of the process (and to which express reference is made here);
  - Controls: periodic monitoring of wastewater is carried out to verify compliance with the limit values indicated by the legislation or by the competent authority in relation to dangerous or polluting substances (e.g. through self-sampling, analysis, sampling, measurements, etc.).

- With reference to **waste management activities**:
  - General aspects: the production, possession, classification and disposal of hazardous and non-hazardous waste must always be carried out in compliance with environmental regulations and company procedures;
  - Waste selection: each waste or scrap produced by the Company must be identified and classified according to the procedures defined in the company procedures; the temporary storage of waste is carried out within the limits and in accordance with

the procedures set out in the company procedures and is subject to periodic monitoring in order to ensure its correct management;

- Waste collection and disposal:
  1. the collection, disposal or management of waste is carried out and entrusted only by subjects in possession of valid authorization and in the presence of mandatory communications and registrations, paying particular attention to the risk of infiltration by subjects belonging to criminal organizations or by subjects not adequately qualified through constant monitoring of transporters, disposers, intermediaries and other parties that may be involved in management and disposal activities;
  2. the selection of suppliers involved in waste collection, transport, disposal or management activities must be carried out in compliance with the company's procurement procedures, avoiding, in particular, that economic considerations may prevail over other parameters in order to avoid the use of low-skilled companies or those that resort to illegal methods;
  3. the possession by these suppliers of the necessary authorizations and registrations, both for disposal and recovery operations, is constantly verified and monitored;
- Documentation and verifications:
  1. the waste forms, the loading and unloading registers, the annual communication (MUD) and the other mandatory documentation are filled in truthfully, completely and accurately and kept in such a way as to prevent possible alterations and/or changes by unauthorized parties;
  2. the return of the fourth copy of the countersigned and dated waste identification form must be verified or, failing that, the mandatory communications to the competent authorities must be promptly made if the document is not received;
- External companies: the activities of external companies operating within the plant or in any case within the Company's production cycle are subject to verification in order to ensure that these companies also comply with company procedures on environmental matters, with particular reference to the correct management and disposal of waste;
- Mandatory documentation: registers, waste forms and other mandatory documentation are kept with the utmost care, taking all appropriate measures to prevent access and use by unauthorized parties;

➢ With reference to the **remediation of polluted sites**:
- Emergency situations must be handled on the basis of and in accordance with the relevant procedure. "Emergency management" and the instructions prepared by the Company;
- the emergency procedure should be reviewed regularly to verify its adequacy;
- the procedure relating to emergencies is disseminated to all employees, including through training plans and effectiveness exercises;

- in the event of emergency situations, maximum cooperation with public authorities must be ensured in the adoption of the necessary safety and remediation measures;
- in the event of contamination of the site, the timely implementation of mandatory communications to the competent authorities must be ensured, as well as the adoption of all preventive and safety measures necessary to deal with the emergency situation;
- in the presence of forms of pollution or contamination, the Recipients are required to provide, in accordance with the requirements and authorizations of the competent authority, the necessary remediation and safety activities as well as the adoption of the additional environmental restoration and remediation measures required in order to minimize and make acceptable the risk associated with the contamination of the site.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions or who have doubts, including interpretative ones, about the factual situation relevant from an environmental point of view and the application of company procedures and instructions, are required to promptly notify their hierarchical superior and the Environmental Management System Manager. In any case, the Recipients have the right to address any questions and reports directly to the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "12"
OFFENCES COMMITTED IN VIOLATION OF THE RULES ON THE PROTECTION OF HEALTH AND SAFETY AT WORK

1. RELEVANT OFFENCES

1.1 Premise

The administrative liability of entities in relation to the crimes of manslaughter or serious or very serious injuries committed in violation of the legislation on the protection of health and safety at work ("**Crimes**") is the result of the reform carried out by art. 9 of Law 123/2007, which introduced art. 25septies of the Decree.

This innovation has proved to be particularly relevant since, for the first time, the liability of legal persons has been provided for in our legal system in relation to a culpable crime, i.e. a crime committed without the awareness and will to commit it, but nevertheless caused due to non-compliance with precautionary rules or due to imprudence, negligence or inexperience attributable to its perpetrator.

In this context, the requirement of the Company's "interest or advantage" (required for the integration of liability pursuant to the Decree and which is difficult to reconcile – by its nature – with the commission of a culpable crime) must refer not to the event itself (e.g. death or injury of the worker), which certainly does not represent an advantage but rather a detriment to the Company, but to the conduct that did not comply with the accident prevention regulations that made it possible (e.g. failure to adopt adequate personal protective equipment) and the consequent benefit that the Company could derive also in terms of cost savings or time required for the adoption of preventive measures.

For a better understanding of the preventive system adopted with the Model, below is a brief illustration of the Offences and the main legal provisions related to the protection and health of workers.

1.2 Manslaughter or serious or very serious injury committed in violation of the Regulations on the protection of health and safety at work

Article 589 of the Criminal Code: Manslaughter

Anyone who negligently causes the death of a person is punished with imprisonment from six months to five years.
If the offence is committed in violation of the regulations for the prevention of accidents at work, the penalty is imprisonment from two to seven years.
If the offence is committed in the abusive exercise of a profession for which a special qualification from the State or a health profession is required, the penalty is imprisonment from three to ten years.
In the case of the death of several persons, i.e. the death of one or more persons and the injury of one or more persons, the penalty that should be imposed for the most serious of the offences committed shall be increased by up to three times, but the penalty may not exceed fifteen years.

Pursuant to art. 589 of the Criminal Code, the person who negligently causes the death of another man is liable for this crime. The material fact of manslaughter involves three elements: a conduct (the action or omission of the offender, e.g. the failure to carry out the periodic maintenance necessary to ensure the proper functioning of a machine), an event (e.g. the death of a worker in charge of using the machinery) and the causal link between one and the other, such that the event can be considered as a consequence of the conduct carried out (in the example, The death of the worker must be the consequence of a malfunction of the machine due to the maintenance defect, and not – for example – of an illness due to natural causes that occasionally occurs in the vicinity of the machinery).

On the level of the subjective element, in extremely general terms it can be said that homicide is "culpable" when the agent does not want the death of the victim or the harmful event from which it derives, but both occur due to negligence, inexperience or non-compliance with precautionary rules on the part of the agent and constitute a foreseeable and avoidable consequence of his conduct.

Article 590 of the Criminal Code: Culpable bodily injury

Anyone who negligently causes bodily injury to others is punished with imprisonment of up to three months or a fine of up to €309.
If the injury is serious, the penalty is imprisonment from one to six months or a fine from €123 to €619; if it is very serious, imprisonment from three months to two years or a fine of € 1,239.309 a
If the acts referred to in the second paragraph are committed in violation of the rules for the prevention of accidents at work, the penalty for serious injuries is imprisonment from three months to one year or a fine from € 500 to € 2,000 and the penalty for very serious injuries is imprisonment from one to three years.
If the acts referred to in the second subparagraph are committed in the abusive exercise of a profession for which a special qualification from the State or a medical institution is required, the penalty for serious injury shall be imprisonment from six months to two years and the penalty for very serious injury shall be imprisonment from one year and six months to four years.
In the case of injuries to more than one person, the penalty that should be imposed for the most serious of the violations committed, increased up to three times, applies; but the penalty of imprisonment may not exceed five years.
The offence is punishable on complaint by the injured party, except in the cases provided for in the first and second paragraphs, limited to acts committed in violation of the rules for the prevention of accidents at work or relating to occupational hygiene or which have caused an occupational disease.

Art. 590, third paragraph of the Criminal Code, punishes the conduct of those who cause serious or very serious personal injury to others with violation of the rules for the prevention of accidents at work.

The bodily injury is serious:

- if the act results from an illness that endangers the life of the injured person or an illness or an inability to attend to ordinary occupations for a period of more than forty days;
- if the fact produces the permanent weakening of a sense or organ.

Personal injury is very serious if the fact results from:

- a disease that is certainly or probably incurable;
- the loss of meaning;
- the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and severe difficulty in speech;
- deformation, i.e. the permanent scarring of the face.

The crimes listed above are relevant for the purposes of liability pursuant to Article 25-septies of Legislative Decree 231/2001 if committed in violation of the rules on the protection of health and safety at work. In the event that the offence is committed in violation of art. 55, paragraph 2 of Legislative Decree 81/2008 (which provides for criminal sanctions against the employer for violation of the provisions of Legislative Decree 81/2008), the application, in addition to the disqualification sanctions referred to in art. 9, paragraph 2 of Legislative Decree 231/2001, of a fine equal to 1000 shares. Furthermore, pursuant to art. 55, paragraph 6bis of Legislative Decree 81/2008, in the event of violation of the provisions of Article 18, paragraph 1, letter g), on medical examinations, and Article 37, paragraphs 1, 7, 9 and 10, on the mandatory training of prevention figures, if the violation refers to more than five workers, the amounts of the sanction are doubled and, If the violation relates to more than ten workers, the fine amounts are tripled.

1.3 Main stakeholders in the legislation on the protection of safety, hygiene and health at work

In order to facilitate an easier understanding of the duties and responsibilities provided for by current legislation and by the Organizational Model in the field of health, hygiene and safety at work, the following is an indication of the main subjects involved and their definitions pursuant to Legislative Decree no. 81 of 9 April 2008 on the protection of health and safety in the workplace

- Employer is the person who owns the employment relationship with the worker or, in any case, the person who, depending on the type and structure of the organization in which the worker works, is responsible for the organization of the company or one of its production units as it exercises decision-making and spending powers;
- A manager is a person who, by virtue of his or her professional skills and hierarchical and functional powers appropriate to the nature of the task assigned to him/her, implements the employer's directives by organizing the work activity and supervising it;

- The person in charge is the person who, by virtue of his professional skills and within the limits of hierarchical and functional powers appropriate to the nature of the task entrusted to him, supervises the work activity and guarantees the implementation of the directives received, checking their correct execution by the workers and exercising a functional power of initiative;
- Worker is the person who, regardless of the type of contract, carries out a work activity within the organization of a public or private employer, with or without remuneration, even for the sole purpose of learning a trade, an art or a profession, excluding domestic and family service workers. The worker thus defined is treated in the same way as other subjects such as the working member of a cooperative or company, even de facto, who provides his or her activity on behalf of the companies and the entity itself; the shareholder; the beneficiary of the training and internship initiatives or volunteer workers*;*
- A competent doctor is a doctor in possession of the qualifications and training and professional requirements provided for by the law, who collaborates with the employer for the purposes of risk assessment and is appointed by the employer to carry out health surveillance and for all other tasks provided for by current legislation;
- Risk Prevention and Protection Service (SPP) is the set of people, systems and means external or internal to the company aimed at preventing and protecting workers from occupational risks;
- The person in charge of the prevention and protection service (RSPP) is the person in possession of the skills and professional requirements provided for by **Legislative Decree 81/2008** and designated by the employer, to whom he or she responds, to coordinate the risk prevention and protection service;
- Workers' Safety Representative (RLS) is the person elected or appointed to represent workers with regard to aspects of health and safety at work.

1.4 Legislation to protect safety, hygiene and health in the workplace Labour: general protection measures

It has been said that the crimes of homicide and negligent injury acquire relevance pursuant to Legislative Decree 231/2001 only if they are committed in violation of the legislation on the protection of safety, hygiene and health in the workplace. The main provisions on the subject are currently contained in Legislative Decree 81 of 9 April 2008 ("*Implementation of Article 1 of Law No. 123 of 3 August 2007, on the protection of health and safety in the workplace*", hereinafter "**Legislative Decree 81/2008**") and subsequent amendments.

More generally, regardless of specific preventive provisions dictated by "**Legislative Decree 81/2008**", it is necessary to consider that – according to art. 2087 of the Italian Civil Code - the employer is required to adopt, in the exercise of the business activity, all the measures that, according to the particularity of the work, experience and technique, are necessary to protect the physical integrity and moral personality of the workers. Therefore, the employer

is obliged to eliminate any type of risk arising from the workplace in the light of the knowledge acquired on the basis of technical progress and, where this is not possible, to reduce those risks to a minimum.

Without prejudice to compliance with this general duty, **Legislative Decree 81/2008** on Safety identifies the following **general protection measures** to be adopted in the management of health and safety in the workplace:

a) the assessment of all health and safety risks;
b) prevention planning, aimed at a complex that integrates in a coherent way in prevention the technical production conditions of the company as well as the influence of environmental factors and work organization;
c) the elimination of risks and, where this is not possible, their minimisation in relation to the knowledge acquired on the basis of technical progress;
d) respect for ergonomic principles in the organisation of work, in the design of workplaces, in the choice of equipment and in the definition of working and production methods, in particular with a view to reducing the health effects of monotonous and repetitive work;
e) reducing risks at source;
f) the substitution of what is dangerous with what is not, or is less dangerous;
g) limiting to a minimum the number of workers who are, or may be, exposed to the risk;
h) the limited use of chemical, physical and biological agents in the workplace;
i) the priority of collective protection measures over individual protection measures;
j) health control of workers;
k) the removal of the worker from exposure to risk for health reasons inherent to his person and the assignment, where possible, to another task;
l) adequate information and training for workers;
m) adequate information and training for managers and supervisors;
n) adequate information and training for workers' safety representatives;
o) appropriate instructions to workers;
p) workers' participation and consultation;
q) the participation and consultation of workers' safety representatives;
r) the planning of the measures deemed appropriate to ensure the improvement of safety levels over time, including through the adoption of codes of conduct and good practices;
s) the emergency measures to be implemented in the event of first aid, firefighting, evacuation of workers and serious and immediate danger;
t) the use of warning and safety signs;
u) regular maintenance of environments, equipment, systems, with particular regard to safety devices in accordance with the manufacturers' indications.
v) Measures relating to safety, hygiene and health at work must under no circumstances entail financial burdens on workers.

1.5 Employer's Obligations

Art. Article 17 of Legislative Decree 81/2008 establishes that among the obligations (and non-delegable) of the Employer there are those of:

- carry out the assessment of health and safety risks, with reference – inter alia – to the choice of equipment, substances and preparations and chemical mixtures used, as well as to the arrangement of workplaces;
- prepare a Risk Assessment Document (DVR) containing:
    a) a report on the assessment of all risks to safety and health at work, specifying the criteria used for the assessment;
    b) an indication of the prevention and protection measures implemented and the personal protective equipment adopted as a result of the health and safety risk assessment;
    c) the programme of measures deemed appropriate to ensure the improvement of safety levels over time;
    d) the identification of the procedures for the implementation of the measures to be implemented, as well as the roles of the company organization that must provide for them, to which only persons with adequate skills and powers must be assigned;
    e) the name of the Head of the prevention and protection service, the workers' safety representative or the territorial representative and the competent doctor who participated in the risk assessment;
    f) the identification of tasks that may expose workers to specific risks that require recognized professional ability, specific experience, adequate training and training;
    g) the additional indications provided for by the specific rules on risk assessment contained in Legislative Decree 81/2008.
- proceed with the custody of the DVR at the company or production unit.
- prepare a single interference risk assessment document (DUVRI) with which, in the event of entrusting works, services and supplies within the company or production unit to contractors or self-employed workers (and with the exception of the exceptions provided for by Legislative Decree 81/08), the employer provides the same subjects with detailed information on the specific risks existing in the environment in which they are intended to operate and on the emergency measures adopted in relation to its business;
- adapt the DUVRI according to the evolution of works, services and supplies;
- appoint the RSPP.

1.6 Obligations of the Employer and Managers

Without prejudice to the fulfilment of the obligations described above, the Employer, with the collaboration of the Managers in relation to their respective obligations and responsibilities, is also required to:

- decide on the protective measures to be taken and, if necessary, the protective equipment to be used;
- inform workers exposed to the risk of a serious and immediate, even potential danger, as soon as possible about the risk and the measures taken (or to be taken) regarding protection;
- in the event of situations of serious and unavoidable risk, instruct workers to leave the workplace or the danger zone;
- refrain from requiring workers to resume their work in a work situation where a serious and immediate danger persists;
- ensure that everyone receives adequate safety and health training. The aforementioned training must also be specific in relation to the evolution of risks or the emergence of new risks and periodically updated;
- ensure that each worker receives, at the time of recruitment, in the event of a transfer or change of duties or when new work equipment or technology is introduced, the necessary information and instructions in relation to the risks existing and the measures to be taken to combat them.

In addition to the above-mentioned duties, the Employer and Managers have the additional obligation to:

a) appoint the competent doctor to carry out health surveillance;
b) designate in advance the workers in charge of implementing fire prevention and fire-fighting measures, evacuation of workplaces in the event of serious and immediate danger, rescue, first aid and, in any case, emergency management;
c) identify the person or persons in charge of carrying out the supervisory activities referred to in Article 19 "*Obligations of the person in charge*" of Legislative Decree 81 of 2008 (see *below*);
d) provide workers with the necessary and suitable personal protective equipment, after consulting the RSPP and the competent doctor;
e) take appropriate measures to ensure that only workers who have received appropriate instructions and specific training enter areas where they are exposed to a serious and specific risk;
f) require individual workers to comply with the regulations in force, as well as with the company's provisions on safety and hygiene at work and the use of collective means of protection and personal protective equipment made available to them;
g) enable workers to verify, through the workers' safety representative, the application of safety and health protection measures;
h) send workers for medical examination within the deadlines set by the health surveillance program and request the competent doctor to comply with the prescribed obligations;
i) promptly notify the competent doctor of the termination of the employment relationship;
j) deliver a copy of the DVR to the RLS at their request;

k) communicate to INAIL, or IPSEMA, in relation to their respective competences, and, through them, to the national information system for prevention in the workplace, for statistical and information purposes, the data relating to accidents at work that result in an absence from work of at least one day, within 48 hours of receipt of the medical certificate and, for insurance purposes, information on accidents at work involving an absence from work of more than three days;
l) consult the RLS in the cases established by law;
m) take the necessary measures for the purpose of fire prevention and evacuation of workplaces, as well as in the event of serious and immediate danger;
n) in the context of carrying out activities under contract and subcontracting, provide workers with a special identification card, accompanied by a photograph, containing the worker's personal details and the indication of the employer;
o) in production units with more than 15 workers, convene the periodic safety meeting;
p) update prevention measures in relation to organisational and production changes that have relevance for occupational health and safety, or in relation to the degree of evolution of prevention and protection techniques;
q) communicate to INAIL and IPSEMA, as well as, through them, to the national information system for prevention in the workplace the names of the RLS in the event of a new appointment or designation;
r) ensure that workers for whom health surveillance is required are not assigned to the specific work task without the prescribed assessment of suitability;
s) supervise the fulfilment of the obligations incumbent on the supervisors, workers, designers, manufacturers, suppliers, installers and the competent doctor.

It is important to underline that, in addition to the specific obligations described above, the Employer and the Managers **are also required to supervise the fulfilment by the other subjects operating in the safety organisation (supervisors, workers, designers, manufacturers, suppliers, installers and competent doctor) of the obligations respectively incumbent on them pursuant to Legislative Decree 81/2008**, without prejudice to the exclusive responsibility of these persons if the failure to comply with these obligations is attributable solely to them and there is no **lack of vigilance** on the part of the Employer and Managers.

1.7 Duties of the Supervisors

By virtue of their duties and competences, the Supervisors are obliged to:

a) supervise and supervise the compliance by individual workers with their legal obligations, as well as with the company's provisions on health and safety at work and the use of collective protective equipment and personal protective equipment made available to them and, in the event of detection of conduct that does not comply with the provisions and instructions given by the employer and managers for the purposes of collective and individual protection, intervene to change the non-compliant behavior by providing the necessary safety instructions. In the event of

non-implementation of the instructions given or persistence of non-compliance, interrupt the worker's activity and inform the direct superiors;

b) ensure that only workers who have been given appropriate instructions enter areas where they are exposed to a serious and specific risk;
c) require compliance with measures for the control of risk situations in the event of an emergency and instruct workers to leave the workplace or the danger zone in the event of serious, immediate and unavoidable danger;
d) inform workers exposed to the risk of serious and immediate danger as soon as possible of the risk and of the measures taken or to be taken with regard to protection;
e) refrain from requiring workers to return to work in a work situation where there is a serious and immediate danger, except in duly justified exceptions;
f) promptly report to the employer or manager both deficiencies in work means and equipment and personal protective equipment, and any other dangerous condition that occurs during work, of which he/she becomes aware on the basis of the training received;
g) in the event of detection of deficiencies in the means and equipment of work and of any dangerous condition detected during supervision, if necessary, temporarily interrupt the activity and, in any case, promptly report the non-conformities detected to the employer and the manager;
h) attend specific training courses in accordance with the provisions of the Consolidated Law and company procedures.

1.8 Workers' obligations

Every worker must take care of his own health and safety and that of other persons present in the workplace, who are affected by his actions or omissions, in accordance with his training, instructions and means provided by the employer.
In particular, workers must:

- contribute, together with the Employer, managers and supervisors, to the fulfilment of the obligations laid down for the protection of health and safety in the workplace;
- comply with the provisions and instructions given by the employer, managers and supervisors, for the purposes of collective and individual protection;
- correct use of work equipment, hazardous substances and mixtures, means of transport, as well as safety devices;
- use the protective equipment made available to them appropriately;
- immediately report to the employer, manager or person in charge any deficiencies in the means and devices referred to above, as well as any dangerous conditions of which they become aware, taking direct action, in case of emergency, within the scope of their competences and possibilities to eliminate or reduce situations of serious and imminent danger, informing the workers' safety representative;
- not to remove or modify safety, signalling or control devices without authorisation;

- not to carry out operations or manoeuvres on their own initiative that are not within their competence or that may compromise their own safety or that of other workers;
- participate in training and training programs organized by the Employer;
- undergo the health checks provided for by this legislative decree or in any case ordered by the competent doctor.

Workers of companies that carry out activities under contract or subcontract, must show a special identification card, accompanied by a photograph, containing the worker's personal details and the indication of the employer. This obligation also applies to self-employed persons who carry out their activities directly in the same place of work, who are required to do so on their own behalf.
Without prejudice to the obligations described so far for workers, it should be noted that the Employer, the Managers and the Supervisors have the obligation to verify, each according to their own competences and responsibilities, the compliance by the workers with the company's safety rules and that they are responsible for any violation carried out by the workers that is attributable to a lack of vigilance.

1.9 Obligations of designers, manufacturers, suppliers and installers

The designers of workplaces and systems are required to comply with the general principles of prevention in the field of health and safety at work when making design and technical choices and are required to choose equipment, components and protective devices that comply with existing regulations.
The Company's suppliers are obliged to ensure that the products supplied to the Company for any reason, including work equipment, personal protective equipment, equipment and systems, comply with the laws and regulations in force on health and safety at work and on the safety and approval of the product and with any specifications required by the Company.
Installers and fitters of systems, work equipment or other technical means must scrupulously comply with occupational health and safety regulations, as well as with the instructions given by the manufacturers of the respective systems, vehicles and equipment.

1.10 Obligations of the Competent Physician

The Competent Doctor, among other things, has the obligation to:

a) collaborate with the Employer and the Prevention and Protection Service in the assessment of risks, also for the purposes of planning, where necessary, health surveillance, the preparation of the implementation of measures for the protection of the health and psycho-physical integrity of workers, training and information activities for workers, for the part of competence, and the organization of the first aid service, considering the particular types of processing and exposure and the peculiar organizational methods of the work;
b) plans and carries out health surveillance;

c) establish, update and keep, under its own responsibility, a health and risk record for each worker subject to health surveillance:
d) provide workers' safety representatives and workers with information on the significance of the health surveillance to which they are subjected;
e) visit workplaces at least once a year or at intervals established according to existing risks.

1.11 The Prevention and Protection Service and its tasks

The Prevention and Protection Service ("**SPP**") is a *staff* body that provides assistance and advice to the Employer in the fulfilment of its obligations. In particular, the SPP shall:

a) identify risk factors, carry out risk assessments and identify measures for the safety and healthiness of the workplace, in compliance with current legislation on the basis of specific knowledge of the company organisation;
b) develop, within its competence, the preventive and protective measures aimed at countering the identified risks and the related control systems;
c) develop security procedures for the various company activities;
d) propose information and training programmes for workers;
e) participate in consultations on the protection of health and safety at work, as well as in the regular meeting;
f) provide workers with the information required by law.

1.12 The Workers' Safety Representative

The Workers' Safety Representative, elected or appointed in accordance with the provisions of the relevant trade union agreements, is endowed with a series of prerogatives aimed at ensuring his or her constant involvement in health and safety management. In particular, the RLS:

a) accesses the workplaces where the work is carried out;
b) is consulted in advance and promptly with regard to risk assessment, identification, planning, implementation and verification of prevention in the company or production unit;
c) is consulted on the designation of the person in charge and of the employees of the prevention service, fire prevention activities, first aid, evacuation of the workplace and the competent doctor;
d) be consulted on the organisation of the training referred to in Article 37;
e) receives company information and documentation relating to risk assessment and related prevention measures, as well as those relating to dangerous substances and mixtures, machinery, plants, organisation and work environments, accidents and occupational diseases;
f) receives information from security services;
g) receives appropriate training;

h) promotes the development, identification and implementation of appropriate preventive measures to protect the health and physical integrity of workers;
i) makes observations during visits and inspections carried out by the competent authorities, by which it is normally heard;
j) participates in the periodic meeting;
k) makes proposals on prevention activities;
l) warns the Company Manager of the risks identified in the course of his activity;
m) may have recourse to the competent authorities if it considers that the risk prevention and protection measures taken by the employer or managers and the means used to implement them are not suitable for ensuring safety and health at work.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

With reference to the activities that may present a risk of committing the offences referred to in Article 25 *septies* of the Decree, it is necessary to distinguish between activities that may involve a risk to the health and safety of the worker (and from which, therefore, the death or injury of a worker may result as a result of an accident or occupational disease) from the activities that may involve the risk of committing one of the offences considered and to which it is necessary to specifically addressed to the Model.

The assessment of activities that may involve a risk of accident or occupational disease, in fact, is the subject of the relevant Risk Assessment Document ("**DVR**") adopted and periodically updated by the Company in relation to the evolution of risk factors, the measures adopted to eliminate or reduce the risks identified or any developments in the legislation in accordance with this Model.

Sensitive activities in relation to the risk of committing crimes, on the other hand, consist of the activities necessary to ensure efficient security management and the correct fulfilment of legal obligations under current legislation and mainly relating to the following profiles:

1. Management of the company's health and safety policy
- elaboration and dissemination of the company's health and safety policy;
- definition of objectives and planning of system improvement activities.

2. Compliance with the technical and structural standards of the law relating to equipment, plants, workplaces, chemical, physical and biological agents
- identification and periodic monitoring of technical-structural standards of law and other applicable regulations;
- purchase of company products, plants and equipment;
- maintenance of company infrastructures, plants and equipment;
- management of preparations and chemicals;
- adoption and management of personal protective equipment (PPE).

3. Risk Assessment
- carrying out the risk assessment pursuant to Article 28 of Legislative Decree 81/2008;

- elaboration of the Risk Assessment Document (DVR);
- periodic updating of the DVR;
- preparation and monitoring of prevention and protection measures resulting from the risk assessment.

4. Emergency management

- definition of roles and responsibilities in the management of emergency situations;
- adoption of rules of conduct to be followed in the event of an emergency;
- training of workers in emergency management;
- management of first aid activities.

5. Management of relations with third parties (including the management of contracts, subcontracts and supplies)

- selection of the supplier/contractor (verification of technical-professional suitability);
- qualification and periodic evaluation of supplier/contractor/subcontractor;
- information on specific safety risks, prevention and emergency measures taken with reference to the place of performance of the contract;
- cooperation and coordination activities in the implementation of measures for the prevention and protection of accidents at work covered by the contract (DUVRI elaboration, specific contractual provision regarding safety costs);
- management of subcontracting activities (with particular reference to the service activities carried out by the Company at customers' premises and subcontracted to its authorized dealers/workshops).

6. Communication and consultation

- adoption of communication and participation tools in the field of health and safety;
- adoption of internal communication flows between the various parties involved in the management of corporate security;
- management of relations with the competent public authorities in the field of health and safety at work.

7. Health surveillance

- planning of health surveillance activities (Health Protocol);
- carrying out inspections to verify the state of healthiness of the workplace;
- control activities regarding the correct fulfilment of the obligations provided for by Legislative Decree 81/2008 on health surveillance.

8. Education & Training

- adoption and periodic updating of a plan for the training of workers in the field of health and safety;
- information activities for workers.

9. Control management and supervision

- carrying out internal audits/inspections to verify the correct and generalized application of procedures and work instructions by employees;
- periodic checks on the application and effectiveness of the procedures adopted (management, surveillance, monitoring and measurement activities);
- management of non-conformities, corrective/preventive actions and continuous improvement;

- monitoring of accidents, accidents or dangerous situations;
- exercise of disciplinary power to sanction breaches of health and safety obligations;
- review by the governing body.

10. Documentation Management and Mandatory Certifications - Registration Management

- management of documentation and any mandatory health and safety certifications;
- management of records related to relevant health and safety activities.

11. Definition of the organizational structure in the field of security

- definition of the company's organizational chart for safety;
- designation/appointment of persons involved in safety management (e.g. delegate pursuant to Article 16 of Legislative Decree 81/2008, RSPP, doctor in charge, first aid officers, fire prevention);
- adoption of internal provisions and instructions of conduct in the field of safety and health protection and emergency management.

12. Security Investment Management

- management of the company's investments in occupational health and safety.

13. Sales of the Company's products

- management of purchases of components and raw materials for production.

3. CONTROL SYSTEMS and PREVENTIVE PROTOCOLS IN THE FIELD OF HEALTH AND SAFETY

The Company has an internal control system in place that includes a set of procedures, instructions and controls aimed at regulating the activities considered above in order to prevent the commission of Crimes committed in violation of health and safety regulations, and consists of the components briefly described below:

- **a** clear and formalised organisational structure in which the main subjects with relevant functions in the field of health and safety are identified, their respective obligations and responsibilities in line with the Company's organisational scheme. The responsibilities of the General Management and of the various figures operating in safety management (RSPP, First Aid and Emergency Team Staff, RLS, Competent Doctor, Employer, Supervisor) are defined in the Safety Organization Chart. The Employer has been expressly identified within the Board of Directors; the Head of the SPP and the Competent Physician have received an assignment formalized by the Employer. The Company has also expressly regulated the duties, competences and responsibilities of the person in charge of health and safety. The company organization chart for safety, which is attached to the DVR and made available to all workers by posting on the notice board, as well as in the training courses organized in favor of new hires and dedicated to training-information activities. The organizational chart for safety is promptly updated in the event of organizational changes.

- **a system of communication, information, education and training** organized on the basis of specific procedures, which guarantee complete documentation and traceability and ensure the involvement of workers in the definition of the most significant activities in relation to safety. In particular: information to workers is guaranteed through communication methods and tools (e.g. posting on bulletin boards, intranets, sending e-mail messages, etc.) that allow workers to be constantly informed about safety, prevention measures and risks related to work;
- in addition to the regular conduct of the periodic meeting pursuant to Article 35 of Legislative Decree 81/2008, the Company ensures effective management of flows between the various organizational levels of the company, among other things through the periodic holding of the Review meeting of the General Management, at the end of which minutes are drawn up and signed by the participants in the meeting;
- Inspections and periodic consultations are held with the company's RLS in order to verify the application of safety and protection measures to protect the health of workers.
- the Company guarantees the education and training of employees and new hires with verification of learning carried out on the basis of formalized procedures and according to pre-established and monitored schedules;
- a periodic check of the level of training of workers is carried out and possible resumption of training for those who need it;
- The traceability of training activities is guaranteed through participation forms, evaluation questionnaires and certificates of participation in training events.

- **a health protocol** on the basis of which the competent doctor in charge carries out regular health surveillance and which provides, among other things:
  - the analysis of the health risks associated with the performance of the specific tasks of the various categories of workers employed by the Company;
  - periodic check-ups aimed at assessing the state of health of workers and expressing the opinion of suitability for the specific task;
  - periodic inspections of the company departments, duly recorded, in order to assess their healthiness and identify any corrective and improvement actions to be taken;

- **a safety monitoring system** managed through *periodic audits, both internal and external, on the basis of predefined deadlines and on the basis of procedures that ensure the documentability and traceability of the controls performed, as well as the management of any non-conforming situations and the related corrective actions;*

- **a system for managing documentation and relevant regulatory requirements in the field of health and safety, which ensures traceability and adequate storage.** The correct management of regulatory requirements is guaranteed through the preparation and updating of a specific schedule and a list of applicable regulations.

Back-up procedures are adopted for the correct storage of documents in electronic format;

- **An operational security management system** that provides, among other things, for the adoption:
  (i) an emergency management procedure setting out signals, instructions, rules for intervention and evacuation in the event of an emergency;
  ii) management of plant and equipment maintenance activities, also carried out through the stipulation of contracts with specialized external companies;
  (iii) a timed maintenance plan for machinery and equipment in accordance with the manufacturers' directives;
  (iv) the training and education of workers in the use of new plant, equipment, machinery and devices in order to reduce the possible risks associated with their use;
  v) periodic verification of the integrity and correct use of PPE;
  vi) the traceability of the delivery of PPE to workers and of the maintenance work carried out through specific forms of registration;
  (vii) the management of dangerous substances and preparations.

- **An accident and near-injury management system** that allows for timely recording and monitoring in order to investigate the causes, and, if necessary, modify/implement the safety system. Periodic reports are prepared in relation to the accident phenomenon, through the elaboration of statistics and their periodic review by the General Management. In the event of significant accidents, all workers of the Group to which the Company belongs are notified, with an indication of the corrective and preventive measures taken, in order to raise awareness among other workers who may be affected by the same accident dynamics.

- **In relations with third parties (including contractors, subcontractors and suppliers),** formalised procedures that define the roles and responsibilities of the management process of these relationships, ensure the segregation of functions in the selection of suppliers and contractors, the qualification and periodic evaluation of suppliers. Access to the plant by personnel from external companies is subject to verification of technical and professional suitability by the RSPP and the Prevention and Protection Service Officers. The execution of works is preceded by a preventive inspection to promote the coordination of prevention and protection interventions and allow the elaboration of the DUVRI in the presence of interference risks. Periodic monitoring of the documentation necessary to verify the technical and professional suitability of the supplier in the duration contracts and the adoption of contractual clauses that bind the supplier to comply with safety regulations under penalty of termination of the contract.

- **a financial resources management system,** which provides for adequate planning of investments and costs necessary to maintain safety *standards*, while ensuring the

coverage of any unbudgeted costs in compliance with the authorization levels required by company procedures.

a) The continuous improvement of business processes is guaranteed through their periodic control and monitoring through planned internal audits, as well as a series of further periodic checks by specially appointed personnel (e.g. SPPs, supervisors, etc.). All controls and their results are documented and recorded. There are also reporting mechanisms to management on the results of the *audit*, as well as the definition and adoption of corrective actions relating to any non-conformities detected.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

Without prejudice to scrupulous compliance with the rules dictated by Legislative Decree 81/2008 and other regulations in force on health and safety at work, to which the Model is added without replacing it in any way, the Recipients are required to comply with the following additional principles and rules in order to make the organizational structure adopted by the Company for the prevention of the Crimes considered more effective.

The Company and all Recipients must contribute together to the creation and maintenance of a suitable working environment to protect the safety of each and every one and are required to scrupulously comply with current legislation on safety, health and hygiene at work, including the specific rules and procedures prepared internally by the persons in charge of this.

The Recipients of the Model must also:

- strictly and with the utmost diligence comply with all laws and regulations on safety at work and on the protection of hygiene and health at work, including the procedures and instructions adopted by the Company governing access, transit and performance of work activities at the premises used by the Company, also in order to safeguard the health and safety of external collaborators, self-employed workers or persons outside the Company present in the workplace;
- participate in the training and information courses organized by the Company on occupational safety and the protection of hygiene and health at work, and on the performance of specific tasks, to which they will be invited;
- correctly use appropriate personal protective equipment, in compliance with current regulations and according to the tasks performed;
- use the equipment, tools, dangerous substances and preparations and work equipment supplied correctly;
- immediately report to the person in charge and/or to his/her hierarchical superior any anomalies or critical issues in relation to the equipment, substances and devices described above, as well as any other dangerous situation that may be deemed to exist;

- undergo health checks;
- follow, in carrying out the work activity, the rules and instructions issued by the Company's Prevention and Protection Service;
- ensure that the Company's suppliers and collaborators, based on the nature of the goods or services provided, provide evidence of their compliance with the regulations on safety at work and the protection of hygiene and health at work;
- in the case of assignment of works to companies and/or self-employed workers within the Company, to ensure, as far as is within its competence, compliance with the procedure and obligations referred to in art. 26 of Legislative Decree 81/2008 and, in any case, collaborate to this end;
- report to the competent departments any inefficiencies of personal protective equipment, or other safeguards to protect safety at work and the protection of hygiene and health at work.

Recipients are prohibited from:
- remove or modify safety, signalling or control devices without authorisation;
- carry out imprudent operations or manoeuvres on their own initiative, unrelated to their position or duties or which may compromise their own safety or that of other workers;
- use machinery, equipment, tools and devices that are not adequate or do not comply with the regulations in force for the specific operations to be carried out;
- Access workspaces to which you are not authorized.

Recipients who become aware of any omissions, inefficiencies or negligence in the management of safety at work are required to promptly report the facts to their superior and to the Supervisory Body.

4.2 Specific requirements

The Recipients, in addition to being required to comply with the Code of Ethics, must comply with and implement the company procedures adopted by the Company regarding the protection of safety, health and hygiene at work as identified, among other things, in the company manual of the safety management system.
Without prejudice to compliance with all procedures, *policies*, instructions and regulations adopted by the Company regarding hygiene, health and safety at work and which are an integral part of the Organizational Model, the Recipients of this Special Section are required to comply with the protocols and prescriptions specified below.

A) Risk Assessment
The assessment of the risks inherent in the work activity and the identification of the related protection measures is a central element in the prevention system adopted by the Company.

The risk assessment, therefore, must be carried out with particular accuracy, considering all the risks to the health and safety of workers even if not expressly referred to by specific

laws, in compliance with current regulations, company procedures and the following principles:

- the assessment must be carried out by the Employer with the collaboration of the RSPP and the Competent Doctor, whose names must be indicated in the relevant Risk Assessment Document ("DVR"), and after necessary consultation with the RLS. In any case, the subjects who participate in the risk assessment and in the activities instrumental to them (e.g. data or document collection) must be selected from among competent and reliable subjects, as well as in possession of all the requirements that may be required by law based on the position held;
- all data and information used for the purposes of the assessment must be complete, accurate and truthful;
- all data, information and documents on the basis of which the assessment has been carried out must be properly documented and stored;
- The assessment must be promptly updated in the event of changes in regulations and/or the production process, as well as any further significant changes in relation to the health and safety of workers.

B) Organizational Structure

The responsibilities and related tasks, powers and authorities in the field of occupational health and safety ("**OSH**") are defined in line with the company's organizational and functional scheme.

The Company shall identify a clear and defined system of the organisational and operational tasks of the company's General Management, managers, supervisors, as well as other persons with significant safety tasks (Competent Doctor, RSPP and ASPP, emergency officers, etc.), conferring on these subjects suitable powers and adequate resources for the performance of the functions assigned, including the means and time required.

The assignment of OSH roles and responsibilities shall be preceded by a careful assessment of the skills and competencies of the individuals to whom these responsibilities are assigned and accompanied, where necessary, by appropriate training/information interventions.

The roles and responsibilities assigned must be formalized through specific appointments/delegations and updated in the presence of significant organizational changes and whenever the need arises.

The organizational structure thus defined is communicated and made known to all workers through suitable means of dissemination and communication (e.g. posting of organizational charts on company bulletin boards and in points dedicated to safety), in order to ensure that the subjects involved are aware of their responsibilities and of the effects that their activity can produce also with regard to the subjects they coordinate or with whom they work.

C) Regular meetings and staff engagement

The periodic meeting is convened at least once a year pursuant to art. 35 of Legislative Decree 81/08 and in any case whenever necessary in the event of:

- significant change in existing risk conditions;
- introduction of new technologies or processes that are significant in terms of safety.

The meeting is attended by the Employer, the RSPP, the Competent Doctor and the RLS, as well as other subjects whose involvement is appropriate and/or necessary according to the circumstances for the analysis and discussion of the following issues:

- risk assessment and related document;
- trends in occupational accidents and diseases;
- management and use of personal protective equipment;
- OSH training and information;
- any observations or comments on the preventive measures taken, procedures and working methods to improve OSH management.

The Company ensures adequate staff involvement through appropriate communication tools in relation to, among other things:

- risk assessment and related prevention measures;
- the organization of security, including the names of the persons in charge of emergency management;
- in the event of an accident, the possible causes of its occurrence and the measures to be taken to avoid its recurrence.

Communication is carried out through appropriate tools (meetings, training, meetings, billboards on bulletin boards, posters, cards, illustrations, signage, etc.) in order to ensure an adequate flow of information both vertically between the different levels of the company and horizontally among all employees.

The Company also guarantees adequate communication with parties outside the company (visitors, consultants, etc.) through immediately perceptible tools such as images, notices or signage and manages relations with suppliers and external companies with specific procedures in order to minimize interference risks.

All Addressees of this Special Part may make observations, opinions or suggestions on OSH and address them to the RSPP in order to improve its management.

D) Health surveillance

Health surveillance is carried out by the competent doctor on all the Company's staff on the basis of a specific health protocol defined on the basis of the type of processing required

and the results of the preliminary examination. The health protocol is periodically updated in the event of regulatory changes or in the event of changes in the production process that may affect the health risks of workers.

All workers are assigned to tasks compatible with their respective medical fitness assessment.

E) Education and training in the field of occupational health and safety protection, communication

Training and information activities must be carried out on the basis of formalised procedures aimed at:

- to ensure adequate knowledge on the part of the recipients:
  - the general and specific risks associated with the exercise of the work activity;
  - the use of substances and preparations in use by the Company and the risks associated with their employment;
  - measures and arrangements to address the identified risks;
  - company regulations and procedures on occupational safety and health;
  - measures and procedures to manage emergencies (firefighting, evacuation and first aid);
  - the management of environmental aspects;
  - the names of the subjects of the company's safety organization (RSPP and ASPP, emergency management officers, RLS, etc.);

- to eliminate or reduce the risk of accidents or occupational diseases, including through behavioural change and the reduction of possible errors, imprudence or negligence on the part of workers;

- to make workers aware of and participate in their own and others' safety and in the activities that each of them is required to carry out to preserve it.

The training of all the Company's workers must take place at the time:

(i) the establishment of the employment relationship;
(ii) any transfer or change of duties;
(iii) the introduction of new work equipment or new technologies, new dangerous substances and preparations, or
(iv) relevant new regulatory provisions on health and safety at work.

Training activities must:

- be carried out by experienced and trained persons;
- carried out in such a way as to ensure effective learning of the existing OSH standards, rules and procedures, providing where necessary for the support of the worker and the execution of learning tests;
- be adequately documented and documentable;

- take place on the basis of a defined program that defines the deadlines, the participants, the modalities and the topics covered;
- provide teaching methods that stimulate the involvement of participants (e.g. through simulations, group work, discussions, lectures, *case studies,* etc.).

F) Operational management of the company system for the protection of health and safety at work and controls

The main activities carried out in the field of prevention of accidents at work are regulated on the basis of a safety management system that provides for an organized set of procedures, processes and company resources. The Company adopts a safety management system that includes an articulated set of formalized procedures and controls, aimed among other things at regulating risk assessment activities, maintenance and management of documentation, management of accidents and near misses, management of legal requirements and personal protective equipment, emergency management, communication and consultation within the company and procurement management.

OSH procedures are disclosed and made known to all workers (e.g. through the company *intranet* site , dedicated *training*, posting on the notice board or manual delivery) and their application is strictly required by the Company against its employees, if necessary through the adoption of appropriate disciplinary measures.

Compliance with the procedures, rules, *policies* and instructions provided for in the Model and in this Special Section is subject to control through specific audits and checks, both internal and external, by the body that issues and renews the certification, according to a timed schedule in accordance with company procedures. The results of such checks must be properly documented and archived.

G) Planning and management of financial resources

The Company ensures an adequate supply of human and instrumental resources necessary for proper safety management, defining a budget suitable for the adoption of the necessary measures for a high standard of protection of workers' health and safety.
The Company defines a safety program by identifying the figures/structures responsible for the implementation of the aforementioned program and the assignment of the related tasks and responsibilities, providing methods for verifying the effective and effective achievement of the objectives.

For each objective, the Company defines the resources, including economic resources, necessary through adequate planning of the investments and costs necessary to maintain and improve safety standards, while ensuring the coverage of any unbudgeted costs in compliance with the authorization levels required by company procedures.

In particular, every year, on the basis of the needs that emerged during internal and external audits, the reports received as part of the safety management system and periodic

monitoring activities, the RSPP proposes an investment plan that is submitted to the Board of Directors for approval. During the year, if expenditure needs arise that are not foreseen in the annual budget, the necessary costs are covered through specific approvals of the related costs.

H) Tightness and use of machinery, work equipment and personal protective equipment in accordance with legal requirements

All equipment, machinery and work installations, with particular regard to safety devices, are subject to adequate maintenance in accordance with the manufacturers' instructions as well as to a timed maintenance plan adopted on the basis of a formalised procedure.

All maintenance activities carried out must be traceable and the relevant documentation duly archived.

The purchase of equipment, machinery, plants and devices must be carried out after assessment of the safety and approval requirements required by current legislation (e.g. CE marking, etc.).

Before being used for the use of new plant, equipment, machinery and devices, in any case, workers must receive all the necessary information and training in order to reduce the possible risks associated with their use.

The Company assigns workers personal protective equipment (hereinafter "PPE") deemed necessary based on the results of the risk assessment carried out, periodically verifying its correct use.

The PPE is given to the workers by the foremen who record the delivery.

PPE must be:
- appropriate for the purpose of eliminating or reducing the risk identified during the assessment;
- comply with current product safety and approval regulations;
- subject to periodic checks in order to verify their state of conservation and integrity.

I) Documentation

OSH-relevant documentation is managed in such a way as to ensure its preservation over time and easy availability, also for the purpose of analysing and monitoring relevant OSH activities.

The documentation, in particular, includes all documents (including in electronic format) relating to:
- OSH laws, regulations, regulations;

- information on operational and production processes, manuals, instructions, technical data sheets and regulations for the use of machinery and PPE;
- internal procedures and regulations;
- contingency plans;
- *audits*, controls and verifications carried out;
- training, information and communication activities;
- accidents, near-misses and occupational diseases;
- relations with public authorities (e.g. prescriptions, communications, inspection reports, etc.);
- relationships with suppliers and external companies;
- OSH legal or administrative proceedings to which the Company is a party;
- documentation required by current OSH legislation (e.g. DVR, DUVRI, fire prevention certificates, emergency plans, etc.).

The documentation described above must be kept and duly archived by persons specifically appointed for this purpose within the company organization. Documents must be adequately protected (e.g. if they are contained in electronic media by means of appropriate *back-up* procedures), promptly updated in case of changes and be easily accessible in case of need.

J) Injuries

Accidents at work, near-misses and occupational diseases must be properly recorded and monitored according to formalised procedures in order to clarify their causes, and, if necessary, modify/implement the safety system.

K) Relations with public authorities in the field of health and safety at work

Relations with the competent public authorities in the field of health and safety at work (e.g. INAIL; Local Health Authority, Fire Brigade, etc.) they must be based on the utmost fairness and availability. In the event of visits or inspections by these Authorities, the Recipients must cooperate fully and respond promptly to any requests for information received by providing true, complete and correct data and information.

L) Relations with third parties in the field of health and safety at work

Procurement, supply and supply contracts subject to the discipline referred to in Article 26 of **Legislative Decree 81/2008** on Safety are governed by specific procedures aimed at ensuring:

- verification of the technical and professional suitability of companies or workers in relation to the work or supplies to be entrusted;
- compliance with remuneration, social security and social security obligations by the contractor or supplier;
- the collection of adequate documentation (e.g. surveys, DURC, etc.) to support the information collected;

- the provision to contractors of detailed information on the specific risks existing within the working environment and the related general and specific safety standards;
- the assessment of interference risks, the identification of the relevant safety measures and, where necessary according to current legislation, the adoption of the relevant Document (DUVRI);
- the coordination of risk prevention and protection interventions;
- cooperation in the implementation of security measures;
- the definition of the costs of the measures to be taken to eliminate or reduce interference risks.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions or who have doubts, including interpretative ones, about the factual situation relevant from the point of view of safety, health and hygiene and the application of company procedures and instructions, are required to promptly notify their hierarchical superior and the Head of the Company Prevention and Protection Service. In any case, the Recipients have the right to address any questions and reports directly to the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "13"
TAX OFFENCES

1. RELEVANT OFFENCES

The administrative liability of entities in relation to tax offences was introduced by art. 39, paragraph 2, of Legislative Decree no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019, implementing EU Directive no. 2017/1371. The latter provided for measures to strengthen protection against certain offences relating to VAT, procurement, customs duties and Community funding, all of which are closely linked to the financial interests of the Union. Among these interventions, it is envisaged that the member states adopt the necessary measures so that legal persons can also be held responsible for the crimes indicated by the Directive, if committed in their interest or to their advantage, either by top subjects of the entity or as a consequence of the lack of supervision or control of figures subject to the authority of these (Articles 6 and 9 of EU Directive no. 2017/1341). For these offences, the legal person must be subject to effective sanctions, of a criminal or non-criminal nature, proportionate and dissuasive, having both a pecuniary and disqualifying nature, therefore, the 2019 decree inserted the new Article 25 quinquiesdecies into Legislative Decree 231/2001. This was subsequently amended by Legislative Decree no. 75 of 14 July 2020 which, again in implementation of the PIF directive, introduced paragraph 1 bis in the original text, which extended the liability of the Entity to the offences referred to in Articles 4, 5 and 10-quarter of Legislative Decree 74/2000, exclusively in the event that such offences are committed in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount not less than ten million euros. Currently, art. Article *25quinquiesdecies* considers the following types of offences:

1.1 Fraudulent declaration through the use of invoices or other documents for non-existent transactions

Fraudulent declaration through the use of invoices or other documents for non-existent transactions (Article 2, paragraphs 1 and 2 bis, Legislative Decree no. 74/2000)

1. Any person who, in order to evade income tax or value added tax, by means of invoices or other documents for non-existent transactions, discloses fictitious liabilities in one of the tax returns shall be punishable by imprisonment of between four and eight years.

2. The act shall be deemed to have been committed using invoices or other documents for non-existent transactions where those invoices or documents are recorded in the mandatory accounting records, or are held for the purpose of evidence vis-à-vis the tax authorities.

2-bis. If the amount of fictitious liabilities is less than one hundred thousand euros, imprisonment from one year and six months to six years applies.

The offence is committed with the submission of the income tax or VAT return within the time limits established by law or in any case with a delay of no more than 90 days, but indicating untruthful liabilities based either on invoices or on documents for non-existent transactions; the active person must pursue the specific purpose of evading income tax or VAT, thus being a specific intentional crime.

The offence is based on false documentation or other artifices capable of providing a false accounting representation, characterised, compared to the unfaithful declaration, by a greater insidiousness, due to the fact that the untruthful representation is supported by an artificial documentary system.
In fact, since no documents are attached to the declaration, for the purposes of consummating the offence it is necessary and sufficient that:

- in the part dedicated to the quantification of liabilities, the numerical data corresponding, in whole or in part, to those resulting from passive invoices or other documents issued for non-existent transactions, are graphically expressed in figures;
- such invoices or documents are recorded in the accounting records or held for the purpose of evidence vis-à-vis the tax authorities.

The use of invoices or other documents referring to non-existent transactions is a typical mode of conduct that qualifies it as offensive, making it more dangerous than others.

1.2 Fraudulent misrepresentation by other artifices

Fraudulent declaration by means of other artifices (art. 3 of Legislative Decree no. 74/2000)
1. Except in the cases provided for in Article 2, any person who, for the purpose of evading income or value added tax, by carrying out objectively or subjectively simulated transactions or by making use of false documents or other fraudulent means liable to obstruct the inspection and to mislead the tax authorities, shall be liable to be liable to imprisonment of between three and eight years, means, in one of the tax returns, assets for an amount lower than the actual amount or fictitious liabilities or fictitious receivables and withholdings, when, jointly:
a) the tax evaded is higher, with reference to some of the individual taxes, than thirty thousand euros;
b) the total amount of assets exempted from taxation, including by indicating fictitious liabilities, is greater than five per cent of the total amount of assets indicated in the return, or in any case, is greater than one million five hundred thousand euros, or if the total amount of credits and fictitious withholdings in reduction of the tax, is greater than five per cent of the amount of the tax itself or in any case in euros thirty thousand.
2. The act shall be deemed to have been committed on the basis of false documents where those documents are recorded in the compulsory accounting records or are held for the purpose of evidence vis-à-vis the tax authorities.
3. For the purposes of the application of the provision of paragraph 1, the mere violation of the obligations to invoice and to record assets in accounting records or the mere indication in invoices or entries of assets lower than the actual ones shall not constitute fraudulent means.

The conduct can be traced back to the genre of the progressively formed case, in the sense that it is divided into at least two phases, one following the other:

- violation of accounting obligations, so as to lead to a false representation of the accounts, through the use of particularly artificial and insidious methods, such as to constitute an obstacle to the ascertainment of the real accounting situation;
- then submission of the annual return which, on the basis of the previously fabricated accounts, contains assets for an amount lower than the real amount or higher or fictitious liabilities.

The case applies in the alternative to the previous Article 2 of Legislative Decree no. 74/2000, as the latter article requires the agent to have a specific intent identifiable in order to evade income taxes or VAT and, with respect to the offence referred to in Art. 4 of Legislative Decree no. 74/2000 (Unfaithful declaration), presents a more insidious conduct and derives, precisely, from the use of artifices suitable for providing a false accounting representation, therefore hindering the assessment activity.

1.3 Unfaithful Statement

Unfaithful declaration (art. 4 of Legislative Decree no. 74/2000)

1. Except in the cases provided for in Articles 2 and 3, any person who, for the purpose of evading income or value added tax, indicates in one of the annual returns relating to such taxes assets in an amount lower than the actual amount or non-existent liabilities shall be punishable by imprisonment of between two years and four years and six months, When, jointly:

a) the tax evaded is exceeding, with reference to some of the individual taxes, one hundred thousand euros;

b) the total amount of assets exempted from taxation, including by indicating non-existent liabilities, is greater than ten per cent of the total amount of assets indicated in the return, or, in any case, exceeds two million euros.

1-bis. For the purposes of applying the provision of paragraph 1, the incorrect classification, the valuation of objectively existing assets or liabilities, with respect to which the criteria actually applied have in any case been indicated in the financial statements or in other documentation relevant for tax purposes, the violation of the criteria for determining the year of competence, the non-inherence, the violation of the criteria for determining the exercise of competence, the non-inherence, the violation of the criteria for determining the exercise of competence, the non-inherence, the the non-deductibility of real liabilities.

1-ter. Except in the cases referred to in paragraph 1-bis, the evaluations which, taken as a whole, differ by less than 10 percent from the correct ones do not give rise to punishable facts. The amounts included in this percentage shall not be taken into account in the verification of whether the thresholds of punishability provided for in paragraph 1, letters a) and b) have been exceeded.

This article has been included in the list of predicate offences by Legislative Decree no. 75/2020, which provided for the liability of entities for the conduct contained in the law, when these are committed in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of not less than ten million euros.

The offence is applied in a subsidiary way with respect to Articles 2 and 3 of Legislative Decree no. 74/2000, in common with these it has the presence of the subjective element of specific intent, consisting in the purpose of evading income taxes or VAT, and in being a common crime, i.e. enforceable by any taxpayer, even if not obliged to keep accounts. The present case differs from Art. 3 for the absence of artifice and deception; The typical course of action is to indicate in one of the annual declarations assets for an amount lower than the actual amount or fictitious liabilities, irrespective of whether those data are included in the accounting records.
For the purposes of committing the offence, the requirements referred to in letters a) and b) must be met, moreover, evaded tax means the difference between the tax actually due and that indicated in the return, net of the sums paid by the taxpayer or by third parties by way of advance, withholding, etc., before the submission of the return or the expiry of the relevant deadline.

1.4 Failure to declare

Failure to declare (art.5 Legislative Decree no. 74/2000)
1. Any person who, in order to evade income or value added tax, fails to submit one of the declarations relating to such taxes shall be punishable with imprisonment of between two and five years, when the tax evaded is higher, with reference to any of the individual taxes, than fifty thousand euros.
1-bis. Anyone who does not submit a withholding tax return, when the amount of unpaid withholding tax is greater than fifty thousand euros, is punished with imprisonment from two to five years.
2. For the purposes of the provision provided for in paragraphs 1 and 1-bis, a declaration submitted within ninety days of the expiry of the deadline or not signed or not drawn up on a printed form conforming to the prescribed model shall not be considered omitted.

This article has been included in the list of predicate offences by Legislative Decree no. 75/2020, which provided for the liability of entities for the conduct contained in the law, when these are committed in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of not less than ten million euros.
The law provides for two different hypotheses of omissive crimes: the one referred to in paragraph 1 punishes the failure to submit one of the declarations relating to income taxes or VAT, in order to evade the aforementioned taxes (specific intent), the second, reported in paragraph 1 bis, punishes the failure to submit the withholding tax return, conduct characterized by general wilful misconduct; For both hypotheses, there are thresholds of punishability. This is an instantaneous offence, which is completed at the expiry of the term provided for by law for these obligations, the statute of limitations runs from the ninetieth day following the expiry of the deadline established by law for the submission of the annual return.

1.5 Issuing invoices or other documents for non-existent transactions

Issuance of invoices or other documents for non-existent transactions (Article 8, paragraphs 1 and 2 bis, Legislative Decree no. 74/2000)

1. Any person who, in order to enable third parties to evade income or value added tax, issues or issues invoices or other documents for non-existent transactions shall be punishable by imprisonment of between four and eight years.

2. For the purposes of the application of the provision referred to in paragraph 1, the issuance or issuance of several invoices or documents for non-existent transactions during the same tax period shall be considered as a single offence.

2-bis. If the untrue amount indicated in the invoices or documents, per tax period, is less than one hundred thousand euros, imprisonment from one year and six months to six years applies.

In the present case, tax evasion is not a constituent element of the crime, but constitutes an element of the specific intent required by law for the punishability of the agent. To constitute the offence, it is sufficient that the issuer of the invoice, or another document relating to non-existent transactions, aims to allow third parties to evade income tax or VAT.

1.6 Concealment or destruction of accounting documents

Concealment or destruction of accounting documents (Article 10 of Legislative Decree No. 74/2000)

1. Unless the act constitutes a more serious criminal offence, any person who, in order to evade income or value added tax or to enable third parties to evade tax or to enable third parties to evade tax to evade tax or to destroy all or part of accounting records or documents which must be kept, shall be punishable by imprisonment of between three and seven years. so as not to allow the reconstruction of income or turnover.

The offence described by the law consists of the destruction or concealment of documents whose retention is mandatory, as they are necessary to allow the reconstruction of income or turnover. In the case of destruction of documents, the offence tends to be instantaneous, while in the case of concealment, consisting precisely in concealing an object, the offence takes on a permanent nature.

This offence also presupposes the specific intent of the agent, consisting in the aim of evading or allowing third parties to evade income tax or VAT, and the documents that are the subject of the offence, in addition to being mandatory, must also be relevant for the investigations necessary to quantify the income or consideration resulting from transactions that are significant for VAT purposes.

1.7 Undue compensation

Undue compensation (Article 10-quarter of Legislative Decree no. 74/2000)

1. Any person who fails to pay the sums due, using as compensation, pursuant to Article 17 of Legislative Decree no. 241 of 9 July 1997, undue credits, for an annual amount exceeding fifty thousand euros, shall be punished with imprisonment from six months to two years.
2. Any person who fails to pay the sums due, using as compensation, pursuant to Article 17 of Legislative Decree No 241 of 9 July 1997, non-existent credits for an annual amount exceeding fifty thousand euros, shall be punished with imprisonment from one year and six months to six years.

This article has been included in the list of predicate offences by Legislative Decree no. 75/2020, which provided for the liability of entities for the conduct contained in the law, when these are committed in the context of cross-border fraudulent systems and in order to evade value added tax for a total amount of not less than ten million euros.
The offence in question occurs when, during the same tax period, undue offsets are made with non-due or non-existent credits for amounts exceeding € 50,000.00, without taking into account the nature of the credit used and regardless of the deadlines for submitting the relevant return. A non-due credit is a VAT credit which, although certain in its existence and exact amount, is, for any reason, still not usable or no longer usable in offsetting operations in the relations between the taxpayer and the Treasury.
The offence can be configured both in the case of vertical set-off, concerning receivables and debts relating to the same tax, and horizontal offsetting, concerning receivables and payables of a different nature).

1.8 Fraudulent evasion of tax payments

Fraudulent evasion of the payment of taxes (Article 11 of Legislative Decree no. 74/2000)
1. Any person who, in order to avoid payment of income or value added taxes or interest or administrative penalties relating to such taxes for a total amount exceeding fifty thousand euros, simulated alienates or performs other fraudulent acts on his own or on other assets capable of rendering the compulsory collection procedure wholly or partially ineffective, shall be punished with imprisonment from six months to four years. If the amount of taxes, penalties and interest is greater than two hundred thousand euros, imprisonment from one year to six years applies.
2. Any person who, in order to obtain partial payment of taxes and related ancillary taxes for himself or for others, indicates in the documentation submitted for the purposes of the tax settlement procedure assets for an amount lower than the actual amount or fictitious liabilities for a total amount exceeding fifty thousand euros shall be punished with imprisonment from six months to four years. If the amount referred to in the previous sentence is greater than two hundred thousand euros, imprisonment from one year to six years applies.

Art. Article 11 is an offence of danger, since it is not necessary to actually damage the treasury or save money, and provides for two different types of criminal conduct:

- the first paragraph punishes those who, in order not to pay (in whole or in part) income taxes or VAT or interest or administrative penalties related to such taxes for a total amount exceeding € 50,000.00 (specific fraud), simulately alienate or perform other fraudulent acts to render all or part of any enforcement proceedings to their detriment ineffective;
- the second paragraph punishes anyone who, in order to obtain savings on taxes and related accessories for themselves or for others (specific fraud), produces documents containing assets lower than the truth, or fictitious liabilities, for an amount exceeding € 50,000.00 during the tax transaction.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a direct or indirect risk of committing the above crimes are those that participate in the management of the company's financial flows, both incoming and outgoing; those that involve the establishment of financial relationships with third parties (e.g. management of commercial activities or supplies); those who are responsible for managing all the accounting and administrative aspects of the Company; as well as those that intervene in the correct execution of tax obligations. In this regard, consider the following areas and activities:

AREA	RISK ACTIVITIES/ INSTRUMENTAL ACTIVITY
GENERAL MANAGEMENT (Chairman / Chief Executive Officer)	• *Exercise of authorisation and representation powers* • *Procurement management (strategic consulting)* • *Personnel management activities (hiring, dismissal)*
I/E & LOGISTICS	• *Ordinary treasury management (management of receipts, payments and cash flow)* • *Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)* • *Management of expense reimbursements and travel costs* • *Relations with business partners (Registry)* • *Management of accounting and preparation of financial statements – Preparation of financial statements and corporate communications* • *Management, authorisation and control of share capital transactions* • *Preparation and control of tax returns* • *Subsidies and public funding*
BUSINESS – GLOBAL SALES	• *Customer qualification, identification of new business opportunities – Definition of commercial conditions of sale*

	• *Management of commercial offers and contracts – Participation in private tenders* • *Giveaways & Sponsorships* • *Management of returns and credit notes*
I/E & LOGISTICS (PURCHASING OFFICE)	• *Supplier Selection and Qualification* • *Management of purchases of goods and/or services* • *Receipt of goods and performance of services*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS AND PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) GENERAL MANAGEMENT:

i. *Exercise of authorisation and representation powers*

- The Chairman and/or the CEO, within the framework of company procedures and the provisions of the Board of Directors, sign the documentation prepared by the company departments.

ii. *Procurement management*

- The General Management chooses the Company's strategic consultants: the Chairman of the Board of Directors and/or the CEO sign the consultancy contract on the basis of their power of representation. The management of strategic consultancy is delegated to the Administration for the execution of the payment of the related fee;

iii. *Personnel management activities (recruitment and dismissal)*

- The hiring, management and dismissal of personnel are governed by a company procedure. The General Management has the relevant powers of representation.

b) I/E & LOGISTICS (ADMINISTRATION OFFICE):

i. *Ordinary treasury management (management of receipts, payments and cash flow)*

a. Collections management

- The Administration Office records the receipts in the management system, after matching them to the relevant invoice issued by the Company;
- Periodic checks are in place, of which traces remain, concerning the correctness of the accounting records relating to receipts.

b. Payment management

- The Administration Office proceeds with the payment of suppliers/consultants' invoices only after matching them to a PO or a contract, as well as upon confirmation of the performance of the service by the Head of the function requesting the material/service; with regard to payments of amounts exceeding Euro 5,000.00, the involvement of the Chief Executive Officer is envisaged;
- Payment of an invoice is only made after it has been matched with the respective order.

ii. Management of current accounts and relations with credit institutions (e.g. loans, guarantees, etc.)

- The process of opening and closing current accounts is the exclusive responsibility of the Company's General Management;
- Reconciliations of account balances with bank statements are carried out by the external tax advisor, who also checks them.

iii. Management of expense reimbursements and travel costs

- The Company has adopted a specific company regulation to govern the management of expense reports;
- the reimbursement of expense reports takes place only upon presentation of the proof by the employee;
- the expense reports of employees and collaborators are always authorized in advance by the Head of Department;
- the payment of expense reports is made by the Administration Office;
- the Administration Office, with the authorization of the CEO, provides the traveling staff who request them with company credit cards ("*Corporate Cards*") linked to their personal current accounts, and requests for reimbursement of expenses are subject to control. The relevant expense receipts are archived to ensure the traceability of controls.

iv. Relations with business partners (Registry)

- The Company has formalised the relationships it has with customers through specific written contracts. As far as the customer data is concerned, the Administration Office keeps up to date, within its management system, a list of customers containing the relevant data, with the collaboration of the Company's external consultants, who enter, within the database, the data useful for accounting and payment of the invoice issued by the customer (e.g. company name, IBAN, payment terms, etc.).
- the Company has formalised the relationships it has with its usual suppliers through specific written contracts. As far as the supplier master data is concerned, the Administration Office keeps a list of suppliers containing the relevant data up to date within its management system. With reference to non-

regular suppliers, the individual department heads send the relevant purchase orders and give feedback to the Administration Office, which then proceeds with the payment of the invoice following the authorization of the CEO.

v. *Management, authorization and control of extraordinary transactions and transactions relating to share capital*

- Any decisions regarding extraordinary transactions and those relating to share capital are reserved to the Board of Directors.

vi. *Management of accounting and preparation of financial statements – Preparation of financial statements and corporate communications*

- The Company has outsourced to external tax consultants the activities relating to accounting, the preparation of the financial statements and the documentation relating to them, on the basis of specific written contracts, which govern the related activities.
- the General Management provides for the preparation of a written schedule of accounting obligations and with reference to the obligations necessary for the preparation of the financial statements;
- the draft of the financial statements is made available to the members of the Board of Directors, via email, at the time of the convocation of the shareholders' meeting for the approval of the financial statements.

vii. *Preparation and control of tax returns*

- The management of tax compliance is carried out by external tax consultants and the related controls are carried out by external auditors, on the basis of specific contracts in written form in both cases.

viii. *Subsidies and public funding*

- The management of public funding is the responsibility of the Marketing & Business Development Office, supported by the Administration Office for the reporting of activities;
- the Marketing & Business Development Manager prepares the documentation relating to the calls for tenders; this documentation is subject to control and verification by the General Management;
- The Marketing & Business Development Manager, as part of his activities aimed at obtaining public funding, accesses the portals of the public administration for the upload of the projects covered by the calls for tenders.

c) **BUSINESS – GLOBAL SALES:**

i. *Customer qualification, identification of new business opportunities - Definition of commercial conditions of sale*

- The activities relating to the qualification of customers are divided into the hands of the Business – Global Sales function and the General Management and are governed by a specific company procedure. In particular, the Business – Global Sales function collects customer documentation in order to identify their commercial and reputational reliability. This information collected about the customer is recorded in a special document, archived internally;

- where possible, the contracts signed by the Company provide for the inclusion of the *compliance clause*, which provides for the termination of the contract in the event of violation, by the customer, of the principles provided for by the legislation referred to in Legislative Decree 231/2001.

ii. *Management of commercial offers and contracts - Management of relations with third parties*

- The activities relating to the management of commercial offers are divided into the hands of the Business – Global Sales function and the General Management;
- the signing of sales contracts is affixed by the General Management, which thus exercises a check on them;
- sales prices are determined by the Business – Global Sales function, based on a predetermined price list;
- the definition of any discounts, incentives or *bonuses* to customers is the responsibility of the Business – Global Sales Manager;
- in the context of private tenders, the Business – Global Sales function prepares the tender documentation (i.e. administrative, commercial and technical documentation); the commercial offer to be presented to the customer is approved by the Business function. If the tender is awarded, both the Business – Global Sales function and the Clinical Development function are responsible for executing the activities covered by the tender.

iii. *Giveaways & Sponsorships*

- The disbursement or receipt of gifts, donations and sponsorships by the Company's staff is governed by the Code of Ethics: gifts and donations may not exceed a modest value and must be limited to normal commercial and courtesy practices.

iv. *Management of returns and credit notes*

- The issuance of credit notes takes place on the basis of consolidated business processes, and any complaints and non-conformities are managed on the basis of company procedure;
- adjustments relating to customer accounts are authorised by the General Management;
- There are maximum limits on the credit that can be granted to customers and forms of blocking or authorizing supplies in the face of excessive credit exposure.

d) **I/E & LOGISTICS (PURCHASING)**

i. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers"

(who provide goods that do not affect the products/services provided by the Company);

- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on product samples, collection of technical documentation, collection of product/service certifications;
- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Management of purchases of goods and/or services*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

iii. *Receipt of goods and performance of services*

- Once the order has been received, the Purchasing Department and the QA & RA Manager verify, on the basis of a formalized written process, that the purchased product complies with the provisions of the PO;
- in case of conformity of the order, the Purchasing Department fills in, on behalf of the Company, the document of acceptance of the goods, containing the relevant data of the same. In particular, the criteria for verifying finished products are defined in a specific procedure while, for other products (e.g. components), this verification is carried out by checking at least the correspondence of the incoming goods with the information contained in the delivery note, invoice and purchase order, in terms of: type of products, quantity and traceability data;

- the QA & RA function, in collaboration with the Technical Department and/or the other company functions concerned, manages any non-conformities and/or critical issues, recording them in a special form and notifying them to the supplier;
- the Purchasing Department periodically carries out warehouse inventory activities, counting the components physically present within the warehouse.

4. PRINCIPLES OF CONDUCT AND PRESCRIPTIONS

4.1 General principles of conduct

In the exercise of the activities and duties carried out within the Company, the Recipients must refrain from engaging, collaborating or causing the implementation of conduct that may integrate or in any case facilitate the commission of the Offences described above; specifically, they are required to:

a) identify the customer or supplier, or the person with whom you have any commercial relationship - and the natural persons with whom you interact - on the basis of documents, data or information provided by the counterparty or obtained from reliable and independent sources;
b) require from the counterparty, or obtain from reliable and independent sources, all the information necessary to identify any third parties, other than the contractual parties, towards whom the commercial relationship extrudes its effects;
c) obtain accurate and timely information on the purpose and/or nature of the service;
d) verify that the counterparty or any third party beneficiaries of the relationship are not based in countries subject to embargo, or are included in the list of countries with a high risk of money laundering or terrorist financing, with particular attention in the case of trust companies, trusts, anonymous companies, subsidiaries through bearer shares or legal entities whose owner cannot be identified;
e) verify the correct performance of its service and the successful outcome of the contractual relationship, as well as the actual existence of the counterparty's technical-professional qualifications and organizational-business skills necessary and suitable to carry out the requested service;
f) promptly record and store the data collected in an analytical manner;
g) keep the information collected constantly updated and monitor the development of the business relationship, both objectively and subjectively;
h) unless otherwise expressly agreed between the parties (in the face of proven needs), issue or receive invoices only once the relevant service has been completed and their actual execution has been verified;
i) in the context of in-house contracts entrusted to third parties, verify the "genuineness" of the contract;

j) ensure that intra-group relationships are defined in a specific contract and that they are effectively traced with appropriate documentation;
k) use for money transfers only and exclusively systems that allow the evidence and traceability of the transaction;
l) ensure the traceability of operations and commercial relations with third parties outside the Company;
m) ensure the preservation of accounting documentation and related correspondence for the period (10 years) and in the manner indicated by art. 2220 c.c.;
n) submit tax returns within the terms of the law;
o) proceed with the payment of taxes on time or by resorting to the institution of active repentance;
p) fill in tax returns with absolutely truthful data and information;
q) register invoices supported by documentation proving their existence in the VAT Registers;
r) proceed with monthly VAT settlements in compliance with the terms of the law;
s) organize training and information sessions on tax obligations and deadlines;
t) provide for reconciliation mechanisms between accounting and tax data;
u) provide maximum cooperation in the event of visits, inspections, accesses by the Revenue Agency or the Guardia di Finanza;
v) report any anomalies or violations in the reference procedures to the head of the function, or to his/her hierarchical superior, and to the SB.

The Recipients are also expressly forbidden to:
a) establish or conclude business relationships with subjects who refuse to provide information useful for their own identification or that of third party beneficiaries, or whose data it is not possible to obtain;
b) establish or conclude business relationships with persons who do not have the appropriate technical-professional skills and/or the company-organizational structure necessary to carry out the service to which they are entitled;
c) carry out transactions of a commercial nature, of any kind, with parties other than the actual counterparty to the commercial relationship, unless the entire activity is managed by authorised financial intermediaries;
d) continue the business relationship with subjects for whom there are impediments to the due diligence and updating of the information collected;
e) transfer cash or passbooks or bearer securities between different parties, for any reason, when the total value of the transfer is equal to or greater than the legal threshold, except for the intervention of authorized intermediaries;
f) indicate fictitious assets or liabilities in tax returns;
g) carry out simulated transactions;
h) establish contractual relationships with third parties concerning the "illegal" supply of labour, i.e., inter alia, by using suppliers who are not authorised by law, or by concluding service contracts that do not comply with the applicable legislation;
i) request, prepare invoices or other documentation for non-existent transactions;

j) using false documents to alter tax results and reduce the tax burden;
k) conceal and/or destroy, in whole or in part, accounting records or documents whose retention is mandatory;
l) alienating assets to render compulsory collection unsuccessful for tax purposes (e.g. making payments for the benefit of suppliers and third parties so as not to interrupt business continuity, consequently subtracting resources from the correct fulfilment of taxes due);
m) submit false documents, data and information as part of a tax transaction.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.

Angiodroid S.p.A.

Organizational Model

Special Part "A"

ANNEX "14"
CRIMES AGAINST THE INDIVIDUAL, RACISM AND XENOPHOBIA

1. RELEVANT OFFENCES

The administrative liability of entities in relation to crimes against the individual personality (Article 25 *quinquies* of Legislative Decree 231/2001) was introduced by the legislator in 2003 at the same time as a series of measures against enslavement and human trafficking (see Article 5, Law 228/2003).

Article 25 *quinquies* was subsequently extended to certain offences relating to the sexual exploitation of minors and child pornography, including via *the internet* (see Article 10 of Law 38/2006).

In particular, the offences against the individual personality that can be relevant for the purposes of Legislative Decree 231/2001 are:

- reduction or maintenance in slavery or servitude (Article 600 of the Criminal Code);
- child prostitution (Article 600 *bis of the* Criminal Code);
- child pornography (Article 600 *ter* of the Criminal Code);
- possession of pornographic material (art. 600 *quarter*);
- virtual pornography (Article 600 quarter.1 of the Criminal Code);
- tourism initiatives aimed at the exploitation of child prostitution (Article 600 *quinquies of the* Criminal Code);
- trafficking in persons (Article 601 of the Criminal Code);
- purchase and sale of slaves (Article 602 of the Criminal Code);
- Illicit intermediation and labour exploitation (Article 603 bis of the Criminal Code)
- solicitation of minors (Article 609 *undecies* of the Criminal Code).

Finally, Law no. 167 of 20 November 2017 on "Provisions for the fulfilment of obligations arising from Italy's membership of the European Union - European Law 2017", in regulating the fight "against certain forms and expressions of racism and xenophobia through criminal law", included the new article 25 *terdecies* which sanctions the offences of racism and xenophobia among the offences relevant for the purposes of Legislative Decree 231/2001.

The following is a brief description of the relevant crimes pursuant to Articles 25 *quinquies and* 25 *terdecies* of the Decree ("**Offences**").

1.1 Crimes against enslavement and human trafficking

Article 600 of the Criminal Code: Reduction or maintenance in slavery or servitude
Any person who exercises powers over a person corresponding to those of the right to property, or anyone who reduces or maintains a person in a state of continuous subjection, forcing him or her to perform work or sexual performance, or to beg or otherwise to carry out illegal activities involving his exploitation, or to undergo the removal of organs, shall be punished with imprisonment from eight to twenty years.

Reduction or maintenance in a state of subjection takes place when the conduct is carried out by means of violence, threat, deception, abuse of authority or taking advantage of a situation of vulnerability, physical or psychological inferiority or a situation of need, or through the promise or giving of sums of money or other advantages to those who have authority over the person.

The offence occurs when someone exercises powers over a person corresponding to those of the right to property, or reduces or keeps a person in a state of continuous subjection, forcing him to work or sexual performance, begging or in any case to services that involve exploitation.

Reduction or maintenance in a state of subjection takes place when the conduct is carried out by means of violence, threat, deception, abuse of authority or taking advantage of a situation of physical or mental inferiority or a situation of need, or by the promise or giving of sums of money or other advantages to those who have authority over the person who is the victim of the crime.

Article 601 of the Criminal Code: Trafficking in persons
Any person who recruits, enters the territory of the State, transfers even outside the territory of the State, transports, transfers authority over the person, harbors one or more persons who are in the conditions referred to in Article 600, or carries out the same conduct on one or more persons by means of deception, shall be punishable by imprisonment of between eight and twenty years. violence, threats, abuse of authority or taking advantage of a situation of vulnerability, physical, psychological inferiority or need, or by promising or giving money or other advantages to the person who has authority over him/her, in order to induce or coerce him or her to perform work, sexual or to beg or otherwise to carry out illegal activities involving the exploitation of such persons or to undergo organ harvesting.
The same penalty shall apply to any person who, even outside the procedures referred to in the first paragraph, engages in the conduct provided for therein in respect of a minor.

The crime in question penalizes certain conducts of facilitation of the crime of reduction or maintenance in slavery provided for by the previous Article 600 of the Criminal Code and, in particular: i) "trafficking" (i.e. the capture, purchase or transfer as well as any other act of trade or transport) of a person who is in a condition of slavery or servitude; and (ii) the conduct of a person who, in order to reduce or keep a person in servitude, deceives or coerces him or her by violence, threat, abuse of authority, taking advantage of a situation of physical or mental inferiority or necessity or, finally, by promising or giving a sum of money or other advantages to those exercising his authority over that person (e.g. parents in the case of a minor) to enter, stay, go out or move to the territory of the State. The conduct is therefore alternately supplemented by the inducement of the victim into deception or by his coercion according to one of the conducts (violence, threat, etc.) provided for above.

Article 602 of the Criminal Code: Purchase and sale of slaves

Any person who, except in the cases referred to in Article 601, acquires or disposes of or disposes of a person who is in one of the conditions referred to in Article 600 shall be punished with imprisonment from eight to twenty years.

The crime of purchase and sale of slaves is a residual offence that applies only if the offences described above are not integrated. The offence is alternatively supplemented by the conduct of sale, purchase or transfer (e.g. on loan) of a person already reduced to servitude or slavery.

Article 603 bis of the Criminal Code: Illicit intermediation and exploitation of labour
"*Unless the act constitutes a more serious offence, it shall be punished with imprisonment from one to six years and a fine of between 500 and 1,000 euros for each worker recruited, whoever:*
1) recruits labour in order to allocate it to work for third parties in conditions of exploitation, taking advantage of the state of need of the workers;
2) uses, hires or employs labour, including through the intermediary activity referred to in paragraph 1), subjecting workers to exploitative conditions and taking advantage of their state of need.
If the acts are committed by means of violence or threats, the penalty of imprisonment from five to eight years and a fine of 1,000 to 2,000 euros applies for each recruited worker.
For the purposes of this Article, one or more of the following conditions shall constitute an indication of exploitation:
1) the repeated payment of wages in a manner that clearly differs from the national or territorial collective agreements stipulated by the most representative trade unions at national level, or in any case disproportionate to the quantity and quality of the work performed;
(2) the repeated infringement of the rules on working time, rest periods, weekly rest, compulsory leave and holidays;
3) the existence of violations of the rules on safety and hygiene in the workplace;
(4) subjecting the worker to degrading working conditions, methods of supervision or housing.
The following constitute a specific aggravating circumstance and entail an increase in the penalty from one third to one-half:
(1) the fact that the number of workers recruited is more than three;
2) the fact that one or more of the recruited subjects are minors of non-working age;
(3) having committed the act by exposing the exploited workers to situations of serious danger, having regard to the characteristics of the services to be performed and the working conditions".

1.2 Offences relating to the sexual exploitation of minors and child pornography

Considering the peculiarity of the activity carried out by the Company, these are crimes whose commission in the interest or to the advantage of the same – essential prerequisites for the configurability of liability pursuant to Decree 231/01 – does not appear to be immediate. However, the Company's interest or advantage in committing crimes relating to the sexual exploitation of minors and child pornography could nevertheless be seen in the organization of tourist initiatives or events for commercial purposes (e.g. trips organized as "prizes" or "*bonuses*" to the Company's customers or aimed at closing contractual negotiations), especially in countries known for the phenomenon of so-called "sex tourism".

In light of the above, the following is a brief list of the relevant offences:

Art. 600 *bis* c.p.: Child prostitution

It is punishable with imprisonment from six to twelve years and a fine from €15,000 to €150,000 who:

(1) recruits or induces into prostitution a person under the age of eighteen;

(2) abetting, exploiting, managing, organizing, or controlling the prostitution of a person under the age of eighteen, or otherwise profiting from it.

Unless the act constitutes a more serious crime, anyone who performs sexual acts with a minor between the ages of fourteen and eighteen, in exchange for a consideration in money or other benefits, even if only promised, is punished with imprisonment from one to six years and a fine from €1,500 to €6,000.

Article 600 *ter* of the Criminal Code: Child pornography

It is punishable with imprisonment from six to twelve years and a fine from €24,000 to €240,000 who:

1) using minors under the age of eighteen, performs pornographic performances or shows or produces pornographic material;

(2) recruits or induces minors under the age of eighteen to participate in pornographic performances or shows, or otherwise profits from such performances.

The same penalty shall apply to those who trade in the pornographic material referred to in the first paragraph.

Anyone who, apart from the cases referred to in the first and second paragraphs, by any means, including by electronic means, distributes, disseminates, disseminates or advertises the pornographic material referred to in the first paragraph, or distributes or disseminates news or information aimed at the solicitation or sexual exploitation of minors under the age of eighteen, shall be punished with imprisonment from one to five years and a fine from €2,582 to €51,645.

Anyone who, apart from the cases referred to in the first, second and third paragraphs, offers or transfers to others, even free of charge, the pornographic material referred to in the first paragraph, shall be punished with imprisonment of up to three years and a fine from €1,549 to €5,164.

In the cases provided for in the third and fourth paragraphs, the penalty shall be increased by no more than two-thirds if the material is of a large quantity.

Unless the act constitutes a more serious crime, anyone who attends pornographic performances or shows involving minors under the age of eighteen is punished with imprisonment of up to three years and a fine from €1,500 to €6,000.
For purposes of this section, child pornography means any depiction, by any means, of a child under the age of eighteen engaging in explicit sexual activity, real or simulated, or any representation of the sexual organs of a child under the age of eighteen for sexual purposes.

Article 600 *quarter of the* Criminal Code: Possession of or access to pornographic material
Anyone who, outside the cases provided for in Article 600-ter, knowingly procures or possesses pornographic material made using minors under the age of eighteen, shall be punished with imprisonment of up to three years and a fine of not less than €1,549.
The penalty shall be increased by no more than two-thirds if the material detained is of a large quantity.
Except in the cases referred to in the first paragraph, anyone who, through the use of the internet or other networks or means of communication, intentionally and without justified reason accesses pornographic material made using minors under the age of eighteen shall be punished with imprisonment of up to two years and a fine of not less than € 1,000.

Article 600 quarter.1 of the Criminal Code: Virtual pornography
The provisions of Articles 600ter and 600quater shall also apply when the pornographic material depicts virtual images made using images of minors under the age of eighteen or parts thereof, but the penalty is reduced by one third.
Virtual images are images made with graphic processing techniques that are not associated in whole or in part with real situations, whose quality of representation makes them appear as real non-real situations.

Article 600 *quinquies of the* Criminal Code: Tourism initiatives aimed at the exploitation of child prostitution:
Anyone who organizes or promotes trips aimed at the use of prostitution activities to the detriment of minors or in any case including such activity is punished with imprisonment from six to twelve years and a fine from €15,493 to €154,937.

Article 609 undecies of the Criminal Code: Solicitation of minors:
Any person who, for the purpose of committing the offences referred to in Articles 600, 600-bis, 600-ter and 600-quarter, even if they relate to the pornographic material referred to in Article 600-quarter.1, 600-quinquies, 609-bis, 609-quarter, 609-quinquies and 609-octies, lures a minor under the age of sixteen, shall be punished, if the act does not constitute a more serious offence, with imprisonment from one to three years. Solicitation means any act aimed at stealing the trust of the minor through artifice, flattery or threats carried out also through the use of the internet or other networks or means of communication.
The penalty is increased: (1) if the offence is committed by several persons together; (2) if the offence is committed by a person who is a member of a criminal conspiracy and in order

to facilitate its activity; (3) if the act causes serious harm to the child as a result of the repetition of the conduct; (4) if the act endangers the life of the child.

1.3 Racism and Xenophobia

Law 167/2017 led to the introduction of a new category of relevant offences in Legislative Decree 231/2001 pursuant to the Legislative Decree, providing for the insertion of art. 25terdecies entitled "Racism and xenophobia", which provided: "In relation to the commission of the crimes referred to in Article 3, paragraph 3bis, of Law 13 October 1975, n. 654, a pecuniary sanction of two hundred to eight hundred shares shall be applied to the entity".
Article 25terdecies was subsequently amended by Legislative Decree no. 21/2018, which led to the repeal of Article 3, paragraph 3bis of Law no. 654/1975 "*Ratification and execution of the International Convention on the Elimination of All Forms of Racial Discrimination, opened for signature in New York on 7 March 1966*" and the replacement of the latter by art. 604bis of the Criminal Code "*Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination*".

Article 604 bis of the Criminal Code: Propaganda *and incitement to commit crimes for reasons of racial, ethnic and religious discrimination*
Unless the act constitutes a more serious offence, the following shall be punished: a) imprisonment of up to one year and six months or a fine of up to €6,000 for anyone who propagates ideas based on racial or ethnic superiority or hatred, or incites or commits acts of discrimination on racial, ethnic, national or religious grounds; (b) imprisonment of between six months and four years shall apply to any person who, in any way, instigates or commits violence or acts of provocation to violence on racial, ethnic, national or religious grounds.
Any organization, association, movement or group whose purpose is to incite discrimination or violence on racial, ethnic, national or religious grounds is prohibited. Any person who participates in or assists in the activities of such organisations, associations, movements or groups shall be punished with imprisonment from six months to four years for the mere act of participation or assistance. Those who promote or direct such organizations, associations, movements or groups shall be punished, for that reason alone, with imprisonment of between one and six years.
The penalty shall be imprisonment of between two and six years if the propaganda or incitement or incitement committed in such a way as to give rise to a real danger of spreading is based in whole or in part on the denial, serious minimisation or apology of the Holocaust or of the crimes of genocide, crimes against humanity and war crimes, as defined in Articles 6, 7 and 8 of the Statute of the International Criminal Court.

2. ACTIVITIES AT RISK PURSUANT TO THE DECREE

The areas that present a risk of committing the crimes referred to in Article 25quinquies of the Decree ("**Crimes against the Individual Personality**") are those that may involve or

encourage the use of labor in conditions of easement. In particular, the Offences described above could arise in the event of direct or indirect use (e.g. through subcontractors) by the Company of labour in conditions of economic and labour exploitation, or of workers completely deprived of trade union rights. Think, for example, of the use of so-called undeclared workers, as well as the performance of contracts or activities in countries where there is insufficient protection of working conditions. Therefore, the areas that present a "theoretical" risk of committing crimes against personality are the following:

AREA	RISK ACTIVITIES/ INSTRUMENTAL ACTIVITY
I/E & LOGISTICS (PURCHASING DEPARTMENT)	• *Supplier Selection and Qualification* • *Procurement management*
HUMAN RESOURCES	• *Personnel selection, management of recruitment and remuneration and reward policy*

The list of sensitive activities is periodically updated in accordance with the provisions of the Model.

3. CONTROL SYSTEMS and PREVENTIVE PROTOCOLS

Angiodroid has in place an internal control system - which is an integral part of this Organizational Model - represented by rules of conduct, company policies and procedures, traceability and organizational tools (so-called preventive protocols) aimed at eliminating or, in any case, reducing to an acceptable level the risk of occurrence of the Relevant Crimes referred to in Paragraph 1 in relation to each of the Risk Areas and Activities identified above. In particular, a general and non-exhaustive description of these preventive protocols is given below, while, for a detailed description, reference is made to the company documentation describing the individual processes and to the Company's information system.

a) I/E & LOGISTICS (PURCHASING)

i. *Supplier Selection and Qualification*

- With reference to the supply of goods and services, the selection of suppliers is carried out by the Purchasing Department in collaboration with the QA & RA function, while the activities relating to the management and qualification of suppliers are carried out by the QA & RA Manager, in collaboration with the I/E & Logistics Manager, on the basis of a distinction between "critical suppliers" (who supply goods that directly affect the quality of the final product or the quality of the compliance with regulatory requirements) and "non-critical suppliers" (who provide goods that do not affect the products/services provided by the Company);
- the qualification of the supplier takes place through the collection of data through questionnaires, meetings, visits to the production/operating site, tests on

product samples, collection of technical documentation, collection of product/service certifications;

- At the end of the data collection process, the supplier is assessed and, if it complies with the minimum qualification requirements, it is selected and included in the list of reliable suppliers and the respective data are entered in the master data.

ii. *Procurement management*

- The procurement process of goods and/or services is formalised in a specific company procedure;
- the Purchasing Department verifies the stocks available in the warehouse, the orders, and the quantity of material to be purchased;
- in the case of purchase of a new product/service, the Purchasing Department asks the supplier for the offer or price list of the product range, which is internally archived;
- in the case of purchase of products from a critical supplier already qualified and included in the list of reliable suppliers, the QA & RA Manager, together with the Purchasing Department, stipulates a specific contract with it in writing; in the case of purchase from an unqualified supplier, the latter is subjected to the process of selection and qualification of suppliers;
- the Purchasing Office carries out the PO and the General Management, after consulting the Purchasing Office, authorizes the payment of the supply, while the payment of suppliers' invoices is the responsibility of the Administration Office;
- once the PO has been received, the supplier sends the order confirmation, and the Purchasing Department verifies that the data contained in it correspond to what has been requested;
- With reference to contracts for the purchase of services with subcontractors, the relationship with them is formalised in writing.

b) **HUMAN RESOURCES:**

i. *Personnel selection, management of recruitment and remuneration and reward policy*

- With reference to Human Resources management activities, these activities are carried out by an external consultant, on the basis of a formalised relationship, together with the individual department heads;
- the HR consultant, together with the individual department heads, manages the selection of personnel taking into account the requirements and skills defined in a specific procedure adopted by the Company, and generally examining a minimum shortlist of two candidates, and keeps the relevant *curricula* internally;
- the preparation of staff employment contracts is carried out by external consultants - whose relationships are formalised in written contracts - while the signing of the same is carried out by the General Management;

- the General Management determines the salaries and any bonuses, incentives and horizontal and vertical progression of employees, based on the criteria of "company seniority" and "merit";
- the HR consultant has direct access to company and employee information, while employees' access to secret or confidential information is subject to authorization by the respective department heads;
- tax and social security obligations for the Company's employees are carried out by tax consultants, under the control of the Administration Office, while payments to staff are made by the Administration Office, once the correct calculation has been checked and with the authorization of the General Management.

4. PROTOCOLS AND PRESCRIPTIONS

In carrying out their activities, the Recipients must absolutely refrain from carrying out any act contrary to the freedom or dignity of the human person, the protection of which is a fundamental value for the Company.
In particular, the Recipients are required to scrupulously comply with the following rules of conduct:

- comply with the requirements of collective labour and social security rules and agreements, including those on child and women's labour, as well as on health, hygiene and safety at work;
- protect workers' trade union rights – or in any case the rights of association and representation;
- comply with the internal procedures for the selection of suppliers and business partners, paying particular attention to compliance with the above-mentioned regulations in the event that the employment of unqualified labour, of minor age, from developing countries or at a disproportionate or abnormal cost compared to the market cost is involved;
- in the event that foreign partners or suppliers are involved, ensure that they comply with the provisions of the International Labour Organization (ILO) Conventions on the minimum age for access to work ("C138 – Minimum Age Convention, 1973") and on the worst forms of child labour ("C182 – Convention on the Worst Forms of Child Labour, 1999");
- require its suppliers and partners to undertake to strictly comply with the laws and regulations in force in Italy and in the other countries in which Angiodroid operates, as well as the principles of conduct, rules and procedures provided for by the Model and the Code of Ethics, by placing specific clauses in the relevant contracts;
- immediately inform the Supervisory Body in the event of anomalies in relation to the personnel used by suppliers or partners;
- evaluate with particular attention the organization of events or trips abroad – direct or indirect (e.g. through agents, intermediaries, tour operators, etc.), especially with reference to locations known for the phenomenon of the so-called "sex tourism" – adopting in any case all appropriate precautions, including through

specific contractual clauses if the organization of such trips/events is entrusted to third parties, to prevent the commission of the Crimes considered, including complete reporting and traceability of expenses incurred.

Recipients who become aware of any anomalies with respect to the above obligations and prohibitions must promptly notify their hierarchical superior and/or the Supervisory Body.