



GLENAIR ITALIA S.P.A.

**ORGANIZATION MODEL,
MANAGEMENT AND CONTROL
D.LGS. 8 GIUGNO 2001 N. 231**

05 Gennaio 2023

Sede legale in Via del Lavoro 7, 40057 Granarolo dell'Emilia (BO) P.IVA n. 01554201200, C.F. 00466240348

- GENERAL PART I -

THE REGULATORY FRAMEWORK

1. THE LEGISLATIVE DECREE 8 JUNE 2001 No. 231

1.1. ADMINISTRATIVE RESPONSIBILITY OF ENTITIES

The Legislative Decree 8 June 2001, n. 231, which contains the "Discipline of administrative liability of legal persons, companies and associations, including those without legal personality" (hereinafter also the "**Legislative Decree 231/2001**" or, even only the "**Decree**"), entered in force on 4 July 2001 in implementation of art. 11 of the Law-Delegation 29 September 2000 n. 300, introduced into the Italian legal system, in accordance with the provisions of the EU, the administrative liability of entities, where by "entities" we mean commercial, capital and personal companies and associations, even without legal personality.

This new form of responsibility, although defined as "administrative" by the legislator, has the characteristics of criminal responsibility, since it is left to the competent criminal judge to ascertain the crimes from which it derives and the same guarantees recognized to the person being investigated or accused in criminal proceedings.

The administrative liability of the entity derives from the perpetration of crimes, expressly indicated in Legislative Decree 231/2001, committed, in the interest or to the advantage of the entity itself, by natural people who perform functions of representation, administration or management of the entity or one of its organizational units endowed with financial and functional autonomy, or which exercise, even de facto, its management and control (the so-called "top management"), or which are subject to the direction or supervision of one of the aforementioned persons (the so-called "subordinates").

In addition to the existence of the requirements described above, Legislative Decree 231/2001 also requires the establishment of the entity's guilt, in order to be able to affirm its responsibility. This requirement is attributable to an "organizational fault", to be understood as the failure of the entity to adopt adequate preventive measures to prevent the commission of the offenses listed in the following paragraph, by the subjects identified in the Decree.

Where the entity is able to demonstrate that it has adopted, and effectively implemented, an organization capable of avoiding the commission of such crimes, through the adoption of the organization, management and control model provided for by Legislative Decree 231/2001, the latter will not be liable for administrative liability.

1.2. THE OFFENSES PROVIDED FOR BY THE DECREE

The offenses, from which the administrative liability of the entity is derived, are those expressly and exhaustively referred to by Legislative Decree 231/2001 and subsequent amendments and additions.

The crimes currently included in the scope of application of Legislative Decree 231/2001 are listed below, specifying, however, that this is a list destined to expand in the near future:

1. Offenses against the Public Administration (art. 24 and 25):

- embezzlement of public funds (article 316 bis of the penal code);
- undue receipt of public funds (art. 316 ter of the penal code);
- fraud to the detriment of the state or other public body or of the European communities (article 640, paragraph 2, no. 1, of the penal code);
- aggravated fraud for the achievement of public funds (article 640 bis of the penal code);
- computer fraud to the detriment of the state or other public body (article 640 ter of the Italian penal code);
- fraud in public supplies (article 356 of the penal code);

- Fraud against the European Agricultural Fund (art. 2. Law 23/12/1986, n. 898);
- Extortion (art.317 of the CC);
- Corruption due to the exercise of the function (articles 318 of the CC);
- Corruption due to an act contrary to official duties (Article 319 of the CC);
- Aggravating circumstances (Article 319 bis of the CC);
- Corruption in judicial acts (Article 319 ter of the CC);
- Undue inducement to give or promise benefits (Article 319 quater of the CC);
- Bribery of a person in charge of a public service (Article 320 of the CC);
- Penalties for the briber (Article 321 of the CC)
- Incitement to corruption (Article 322 of the CC);
- Embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of 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 (322 -bis of the CC);
- Trafficking of illicit influences (Article 346-bis of the CC);
- Embezzlement (limited to the first paragraph) (art.314 of the CC);
- Embezzlement through profit from the error of others (art.316 of the CC);
- Abuse of office (Article 323 of the CC).

2. Computer crimes and unlawful data processing (art. 24 bis):

- IT documents (Article 491 bis of the Penal code);
- Unauthorized access to an IT or telematic system (Article 615 ter of the penal code);
- Unauthorized possession, dissemination and installation of equipment, codes and other means for accessing IT or telematic systems (Article 615 quater of the penal code);
- Unauthorized possession, dissemination and installation of equipment, devices or computer programs aimed at damaging or interrupting a computer or telecommunications system (Article 615 quinquies of the Italian penal code);
- Illicit interception, impediment or interruption of computer or telematic communications (Article 617 quater of the Italian Penal Code);
- Unauthorized possession, dissemination and installation of equipment designed to intercept, prevent or interrupt computer or telematic communications (Article 617 quinquies of the penal code);
- Damage to information, data and computer programs Article 635 bis of the penal code);
- Damage to information, data and computer programs used by the State or by another public body or in any case of public utility (Article 635 ter of the Penal code);
- Damage to IT or telematic systems (Article 635 quater of the Penal code);
- Damage to IT or telematic systems of public utility (Article 635 quinquies of the Italian Penal code);
- Computer fraud by the electronic signature certifier (Article 640 quinquies of the Penal code);
- Violation of the rules on the perimeter of national cyber security (Article 1, paragraph 11, Legislative Decree 21 September 2019, n.105).

3. Organized crime offenses (art. 24 ter):

- Criminal association (Article 416 of the criminal code);
- Mafia-type associations, including foreign ones (Article 416 bis of the Criminal Code);
- Political - mafia electoral exchange (Article 416 ter of the Italian Penal Code);
- Kidnapping for the purpose of extortion (Article 630 of the criminal code);
- Association aimed at the illicit trafficking of narcotic or psychotropic substances (art.74, Presidential Decree 9 October 1990, n.309);
- All crimes if committed using the conditions set out in art. 416-bis of the Criminal Code to facilitate the activities of the associations provided for in the same article (Law 203/91);
- Crimes of illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or place open to the public of war or war-like weapons or parts thereof, explosives, clandestine weapons as well as more common weapons shooting, excluding those provided for in article 2, third paragraph, of law no. 110 (Article 407, paragraph 2, letter a), number 5), c.p.p.).

4. Crimes relating to counterfeiting of money, public credit cards and revenue stamps and identification instruments or signs (art. 25bis):

- Counterfeiting of money, spending and introduction into the State, after agreement, of counterfeit money (Article 453 of the Italian Criminal Code);
- Alteration of money (art.454 of the criminal code);
- Spending and introduction into the State, without agreement, of counterfeit money (Article 455 of the Criminal Code);
- Spending of counterfeit money received in good faith (art.457 of the criminal code);
- Falsification of revenue stamps, introduction into the State, purchase, possession or circulation of counterfeit revenue stamps (Article 459 of the Italian Criminal Code);
- Counterfeiting of watermarked paper used for the manufacture of public credit cards or revenue stamps (Article 460 of the criminal code);
- Manufacture or possession of watermarks or instruments intended for the counterfeiting of money, revenue stamps, or watermarked paper (Article 461 of the criminal code);
- Use of counterfeit or altered revenue stamps (Article 464 of the Criminal Code);
- Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs (Article 473 of the criminal code);
- Introduction into the State and trade of products with false signs (Article 474 of the criminal code).

5. Crimes against industry and trade (art. 25 bis.1):

- Disturbed freedom of industry or trade (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 trade (Article 515 of the criminal code);
- Sale of non-genuine food substances as genuine (Article 516 of the Criminal Code);
- Sale of industrial products with misleading signs (Article 517 of the criminal code);
- Manufacturing and trading of goods made by usurping industrial property rights (Article 517ter of the Italian Penal Code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517 quater of the criminal code).

6. Corporate offenses (art. 25 ter):

- False corporate communications (Article 2621 of the Italian Civil Code);
- Minor facts (Article 2621 bis of the Italian Civil Code);
- False corporate communications of listed companies (Article 2622 of the Italian Civil Code);
- Prevented control (Article 2625, paragraph 2, of the Italian Civil Code);
- Undue return of contributions (Article 2626 of the Italian Civil Code);
- Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code);
- Unlawful operations on shares or shares of the company or of the parent company (Article 2628 of the Italian Civil Code);
- Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code);
- Failure to communicate a conflict of interest (Article 2629 bis of the Italian Civil Code);
- Fictitious capital formation (Article 2632 of the Italian Civil Code);
- Undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code);
- Corruption between private individuals (Article 2635, paragraph 3, of the Italian Civil Code);
- Incitement to corruption between private individuals (Article 2635 bis of the Italian Civil Code);
- Unlawful influence on the shareholders' meeting (Article 2636 of the Italian Civil Code);

- Stock manipulation (Article 2637 of the Italian Civil Code);
- Obstacle to the exercise of the functions of public supervisory authorities (Article 2638, paragraphs 1 and 2 of the Italian Civil Code).

7. Crimes with the purpose of terrorism or subversion of the democratic order (art. 25 quater):

- Subversive associations (art.270 of the criminal code);
- Associations with the purpose of terrorism, including international or subversion of the democratic order (Article 270 bis of the Italian Criminal Code);
- Assistance to members (art.270 ter of the criminal code);
- Recruitment for terrorist purposes, including international art. 270 quater of the criminal code);
- Training in terrorist activities, including international ones (Article 270 quinquies of the Italian Penal Code);
- Financing of conduct for terrorist purposes (Article 270 quinquies.1 of the Criminal Code);
- Theft of goods or money subject to seizure (Article 270 quinquies. 2 of the Italian Criminal Code);
- Conduct for the purpose of terrorism (Article 270 sexies of the Italian Penal Code);
- Attack for terrorist or subversion purposes (art.280 of the criminal code);
- Act of terrorism with deadly or explosive devices (Article 280 bis of the Criminal Code);
- Act of nuclear terrorism (art.280 ter of the criminal code);
- Kidnapping for the purpose of terrorism or subversion (Article 289 bis of the Criminal Code);
- Seizure for the purpose of coercion (Article 289 ter of the Criminal Code)
- Incitement to commit any of the crimes envisaged by the first and second chapters (Article 302 of the criminal code);
- Political conspiracy by agreement (Article 304 of the criminal code);
- Political conspiracy by association (Article 305 of the criminal code)
- Armed band: training and participation (art.306 of the criminal code);
- Assistance to participants in conspiracy or armed gangs (Article 307 of the Criminal Code);
- Possession, hijacking and destruction of an airplane (Law n. 342/1976, art. 1);
- Damage to ground installations (Law n. 342/1976, art. 2);
- Sanctions (Law no. 422/1989, art. 3);
- Active repentance (Legislative Decree no. 625/1979, art. 5);
- International Convention for the Suppression of the Financing of Terrorism New York 9 December 1999 (art. 2).

8. Female genital mutilation practices (art. 25 quater 1):

- Practices of mutilation of female genital organs (Article 583 bis of the criminal code).

9. Crimes against the individual (art. 25 quinquies):

- Reduction or maintenance in slavery or servitude (Article 600 of the criminal code);
- Child prostitution (Article 600 bis, paragraphs 1 and 2 of the criminal code);
- Child pornography (Article 600 ter of the Italian Penal Code);
- Possession or access to pornographic material (Article 600 quater of the criminal code);
- Virtual pornography (article 600 quater.1 of the criminal code);
- Tourist initiatives aimed at the exploitation of child prostitution (Article 600 quinquies of the Criminal Code);
- Trafficking in persons (Article 601 of the Italian Penal Code);
- Purchase and sale of slaves (Article 602 of the Criminal Code);
- Illicit intermediation and exploitation of labor (Article 603 bis of the Italian Criminal Code);
- Solicitation of minors (Article 609 undecies of the Italian Penal Code).

10. Crimes of abuse of privileged information and market manipulation (art. 25 sexies):

- Abuse or unlawful disclosure of privileged information. Recommending or inducing others to commit insider dealing (Article 184 of Legislative Decree 58/1998);

- Market manipulation (Article 185 of Legislative Decree 58/1998).

11. Other cases concerning market abuse (art. 187 quinquies TUF):

- Prohibition of abuse of privileged information and unlawful communication of privileged information
- Prohibition of market manipulation (art. 15 Reg. UE n. 596/2014).

12. Transnational crimes (Law 146/2006):

- Criminal association (Article 416 of the criminal code);
- Mafia-type association (Article 416 bis of the criminal code);
- Criminal association aimed at smuggling foreign manufactured tobacco (Presidential Decree 43/1973, art. 291 quater);
- Association aimed at the illicit trafficking of narcotic or psychotropic substances (Dpr 309/1990, art. 74);
- Provisions against clandestine immigration (Legislative Decree 286/1998 art. 12);
- Inducement not to make statements or to make false statements to the judicial authorities (Article 377 bis of the Criminal Code);
- Personal aiding and abetting (art. 378 of the criminal code).

13. Culpable offenses committed in violation of the accident prevention legislation and the protection of hygiene and health at work (art. 25 septies):

- Manslaughter (art. 589 of the criminal code)
- Negligent personal injury (Article 590 of the criminal code).

14. Crimes of receiving, laundering and use of money, goods or other benefits of illicit origin, as well as self-laundering (art. 25 octies):

- Receiving (art. 648 of the criminal code);
- Money laundering (Article 648 bis of the criminal code);
- Use of money, goods or benefits of illicit origin (Article 648 ter of the criminal code);
- Self-laundering (Article 648 ter.1 of the Criminal Code).

15. Crimes relating to payment instruments other than cash (art. 25 octies.1)

- Unlawful use and forgery of payment instruments other than cash (art. 493 ter c.p.);
- Possession and dissemination of equipment, devices or computer programs aimed at committing crimes involving non-cash payment instruments (art. 493 quater c.p.);
- Computer fraud (already punished pursuant to art. 24 D.Lgs 231/2001 if committed to the detriment of the State or other public body or the European Union) punished by art. 25-octies 1 in the hypothesis aggravated by the realization of a transfer of money, monetary value or virtual currency (art. 640 ter, comma 2, c.p.);
- Any other crime envisaged by the penal code against public faith, against property or which in any case offends property, if it involves payment instruments other than cash

16. Offenses relating to the violation of copyright (art. 25 novies):

- Making available to the public, in a system of telematic networks, through connections of anykind, of a protected intellectual work, or part of it (Article 171, first paragraph, letter a) bis) Law 633 / 41);
- Offenses referred to in the previous point committed on the works of others not intended for publication if their honor or reputation is offended (Article 171, third paragraph, Law 633/41);
- Illegal duplication, for profit, of computer programs; import, distribution, sale, possession for commercial or business purposes or leasing of programs contained in media not marked by the SIAE; provision of means to remove or circumvent the protection devices of a computer program (Article 171-bis, first paragraph, Law 633/41);
- Reproduction, transfer to another medium, distribution, communication, presentation or demonstration in public of the contents of a database; extraction or reuse of the database; distribution, sale or rental of data banks (art. 171-bis, second paragraph, Law 633/41);
- Illegal duplication, reproduction, transmission or public dissemination by any procedure, in whole or in part, of intellectual property intended for the television, cinema, sale or rental circuit, discs, tapes or similar supports or any other medium containing phonograms or video of similar musical, cinematographic or audiovisual works or sequences of moving images; literary, dramatic, scientific or didactic, musical or dramatic-musical, multimedia works, even if inserted in collective works or databases; unauthorized reproduction, duplication, transmission or dissemination, sale, transfer or

illegal import of more than 50 copies or specimens of works protected by copyright and related rights; entry into a system of telematic networks through connections of any kind, of intellectual property protected by copyright, or part of it (Article 171-ter, Law 633/41);

- Failure to notify the SIAE of the identification data of the supports not subject to marking or false declaration (Article 171-septies, Law 633/41);

- Fraudulent production, sale, import, promotion, installation, modification, use for public and private use of equipment suitable for decoding conditional access audiovisual transmissions over the air, via satellite, via cable, in both analogue and digital form (art. 171-octies, Law 633/41).

17. Crime of induction not to make statements or to make false statements to the judicial authority (art.25 decies):

- Inducement not to make statements or to make false statements to the judicial authorities (Article 377 bis of the Criminal Code).

18. Environmental crimes (art. 25 undecies):

- Environmental contamination (Article 452 bis of the criminal code).
- Environmental disaster (Article 452 quater of the criminal code).
- Negligent crimes against the environment (Article 452 quinquies of the Criminal Code).
- Traffic and abandonment of highly radioactive material (Article 452 sexies of the CriminalCode).
- Aggravating circumstances (Article 452 octies of the criminal code).
- Organized activities for the illegal trafficking of waste (Article 452 quaterdecies of the CriminalCode)
- Killing, destruction, capture, taking, possession of specimens of protected wild animal or plantspecies (Article 727 bis of the Criminal Code).
- Destruction or deterioration of habitats within a protected site (Article 733 bis of the CriminalCode).
- Discharge of unauthorized wastewater (Article 137 paragraphs 2, 3, 5, 11 and 13 of LegislativeDecree 152/2006 "T.U.A.").
- Unauthorized waste management activities (Article 256 paragraphs 1, 3, 5 and 6 of LegislativeDecree 152/2006 "T.U.A.").
- Soil pollution such as to require remediation interventions (Article 257 paragraph 1 and 2 of Legislative Decree 152/2006 "T.U.A.").
- Falsification of the results of waste analyzes (Article 258 paragraph 4 second sentence ofLegislative Decree 152/2006 "T.U.A.").
- Illegal waste trafficking (Article 259 paragraph 1 of Legislative Decree 152/2006 "T.U.A.").
- Ideological falsity of the waste analysis certificate used within the SISTRI - Handling Area, and ideological and material falsity of the SISTRI - Handling Area (Article 260 bis of Legislative Decree 152/2006);
- Violation of the emission limits into the atmosphere and/or non-compliance with the provisionsof the emission authorization (Article 279 paragraph 5 of Legislative Decree 152/2006 "T.U.A.").
- Import, export or re-export, sale, display for sale, possession for sale, transport, including onbehalf of third parties, or possession of specimens of the species listed in Annex A, Appendix I, Annex B and Annex C Part 1 of Regulation (EEC) No. 3626/82 and subsequent amendments(Article 1, paragraphs 1 and 2, 2, paragraphs 1 and 2, and 6, paragraph 4 of Law 150/1992);
- Falsification or alteration of certificates of CITES protected species (art. 3-bis of Law 150/1992).
- Possession of live specimens of mammals and reptiles of wild species and live specimens of mammals and reptiles from captive reproductions that constitute a danger to health and publicsafety (Article 6 of Law no. 150/1992).
- Use of ozone depleting substances listed in Table A of Law 91/594 / EC (Article 3, paragraph 6 of Law 549/1993).
- Pollution caused by ships (articles 8 and 9 of Legislative Decree 202/2007).

19. Crime of employment of citizens of third countries whose stay is irregular (art. 25 duodecies):

- Provisions against clandestine immigration (Article 12, paragraph 3, 3-bis, 3-ter and 5 of Legislative Decree 286/1998).
- Employment of foreign workers without a residence permit provided for by art. 22 of LegislativeDecree

25 July 1998, n. 286, or whose permit has expired - and whose renewal has not been requested within the terms of the law - revoked or canceled (Article 22, paragraph 12, Legislative Decree no. 286/98). The aggravated cases (Article 22, paragraph 12bis, Legislative Decree 286/98) against which it becomes applicable, pursuant to art. 2 of Legislative Decree 109/2012, Legislative Decree 231/2001, concern the hypotheses in which the employed workers are (alternatively):

- more than three;
- minors of non-working age;
- exposed to situations of serious danger, with reference to the services to be performed and the working conditions (Article 603bis, paragraph 3 of the criminal code).

20. Crimes of racism and xenophobia (art. 25 terdecies):

- Propaganda and incitement to crime on grounds of racial, ethnic and religious discrimination (Article 604 bis of the Criminal Code).

21. Crimes relating to fraud in sports competitions, abusive gambling or betting and gambling exercised by means of prohibited devices (art. 25 quaterdecies):

- Fraud in sports competitions (Article 1 of Law 401/1989);
- Unauthorized exercise of gambling or betting activities (Article 4 of Law 401/1989).

22. Tax offenses (art. 25 quinquiesdecies):

- Fraudulent declaration through the use of invoices or other documents for non-existent operations (Article 2 of Legislative Decree 47/2000).
- Fraudulent declaration through other devices (Article 3 of Legislative Decree 74/2000).
- Unfaithful declaration (Article 4 of Legislative Decree no. 74/2000).
- Omitted declaration (Article 5 of Legislative Decree no. 74/2000).
- Issue of invoices or other documents for non-existent transactions (Article 8 of Legislative Decree 74/2000).
- Concealment and destruction of accounting documents (Article 10 of Legislative Decree 74/2000).
- Undue compensation (Article 10-quater of Legislative Decree no. 74/2000).
- Fraudulent subtraction of the payment of taxes (Article 11 of Legislative Decree 74/2000).

23. Smuggling offenses (art. 25 sexiesdecies)

- Smuggling in the movement of goods across land borders and customs spaces (Article 282 of Presidential Decree no. 73/1943).
- Smuggling in the movement of goods in the border lakes (art. 283 DPR n. 73/1943).
- Contraband in the maritime movement of goods (Article 284 of Presidential Decree no. 73/1943).
- Smuggling in the movement of goods by air (art. 285 of Presidential Decree no. 73/1943).
- Smuggling in non-customs areas (art. 286 DPR n. 73/1943).
- Smuggling for improper use of imported goods with customs facilities (Article 287 of Presidential Decree no. 73/1943).
- Smuggling in customs warehouses (Article 288 of Presidential Decree no. 73/1943).
- Contraband in cabotage and traffic (art. 289 DPR n. 73/1943).
- Contraband in the export of goods eligible for the restitution of rights (Article 290 of Presidential Decree No. 73/1943).
- Contraband in the import or temporary export (art. 291 DPR n. 73/1943).
- Smuggling of foreign manufactured tobaccos (art. 291-bis DPR n. 73/1943).
- Aggravating circumstances of the crime of smuggling of foreign manufactured tobacco (art. 291-ter of Presidential Decree no. 73/1943).
- Criminal association for the purpose of smuggling foreign manufactured tobacco (Article 291-quater of Presidential Decree no. 73/1943).
- Other cases of smuggling (art. 292 DPR n. 73/1943).
- Aggravating circumstances of smuggling (Article 295 of Presidential Decree no. 73/1943).

24. Crimes against cultural heritage (art. 25 septiesdecies)

- Theft of cultural property (art. 518 bis c.p.);
- Misappropriation of cultural property (art. 518 ter c.p.);
- Receipt of cultural assets (art. 518 quater c.p.);
- Forgery in private writing relating to cultural assets (art. 518 octies c.p.);
- Violations regarding the alienation of cultural property (art. 518 novies c.p.);
- Illegal import of cultural property (art. 518 decies c.p.);
- Illegal exit or export of cultural property (art. 518 undecies c.p.);
- Destruction, dispersion, deterioration, disfigurement, soiling and illicit use of cultural or landscape assets (art. 518-duodecies c.p.);
- Counterfeiting of works of art (art. 518-quaterdecies c.p.).

25. Riciclaggio di beni culturali e devastazione e saccheggio di beni culturali e paesaggistici (art. 25 duodevicies)

- Recycling of cultural assets (art. 518-sexies c.p.);
- Devastation and looting of cultural and landscape property (art. 518-terdecies c.p.).

1.3 THE CASE PROVIDED BY LAW

1.3.1 The positive elements of the case

As already anticipated, the case, to which the Decree links the onset of a particular form of responsibility, postulates the simultaneous presence of a whole series of positive elements (the concurrence of which is therefore necessary for the onset of responsibility) and the simultaneous absence of certain negative elements (the existence of which constitutes, conversely, an exemption).

That said, the responsibility laid down to be borne by Decree arises after a crime has been committed that:

- a) is included among those indicated by the Decree or by laws through referrals
- b) was also or exclusively committed in the interest or for the benefit of the entity, the Decree does not apply if the crime was committed in the exclusive interest of the offender or third parties;
- c) was made by a natural person:
 - 1) in a senior position - that is, who exercises representative, administrative or management functions of the entity or one of its organizational units with financial and functional autonomy, or who exercises, even de facto, the management and control of the same: top management; or
 - 2) Subject to the management or supervision of a senior person: subordinate person.

1.3.2 The negative elements of the cases

Even when all the positive elements mentioned above have been integrated, the entity's liability under the Decree does not apply if the crime has been committed:

- a) by a senior person, when the entity proves that:
 - 1) the management body has adopted and effectively implemented, before the offense was committed, an organization and management model suitable for preventing offenses of the type that occurred (hereinafter also the "**Model**" or "**Model 231**");
 - 2) the task of supervising the functioning and observance of the Model and of updating it has been entrusted to a body of the entity with autonomous powers of initiative and control (hereinafter also the "**Supervisory Body**" or "**OdV**");
 - 3) the persons committed the crime by fraudulently evading the Model;
 - 4) there was no omission or insufficient supervision by the Supervisory Body.
- b) by a subordinate subject, if the Public Prosecutor does not prove that the commission of the offense was made possible by the failure to comply with the management or supervision obligations. In any case, non-compliance with management or supervision obligations is excluded if the entity, before the commission of the offense, has adopted and effectively implemented a Model.

1.3.3 The interest or advantage for the entity

Liability arises only on the occasion of the perpetration of certain types of crime by persons linked in various capacities to the entity and only in the event that the unlawful conduct was committed in the interest or advantage of the same. Therefore, not only when the unlawful behavior has determined an advantage, patrimonial or not, for the entity, but also in the hypothesis in which, even in the absence of such concrete result, the crime-fact is right in the pursuit of the interest of the body.

On the meaning of the terms "interest" and "advantage", the Governmental Report accompanying the Decree attributes to the former a subjective value, that is, referring to the will of the material perpetrator (natural person) of the crime (in other words, the latter must have activated having as the purpose of its action the realization of a specific interest of the entity), while in the second an objective value, therefore referring to the actual results of the agent's conduct (the reference is to cases in which the perpetrator of the crime, even though it was not directly aimed at the pursuit of an interest of the entity, it nevertheless brought an advantage to the latter).

Consequently, according to the Report, the investigation into the existence of the first requirement (interest) would require an ex ante verification. Conversely, the one on the advantage that can be obtained by the entity, even when the natural person has not acted in his interest, would always require an ex post verification, having to evaluate the result of the criminal conduct for this purpose.

1.4 THE SANCTIONS IMPOSED BY THE DECREE

The sanctioning system described by Legislative Decree 231/2001, in the face of the commission of the crimes listed above, provides, depending on the offenses committed, the application of the following administrative sanctions:

- pecuniary sanctions;
- disqualification sanctions;
- confiscation;
- publication of the sentence.

Pecuniary sanctions

The pecuniary sanctions consist in the payment of a sum of money to the extent established by the Decree, in any case not less than € 10,329 and not greater than € 1,549,370, to be determined in practice by the Judge through a two-phase evaluation system (so-called "per quote").

Disqualification sanctions

The disqualification sanctions are as follows:

- disqualification from exercising the activity;
- suspension or revocation of authorizations, licenses or concessions functional to the commission of the offense;
- prohibition on contracting with the Public Administration;
- exclusion from concessions, loans, contributions and subsidies, and / or revocation of those already granted;
- ban on advertising goods or services.

The disqualification sanctions are applied, even jointly with each other, exclusively in relation to the crimes for which they are expressly provided for by the Decree, when at least one of the following conditions is met:

- a) the Entity derived a significant profit from the crime and the crime was committed by a senior or subordinate person when, in the latter case, the commission of the crime was determined or facilitated by serious organizational deficiencies ;
- b) in case of repetition of the offenses.

Even if one or both of the above conditions exist, the disqualification sanctions however do not apply if only one of the following circumstances exists:

- a) the perpetrator of the crime committed the offense in the prevailing interest of himself or of third parties and the entity did not derive any advantage from it or obtained a minimal advantage from it; or

- b) the pecuniary damage caused is particularly minor; or
- c) before the opening declaration of the trial of first instance, all the following conditions concur (hereinafter, Conditions impeding the application of a disqualification sanction):
 - 1) the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case taken effective action in this sense;
 - 2) the entity has eliminated the organizational shortcomings that led to the crime by adopting and implementing a Model;
 - 3) the entity has made available the profit obtained for the purposes of confiscation.

Disqualification sanctions can also be applied as a precautionary measure upon request to the Judge by the Public Prosecutor, when the following conditions are met:

- there are serious indications to believe that the entity is liable under the Decree;
- there are well-founded and specific elements that make it possible to believe that there is a concrete danger that illicit acts of the same nature as the one for which one proceeds are committed.

The Legislative Decree 231/2001 also provides that if there are the conditions for the application of a disqualification sanction that provides for the interruption of the activity of the entity, the judge, instead of applying said sanction, may order the continuation of the activity by a judicial commissioner (Article 15 of the Decree) appointed for a period equal to the duration of the disqualification sentence that would have been applied, when at least one of the following conditions is met:

- the body carries out a public service or a service of public necessity whose interruption can cause serious harm to the community;
- the interruption of the activity can cause significant repercussions on employment taking into account the size of the entity and the economic conditions of the area in which it is located.

Confiscation

Confiscation consists in the compulsory acquisition by the State of the price or profit of the crime, except for the part that can be returned to the injured party and in any case without prejudice to the rights acquired by third parties in good faith; when it is not possible to carry out the confiscation in kind, it may involve sums of money, goods or other benefits of a value equivalent to the price or profit of the crime.

The publication of the sentence

The publication of the conviction consists in the publication of the latter only once, in extract or in full, by the court registry, at the expense of the body, in one or more newspapers indicated by the same Judge in the sentence, as well as through posting in the Municipality where the entity has its main office.

The publication of the sentence can be ordered when a disqualification sanction is applied to the entity.

1.5 LIABILITY IN THE EVENT OF ANY CHANGES BY THE BODY

The Decree governs the liability regime of the entity in the event of transformation, merger, spin-off and sale.

In case of transformation of the entity, the responsibility for crimes committed prior to the date on which the transformation took effect remains unaffected. The new entity will therefore be the recipient of the penalties applicable to the original entity, for acts committed prior to the transformation.

In the event of a merger, the entity resulting from the merger itself, even by incorporation, is liable for the crimes for which the entities that participated in the merger were responsible. If it took place before the conclusion of the judgment to ascertain the liability of the entity, the Judge must take into account the economic conditions of the original entity and not those of the entity resulting from the merger.

In the event of a demerger, the responsibility of the demerged entity remains unaffected for crimes committed prior to the date on which the demerger took effect; the beneficiary entities of the spin-off are jointly and severally obliged to pay the pecuniary sanctions inflicted on the divided entity within the limits of the value of the net assets transferred to each individual entity, except in the case of an entity to which the branch of activity in the area in which the offense was committed. The disqualification sanctions are applied to the entity (or entities) in which the branch of activity in which the crime was committed remained or merged. If the demerger took place before the conclusion of the judgment ascertaining the liability of the entity, the Judge must take into account the economic conditions of the original entity and not those of the entity resulting from the merger.

In the event of the transfer or transfer of the entity in which the offense was committed, without prejudice to the benefit of the prior enforcement of the transferring entity, the transferee is jointly and severally

obliged with the transferring entity to pay the pecuniary sanction, within the limits of the value of the transferred entity and within the limits of the pecuniary sanctions resulting from the mandatory accounting books or due for offenses of which the transferee was in any case aware

1.6 CONDITION EXEMPTING ADMINISTRATIVE LIABILITY

Art. 6 of Legislative Decree 231/2001 establishes that the entity is not liable for administrative liability, if it proves that:

- the management body has adopted and effectively implemented, before the offense was committed, organizational, management and control models suitable for preventing crimes of the type that occurred;
- the task of supervising the functioning and observance of the models and of ensuring their updating has been entrusted to a body of the entity with independent powers of initiative and control (so-called Supervisory Body);
- the persons committed the crime by fraudulently evading the organization, management and control models;
- there was no omission or insufficient supervision by the Supervisory Body.

The adoption of the organization, management and control model allows, therefore, the entity to be able to evade the charge of administrative responsibility. The mere adoption of this document, by resolution of the administrative body of the entity, is not, however, in itself sufficient to exclude this responsibility, it being necessary that the model be effectively and effectively implemented.

With reference to the effectiveness of the organization, management and control model for the prevention of the commission of the offenses provided for by Legislative Decree 231/2001, it is required that it:

- identifies the company activities in which the crimes may be committed;
- provides for specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the crimes to be prevented;
- identifies methods for managing financial resources suitable for preventing the commission of offenses;
- provides for information obligations towards the body responsible for supervising the functioning and observance of the models;
- introduces a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the organization, management and control model.

With reference to the effective application of the organization, management and control model, Legislative Decree 231/2001 requires:

- a periodic check, and, in the event that significant violations of the requirements imposed by the model are discovered or changes occur in the organization or activity of the entity or legislative changes, the modification of the organization, management and control model;
- a disciplinary system suitable for sanctioning non-compliance with the provisions imposed by the organization, management and control model.

1.7 THE BENEFIT OF REDUCING THE DURATION OF INTERDICTIVE SANCTIONS

Paragraph 5-bis of art. 25 of Legislative Decree 231/01, introduced by the Anti-Corruption Law no. 3/2019 "*Measures for the contrast of crimes against the public administration, as well as in the matter of prescription of the crime and in the matter of transparency of political parties and movements*", provides for a reduction of disqualification sanctions in the event of committing extortion, induction undue to give or promise benefits or corruption (for a term between 3 months and 2 years).

The benefit is recognized to the entity that, before the issuance of the first instance sentence, has eliminated the organizational deficiencies that led to the crime by adopting and implementing organizational models suitable for preventing crimes of the type that occurred, and has effectively used:

- to avoid that the criminal activity is led to further consequences;
- to ensure evidence of offenses;
- for the identification of those responsible;
- for the seizure of sums or other transferred benefits.

1.8 THE "GUIDELINES" OF CONFINDUSTRIA

Art. 6 of Legislative Decree 231/2001 expressly provides that the organization, management and control models can be adopted on the basis of codes of conduct drawn up by the representative associations of the entities.

Glenair Italia S.p.A. has, therefore, taken into consideration, in the preparation of its model, the "Guidelines for the construction of organisational, management and control models pursuant to ex D.Lgs. 231/2001 " (hereinafter only the "Guidelines") drawn up by Confindustria and most recently updated to June 2021.

In defining the organization, management and control model, the Confindustria Guidelines provide for the following project phases:

- the identification of risks, that is, the analysis of the business context to highlight in which areas of activity and according to which methods the offenses provided for by Legislative Decree 231/2001 can occur in the business context;
- the preparation of a control system suitable for preventing the risks of crime identified in the previous phase, to be carried out by evaluating the existing control system and the relative degree of adaptation to the prevention needs expressed by Legislative Decree 231/2001.

The most relevant components of the control system outlined in the Confindustria Guidelines to ensure the effectiveness of the organization, management and control model are summarized below:

- a) the provision of ethical principles and rules of conduct in a Code of Ethics; (hereinafter also "**Code of Ethics**")
- b) a sufficiently formalized and clear organizational system, in particular with regard to the attribution of responsibilities, the lines of hierarchical dependence and the description of tasks;
- c) manual and / or IT procedures that regulate the performance of activities, providing for the appropriate and adequate controls;
- d) powers of authorization and signature consistent with the organizational and managerial responsibilities attributed by the body, providing, where appropriate, spending limits;
- e) management control systems, capable of promptly reporting possible critical issues;
- f) information and training of personnel.

The Confindustria Guidelines also specify that the components of the control system described above must comply with a series of control principles, including:

- a) verifiability, traceability, consistency and congruity of each operation, transaction and action;
- b) application of the principle of separation of functions and segregation of duties (no one can independently manage an entire process);
- c) establishment, execution and documentation of the control activity on processes and activities at risk of crime.
- d) provision of an adequate system of sanctions for the violation of the rules of the Code of Ethics and of the procedures envisaged by the Model;
- e) identification of the requirements of the Supervisory Body, which can be summarized as follows:
 - autonomy and independence;
 - professionalism;
 - continuity of action;
 - information obligations of the Supervisory Body.

It should be noted that the discrepancy with respect to specific points of the various Guidelines does not in itself invalidate the validity of the Model. In fact, the single Model, having to be drawn up with regard to the concrete reality of the entity to which it refers, may well differ from the Guidelines which, by their nature, are of a general nature.

1.9 JURISPRUDENTIAL EVOLUTION

For the purposes of drafting the Model, Glenair Italia S.p.A. it also took into consideration the first jurisprudential orientations that were formed on the subject.

In particular, although initially the rulings concerning the administrative liability of entities pursuant to ex D.Lgs. no. 231/2001 did not enter into the merits of the adequacy of the control systems, subsequently a jurisprudence was formed, which was responsible for verifying the effective adequacy, the timing of

adoption and the suitability of the model, with respect to the needs and the characteristics of the adopting entities (Court of Milan, IV Section of Pen., 4 February 2013, n. 13976; Cassation, V Section of Pen., n. 4677 of 2014, C. App. Pen. Florence, III Section, n. 3733 of 2019; Criminal Court of Cassation, VI Section, n. 12528 of 2019; Criminal Court of Cassation, IV Section, n. 3731 of 2020; Milan Court, II Criminal Section n. 10748 of 2021, Vicenza Court, Penal Section No. 348 of 2021, Criminal Cassation, Section IV, No. 32899/2021)

In the variety of decisions, some constant references emerge in order to verify the suitability of the Model adopted, such as the reference to the criminal conduct for which one proceeds, the organizational structure, the size, the type of activity and the legal history of the company involved in the method.

More specifically, the Judges assessed:

- the autonomy and independence of the Supervisory Body in practice (ex. Trib. Vicenza, Sez. Pen., 19 marzo 2021, n. 348);
- analyticity and completeness in the identification of areas at risk (ex. Cassazione Penale, 12 marzo 2019, n. 18842);
- the provision of specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the crimes to be prevented;
- the provision of information obligations towards the body appointed to supervise the functioning and compliance with the models;
- the introduction of a disciplinary system suitable for sanctioning non-compliance with the measures indicated.

Therefore, Glenair Italia S.p.A. has drawn up and update the Model also in the light of the most recent jurisprudential decisions, taking into account the principles affirmed by them and the guidelines that have established themselves over time.

- GENERAL PART II -

THE ORGANIZATIONAL MODEL

2. THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL

2.1 PURPOSE OF THE MODEL

GLENAIR ITALIA S.p.A. (hereinafter also "**Glenair**" or the "**Company**"), is part of an international group that operates in the sector of the production and supply of connectors, accessories, components for electrical connections and complete interconnection systems.

In detail, the Company specializes in offering a complete "*range*" of fiber optic systems, special connectors, micro connectors, circular connectors, *backshells*, *cable clamps*, wiring tools and cable assemblies (also according to MIL DTL 5015 standards) and related technical support provided on all major global markets.

The Company, in possession of the ISO 9001:2015, EN 9100:2018, EN 9120:2018, ISO/TS 22163:2017, ECS/CIG 021 - 024:2014, VG and ISO/IEC 17025: 2017 certifications, is aimed at markets that embrace various sectors (e.g. aeronautics, naval, railways, aerospace and telecommunications), constantly investing in research and development projects in order to acquire, in ever faster times, new technologies, innovative materials and specialized human resources.

Having said this, Glenair, aware of the importance of adopting, and effectively implementing, a system suitable for preventing the commission of unlawful conduct in the corporate context, approved - with a resolution of the Board of Directors on 01.09.2020 - its own organization model, management and control pursuant to Legislative Decree 231/2001 (hereinafter the "**Model**" or "**Model 231**") on the assumption that the same constitutes a valid tool for raising awareness among the recipients (as defined in paragraph 2.3) to adopt correct behavior and transparent, therefore suitable for preventing the risk of the commission of criminal offenses included in the category of offenses - presupposed by the administrative liability of entities. Furthermore, Model 231 was updated with a resolution of the Board of Directors on 05 January 2023.

Through the adoption and update of the Model, the Company intends to pursue the following purposes:

- a) prohibit behaviors that could integrate the types of offenses referred to in the Decree;
- b) disseminate awareness that the violation of the Decree, the provisions contained in the Model and

the principles of the Code of Ethics may result in the application of sanctions (of a pecuniary and disqualifying nature) also against the Company;

- c) to allow the Company, thanks to a set of procedures and constant monitoring of the correct implementation of this system, to promptly prevent and / or combat the commission of relevant crimes pursuant to the Decree.

2.2 OBJECTIVES OF THE MODEL AND ITS CARDINE POINTS

As is known, the adoption of an Organization and Management model is not imposed by the provisions of the Decree, however, Glenair aims to raise awareness of all those who work in its name and / or on its behalf, so that they follow, in carrying out their activities, correct and linear behavior in order to prevent the risk of committing the offenses contemplated in the Decree itself.

This Model was prepared on the basis of the provisions of the Decree and the Guidelines drawn up by Confindustria, as well as the most relevant jurisprudential rulings expressed to date.

The Model has as its main objective that of configuring a structured and organic system of procedures and control activities, aimed at preventing, as far as possible, the commission of conducts suitable for integrating the offenses contemplated by the Decree.

The Model also has some instrumental purposes:

- provide adequate information to employees and those who act on behalf of the Company, or are linked to the Company by relevant relationships for the purposes of the Decree, about the activities that involve the risk of committing crimes;
- spread a culture of control;
- provide an efficient and balanced organization of the company, with particular regard to the formation of decisions and their transparency, the provision of preventive and subsequent controls, as well as the management of internal and external corporate information.

Through the identification of the activities exposed to the risk of crime ("**sensitive activities**") and their consequent adoption of procedures, it wants to:

- on the one hand, to make all those who work in the name and on behalf of Glenair fully aware of the possibility of incurring an offense liable to a fine, the commission of which is strongly censured by the Company, as it is always contrary to its interests even when, apparently could derive an immediate economic benefit from it;
- on the other hand, thanks to constant monitoring of the activity, allow timely intervention to prevent or counter the commission of the crimes themselves.

2.3 RECIPIENTS

The provisions of this Model are binding for the entire Board of Directors, for all those who hold in Glenair, functions of representation, administration and management or management and control (including de facto), for employees, management personnel and for collaborators subject to the direction or supervision of the Company's top figures (hereinafter the "**Recipients**").

In particular, the Recipients of the model are:

- the Board of Directors and all those who hold management and management functions in the Company or in one of its divisions and / or organizational units with financial and functional autonomy, as well as those who also exercise de facto management and control of the Company;
- all those who have a subordinate employment relationship with the Company (employees);
- all those who collaborate with the Company by virtue of a quasi-subordinate employment relationship (eg apprentices, etc.);
- those who work on behalf of or on behalf of the Company in the context of sensitive activities, such as consultants.

The subjects to whom the Model is addressed are required to comply punctually with all its provisions, also in fulfillment of the duties of loyalty, correctness and diligence that arise from the legal relationships established with the Company.

2.4 FUNDAMENTAL ELEMENTS OF THE MODEL

The fundamental elements developed by Glenair in the definition of the Model, discussed in detail below,

can be summarized as follows:

- the mapping of the activities at risk of committing the crime (so-called "sensitive" activities), with the identification of examples of possible ways of carrying out the crimes, formalized in the document called "Risk Assessment Report and Gap Analysis" referred to in paragraph 2.6; and updated as necessary;
- the set of company procedures and policies, overseeing all company activities, including - in particular for the purposes of this Model - those activities which, following the mapping activity, were found to be exposed to a potential commission risk of the offenses referred to in Legislative Decree 231/2001;
- the provision of behavioral principles and control protocols defined for each instrumental / functional process aimed at regulating Glenair's decisions set out in the Sections of the "Special Part" of this Model;
- the verification and documentation of each significant operation;
- methods for the adoption and effective application of the Model as well as for the necessary amendments or additions to it (updating the Model);
- the establishment of a Supervisory Body with a collegiate composition, which are assigned specific supervisory tasks on the effective implementation and effective application of the Model in accordance with the Decree;
- a system of sanctions aimed at ensuring the effective implementation of the Model and containing the disciplinary actions and sanctions applicable to the Recipients, in case of violation of the provisions contained in the Model itself;
- the provision of information and training activities on the contents of this Model.

2.5 CODE OF ETHICS

Glenair, sensitive to the need to base the conduct of company activities on compliance with the principle of legality, has also adopted a Code of Ethics approved by the Company's Board of Directors on 01 September 2020.

The Code of Ethics which defines a series of principles of "corporate ethics" and rules of conduct, which the Company recognizes as its own and which it requires compliance by both its corporate bodies and employees and by all those who cooperate with it in pursuit of business objectives (ie dealing with business partners, avoiding conflicts of interest and corruption, protection of information and commercial assets).

The Code of Ethics therefore has a general scope and represents a set of rules, spontaneously adopted by the Company, which the same recognizes, accepts and shares, aimed at spreading solid ethical integrity and a strong sensitivity to compliance with current regulations. .

In fact, the Code of Ethics describes the principles valid for the Company and requires compliance by both employees and their corporate bodies, and by third parties who, for whatever reason, have relations with it. Compliance with the Code of Ethics therefore serves not only to spread a culture within the Company that is sensitive to legality and ethics, but also to protect the interests of employees and those who have relations with the Company, protecting the Company from serious responsibilities, penalties and reputational damages.

Considering that the Code of Ethics refers to principles of conduct (including, legality, correctness and transparency) also suitable for preventing the unlawful conduct referred to in Legislative Decree 231/2001, this document acquires relevance for the purposes of the Model and constitutes, therefore, a complementary element to it.