



**GLENAIR ITALIA S.P.A.**

**ORGANIZATIONAL,  
MANAGEMENT AND CONTROL MODEL  
LAW DECREE 8 JUNE 2001 N. 231**

13 June 2024

## - GENERAL PART I -

### THE REGULATORY FRAMEWORK

#### 1. LEGISLATIVE DECREE 8 JUNE 2001 No. 231

##### 1.1. ADMINISTRATIVE LIABILITY OF INSTITUTIONS

The Legislative Decree 8 June 2001, no. 231, which contains the "Discipline of administrative liability of legal subjects, companies and associations, including those with no legal personality" (hereinafter also the "**Law Decree 231/2001**" or, only the "**Decree**"), entered in force on 4 July 2001 in implementation of art. 11 of the Law-Delegation 29 September 2000 no. 300, introduced into the Italian legal system, in accordance with the provision of the EU, the administrative liability of institutions, where by "institutions" we mean commercial, capital and personal companies and associations, even with no 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 institution derives from the perpetration of crimes, expressly indicated in Law Decree 231/2001, committed, in the interest or advantage of the institution itself, by natural people who perform functions of representation, administration or management of the institution 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 subjects (the so-called "*subordinates*").

In addition to the existence of the requirements described above, Legislative Decree 231/2001 also requires the establishment of the institution's guilt, to be able to affirm its responsibility. This requirement is attributable to an "*organizational fault*", to be understood as the failure of the institution 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 institution can demonstrate that it has adopted, and effectively implemented, an organization capable of avoiding the commission of such crimes, through the adoption of the organizational, management and control model provided for by 231/2001, the latter will not be liable for administrative liability.

##### 1.2. OFFENSES PROVIDED FOR BY THE DECREE

The offenses, from which the administrative liability of the institution is derived, are those expressly and exhaustively referred to by Law 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 soon:

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

- Embezzlement of public funds (art. 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 (art. 640, comma 2, n. 1, of the penal code);
- Aggravated fraud for the achievement of public funds (art. 640 bis of the penal code);
- Computer fraud to the detriment of the state or other public body (art. 640 ter of the penal code);
- Fraud in public supplies (art. 356 of the penal code);
- Fraud against the European Agricultural Fund (art. 2. Law 23/12/1986, no. 898);
- Extortion (art. 317 of the penal code);

- Corruption due to the exercise of the function (art. 318 of the penal code);
- Corruption due to an act contrary to official duties (art. 319 of the penal code);
- Aggravating circumstances (art. 319 bis of the penal code);
- Corruption in judicial acts (art. 319 ter of the penal code);
- Undue inducement to give or promise benefits (art. 319 quater of the penal code);
- Bribery of a person in charge of a public service (art. 320 of the penal code);
- Penalties for the briber (art. 321 of the penal code);
- Incitement to corruption (art. 322 of the penal code);
- 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 of international parliamentary assemblies or international organizations and officials of the European Communities and foreign states (322-bis of the penal code);
- Trafficking of illicit influences (art. 346-bis of the penal code);
- Embezzlement (limited to the first paragraph) (art. 314 of the penal code);
- Embezzlement through profit from the error of other (art. 316 of the penal code);
- Abuse of office (art. 323 of the penal code);
- Interference with competitive bid processes (art. 353 of the penal code);
- Infringement of the freedom to choose the contractor (art. 353 of the penal code).

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

- IT documents (art. 491 bis of the penal code);
- Unauthorized access to an IT or telematic system (art. 615 ter of the penal code);
- Unauthorized possession, dissemination and installation of equipment, codes and other means for accessing IT or telematic system (art. 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 telematic system (article 615 quinquies of the penal code);
- Illicit interpretation, impediment or interruption of computer or telematic communications (art. 617 quater of the 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 (art. 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 (art. 635 ter of the penal code);
- Damage to IT or telematic systems (art. 635 quater of the penal code);
- Damage to IT or telematic systems of public utility (art. 635 quinquies of the penal code);
- Computer fraud by the electronic signature certifier (art. 640 quinquies of the penal code);
- Violation of the rules on the perimeter of national cyber security (art. 1, comma 11, Law Decree 21 September 2019, n. 105).

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

- Criminal association (art. 416 of the penal code);
- Mafia-type associations, including foreign ones (art. 416 bis of the penal code);
- Political - mafia electoral exchange (art. 416 ter of the penal code);
- Kidnapping for the purpose of extortion (art. 630 of the penal code);
- Association aimed at the illicit trafficking of narcotic or psychotropic substances (art. 74, D.P.R. 9 October 1990, n. 309);
- All crimes if committed using the conditions set out in art. 416-bis of the Penal 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 open to the public of war or war-like or parts thereof, explosives, clandestine weapons as well as more common shooting weapons, excluding those provided for in article 2, third paragraph, of law 18 April 1975, n. 110 (art. 407, comma 2, lett. 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. 25 bis):**

- Counterfeiting of money, spending and introduction into the state, after agreement, of counterfeit money (art. 453 of the penal code);
- Money alteration (art. 454 of the penal code);
- Spending and introduction into the State, without agreement, of counterfeit money (art. 455 of the penal code);
- Spending of counterfeit money received in good faith (art. 457 of the penal code);
- Falsification of revenue stamps, introduction into the state, purchase, possession or circulation of counterfeit revenue stamps (art. 459 of the penal code);
- Counterfeiting of watermarks or instruments intended for the counterfeiting of money, revenue stamps, or watermarked paper (art. 460 of the penal code);
- Manufacture or possession of watermarks or instruments intended for the counterfeiting of money, revenue stamps, or watermarked paper (art. 461 of the penal code);
- Use of counterfeit or altered revenue stamps (art. 464 of the penal code);
- Counterfeiting, alteration or use of trademarks or distinctive signs as patents, models and designs (art. 473 of the penal code);
- Introduction into the state and trade of product with false signs (art. 474 of the penal code).

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

- Disturbed freedom of industry or trade (art. 513 of the penal code);
- Unlawful competition with threat or violence (art. 513 bis of the penal code);
- Fraud against national industries (art. 514 of the penal code);
- Fraud in the exercise of trade (art. 515 of the penal code);
- Sale of non-genuine food substances as genuine (art. 516 of the penal code);
- Sale of industrial products with misleading signs (art. 517 of the penal code);

- Manufacturing and trading of goods made by usurping industrial property rights (art. 517 ter of the penal code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (art. 517 quater of the penal code).

6. **Corporate offense (art. 25 ter):**

- False corporate communications (art. 2621 of the Italian Civil Code);
- Minor facts (art. 2621 bis of the Italian Civil Code);
- False corporate communications of listed companies (art. 2622 of the Italian Civil Code);
- Prevented control (art. 2625, comma 2, of the Italian Civil Code);
- Undue return of contributions (art. 2626 of the Italian Civil Code);
- Illegal distribution of profits and reserves (art. 2627 of the Italian Civil Code);
- Unlawful operations on shares or company shares or of the parent company (art. 2628 of the Italian Civil Code);
- Transactions to the detriment of creditors (art. 2629 of the Italian Civil Code);
- Failure to communicate a conflict of interest (art. 2629 bis of the Italian Civil Code);
- Fictitious capital formation (art. 2632 of the Italian Civil Code);
- Undue distribution of company assets by liquidators (art. 2633 of the Italian Civil Code);
- Corruption among private individuals (art. 2635, comma 3, of the Italian Civil Code);
- Instigation of corruption among private individuals (art. 2635 bis of the Italian Civil Code);
- Unlawful influence on the shareholders' meeting (art. 2636 of the Italian Civil Code);
- Stock manipulation (art. 2637 of the Italian Civil Code);
- Obstacle to the exercise of the functions of public supervisory authorities (art. 2638, commi 1 e 2, of the Italian Civil Code);
- False or omitted declaration for the preliminary certificate (art. 54 of Law Decree 19/2023).

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

- Subversive associations (art. 270 of the penal code);
- Associations with the purpose of terrorism, including international or subversion of the democratic order (art. 270 bis of the penal code);
- Assistance to members (art. 270 ter of the penal code);
- Recruitment for terrorist purposes, even international (art. 270 quater of the penal code);
- Training in terrorist activities, even international (art. 270 quinquies of the penal code);
- Financing of conduct for terrorist purposes (art. 270 quinquies.1 of the penal code);
- Theft of goods or money subject to seizure (art. 270 quinquies. 2 of the penal code);
- Conduct for the purpose of terrorism (art. 270 sexies of the penal code);
- Attack for terrorist or subversion purposes (art. 280 of the penal code);
- Act of terrorism with deadly or explosive devices (art. 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 (art. 289 bis of the criminal code);
- Seizure for the purpose of coercion (art. 289 ter of the criminal code);

- Incitement to commit any of the crimes envisaged by the first and second chapters (art. 302 of the criminal code);
  - Political conspiracy by agreement (art. 304 of the criminal code);
  - Political conspiracy by association (art. 305 of the penal code)
  - Armed band: training and participation (art. 306 of the criminal code);
  - Assistance to participants in conspiracy or armed gangs (art. 307 of the penal code);
  - Possession, hijacking and destruction of an airplane (Law no. 342/1976, art. 1);
  - Damage to ground installations (Law no. 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. **Practices of mutilation of female genital organs (art. 25 quater 1):**
- Practices of mutilation of female genital organs (art. 583 bis of the criminal code).
9. **Crimes against the individual (art. 25 quinquies):**
- Reduction or maintenance in slavery or servitude (art. 600 of the penal code);
  - Child prostitution (art. 600 bis, commi 1 e 2, of the criminal code);
  - Child pornography (art. 600 ter of the criminal code);
  - Possession or access to pornographic material (art. 600 quater of the penal code);
  - Virtual pornography (art. 600 quater.1 of the penal code);
  - Tourist initiatives aimed at the exploitation of child prostitution (art. 600 quinquies of the criminal code);
  - Trafficking in persons (art. 601 of the criminal code);
  - Purchase and sale of slaves (art. 602 of the penal code);
  - Illicit intermediations and labor exploitation (art. 603 bis of the penal code);
  - Solicitation of minors (art. 609 undecies of the 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 (art. 184 of Law Decree 58/1998);
  - Market manipulation (art. 185 of Law 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 (art. 14 of Reg. UE no. 596/2014);
  - Prohibition of market manipulation (art. 15 of Reg. UE no. 596/2014).
12. **Transnational crimes (Law 146/2006):**
- Criminal association (art. 416 of the criminal code);
  - Mafia-type association (art. 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 (Presidential Decree 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 (art. 377 bis of the penal 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 penal code);
  - Negligent personal injury (art. 590 of the penal 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 (art. 648 bis of the criminal code);
  - Use of money, goods or benefits of illicit origin (art. 648 ter of the criminal code);
  - Self-laundering (art. 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 of the criminal code);
  - Possession and dissemination of equipment, devices or computer programs aimed at committing crimes involving non-cash payment instruments (art. 493 quater of the criminal code);
  - Computer fraud (already punished pursuant to art. 24 Law Decree 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 a transfer of money, a money value or virtual currency (art. 640 ter, comma 2, of the criminal code);
  - Fraudulent transfer of assets (art. 512 bis of the penal code);
  - Any other crime envisaged by the penal code against public faith, 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 any kind, of a protected intellectual work, or part of it (art. 171, first comma, lett. a) bis) Law 633/41);
  - Offences referred to in the previous point committed on the works of others not intended for publication if their honor or reputation is offended (art. 171, third comma, 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 elude the protection devices of a computer program (art. 171-bis, first comma, 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 databanks (art. 171-bis, second comma, 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, discs, tapes or similar supports or any other medium containing phonograms or video of similar musical, cinematographic or audio-visual works of 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 (art. 171-ter, Law 633/41);
- Failure to notify the SIAE of the identification data of the supports not subject to marking or false declaration (art. 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 audio-visual transmission 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 (art. 377 bis of the penal code).

**18. Environmental crimes (art. 25 undecies):**

- Environmental contamination (art. 452 bis of the criminal code);
- Environmental disaster (art. 452 quater of the criminal code);
- Negligent crimes against the environment (art. 452 quinquies of the criminal code);
- Traffic and abandonment of highly radioactive material (art. 452 sexies of the criminal code);
- Aggravating circumstances (art. 452 octies of the criminal code);
- Organized activities for the illegal trafficking of waste (art. 452 quaterdecies of the criminal code);
- Killing, destruction, capture, taking, possession of specimens of protected wild animal or plant species (art. 727 bis of the criminal code);
- Destruction or deterioration of habitats within a protected site (art. 733 bis of the criminal code);
- Discharge of unauthorized wastewater (art 137 comma 2, 3, 5, 11 e 13 of Legislative Decree 152/2006 "T.U.A.");
- Unauthorized waste management activities (art 256 comma 1, 3, 5 e 6 of Legislative Decree 152/2006 "T.U.A.");



- Soil pollution such as to require remediation interventions (art 257 comma 1 e 2 of the Law Decree 152/2006 "T.U.A.");
- Falsification of the results on waste analyses (art 258 comma 4 second period of Law Decree 152/2006 "T.U.A.");
- Illegal waste trafficking (art 259 comma 1 of Law 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 (art. 260 bis of Law Decree 152/2006);
- Violation of the emission limits into the atmosphere and/or non-compliance with the provision of the emission authorization (art 279 comma 5 of the Law Decree 152/2006 "T.U.A.");
- Import, export or re-export, sale, display for sale, possession for sale, transport, including on behalf 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 (art. 1, commi 1 e 2, 2, commi 1 e 2, and 6, comma 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 public safety (art. 6 Law no. 150/1992);
- Use of ozone depleting substances listed in Table A law 91/594/EC (art. 3 comma 6 of Law 549/1993);
- Pollution caused by ships (art. 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 immigrations (art. 12, comma 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 Legislative Decree 25 July 1998, no. 286, or whose permit has expired – and whose renewal has not been requested within the terms of the law - revoked or cancelled (art. 22, comma 12, of Law Decree no. 286/98). The aggravated cases (art. 22, comma 12bis, of Law Decree 286/98) against which it becomes applicable, pursuant to art. 2 of Legislative Decree 109/2012, Law Decree 231/2001, concern the hypotheses in which the employed workers are (alternatively):
  - More than three;
  - minors in non-working age;
  - exposed to danger situations, with reference to the services to be performed and their working conditions (art. 603bis, comma 3 of the penal code).

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

- Propaganda and incitement to crime on grounds of racial, ethnic, and religious discrimination (art. 604 bis of the penal 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 (art. 1 Law 401/1989);
- Unauthorized exercise of gambling or betting activities (art. 4 Law 401/1989).

**22. Tax offenses (art. 25 quinquiesdecies):**

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

**23. Smuggling offenses (art. 25 sexiesdecies)**

- Smuggling in the movement of goods across land borders and custom spaces (art. 282 of Presidential Decree no. 73/1943);
- Smuggling in the movement of goods in the border lakes (art. 283 of Presidential Decree no. 73/1943);
- Smuggling in the maritime movement of goods (art. 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 of Presidential Decree no. 73/1943);
- Smuggling for improper use of imported goods with customs facilities (art. 287 of Presidential Decree no. 73/1943);
- Smuggling in customs warehouses (art. 288 of Presidential Decree no. 73/1943);
- Smuggling in cabotage and traffic (art. 289 of Presidential Decree no. 73/1943);
- Contraband in the export of goods eligible for the restitution of rights (art. 290 of Presidential Decree no. 73/1943);
- Contraband in the temporary import or export (art. 291 of Presidential Decree no. 73/1943);
- Smuggling of foreign manufactured tobaccos (art. 291-bis of Presidential Decree no. 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 (art. 291-quater of Presidential Decree no. 73/1943);
- Other cases of smuggling (art. 292 of Presidential Decree no. 73/1943);
- Aggravating circumstances of smuggling (art. 295 of Presidential Decree no. 73/1943).

The crimes and the administrative offenses listed above can involve the administrative liability of the Body that, despite having their headquarters in Italy, were committed abroad.

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

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

25. **Recycling of cultural assets and devastation and looting of cultural and landscape property (art. 25 duodevicies)**

- Recycling of cultural assets (art. 518-sexies of the penal code);
- Devastation and looting of cultural and landscape property (art. 518-terdecies of the penal code).

### **1.3. THE CASE PROVIDED FOR BY THE LAW**

#### **1.3.1 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 necessary for the onset of responsibility) and the simultaneous absence of certain negative elements (the existence of which constitutes, conversely, an exemption).

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 institution, the Decree does not apply if the crime was committed in the exclusive interest of the offender or third parties;
- c) Was committed by a natural person:
  - 1) in a senior position – that is, who exercise representative, administrative or management functions for the institution or one of its organizational units with financial and functional autonomy, or exercise, even de facto, its management and control: top management; or
  - 2) subject to the management or supervision of a top management subject: subordinate person.

#### **1.3.2 NEGATIVE ELEMENTS OF THE CASE**

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

- a) by a top management subject, when the institution proves that:
  - 1) the management body has adopted and effectively implemented, before the offense was committed, an organizational 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 taking care of its updating has been entrusted to a body of the institution with autonomous powers of initiative and control (hereinafter also "**Supervisory Body**" or "**OdV**");
  - 3) the persons committed the crime by fraudulently evading the Model;
  - 4) there was 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 of supervision obligations. In any case, non-compliance with management or supervision obligations is excluded if the institution, before the commission of the offense, has adopted and effectively implemented a Model.

### **1.3.3 THE INTEREST OR ADVANTAGE FOR THE INSTITUTION**

Liability arises only on the perpetration of certain types of crimes by subjects linked in various capacities to the institution and only if the unlawful conduct was committed in its interest or advantage. Therefore, not only when the unlawful behavior has determined an advantage, patrimonial or not, for the institution, 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 first a subjective value, 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 implementation of a specific interest of the body), while to 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 directly aimed at pursuit of an interest of the institution, has 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 institution, 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:**

Pecuniary sanctions consist in paying an amount 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:**

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.

Disqualification sanctions are applied, even jointly, 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 institution obtained a significant profit from the crime and the crime was committed by a senior or subordinate person when, in the latter case the commission was determined or facilitated by serious organizational deficiencies;
- b) in case of repetition of the offences.

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

- a) the perpetrator of the crime has committed the offense in the prevailing interest of himself or of third parties and the body haven't derived any advantage 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 institution 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 institution eliminated the organizational shortcomings that led to the crime by adopting and implementing a Model;
  - 3) the institution has made available the profit obtained for the purposed 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 institution is liable under the Decree;
- There are well-founded and specific elements that make it possible to believe 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 institution, the judge, instead of applying that sanction, may order the continuation of the activity by a judicial commissioner (art. 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 considering the size of the body 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 informing on the Municipality where the institution has its main office.

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

### **1.5. LIABILITY IN THE EVENT OF ANY CHANGE BY THE BODY**

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

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

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

In the event of a demerger, the responsibility of the demerged body remains unaffected for crimes committed prior to the date on which the demerger took effect; the beneficiary bodies of the spin-off are jointly and severally obligated to pay the pecuniary sanctions inflicted on the divided body within the limits of the value of the net assets transferred to each individual body, 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 body (or bodies) in the branch of activity in which the crime was committed remained or merged. If the demerger took place before the conclusion of the judgement ascertaining the liability of the body, the Judge must consider the economic conditions of the original institution, not those of the institution resulting from the merger.

In the event of a transfer or a transfer of the body in which the offense was committed, without prejudice to the benefit of the prior enforcement of the transferring body to pay the pecuniary sanction, the transferee is jointly and severally obliged with the transferring body to pay the pecuniary sanction, within the limits of the pecuniary sanction resulting from the mandatory accounting books or due for offences of which the transferee was in any case aware.

### **1.6. CONDITION EXEMPTING ADMINISTRATIVE LIABILITY**

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

- The Management 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 the observance of the models and ensuring their updating has been entrusted to a body of the entity with independent powers of initiative and control (so-called Supervisory Body);
- Individuals have 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 organizational, management and control model allows, therefore, the body to be able to evade the charge of administrative responsibility. The mere adoption of this document, by resolution of the administrative body of the institution, is not, however, sufficient to exclude such responsibility, being necessary that the model is effectively implemented.

Referring to the effectiveness of the organizational, management and control model for the prevention of the commission of the offenses provided for by Law 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 body's decisions in relation to the crimes to be prevented;
- Identifies methods for managing financial resources suitable for preventing the commission of offenses;
- Provides information obligations towards the body responsible for supervising the functioning and observance of the models;
- Introduces a disciplinary system suitable for sanctioning non-compliances with the measures indicated in organizational, management and control model.

Referring to the effective application of the organizational, management and control model, Law 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 body or legislative changes, the modifications of the organizational, management and control model;
- A disciplinary system suitable for sanctioning non-compliance with the provisions imposed by the organizational, management and control model.

### **1.7. THE BENEFIT OF REDUCING THE DURATION OF INTERDICTIVE SANCTIONS**

Paragraph 5-*bis* of art. 25 of Law 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, undue induction to give or promise benefits or corruption (for a term between 3 month 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. CONFINDUSTRIA "GUIDELINES"**

Art. 6 of Law Decree 231/2001 expressly provides that organizational, management and control models can be adopted based on codes of conduct drawn up by the representative associations of the institutions.

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

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

- The risks identification, that is the analysis of the business context to highlight in which areas of activity and according to which methods the offences provided for by the 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 Law Decree 231/2001.

The most relevant components of the control system outlined in the Confindustria Guidelines to ensure the effectiveness of the organizational, 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, lines of hierarchical dependence and tasks description;
- 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 for, where appropriate, spending limits;
- e) Integrated management and control systems, capable of promptly reporting possible critical issues;
- f) information and staff training.

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 sanctioning for the violation of the rules of the Code of Ethics and procedures provided for 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 regarding the concrete reality of the body 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. also considered the first jurisprudential orientations that were formed on the subject.

Although initially the rulings concerning the administrative liability of entities pursuant to ex Legislative Decree no. 231/2001 did not enter 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 (Trib. Milano, IV Sez. Pen., 4 February 2013, no. 13976; Cass., V Sez. Pen., no. 4677 of 2014, C. App. Pen. Firenze, III Sez., n. 3733 del 2019; Cass. Pen., VI Sez., n. 12528 del 2019; Cass. Pen., IV Sez., no. 3731 of 2020; Trib. Milano, II Sez. Pen. n. 10748 del 2021, Trib. Vicenza, Sez. Pen. no. 348 of 2021, Cass. Pen., Sez. IV, no. 32899/2021).

Particularly significant - both for the construction of the Organizational Model with adequate risk assessment and its implementation through specific protocols- is the judgment of the Court of Milan, sect. II, No. 1070/2024.

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

More specifically, the Judges assessed:

- The autonomy and independence of the Supervisory Body (es. Trib. Vicenza, Sez. Pen., 19 March 2021, no. 348);
- analyticity and completeness in the identification of areas at risk (es. Cassazione Penale, 12 March 2019, no. 18842 and Trib. Milano nr. 1070/2024);
- the provision of specific protocols aimed at planning the formation and implementation of the body's decisions in relation to the crimes to be prevented (Trib. Milano nr. 1070/2024);
- the provision of information obligations towards the body appointed to supervise the functioning and compliance with the model;
- the introduction of a disciplinary system suitable for sanctioning non-compliances with the measures indicated;
- the specific provision of the methods of appointment of the lawyer in case of incompatibility of the/ of the legal representatives pursuant to art. 39 D.Lgs 231/01 (Cass. Pen. 13003/2024).



Therefore, Glenair Italia S.p.A. has drawn up and updated the Model also considering the most recent jurisprudential decisions, considering the principles affirmed and the guidelines established over time.

## **- GENERAL PART II -**

### **THE ORGANIZATIONAL MODEL**

## **2. THE ORGANIZATIONAL, 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 field of the production and supply of connectors, accessories, components for electrical connections and complete interconnection systems.

In detail, the Company specializes in offering a wide "*range*" of fiber optic systems, special connectors, micro connectors, circular connectors, *backshells*, cable clamps, wiring tools and cable assemblies (also according to MIL M85049) 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 e ISO/IEC 17025:2017 certifications, is aimed at markets that embrace various sectors (e.g., aeronautics, naval, railways, aerospace and telecommunications), and constantly invests in research and development projects to acquire, in even shorter times, new technologies and materials and specialized human resources.

Having this said, Glenair, aware of the importance of adopting, and effectively implementing a system suitable for preventing the commission of unlawful conduct in the corporate context, has approved - with a resolution of the Board of Directors on 01 September 2020 its own organizational, management and control Model, pursuant to Law Decree 231/2001 on the assumption that the same constitutes a valid tool for raising awareness among recipients (as defined in paragraph 2.3) to adopt correct and transparent behavior, therefore suitable for preventing the risk of commission of criminal offenses included in the category of offenses-presupposed by the administrative liability of bodies. The Model 231 has been updated with a resolution of the Board of Directors on 05 January 2023.

By adopting and constantly updating 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 (both pecuniary and disqualifying) also against the Company;
- c) Allow the Company, thanks to a set of procedures and constant monitoring of the correct implementation of this system, to prevent and/or promptly contrast the commission of relevant crimes pursuant to the Decree.

### **2.2. OBJECTIVES OF THE MODEL AND ITS CARDINE POINTS**

As known, the adoption of an organizational 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 behavior to prevent the risk of committing the offenses contemplated in the Decree.

This Model was based on 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 with an 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 control culture;

- Provide an efficient and balanced organization of the company, about 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 is needed to:

- On 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.

### **2.3. RECIPIENTS**

The provisions of this Model are binding for the entire Board of Directors, all those who hold in Glenair functions of representation, administration, and management i.e., management and control (including de facto), employees, managers, and 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 functions in the Company or in one of its divisions and/or organizational units with financial and functional autonomy, as well as those who exercise even de facto the management and control of the Society;
- All those who have a subordinate employment relationship with the Company (employees);
- All those who collaborate with the Company under a quasi-subordinate employment relationship (e.g., apprentices, etc.);
- Those who work on behalf of the Company in the context of sensitive activities, such as consultants.

The subjects to whom the Model is addressed must punctually comply with all its provisions, also in fulfilment of its 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 the 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 and Gap Analysis Report" 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 exposed to a potential risk of commission of the offenses referred to in Law 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 the Model;
- The verification and documentation of any significant operation;
- Methods for the adoption and the effective application of the Model as well as for the necessary amendments or additions (updating the Model);
- The establishment of a Supervisory Body with a collegiate composition, which are assigned specific supervisory tasks on the effective implementation and 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 the sanctions applicable to the Recipients, in case of violation of the provisions contained in the Model;
- The provision of information and training activities on the contents of the 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 require compliance by both its corporate bodies and employees and by all those who cooperate in the pursuit of the business objectives (*i.e., dealing with business partners, avoiding conflicts of interest and corruption, protecting 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 are recognized, accepted, and shared, 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 third parties who, for whatever reason, have a relationship 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 relationships 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 Law Decree 231/2001, this document acquires relevance for the purposes of the Model and constitutes, therefore, a complementary element.