



ORGANIZATION, MANAGEMENT AND CONTROL MODEL

(pursuant to Legislative Decree no. 231 of 8 June 2001)

Unofficial translation of the document approved by the Board of Directors
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Definitions and abbreviations

Sensitive activities: company activities where opportunities, conditions and instruments for the perpetration of offences may arise.

National Collective Employment Contract: the National Collective Employment Contract applicable to the employees and executives of Save The Duck S.p.A. or, respectively, the National Collective Employment Contract of Trade and the National Collective Employment Contract of Executives of Companies Manufacturing Goods and Services.

Code of Conduct for the Supply Chain: the Code of Conduct expressing the minimum social, environmental and ethical requirements expected from the Company's Suppliers.

Code of Ethics: the Code of Ethics adopted by the Company.

Board of Directors (hereinafter also the "BoD" or the "Management Body"): the Board of Directors of Save The Duck S.p.A.

Collaborators, agents and whistleblowers: subjects who collaborate with the Company without subordination, sales representatives and other relations, which are represented by the provision of a professional service of non-employed nature, which may be continuous or occasional, as well as those, who, on the basis of specific mandates and proxies, represent the Company with third parties.

Decree or Legislative Decree no. 231/2001: Legislative Decree no. 231 of 8 June 2001 which lays down the "Provisions on the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to art. 11 of Law no. 300 of 29 September 2000", in the contents at various times in force.

Recipients: the entities to which the provisions of this Model shall apply.

Employees: natural persons subject to management or supervision of persons with representation, administration or management positions in the Company, meaning all the persons who are employed in any capacity by the Company.

Suppliers: subjects who supply goods or services to Save The Duck S.p.A.

Officer of public services: "person in charge of a public service", intended as activities governed in the same manner as public function but which do not entail the powers typically assigned to a Public Official (Italian Criminal Code, art. 358).

Organization, management and control model (hereinafter also the "Model"): this Model of organization, management and control adopted pursuant to art. 6 and art. 7 of Legislative Decree no. 231/2001.



Surveillance Body (hereinafter also the “Body” or the “SB”): a Body within the Entity with autonomous powers of initiative and control, entrusted with the task of supervising implementation and observance of the Model, as well as of informing the Board of Directors of any update requirements thereof.

Public Administration, PA or Public Bodies: Public Administration, including its officers and persons entrusted with public service.

Public Official: those who “perform a legislative, judicial or administrative public function” (Italian Criminal Code, art. 357).

Offences: offences to which the provisions of Legislative Decree no. 231/2001, as subsequently amended and supplemented, shall apply.

Company (hereinafter also “Save The Duck”): Save The Duck S.p.A. with registered office in Milan, Via Arcivescovo Calabiana, 6.

Apical subjects: persons with representation, administration or management positions in the Company or in a financially and functionally autonomous organisational unit belonging to the Company, as well as by natural persons who exercise, also *de facto*, management and control of the Company.

Subordinate subjects: persons under management or supervision of individuals noted in the previous point.



Structure of the document

This document comprises two sections, a General Section and a Special Section:

The **General Section** includes an analysis of the provisions of Legislative Decree no. 231/01 (hereinafter also the “Decree”) and describes:

- the organizational structure of Save The Duck S.p.A, its Corporate Governance and internal audit system;
- the recipients of the Model;
- the process of the adoption of the Model by Save The Duck S.p.A. (hereinafter also the “Company”);
- the sensitive activities and the relevant offences for the Company;
- the Surveillance Body (hereinafter also the “SB”)
- the obligations to communicate the Model and to train the staff;
- the system of sanctions applied for non-observance of the Model and of the Code of Ethics.

The **Special Section** describes the relevant sensitive activities for the Company under the Decree, the rules of conduct and related control principles of said activities, aimed at preventing or mitigating the offences.

In addition to what is expressly stated below, the following are a part and parcel hereof:

- the Code of Ethics defining the principles and rules of corporate conduct;
- all the provisions, internal measures and corporate operational procedures which implement this document (e.g. powers, proxies, organization charts, articles of associations, procedures). These acts and documents are made available according to the dissemination procedures used by the company.



GENERAL SECTION



1 Legislative decree no. 231 of 8 June 2001

1.1 General principles

Italian Legislative Decree no. 231 of 8 June 2001 (hereinafter the “Decree” or “Legislative Decree 231/2001”) introduced into the Italian legal order the administrative liability of legal persons, companies and associations, including those without legal personality (hereinafter “Entities”), in the cases of perpetration or attempted perpetration of some types of crimes or administrative offences in the interest or to the advantage of the Entity, by:

- persons holding representation, administration or management positions in the Entity or in a financially and functionally autonomous Organisational Unit belonging to the Entity, as well as by natural persons who exercise, also *de facto*, management and control of the Entity (“apical” subjects);
- persons “subject” to management or supervision of individuals noted in the previous point.

Such liability, though defined as “administrative” by the legislator, has some characteristics in common with criminal liability, because:

- it follows the perpetration of offences;
- it is ascertained by a criminal court (in proceedings where the Entity is applied, wherever appropriate, the procedural provisions regarding the defendant).

The Decree made internal regulations for legal persons’ liability compliant to international Conventions, which Italy had already implemented for some time.

The Entity’s liability, under the Decree, is added to and does not replace the (criminal) liability of the perpetrator of the offence: both the natural person and the legal person will therefore be prosecuted by a Criminal court.

1.2 “List” of administrative crimes and offences relevant for the purposes of the Decree

The Entity shall only be held liable for crimes (committed or attempted) expressly provided for by the legislator.

More specifically, liability may arise from the following administrative crimes and offences:

Offences against the Public Administration and its assets (Articles 24 and 25 of the Decree)

- Embezzlement to the detriment of the State (art. 316-*bis* of the Italian Criminal Code);



- Unlawful receipt of public grants to the detriment of the State (art. 316-ter of the Italian Criminal Code);
- Fraud against the State or another public entity (art. 640, par. 2, no. 1, of the Italian Criminal Code);
- Aggravated fraud for the purpose of obtaining public funds (art. 640-bis of the Italian Criminal Code);
- Computer fraud to the detriment of the State or other Public body (art. 640-ter of the Italian Criminal Code);
- Fraud in public supplies (art. 356 of the Italian Criminal Code);
- Fraud against the European Agricultural Fund (art. 2 L. 23 / 12/1986, n. 898);
- Extortion in office (art. 317 of the Italian Criminal Code);
- Bribery relating to the exercise of duties (art. 318 of the Italian Criminal Code);
- Bribery relating to an act contrary to official duties (art. 319 of the Italian Criminal Code);
- Aggravating circumstances (Italian Criminal Code, art. 319-bis);
- Bribery in judicial proceedings (art. 319-ter of the Italian Criminal Code);
- Unlawful solicitation to offer or promise anything of value (art. 319-quater of the Italian Criminal Code);
- Bribery of a person in charge of public service (art. 320 of the Italian Criminal Code);
- Sanctions for the bribe-giver (art. 321 of the Italian Criminal Code);
- Incitement to bribery (art. 322 of the Italian Criminal Code);
- Misappropriation, concussion, unlawful solicitation to offer or promise anything of value, bribery and incitement to bribery of members of the International Criminal Court or of bodies of the European Communities and of officers of the European Communities and of foreign States (art. 322-bis of the Italian Criminal Code);
- Trafficking in illegal influences (art. 346-bis);
- Embezzlement (limited to the first paragraph) (art. 314 of the Italian Criminal Code);
- Embezzlement profiting from the error of others (art 316 of the Italian Criminal Code);
- Abuse of office (art. 323 of the Italian Criminal Code).

Computer crimes and unlawful data processing (art. 24-bis of the Decree)

- Forgery of electronic documents (art. 491-bis of the Italian Criminal Code);
- Unauthorised access to a computer or telecommunications system (art. 615-ter of the Italian Criminal Code);
- Unauthorized possession and dissemination of access codes for computer or telecommunications systems (art. 615-quater of the Italian Criminal Code);
- Distribution of equipment, devices or software intended to damage or interrupt a computer or telecommunications system (art. 615-quinquies of the Italian Criminal Code);



- Wiretapping, blocking or illegally interrupting computer or information technology communications (art. 617-*quater* of the Italian Criminal Code);
- Installation of devices aimed at wiretapping, blocking or interrupting computer or information technologies communications (art. 617-*quinquies* of the Italian Criminal Code);
- Damaging computer information, data and programs (art. 635-*bis* of the Italian Criminal Code);
- Damaging computer information, data and programs used by the State or any other public Entity or by an Entity providing public services (art. 635-*ter* of the Italian Criminal Code);
- Damaging computer or telecommunications systems (art. 635-*quater* of the Italian Criminal Code);
- Damaging computer or telecommunications systems of public interest (art. 635-*quinquies* of the Italian Criminal Code);
- Computer crime by the certifier of a digital signature (art. 640-*quinquies* of the Italian Criminal Code);
- Violation of the rules in the field of national cyber security (art. 1, par., Legislative Decree 21 September 2019, n.105).

Organised crime offences (art. 24-*ter* of the Decree)

- Generic criminal association (art. 416 of the Italian Criminal Code);
- Mafia-type criminal association – including foreign organised crime association (art. 416-*bis* of the Italian Criminal Code);
- Vote exchange in elections between mafia members and politicians (art. 416-*ter* of the Italian Criminal Code);
- Kidnapping for ransom (art. 630 of the Italian Criminal Code);
- Association for the purpose of illicit trafficking in narcotic or psychotropic drugs (art. 74 of Presidential Decree no. 309 of 9 October 1990);
- Offences committed making use of the conditions under art. 416-*bis* of the Italian Criminal Code with the purpose of facilitating the activity of the associations provided for in the same article;
- Unlawful manufacturing, introduction into the country, sale, supply, possession and carrying in a public place or place open to the public of war or war-like weapons or parts thereof, explosives, illegal weapons as well as common firearms with the exception of firearms under article 2, par. 3, of Law no. 110 of 18 April 1975 (art. 407, par. 2, point a), no. 5] of the Italian Code of Criminal Procedure).

Offences of counterfeiting money, banknotes, official stamps and instruments or signs of identification (art. 25-*bis* of the Decree)

- Counterfeiting money, spending and introducing counterfeit money into the country, in conspiracy with others (art. 453 of the Italian Criminal Code);



- Altering money (art. 454 of the Italian Criminal Code);
- Spending and introducing of counterfeit money into the country not in conspiracy with others (art. 455 of the Italian Criminal Code);
- Unknowingly passing counterfeit money (art. 457 of the Italian Criminal Code);
- Counterfeiting official stamps, introducing into the country, purchasing, possessing or circulating counterfeit official stamps (art. 459 of the Italian Criminal Code);
- Counterfeiting of watermark paper for producing banknotes or official stamps (art. 460 of the Italian Criminal Code);
- Making or possessing watermarks or instruments for the purpose of counterfeiting money, official stamps or of watermark paper (art. 461 of the Italian Criminal Code);
- Using counterfeit or altered official stamps (art. 464 of the Italian Criminal Code);
- Counterfeiting, alteration or use of trademarks, distinctive signs, patents and models and designs (art. 473 of the Italian Criminal Code);
- Introducing into the country and selling products bearing counterfeit marks (art. 474 of the Italian Criminal Code).

Crimes against industry and trade (art. 25-bis.1 of the Decree)

- Infringement of the freedom of commerce or industry (art. 513 of the Italian Criminal Code);
- Illegal competition through threats or violence (art. 513-bis of the Italian Criminal Code);
- Fraud against national industries (art. 514 of the Italian Criminal Code);
- Fraud in the conduct of commerce (art. 515 of the Italian Criminal Code);
- Sale of non-genuine foodstuffs as genuine (art. 516 of the Italian Criminal Code);
- Sale of industrial products with deceptive marks (art. 517 of the Italian Criminal Code);
- Manufacture and sale of goods made by usurping industrial property rights (art. 517-ter of the Italian Criminal Code);
- Counterfeiting of geographic indications or denomination of origin of agricultural food products (art. 517-quater of the Italian Criminal Code).

Corporate offences (art. 25-ter of the Decree)

- False corporate reporting (art. 2621 of the Italian Civil Code);
- Minor facts (art. 2621-bis of the Italian Civil Code);
- False corporate reporting by listed companies (art. 2622 of the Italian Civil Code);
- Obstruction of controls (art. 2625, par. 2 of the Italian Civil Code);
- Undue repayment of contributions (art. 2626 of the Italian Civil Code);
- Unlawful distribution of profits and reserves (art. 2627 of the Italian Civil Code);
- Unlawful dealing in the stocks or shares of the company or its parent company (art. 2628 of the Italian Civil Code);
- Transactions prejudicial to creditors (art. 2629 of the Italian Civil Code);



- Failure to disclose conflicts of interests (art. 2629-*bis* of the Italian Civil Code);
- Fictitious share capital formation (art. 2632 of the Italian Civil Code);
- Improper distribution of the company's assets by its liquidators (art. 2633 of the Italian Civil Code);
- Bribery among private individuals (art. 2635, par. 3 of the Italian Civil Code);
- Instigating bribery among private individuals (art. 2635-*bis*, par. 1 of the Italian Civil Code);
- Unlawfully influencing the shareholders' meeting (art. 2636 of the Italian Civil Code);
- Market rigging (art. 2637 of the Italian Civil Code);
- Obstruction of the duties of the Public Supervisory Authorities (art. 2638, par. 1 and 2 of the Italian Civil Code).

Crimes for the purposes of terrorism or subversion of the democratic order (art. 25-*quater* of the Decree)

- Subversive associations (art. 270 of the Italian Criminal Code);
- Associations for the purpose of terrorism, including international terrorism, or of subversion of the democratic order (art. 270-*bis* of the Italian Criminal Code);
- Assistance to associates (art. 270-*ter* of the Italian Criminal Code);
- Conduct for the purpose of terrorism, including international terrorism (art. 270-*quater* of the Italian Criminal Code);
- Training for the purposes of terrorism, including international terrorism (art. 270-*quinquies* of the Italian Criminal Code);
- Financing of terrorism (art. 270-*quinquies*.1 of the Italian Criminal Code);
- Embezzlement of confiscated assets or monies (art. 270-*quinquies*.2 of the Italian Criminal Code);
- Actions for the purposes of terrorism (art. 270-*sexies* of the Italian Criminal Code);
- Attack for the purposes of terrorism or subversion of the democratic order (art. 280 of the Italian Criminal Code);
- Act of terrorism with lethal weapons or explosives (art. 280-*bis* of the Italian Criminal Code);
- Acts of nuclear terrorism (art. 280-*ter* of the Italian Criminal Code);
- Kidnapping for purposes of terrorism or for subversion of the democratic order (art. 289-*bis* of the Italian Criminal Code);
- Kidnapping with a view to coercion (art. 289-*ter* of the Italian Criminal Code);
- Incitement to commit the crimes under the first and second Part of Title I, Book II (art. 302 of the Italian Criminal Code);
- Political conspiracy by agreement (art. 304 of the Italian Criminal Code);
- Political conspiracy by association (art. 305 of the Italian Criminal Code);
- Armed gangs: formation and participation (art. 306 of the Italian Criminal Code);
- Assistance to the participants of conspiracies or armed gangs (art. 307 of the Italian Criminal Code);



- Taking possession of, hijacking and destructing a plane (art. 1 of Law no. 342/1976);
- Damage of ground facilities (art. 2 of Law no. 342/1976);
- Sanctions (art. 3 of Law no. 422/1989);
- Active repentance (art. 5 of Law Decree no. 625/1979);
- New York Convention of 9 December 1999 (art. 2).

Crime of practicing female genital mutilation (art. 25-*quater*.1 of the Decree)

- Female genital mutilation practices (art. 583-*bis* of the Italian Criminal Code).

Crimes against individuals (art. 25-*quinquies* of the Decree)

- Enslaving or keeping persons enslaved (art. 600 of the Italian Criminal Code);
- Child prostitution (art. 600-*bis* of the Italian Criminal Code);
- Child pornography (art. 600-*ter* of the Italian Criminal Code);
- Possession of pornographic material (art. 600-*quater* of the Italian Criminal Code);
- Virtual pornography (art. 600-*quater* 1 of the Italian Criminal Code);
- Tourism initiatives aimed at exploiting child prostitution (600-*quinquies* of the Italian Criminal Code);
- Human trafficking (art. 601 of the Italian Criminal Code);
- Purchasing and selling slaves (art. 602 of the Italian Criminal Code);
- Illegal intermediation and exploitation of labour (art. 603-*bis* of the Italian Criminal Code);
- Solicitation of minors (art. 609-*undecies* of the Italian Criminal Code).

Market abuse

Crimes (art. 25-*sexies* of the Decree):

- Insider trading (art. 184 of Legislative Decree no. 58/1998 – Consolidated Law on Finance);
- Market manipulation (art. 185 of Legislative Decree no.58/1998 - Consolidated Law on Finance).

Administrative offences (art. 187-*quinquies* of the Consolidated Law on Finance):

- Insider trading (art. 187-*bis* of Legislative Decree no. 58/1998 - Consolidated Law on Finance);
- Market manipulation (art. 187-*ter* of Legislative Decree no. 58/1998 - Consolidated Law on Finance).

Crimes involving involuntary manslaughter and serious or grievous bodily injury, committed in breach of the regulations on workplace health and safety protection (art. 25-*septies* of the Decree)



- Involuntary manslaughter (art. 589 of the Italian Criminal Code);
- Involuntary bodily injury in breach of the regulations on workplace health and safety protection (art. 590 of the Italian Criminal Code).

Crimes involving receipt of stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering (art. 25-*octies* of the Decree)

- Receipt of stolen goods (art. 648 of the Italian Criminal Code);
- Money laundering (art. 648-*bis* of the Italian Criminal Code);
- Use of money, goods or benefits of unlawful origin (art. 648-*ter* of the Italian Criminal Code);
- Self-laundering (art. 648-*ter*.1 of the Italian Criminal Code).

Crimes involving breach of copyright (art. 25-*novies* of the Decree)

- Criminal-law protection of the rights to economic and moral use (art. 171, par. 1, point a)-*bis* and par. 3 of Law no. 633/1941);
- Criminal-law protection of software and databases (art. 171-*bis*, par. 1 and par. 2 of Law no. 633/1941);
- Criminal-law protection of audiovisual works (art. 171-*ter* of Law no. 633/1941);
- Criminal liability for media (art. 171-*septies* of Law no. 633/1941);
- Criminal liability for restricted-access audiovisual transmissions (art. 171-*octies* of Law no. 633/1941).

Crimes of inducing not to make or to make false statements to judicial authorities (art. 25-*decies* of the Decree)

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

Offences against the environment (art. 25-*undecies* of the Decree)

These offences are described in the Italian Criminal Code and in special laws.

- Environmental pollution (art. 452-*bis* of the Italian Criminal Code);
- Environmental disaster (art. 452-*quater* of the Italian Criminal Code);
- Involuntary environmental offences (art. 452-*quinquies* of the Italian Criminal Code);
- Traffic and abandonment of highly radioactive material (art. 452-*sexies* of the Italian Criminal Code);
- Aggravating circumstances (art. 452-*octies* of the Italian Criminal Code);
- Killing, destruction, capture, possession of specimens pertaining to species of protected wild animals or plants (art. 727-*bis* of the Italian Criminal Code);
- Destruction or damage of a habitat inside a protected site (art. 733-*bis* of the Italian Criminal Code).



- Import, export, possession, utilisation for profit, purchase, sale, exposure or possession for selling or commercial purposes of protected species (art. 1, art. 2, art.3-*bis* and art. 6 of Law no. 150/1992);
- Discharges of industrial waste water containing hazardous substances; discharges on the ground, underground and in groundwater; discharge into sea by ships or aircrafts (art. 137 of Legislative Decree no. 152/2006);
- Unauthorised waste management (art. 256 of Legislative Decree no. 152/2006);
- Site remediation (art. 257 of Legislative Decree no. 152/2006);
- Breach of the obligations to provide information, to keep compulsory records and forms (art. 258 of Legislative Decree no. 152/2006);
- Illegal shipment of waste (art. 259 of Legislative Decree no. 152/2006);
- Organised activities for the illegal shipment of waste (art. 260 of Legislative Decree no. 152/2006);
- False information on the nature, composition and chemical-physical characteristics of waste in preparing a waste analysis certificate; entering a false waste analysis certificate in SISTRI; omission or fraudulent alteration of a hard copy of the SISTRI – AREA MOVIMENTAZIONE form for shipment of waste (art. 260-*bis* of Legislative Decree no. 152/2006);
- Organised activities for illegal transport of waste (art. 452-*quaterdecies* of the Italian Criminal Code);
- Sanctions (art. 279 of Legislative Decree no. 152/2006);
- Wilful pollution from ships (art. 8 of Legislative Decree no. 202/2007);
- Negligent pollution from ships (art. 9 of Legislative Decree no. 202/2007);
- Stop and reduction in the use of damaging substances (art. 3 of Law no. 549/1993).

Crime of employing citizens of third-party countries without a regular residence permit (art. 25-*duodecies* of the Decree)

- Provisions against smuggling of migrants (art. 12, par. 3, 3-*bis*, 3-*ter* and par. 5 of Legislative Decree no. 286/1998);
- Fixed-term and open-ended work (art. 22, par. 12-*bis* of Legislative Decree no. 286/1998).

Crimes related to racism and xenophobia (art. 25-*terdecies* of the Decree)

- Propaganda and instigation to criminal conduct for purposes of racial, ethnic and religious discrimination (art. 604-*bis* of Italian Criminal Code).

Fraud in sports competitions, illegal game or betting and gambling, exercised by means of prohibited devices (art. 25-*quaterdecies* of the Decree)

- Fraud in sports competitions (art. 1, Law no. 401/1989);
- Abusive exercise of game or betting activities (art. 4, Law no. 401/1989).



Tax Crimes (art. 25-*quinquiesdecies* of the Decree)

- Fraudulent misrepresentation by the use of invoices or other documents for non-existent transactions (art. 2 of Decree no. 74/2000);
- Fraudulent misrepresentation using other devices (art. 3 of Decree no. 74/2000);
- Issuing of invoices or other documents for non-existent transactions (art. 8 of Decree no. 74/2000);
- Concealment or destruction of accounting documents (art. 10 of Decree no. 74/2000);
- Fraudulent subtraction to pay taxes (art. 11 of Decree No. 74/2000);
- Unfaithful declaration (art. 4 of Decree no. 74/2000);
- Omitted declaration (art. 5 of Decree no. 74/2000);
- Undue compensation (art. 10-*quater* of Decree no. 74/2000).

Smuggling Crimes (art. 25-*sexiesdecies* of the Decree)

- Smuggling in the movement of goods across land borders and customs spaces (art. 282 DPR n. 73/1943);
- Smuggling in the movement of goods in border lakes (art. 283 DPR n. 73/1943);
- Smuggling in the maritime movement of goods (art. 284 DPR n. 73/1943);
- Smuggling in the movement of goods by air (art. 285 of Presidential Decree no. 73/1943);
- Smuggling in duty free areas (art. 286 DPR n. 73/1943);
- Smuggling for improper use of goods imported with customs facilities (art. 287 DPR n. 73/1943);
- Smuggling in customs warehouses (art. 288 DPR n. 73/1943);
- Smuggling in cabotage and movement (art. 289 DPR n. 73/1943);
- Smuggling in the export of goods eligible for refunds in law (art. 290 of Presidential Decree No. 73/1943);
- Smuggling in temporary import or 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 aimed at smuggling foreign manufactured tobacco (art. 291-*quater* Presidential Decree no. 73/1943);
- Other cases of smuggling (art. 292 DPR n. 73/1943);
- Aggravating circumstances of smuggling (art. 295 DPR n. 73/1943).

Corporate liability for administrative offences related to crimes [a precondition for bodies operating in virgin olive oil production] (art. 12 of Law no. 9/2013)



- Adulteration and counterfeiting of foodstuffs (art. 440 of the Italian Criminal Code);
- Commerce in counterfeit or adulterated foodstuffs (art. 442 of the Italian Criminal Code);
- Commerce in harmful foodstuffs (art. 444 of the Italian Criminal Code);
- Counterfeiting, alteration or use of distinctive marks of intellectual works or industrial products (art. 473 of the Italian Criminal Code);
- Introducing into the country and selling products bearing counterfeit marks (art. 474 of the Italian Criminal Code);
- Fraud in the conduct of commerce (art. 515 of the Italian Criminal Code);
- Sale of non-genuine foodstuffs as genuine (art. 516 of the Italian Criminal Code);
- Sale of industrial products with deceptive marks (art. 517 of the Italian Criminal Code);
- Counterfeiting of geographical indications or denominations of origin of agricultural food products (art. 517-*quater* of the Italian Criminal Code).

Transnational crimes (art. 10 of Law no. 146/2006)

The following offences may entail the entities' liability where such offences are of transnational scope:

- Generic criminal association (art. 416 of the Italian Criminal Code);
- Mafia-type criminal association – including foreign organised crime association (art. 416-*bis* of the Italian Criminal Code);
- Criminal association for the smuggling of foreign tobacco products (art. 291-*quater* of the Consolidated Act as referred to in Presidential Decree no. 43 of 23 January 1973);
- Criminal association for the purpose of illicit trafficking in narcotic or psychotropic drugs (art. 74 of Presidential Decree no. 309 of 9 October 1990);
- Provisions against smuggling of migrants (art. 12, par. 3, 3-*bis*, 3-*ter* and 5, of the Consolidated Act as referred to in Legislative Decree no. 286/1998);
- Inducing not to make or to make false statements to judicial authorities (art. 377-*bis* of the Italian Criminal Code)
- Aiding a fugitive (art. 378 of the Italian Criminal Code).

The above administrative crimes and offences committed abroad may also entail the liability of the Entity even though its head office is in Italy.

1.3 The system of sanctions envisaged by the Decree

The Decree envisages the following sanctions for the Entities: i) fines, ii) interdictions, iii) confiscation of the price or proceeds of the crime, iv) publication of the sentence.

Fines apply whenever the liability of a legal person is ascertained and are determined by a criminal Court based on a “quotas” system. In determining the fine the judge shall establish



the number of quotas considering the seriousness of the offence, the degree of liability of the Entity as well as the actions put in place to remove or mitigate the consequences of the offence and to prevent further offences; the amount of the quota is instead determined according to the entity's financial situation.

Interdiction measures may be applied in addition to fines, but only if expressly envisaged for the crime that is being pursued and only on the condition that at least one of the following circumstances exists:

- the Entity has obtained a sizeable profit from the crime and the crime has been committed by an apical or a subordinate subject, but only if the perpetration of the crime was made possible by serious organizational shortcomings;
- in the event the offences are reiterated.

Interdiction measures consist in the prohibition to conduct business activities, in the suspension and revocation of authorizations, licenses and concessions used to commit the offence, in the prohibition to negotiate with the public administration (except to obtain the performance of a public service), in the exclusion from grants, funding, contributions or benefits and possible revocation of those already granted; in the prohibition to advertise products or services.

Interdiction measures shall not apply (or are revoked if already applied as a precautionary measure) if the Entity, before the opening of the first-instance hearing, has:

- compensated or restored the damage;
- removed the harmful or dangerous consequences of the offence (or has at least taken measures to do so);
- made available to the Judicial Authority, for confiscation, the proceeds of the crime;
- removed the organizational shortcomings which caused the offence, by adopting appropriate organizational models to prevent perpetration of new crimes.

Confiscation consists in the acquisition of the price or proceeds of the crime by the State or in the acquisition of sums of money, assets or other utilities of an equivalent value to the price or proceeds of the Offence: it may however not invest that part of the price or proceeds of the Crime, which may be returned to the damaged party. Confiscation is always ordered by means of a conviction judgement.

The **publication of the sentence** may be imposed when interdiction measures are applied to the Entity. The judgement is published by bill posting in the town where the Entity has its head office, as well as on the website of the Ministry of Justice.



1.4 The organization, management and control model as a means of exemption from liability under the Decree

The Decree provides that the company shall not be punishable where it can prove that it has adopted and effectively implemented **appropriate Organization, management and control models to prevent offences of the kind that has occurred**, without prejudice to the individual responsibility of the perpetrators of the offence.

The legislator has therefore offered exemption from liability where the organization, management and control models are designed to prevent risks and are adopted and effectively implemented. The decree also lays down the requirements that models must meet.

In particular:

- identify the activities which may give rise to the offences under the Decree;
- create specific protocols aimed at planning training and implementation of the Entity's decisions with regard to the offences to be prevented;
- define procedures for managing appropriate financial resources to prevent such offences from being committed;
- establish reporting obligations to the Body responsible for supervising the functioning and the observance of the Models;
- introduce an adequate penalty system to sanction the non-observance of the measures of the Model;
- put in place, in relation to the nature and size of the organization, as well as to the type of activity carried out, appropriate measures to guarantee that the activity is performed in compliance with the laws, and that risk situations can be promptly identified and removed.

If the offence is committed by persons holding representation, administration or management positions in the Entity or in a financially and functionally autonomous Organisational Unit belonging to the Entity, as well as by persons who exercise, also *de facto*, management and control of the Entity, the Entity shall not be held liable if it can prove that:

- the Management Body has adopted and effectively implemented, before the offence was committed, an appropriate Model to prevent offences of the kind that has occurred;
- the task of monitoring operation and observance of the Model and of updating it was given to a Body of the Entity with independent powers of initiative and control;



- the offence was committed by fraudulently circumventing the Model;
- there was no omission or insufficient supervision by the Surveillance body of the Model.

When an offence is instead committed by persons under the management or supervision of one of the persons mentioned above, the legal person is held responsible if the perpetration of the offence was made possible by non-performance of the management and surveillance tasks. Such non-performance shall in any case be excluded where the Entity, before the offence was committed, has adopted and effectively implemented an appropriate Model to prevent offences of the kind that has occurred.



2 Save The Duck S.p.A.

Save The Duck S.p.A. (hereinafter also “Save The Duck” or the “Company”) markets garments globally recognized as being wholly produced without any material of animal origin, in full respect for the nature.

The Company was established in 2012 as a high-quality brand offering a wide range of 100% animal-free outdoor garments: the Company is constantly committed to improving its sustainability in full respect for animals, their environment and the people living there.

Since 2019, Save The Duck assumed the status of a benefit Company as part of the pursuit of a strategy to strengthen the brand in its distinctive features.

In July 2019, Save The Duck was the first Italian clothing company that obtained the “B Corp certification”, reserved for the most virtuous companies in the social and environmental fields.

Starting in 2020, the Company joined the United Nation Global Compact (UNGC), an United Nations initiative, that requires to companies to align strategies and operations with universal principles in the field of human rights, labor, the environment and anti-corruption. Starting from 2021, the Company will undertake to publish an annual report called “Communication on Progress (COP)” which certifies the progress made in relation to the 10 UNGC guiding principles (<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>).

Save The Duck is an ethical and smart company with an eye to the future, not only to identify new market trends and turn them into cutting-edge collections, but, even more so, to travel towards the common goal of “*living in a fully animal cruelty-free world*”. In this perspective, the brand continues to improve and develop new eco-friendly technologies and solutions in view of achieving an environmentally friendly manufacturing process.

Each collection is therefore carefully designed to guarantee the creation of comfortable, beautiful and environmentally and animal friendly garments. The Save The Duck branded products are:

- 100% *animal-free* – they do not use feathers, leather or fur, i.e. any material of animal origin. Goose down has been replaced with state-of-the-art PLUMTECH®, a warm, breathable and light technology;
- pocket-sized and comfortable, they are ideal to pack in your luggage for any destination or occasion;
- light and practical, wearable in any season;
- fun, with their vast range of colours and fabrics.



The global visibility of its products allows the company to partner with no-profit organizations and international brands, with the common goal to spread the awareness of environmental issues.

The Company has a strategic office in China to liaise with its local suppliers, which ensures that its garments are produced in line with the European manufacturing standards.

Save The Duck is currently 31.47% owned by Forest 1914 S.r.l., which is in turn fully owned by Mr Nicolas Bargi, and 68.53% by LHOTSE S.p.A which is mainly headed by Progressio S.G.R. S.p.A.

The company's head office is in Milan, Via Arcivescovo Calabiana 6.

2.1 Save The Duck S.p.A.'s Corporate Governance

The provisions regarding the Company's Governance rights are defined in the shareholders' agreement between Progressio S.G.R. S.p.A. and Mr Nicolas Bargi.

The Company relies on a traditional top-down organisation.

The Board of Directors, comprised of seven members, has a key role in the corporate governance system, it decides on important strategic, economic or financial deals. The Board of Directors appoints the Chairman and the Chief Executive Officer.

The Board is vested with the broadest powers for ordinary and extraordinary management and has the power to carry out any actions it deems appropriate to pursue and achieve the corporate objectives, save the law or the articles of association only reserve such action to the Shareholders' Meeting. In this respect, it is stated that the Shareholders' Meeting resolves with the majorities prescribed by the law, except for the resolutions requiring the favourable vote of 85% of the share capital to be approved, on matters described in the shareholders' agreement, including without limitation:

- i. merger, demerger, transferral abroad of the head office, or transformation;
- ii. winding up of the Company and appointment of a liquidator;
- iii. reduction of the share capital;
- iv. distribution of dividends and reserves for a percentage above 50% of the fiscal year's net profit.

The Board of Statutory Auditors, in charge of monitoring compliance with the law and the articles of association, observance of the principles of fair administration and adequacy of the Company's organisational structure, of the internal control system and of the accounting and administrative system, is comprised of three full members and two alternate members.



The statutory financial statement is audited by the Auditing Firm, as provided for by the reference regulations and principles.

2.2 Internal control system

In constructing its Model, Save The Duck S.p.A. considered the governance tools of the Company's organization, which ensure it operates properly. In particular:

- **Articles of Association** – establish several provisions on corporate governance, aimed at ensuring proper performance of management activities;
- **Organisational system** – consists in the organisational structures/positions and areas of responsibility, as represented in the Organization Chart, and forms an integral part of this Model;
- **Code of Ethics** – includes a set of rules of conduct and general principles, which all the internal and external persons entertaining direct or indirect relations with Save The Duck, must observe and whose non-compliance entails the application of the sanctions provided for in the system of sanctions of this Model;
- **Code of Interdependency** – defines the minimum requirements that each Supplier shall respect in terms of environmental sustainability, social sustainability and employees' rights, protection of workplace safety and health, observance of the law and of business ethics.

In order to ensure the quality of its products and of the entire production chain, the Company only makes use of materials and suppliers with the following certifications or control reports:

- **BSCI AMFORI Code of Conduct – Business Social Compliance Initiative** aimed at defining the values and principles which the affiliated companies have undertaken to observe, within their own sphere of competence, with regard to the protection of employees' rights. The BSCI Code of conduct includes principles related to legal compliance, freedom of association and right of collective bargaining, prohibition of all forms of discrimination, remuneration, principles related to working time, workplace health and safety, prohibition to use child labour and forced labour, as well as disciplinary measures, including environmental and safety matters;
- **Bluesign Certificate**, an international product and raw material certificate aimed at defining principles of environmental and social sustainability, in particular with regard to the efficiency of energy resources; consumer safety; reduction of water consumption; reduction of toxic atmospheric emissions; workplace health and safety;



- **OEKO-TEX Certificate**, a product certificate aimed at guaranteeing that textile products and related accessories do not contain or release substances harmful to human health;
- **GRS**, recycled product certificate;
- **RSL (Restricted Substances List)**, prepared by the Company and underwritten by the producers, which lays down the parameters for non-use of specific substances throughout the entire production chain.

In addition, the Company strives to reach the “Carbon Neutrality” together with other 500 B Corp from all across the world by 2030.



3 Save The Duck S.p.A.'s Organization, Management and Control Model

The Company adopted the first edition of the Organization, management and control model by decision of the Board of Directors on 20/12/2018.

The amendments and integrations of this Organization model are made by the Management Body, also on information provided by the Surveillance Body in charge of updating the Model.

The Company's Board of Directors makes decisions with regard to the implementation of the Model by evaluating and approving the actions required to implement its components.

3.1 Objectives and aims pursued with the adoption and following the update of Save The Duck S.p.A.'s Organization model

By adopting and subsequently updating the Organization, management and control model, the Company pursues the following aims:

- make all persons operating in the name and on account of the Company, in particular those performing “sensitive activities”, aware of the fact that, should they breach the provisions stated in this Model, they might commit offences punishable by criminal penalties against them and by administrative penalties against the Company;
- make the persons above aware of the fact that any such unlawful conduct is strongly discouraged by the Company, as it breaches the law, the corporate culture and the ethical principles the Company adopted as the guidelines of its business;
- enable the Company to take swift action to prevent or fight the perpetration of offences or at least to significantly reduce the damage caused by such offences;
- improve the corporate governance and the Company's image.

In preparing this Model, the Company followed the Guidelines issued by **Confindustria** (association representing manufacturing and service companies in Italy) as amended from time to time.

3.2 “Recipients” of Save The Duck S.p.A.'s Organisation Model

The principles and provisions contained in this document apply to:

- the Members of the Board of Directors, of the Board of Statutory Auditors and the Independent Statutory Auditor;
- Managers;



- Employees;
- consultants, collaborators, suppliers, agents, distributors and any partner in so far as these might be involved in the performance of activities within the scope of which the commission of one of the offences stated in the Decree might be assumed;
- those operating under the direction or supervision of the Company's top management within the scope of their tasks and functions.

The persons identified above are hereinafter referred to as "Recipients".

3.3 Construction of Save The Duck S.p.A.'s Organization Model

The activities aimed at preparing this Model involved:

- identification of the sectors/activities/sensitive areas, with reference to the offences stated in the Decree through the analysis of the most relevant corporate documents (for example: articles of association, chamber of commerce registration, investment contract and shareholders' agreement, etc.);
- analytical examination of the sensitive areas, with the identification of the ways and means through which the offences stated in the Decree might be committed by the firm, its administrative bodies, employees and, generally, the persons referred to in art. 5 of the Decree (also via meetings and talks with the persons involved);
- identification of the internal rules and of the existing protocols – whether or not formalised – with reference only to the areas identified as "at risk of offences";
- definition of standards of conduct and supervision namely for the activities which, in accordance with the Company, it was deemed appropriate to regulate;
- regulation of the ways to manage the appropriate financial resources to prevent the perpetration of offences;
- identification of the person/s in charge of supervising the effective implementation of this Model (hereinafter "Surveillance Body" or "SB"), and setting up of a reporting system by and towards the Surveillance Body;
- adoption of Save The Duck S.p.A.'s Code of Ethics;
- putting in place of an effective disciplinary system to punish non-compliance with the measures required by the Model and by the Code of Conduct.



3.4 Map of Save The Duck S.p.A.'s "sensitive" activities

Pursuant to the provisions of the Decree and in the manners described above, the Company's "sensitive" activities have been identified, considering Save The Duck S.p.A.'s current operations and existing organizational structure.

The main activities and business processes within which the offences referred to in the Decree may be committed, are:

- *Management of commercial activities*
- *Management of administrative duties and inspections*
- *Management of litigations and relations with the Judicial Authorities*
- *Management of purchases of goods and services*
- *Management of third-party relationships*
- *Staff management and incentive schemes*
- *Management of the statements of expenditure*
- *Management of financial flows*
- *Preparation of the budget and management of taxation*
- *Management of corporate secretariat and extraordinary deals*
- *Management of trademarks, products and quality*
- *Management of gifts, sponsorships and marketing activities*
- *Management of workplace health and safety*
- *Management of activities with environmental impact*
- *Management of IT security*

3.5 Structure of Save The Duck S.p.A.'s Organization model

The Model comprises a General Section and the following Special Sections aimed at monitoring the activities at risk identified above:

- **Special Section A:** Offences against the Public Administration and its Assets and crimes of inducing not to make or to make false statements to Judicial Authorities;
- **Special Section B:** Computer crimes and unlawful data processing and crimes involving breach of copyright;
- **Special Section C:** Corporate offences and bribery among private individuals;
- **Special Section D:** Crimes involving receipt of stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering, organised crime offences and transnational crimes;



- **Special Section E:** Crimes against industry and trade and offences of counterfeiting money, banknotes, official stamps and instruments or signs of identification;
- **Special Section F:** Crimes involving involuntary manslaughter and serious or grievous bodily injury, committed in breach of the regulations on workplace health and safety protection;
- **Special Section G:** Offences against the environment;
- **Special Section H:** Crimes against individuals and crime of employing citizens of third-party countries without a regular residence permit;
- **Special Section I:** Tax Crimes;
- **Special Section L:** Smuggling Crimes.

The risk profiles regarding the crimes of female genital mutilation practices, market abuse, the crimes for the purposes of terrorism or subversion of democratic order, and the crimes of racism and xenophobia shall be deemed to be wholly covered by the provisions contained in this Organization, Management and Control Model and by the general controls contained in the Code of Ethics.



4 Save The Duck S.p.A.'s Surveillance Body

The task of monitoring the functioning and observance of the Model was entrusted by the Company to the **Surveillance Body** (hereinafter also "SB"), a body with the requirements listed below and aimed at ensuring effective and efficient implementation of the Model.

4.1 Requirements of Save The Duck S.p.A.'s Surveillance Body

The members of the Surveillance Body shall fulfil the requirements as set forth in the Confindustria guidelines. In particular:

AUTONOMY AND INDEPENDENCE: the Body shall be free from all interference and pressure from senior executives and shall in any case be uninvolved in the performance of operational activities and management decisions. The Surveillance Body shall have no conflict of interests and neither the Body nor its members shall be vested with operational tasks which might undermine its autonomy.

The requirement of autonomy and independence must be understood as also meaning the absence of family bonds with or reporting lines towards the Company's top management or persons with operational powers within the Company.

The Surveillance Body must report to the Company's top operational management and discuss with it on equal terms.

PROFESSIONALISM: possession of the necessary instruments and techniques to effectively and efficiently perform the assigned tasks. The professionalism and authority of the Body are also connected with its professional background. In this respect, the Company considers to be of major importance the careful examination of the curricula of the possible candidates and their previous experience, privileging the profiles with a specific professional experience in the matter.

CONTINUITY OF ACTION: the SB carries out on a continuous basis the necessary activities to monitor the Model with due commitment and the necessary investigatory powers, by meeting on at least a quarterly basis.

INTEGRITY: in relation to the provision of causes of ineligibility, revocation, suspension or disqualification from the Surveillance Body office as set out below.

The requirements described above shall be verified on appointment by the Board of Directors.



4.2 Constitution of the Surveillance Body

Pursuant to the provisions of the Decree, the Company opted for a Surveillance Body consisting of two external members and one internal member. The Surveillance Body shall remain in office for three years and shall expire on the date of approval of the financial statements for the third year of exercise, and may be re-elected.

The Board of Directors shall establish the remuneration of the Body on its appointment for its entire term of office.

The Body, after the appointment, shall adopt an internal set of rules governing its operating procedures, reporting activities towards other surveillance bodies (both internal and external), as well as the formal or substantial procedures as required by its duties. Such set of rules, once approved by the Surveillance Body, shall be submitted to the Board of Directors for the necessary review.

4.3 Causes of ineligibility, revocation, suspension and disqualification

On appointing the members of the Surveillance Body, the Company's Board of Directors expressly provided the following causes of **ineligibility** for the SB members.

The conditions set out below are causes for ineligibility:

- conviction with a non-final sentence or plea-bargaining, including with a conditionally suspended sentence, except if rehabilitation has occurred:
 1. to imprisonment for a term of no less than one year for the crimes referred to in Royal Decree no. 267/1942;
 2. to imprisonment for a term of no less than one year for the crimes referred to in the rules governing the banking, financial, security and insurance businesses, and the rules governing securities markets and payment tools;
 3. to imprisonment for a term of no less than one year for offences against the Public Administration, public faith, property, public economy, or for a tax-related crime;
 4. to imprisonment for a term of no less than two years for any intentional offence;
 5. for the offences referred to in Title XI, Book V of the Italian Civil Code as reworded in the Law Decree no. 61/2002;
 6. for offences resulting or having resulted in a sentence including disqualification, even temporary, from public offices, or temporary disqualification from management offices of legal persons and enterprises;



7. for the offences expressly referred to in the Decree, including sentencing below those indicated in the points above;
- definitive application of the prevention measures referred to in art. 10, par. 3, of Law no. 575/1965, as superseded by art. 3 of Law no. 55/1990 as subsequently amended;
 - application of the accessory administrative sanctions referred to in art. 187-*quater* of Law Decree no. 58/1998.

The members of the Surveillance Body shall provide a statement in lieu of a notarised document that none of the conditions above apply, and shall explicitly commit themselves to notifying any content amendments of such statements.

Any revocation of the members of the Body shall be approved by the Company's Board of Directors only for reasons connected with serious breach of their mandate, including the breaches of confidentiality duties listed below, as well as for the occurrence of the grounds for disqualification referred to below.

The members of the Surveillance Body are **disqualified** from their office if, after being appointed:

- they have been convicted with a final sentence or have plea-bargained for the offences referred to at points 1, 2, 3, 4, 5, 6 and 7 of the ineligibility conditions set out above;
- they have failed to fulfil the confidentiality obligations strictly associated with the performance of their duties.

The members of the Surveillance Body are also suspended from their office, if:

- they have been convicted with a non-final sentence for the offences referred to at points 1 to 7 of the ineligibility conditions set out above;
- they have been applied the penalties referred to at points 1 to 7 of the ineligibility conditions set out above, upon request of the parties;
- they have been applied personal supervision measures;
- they have been provisionally applied the prevention measures referred to in art. 10, par. 3, of Law no. 575/1965, as superseded by art. 3 of Law no. 55/1990 as subsequently amended.



4.4 Duties of Save The Duck S.p.A.'s Surveillance Body

The Board of Directors attributes an annual budget to the Surveillance Body for the performance of its tasks. However, the Surveillance Body may autonomously use resources exceeding its spending power, in compliance with the corporate procedures, in the event such resources were required by exceptional cases of urgency. In such cases, the Body must inform the Board of Directors immediately.

The Surveillance Body makes use of all the corporate functions in order to perform its duties.

The Surveillance Body carries out the following activities:

- it monitors the effectiveness of the Model, in particular it verifies the consistency between the Model and the rules adopted in the risk areas;
- it regularly checks the observance of the Model by all the risk corporate units/areas in order to ascertain that the rules and controls are followed as closely as possible and are actually adequate to prevent the risk of committing the crimes described;
- it supervises compliance with the Code of Ethics and all the provisions contained therein by all the persons operating in the Company for any reason;
- it informs the Board of Directors of any updates and amendments of the Model pursuant to the most recent developments in law and case law, as well as following changes in the corporate organization;
- it oversees the proper functioning of the supervisory activities for each risk area and quickly reports any anomaly and malfunction of the Model, after consultation with the involved areas/functions;
- it evaluates and proposes the application of disciplinary sanctions, after coordination with the persons responsible for the relevant corporate functions/areas.



4.5 Reporting of Save The Duck S.p.A.'s Surveillance Body

In order to guarantee that its functions are performed fully autonomously and independently, the Surveillance Body reports directly to the Company's Board of Directors informing it about the implementation of the Model and about any criticalities via two reporting lines:

- I. the former - **on an ongoing basis** – covers violations of the Model or a behaviour contrary to the Company's rules of conduct;
- II. the latter – **on a six-monthly basis** – occurs towards the Board of Directors and the Board of Statutory Auditors via written reports stating precisely the activities carried out during the reference period, both regarding the controls performed and the results obtained, as well as any required Model update.

The SB shall also each year prepare a plan of the activities envisaged for the following year, detailing the activities to be carried out and the areas to be monitored, as well as the timeframe and priority of the actions.

The Surveillance Body may in any case perform checks not included in the action plan ("spot checks") within the sensitive corporate activities, and if it deems it necessary for the performance of its tasks.

The Body may ask to be heard by the Board of Directors or, in general, by the Management Body whenever it deems appropriate to consult; equally, the SB is allowed the option to ask the Board of Directors for clarifications and information.

The Surveillance Body may in turn be convened at any time by the Board of Directors to report on particular events or situations regarding the functioning and observance of the Model.

Such meetings shall be formally recorded and a copy of the records shall be kept by the SB (as well as by the bodies that may be involved from time to time).

4.6 Reporting obligations to Save The Duck S.p.A.'s Surveillance Body

The SB is the recipient of all information, documents and/or communications, also from third parties, concerning the observance of the Model.

All the Recipients of this Model must inform the Surveillance Body of:

- i) **reports;**
- ii) **information.**



The Surveillance Body ensures **maximum confidentiality** of each piece of news, information, report, **failing which its mandate shall be revoked and the disciplinary measures defined hereinafter shall apply**, without prejudice to the requirements of the investigation in the event the assistance of consultants external to the SB or of other corporate structures were necessary.

All information and reports as referred to in this Model are stored by the Surveillance Body in a dedicated hardcopy and electronic archive, in compliance with the legislation on personal data protection.

i) Reports

All the Recipients are required to promptly notify Save The Duck S.p.A.'s Surveillance Body of any derogation, breach or suspected breach, of which they become aware, of the conduct rules referred to in the Company's Code of Ethics, as well as of the principles of conduct and of the arrangements for the carrying out of the activities defined as "at risk" and governed by the Model.

The reports, if addressed to the Surveillance Body of Save The Duck S.p.A., can be submitted by letter addressed to:

**Organismo di Vigilanza di Save The Duck S.p.A.
Via Arcivescovo Calabiana, 6
20139 – Milan**

or by email to:

OdV@savetheduck.com

The Surveillance Body shall assess all the reports received and adopt the appropriate measures under its discretion and responsibility within its existing powers, it may hear – if necessary - the author of the report and the author of the alleged violation. The reasons of any subsequent decision shall be stated; any measures shall be applied in compliance with the provisions set forth in the Disciplinary System section.

The Body shall safeguard the authors of the reports from any type of retaliation, discrimination, penalisation or any consequence arising from said reports, by maintaining confidentiality on their identity, without prejudice to the legal obligations and the protection of the rights of Save The Duck S.p.A. or of the persons wrongly accused or accused in bad faith.

ii) Information

The Surveillance Body, for the purpose of its supervisory tasks, decides which documents shall periodically be submitted to its attention.



The Surveillance Body must be submitted:

- measures and/or information issued by judicial police bodies or any other authority, indicating that investigations are in progress, also against unknown persons, for offences falling within the scope of the Decree, regarding the Company;
- visits, inspections and assessments undertaken by competent bodies (regions, regional authorities and local authorities) and, once concluded, any findings and sanctions inflicted;
- legal aid requests submitted by internal Company subjects, in the event legal proceedings are started for one of the offences referred to in the Decree;
- reports issued by the corporate structures within their supervisory activity, from which criticalities regarding the provisions of the Decree arise;
- periodical updates on the effective implementation of the Model in all the corporate risk areas/functions;
- periodical updates on the effective implementation of the Code of Ethics at all corporate levels;
- updates on the progress of the activities involving risk areas;
- the system of proxies and powers of attorney adopted by the Company.

Any information and/or news, even unofficial, concerning the perpetration of the offences stated in the Decree or in any case concerning possible violations of the Model and of the Code of Ethics, shall be immediately notified to the SB.

The information flows should reach the Body in the ways and to the addresses indicated above.

4.7 Whistleblowing – protection of the employee and/or collaborator reporting breaches - art. 6, par. 2-bis of Legislative Decree no. 231/2001

The reports mentioned at the points above and, in general, substantiated reports of infringing conduct, under Legislative Decree no. 231/2001 and based on precise and consistent evidence, or of violations (also alleged ones) of the Organization, management and control model, of which the Recipients of this Model have become aware on account of their tasks, shall be made according to the whistleblowing regulations, with particular reference to safeguarding the whistleblower from any type of retaliation and/or discrimination.



More specifically, retaliatory or discriminatory acts, whether direct or indirect, against the whistleblower for reasons directly or indirectly connected with the report, are prohibited, pursuant to art. 6., par. 2-*bis*, of Legislative Decree no. 231/2001.

The adoption of discriminatory measures towards whistleblowers can be reported to the national labour inspectorate, as regards the measures falling within its scope, not only by the whistleblower but also by the trade unions.

It is clarified that, in accordance with the provisions in force, retaliatory or discriminatory dismissals of the whistleblower are to be deemed void, just as a change in tasks, as well as any other retaliatory or discriminatory measures taken against the whistleblower shall be deemed void.

The burden of proof is on the employer, who shall demonstrate that, in the event of disputes related to the imposition of disciplinary sanctions, or to demotions, dismissals, transfers, or the application of any other organizational measures to the whistleblower with negative effect, whether direct or indirect, on his/her working conditions, following the report, these measures are based on reasons extraneous to the report.

Any violations of the measures safeguarding the whistleblower or unfounded reports with intent or gross negligence shall be sanctioned in compliance with the provisions of section 6 “Disciplinary System” below.

The Company activated an e-mail for any reports or alerts (whistleblowing.savetheduck@gmail.com).



5 Training and communication

5.1 Introduction

The Company intends to ensure correct and complete knowledge of the Model, the contents of the Decree and the obligations arising therefrom among those operating for the Company.

The Company, in agreement with the Surveillance Body, will regularly organize training sessions, according to mandatory and recurrence criteria, as well as diversification criteria.

A test on the knowledge and on the level of satisfaction of the participants is conducted at the end of the training.

Training and communication are handled by the Finance & HR Function, in close coordination with the heads of the areas/functions involved in the Model implementation.

5.2 Initial communication

This Model is communicated to the corporate staff by the Chief Executive Officer.

All the Employees and Apical subjects are required to sign a form to attest their knowledge and acceptance of the Model, of which they receive a hard copy or electronic documents.

On being hired, new staff members receive an informative package containing the Model and the Code of Ethics, which ensure that they familiarise with this important matter.

The subsequent amendments and communications regarding the Model shall be notified to the staff through the official information channels.

5.3 Staff training

Participating in **training** aimed at disseminating knowledge of the provisions referred to in the Decree, in the Organisation, management and control model and in the Code of Ethics, shall be deemed as mandatory.

Training shall take into account, as far as contents and ways of providing the courses are concerned, the role of the Recipients, the risk level of the area in which they operate and whether or not their functions involve representation of the Company.

Inexcusable absence in training is considered as a disciplinary offence, under the provisions of the System of Sanctions below.

Save The Duck S.p.A. shall implement training courses which, with a modular approach, will explain:

- the regulatory framework;



- the Code of Ethics and the Organization, management and control model adopted by the Company, including the Special Sections;
- the role of the Surveillance Body and its tasks as assigned by the Company.

The Surveillance Body shall ensure that the training programmes are qualitatively appropriate and effectively implemented.

The Company shall create a section (regularly update) in the corporate intranet, dedicated to training in order to enable those concerned to learn about amendments, integrations or implementations of the Code of Ethics and the Model in real time.

5.4 Information for “Third-Party Recipients”

The Company requires knowledge and observance of the Model and of the Code of Ethics from “Third-Party Recipients”, such as consultants, collaborators, agents, suppliers, distributors, commercial partners and other external subjects operating on account of the Company.

Information is provided through official communications or explicit reference in contracts to the existence of the Model and of the Code of Ethics.

Save The Duck S.p.A. includes, in the contracts with the third parties with which it operates, clauses providing for the termination of the contractual obligations in case of breach of the established ethical principles.



6 Disciplinary system

6.1 General profiles

Legislative Decree no. 231/2001 requires the definition of an appropriate disciplinary system to sanction the non-observance of the rules stated in the Model for the purpose of exempting the Bodies from administrative liability and to ensure Model effectiveness.

It shall be prohibited to the Company and its representatives to retaliate or discriminate, whether directly or indirectly, the author of a report for reasons connected, whether directly or indirectly, to the report. In this respect, it is clarified that disciplinary sanctions shall be applied:

- in the event of breach of the provisions and principles stated in the Model;
- to those violating the measures safeguarding the whistleblower;
- to those making reports that have proved unfounded, intentionally or by serious negligence.

The adoption of discriminatory measures towards whistleblowers can be reported to the national labour inspectorate, as regards the measures falling within its scope, not only by the whistleblower but also by the trade unions.

It is clarified that, in accordance with the provisions in force, retaliatory or discriminatory dismissal of the whistleblower is to be deemed void.

The change in tasks, as well as any other retaliatory or discriminatory measures taken against the whistleblower, shall also be deemed void. The burden of proof is on the employer, who shall demonstrate that, in the event of disputes related to the imposition of disciplinary sanctions, or to demotions, dismissals, transfers or application to the whistleblower of any other organizational measures with negative effect, whether direct or indirect, on his/her working conditions, following the report, these measures are based on reasons extraneous to the report.

Any disciplinary sanctions for breach of the principles and rules of conduct referred to in the Organization model shall be pursued regardless of the initiation and finalisation of any judicial actions, for committing the offences referred to in the Decree.

Following the SB's communication on the breach of the Model, an investigation is started in compliance with the provisions of the employee's reference National Collective Employment Contract; such investigation is conducted by the corporate bodies in charge of imposing disciplinary sanctions, taking into account the gravity of the behaviour, the possible repetition of the misconduct or the degree of negligence.

Save The Duck S.p.A., through the corporate bodies and the competent functions, shall impose, consistently, impartially and uniformly, sanctions proportionate to the respective breaches of the Model and compliant with the current statutory provisions on employment; the sanctions envisaged for the various professional figures are detailed below.



6.2 Sanctions against Employees

Any conduct of employees involving:

- breach of the individual rules of conduct referred to in this Model, in the Code of Ethics, in the rules and corporate protocols adopted by the Company;
- breach of the measures safeguarding whistleblowers;
- the making of ungrounded reports intentionally or by serious negligence,

shall constitute disciplinary offences.

Sanctions against employees shall be adopted in compliance with the procedures laid down by the applicable legislation.

Express reference is made to the categories of punishable deeds under the existing system of sanctions, that is conventions under the National Collective Employment Contract.

In accordance with the principle of proportionality, according to the gravity of the committed breach, the following sanctions shall apply:

Verbal warning: shall apply in the event of minor breach of the principles and rules of conduct laid down in this Model, as such conduct is equivalent to a **slight breach** of the contractual rules or of the directives and instructions issued by management or by one's superiors.

Written warning: shall apply in the event of recurrence of the breaches described above.

Fine or suspension from work without pay: shall apply in the event of failure to comply with the principles and rules of conduct laid down in this Model, for a conduct which is **not in line with or not appropriate** to the requirements of the Model, where such non-compliance is assessed to be relatively serious, although repeated. Such conduct shall include failure to comply with reporting obligations towards the Surveillance Body regarding an offence, also attempted, as well as any breach of the Model, breach of the measures safeguarding the whistleblower's confidentiality or the making of reports that have proved unfounded intentionally or by serious negligence.

The same sanctions shall be applied in the event of repeated, unjustified failure to participate (whether physically or in any other form as the Company may require) in the training organized by the Company regarding the Decree, the Organisation, management and control model, and the Code of Ethics adopted by the Company, or to relating subjects.

The fine may not exceed four hours of remuneration. Suspension from work without pay may not exceed ten days and shall be applied in the event of serious failure.

Dismissal for disciplinary reasons: shall be applied in the event of a **conduct wilfully in contrast with the requirements** of this Model, which, **albeit it is simply liable to give rise to one of the offences** covered by the Decree, **impairs the trust** on which an employment



relationship is based, or is of such seriousness as to prevent continuation of employment, not even temporarily. Breaches punishable with the sanction above include the following wilful conduct:

- preparation of incomplete or untrue documents (for example, documents for the Public Administration, accounting documents, etc.);
- omission of preparing the documents referred to in the Model;
- breach of the measures safeguarding the confidentiality of the whistleblower or of reports, made intentionally or by serious negligence, of unlawful conduct or of violations of the Model or of the Code of Ethics, which may have proven ungrounded, where such conduct is so serious as to impede continuation of employment;
- breach or circumvention of the control system envisaged by the Model by any means, including removal, destruction or alteration of the documents regarding the procedure, obstructing controls, preventing access to information and documents by the subjects responsible for the controls or decisions.

6.3 Sanctions against Executives

When executives infringe the principles and rules of conduct set out in this Model or adopt a conduct not in line with the requirements of the Model, such as breaching the measures safeguarding whistleblowers or making ungrounded reports intentionally or by serious negligence, such persons shall incur disciplinary measures reflecting the seriousness of their infringement. In consideration of the particular fiduciary relationship existing between executives and their employer, termination of employment shall be applicable for the most serious infringements.

- Failure by executives to monitor proper application, by subordinate employees, of the rules of this Model;
- failure to comply with the reporting obligations towards the Surveillance Body regarding the commission of serious offences, even if attempted;
- breach of the rules of conduct contained herein by an executive;
- adoption, in performing the respective tasks, of a conduct not in line with the conduct reasonably expected from an executive, in relation to the office held and the degree of autonomy granted;
- breach of the measures safeguarding whistleblowers under Law no. 179/2017;
- making, intentionally or by serious negligence, reports that have proven ungrounded,

shall also constitute disciplinary offences.



6.4 Sanctions against members of the Board of Directors, Statutory Auditors and Independent Auditors

The Directors who have:

- breached this Model;
- infringed the provisions safeguarding the whistleblower;
- made, intentionally or by serious negligence, reports that have proven ungrounded,

may be applied by the Board of Directors, promptly informed together with the Board of Statutory Auditors by the SB, the measures deemed appropriate in accordance with the law, including the following sanctions, that shall reflect the seriousness of the deed and the culpability, as well as the related consequences:

- written warning;
- financial penalty, reflecting the seriousness of the deed, from two to five times the monthly remuneration
- revocation, total or partial, of any proxies.

The Board of Directors, if the violations justify a revocation, shall propose the Shareholders' Meeting to adopt the relevant measures and shall meet any further obligations provided for by the law.

Where the infringement is committed by a member of the Board of Statutory Auditors or of Independent Auditors, the SB shall promptly inform the Chairman of the Board of Directors in a written report. The Chairman of the Board of Directors, if the violations justify a revocation, shall convene the Shareholders' Meeting by submitting the Surveillance Body's report to the shareholders beforehand. It is a matter of the Shareholders' Meeting to adopt the measures following such violation.

6.5 Sanctions against "Third-Party Recipients"

Any infringement of the provisions set forth in the Model by consultants, collaborators, suppliers, agents, distributors and commercial partners, and those included among the "Recipients" of the Model, is punished by the competent bodies according to the internal corporate rules, under the provisions of the related contracts, and in any case with the application of conventional penalties, including the automatic termination of the contract (under art. 1456 of the Italian Civil Code), without prejudice to any claims for damages.