

RINASCENTE

26th September 2023

ORGANISATIONAL MODEL

Organisational, management and control model pursuant to Italian Legislative Decree
No. 231 of 8 June 2001

GENERAL PART

RINASCENTE

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DEFINITIONS

“Contractors”	mean all contractors of works or services pursuant to the Italian Civil Code, as well as sub-contractors, suppliers and self-employed persons who have concluded a works contract with the Company, whose services are used by the Company in the Sensitive Processes.
“NCLA”	the National Collective Labour Agreement of 17 March 2005 for employees of Tertiary, Distribution and Services sectors.
“Consultants”	persons acting in the name and/or on behalf of the La Rinascente S.p.A. on the basis of a mandate or another cooperation relationship.
“Decree”	Italian Legislative Decree No. 231 of 8 June 2001.
“Delegation”	internal act assigning functions and duties within the corporate organisation.
“Addressees”	all persons to whom the Model is addressed and more specifically: corporate bodies and their members, employees and collaborators of the Company (including “seasonal” workers , project workers and interim/temporary workers), commercial collaborators (managers of “In-store Shops”) if involved in Sensitive Processes, Suppliers, Consultants, Contractors, as well as members of the Supervisory Body.
“Suppliers”	suppliers of goods and services – excluding consultation – (including those working under concession), used by the Company in the Sensitive Processes.

“Model”	the organisational, management and control model provided for by the Decree, adopted by La Rinascente S.p.A. is represented by this document, set out into a General Part and Special Parts.
“Supervisory Body”	the Supervisory Body provided for by the Decree.
“Sensitive Transactions”	all activities of particular importance carried out by La Rinascente S.p.A. as part of the Sensitive Processes.
“Management Body”	the Board of Directors of the Company La Rinascente S.p.A.
“Power of Attorney”	the unilateral legal transaction, by which the Company assigns powers of representation before third parties.
“Sensitive Process”	all corporate activities and transactions organised to pursue a specific purpose or manage a specific business unit of La Rinascente S.p.A., in areas where there is a potential risk of commission of one or more offences provided for by the Decree, as listed in the Special Part of the Model, also indicated generically and collectively as area/s at risk.
“<i>Process Owner</i>”	the person who on account of the organisational position held or the activities performed has greater involvement or greater visibility in the Sensitive Process in question.
“Offences”	the offences envisaged by the Decree.
“Company”	La Rinascente S.p.A., public limited company with single shareholder, with registered office at Via Washington 70, 20146 Milan, tax code and enrolment number in the Register of Companies (MI) 05034580968, REA (Economic Administrative Index) No. 1791044.

FOREWORD

Thanks to a process of reorganisation and strategic repositioning begun in 2005, La Rinascente S.p.A. is to date the topmost ranking Department Store in Italy.

Currently it has 9 retail outlets, located in the historic centres of the most important cities in Italy, along with an online shopping channel. It offers a range of products such as clothing, accessories, underwear, perfumes, household goods and leisure and lifestyle products, guaranteeing a huge selection, which has been further enhanced by the inclusion of prestigious national and international fashion brands.

As part of this process to develop its corporate organisational structure, La Rinascente S.p.A. sought to give specific consideration to the application of principles of sound corporate governance to protect the company image and the interests of its various stakeholders.

In pursuing these objectives, the Board of Directors of La Rinascente S.r.l., now S.p.A (hereinafter also the “Company” or “RINASCENTE”), in the meeting held on 29 September 2006 approved its “Organisational, Management and Control Model” pursuant to Italian Legislative Decree No. 231 of 8 June 2001, containing the “Rules on the administrative liability of legal entities, companies and associations even without legal personality, pursuant to Article 11 of Italian Law No. 300 of 29 September 2000” and also appointed a special body, named the Supervisory Body, to which it entrusted the supervisory and control duties provided for by the Decree.

Later, during 2008, in light of the changes made to the organisational structure, the developments in the reference legislative framework and the consolidation of best practices, the Company considered it appropriate to update the Organisational Model in force.

A project was launched, the first step of which involved an update of the previously conducted risk assessment activities, focusing the analysis on areas where there was a potential risk of commission of offences against Public Administration. Then on this basis of the results of this assessment process, and also in order to redefine the structure of the document and its general contents drawing inspiration from applicable best practices, a reviewed and updated version of the Model was drawn up, which was approved by the Board of Directors on 2 March 2009.

During 2012, another process to update the Model was launched, in view of the transformation of the Company and the additional changes made to the organisational structure, as well as the new legislation introduced in recent years to the body of the Decree, which extended the administrative liability of entities to additional groups of offences.

After these updates, the Company adopted the Model, approved by the Board of Directors on 21 January 2013.

At the end of 2014, the Company decided to launch a further update of the Model, following the latest changes introduced to the body of the Decree – which extended the administrative liability of entities to additional groups of offences – and carried out Control & Risk Self-Assessment (hereinafter also “CRSA”) activities with regard to the following groups of offences:

- Bribery in the private sector;
- Offence of employment of illegally staying third country nationals;
- Computer crimes and unlawful data processing;
- Environmental offences.

Furthermore, following the inclusion of the offence of “self-laundering” among the predicate offences giving rise to liability for entities, in 2015 the Company commenced a further update of the Model, carrying out specific CRSA activities with regard to said offence. Subsequently, the Model was updated during the course of 2017 with regard to offences that had been reworded and/or introduced in the past few years, and specifically, the offences of i) illicit brokering and labour exploitation; ii) bribery in the private sector and incitement to bribery in the private sector; iii) false corporate reporting.

The Model was updated in 2018 to include the offences of racism and xenophobia.

Between the end of 2021 and the beginning of 2022, the Model was updated, on the one hand to incorporate new aspects regarding tax and smuggling offences and on the other, to account for the e-commerce process implemented and developed during 2020.

Lastly, in 2023, the Company started a further process of updating the Model, with reference to the following newly introduced crime groupings:

- crimes relating to payment instruments other than cash;
- crimes against cultural heritage and recycling of cultural assets and destruction and looting of cultural and landscape assets.

On the basis of the results of the latest CRSA activities performed, additional “Special Parts” dedicated to each of the aforesaid groups of offences were developed to update the current version of the Model and in order to:

- provide the Addressees with a description of the Company’s organisational, management and control system and with examples of the ways in which the offences could be committed in each Sensitive Activity;
- inform the Addressees of the principles of behaviour, general rules of conduct and specific provisions that they must observe when carrying out their activities.

The documentation drawn up at the end of the aforesaid Control & Risk Self-Assessment activity forms an integral part of the Model.

After these updates, the Company adopted the Model in its current version, which was approved by the Board of Directors on September 26th, 2023.

The document is divided into a General Part and Special Parts.

The General Part provides a brief summary of the contents of the Decree, defines the methodology used by the Company for its formalisation, identifies and governs the Supervisory Body and outlines the Disciplinary System adopted by the Company.

The Special Parts relating to the offences provide a description of the Sensitive Processes and define some of the safeguards and measures required to prevent the risk of commission of offences envisaged by the Decree and specifically analysed by the Company.

The following Special Parts have been drawn up:

- a) “Special Part A”: Code of Ethics
- b) “Special Part B”: Offences against Public Administration
- c) “Special Part C”: Corporate Offences
- d) “Special Part D”: Offences relating to health and safety at work
- e) “Special Part E”: Offences of receiving, laundering and using money, goods or benefits of unlawful origin and self-laundering
- f) “Special Part F”: Organised crime offences

- g) “Special Part G”: Offences relating to falsification of trademarks, patents and distinctive signs
- h) “Special Part H”: Offences against industry and commerce
- i) “Special Part I”: Offences involving breach of copyright
- l) “Special Part L”: Environmental offences
- m) “Special Part M”: Offence of employment of illegally staying third country nationals
- n) “Special Part N”: Computer crimes and unlawful data processing
- o) “Special Part O”: Offences against the individual
- p) “Special Part P”: Offences of racism and xenophobia
- q) “Special Part Q”: Tax Offences
- r) "Special Part R": Smuggling
- s) “Special Part S”: Crimes relating to payment instruments other than cash
- t) “Special Part T”: Crimes against cultural heritage and recycling of cultural assets and destruction and looting of cultural and landscape assets.

GENERAL PART

ITALIAN LEGISLATIVE DECREE NO. 231/01

OVERVIEW OF THE DECREE AND RELEVANT LEGISLATION

Italian Legislative Decree No. 231 of 8 June 2001 containing the “*Rules on the administrative liability of legal entities, companies and associations, including those without legal personality, pursuant to Article 11 of Italian Law No. 300 of 29 September 2000*” (hereinafter the “Decree”), which entered into force on 4 July 2001, was introduced to adapt the internal regulations on the administrative liability of legal entities to the international conventions to which Italy has been party for some time, such as the *Brussels Convention of 26 July 1995* on protection of the European Community’s financial interests, the *Convention of 26 May 1997*, which was also signed in Brussels, on the fight against corruption involving officials of the European Communities or of Member States of the European Union and the *OECD Convention of 17 December 1997* on combating bribery of foreign public officials in international business transactions.

This Decree introduced to our legal system, with regard to legal entities (hereinafter referred to as Entities), a regime of administrative liability of Entities (essentially equivalent to criminal liability) for certain offences committed in their interest or to their advantage, which is additional to the liability of the natural person who physically committed the offence. The liability established by this Decree also applies to offences committed abroad, provided that the state where the offence was committed does not intend to prosecute.

In the case of notification of a crime pursuant to the Decree, the Entity shall participate in the criminal proceedings with its legal representative unless the latter is accused of the crime on which the administrative offence depends. With reference to this aspect, in the event that the legal representative is investigated for a predicate crime of the administrative offence attributed to the organisation, the appointment of the organisation's defender must take place through a person specifically delegated to this activity for cases of possible conflict with criminal investigations against the legal representative (in this sense, see Cassation Criminal Div. III, 13 May 2022, no. 35387).

The key points of the Decree concern:

- a) the persons involved in commission of the offence, who are:

1. natural persons holding “*senior*” positions (representation, administration or management of the Entity or of another organisational unit or persons who have de facto responsibility for management and control);
 2. natural persons under the direction or supervision of one of the aforesaid persons.
- b) the type of offences envisaged, which concern those against Public Administration and more specifically:
1. misappropriation of funds of the state or other public body (Article 316-bis Italian Criminal Code);
 2. undue receipt of contributions, loans or other funds from the state or other public body (Article 316-ter Italian Criminal Code);
 3. fraud against the state or other public body (Article 640(2)(1) Italian Criminal Code);
 4. serious fraud to obtain public funds (Article 640-bis Italian Criminal Code);
 5. computer fraud against the state or other public body (Article 640-ter Italian Criminal Code);
 6. extortion (Article 317 Italian Criminal Code);
 7. bribery to influence an official act (Article 318 Italian Criminal Code);
 8. bribery to breach official duties (Article 319 Italian Criminal Code);
 9. bribery in judicial proceedings (Article 319-ter Italian Criminal Code);
 10. undue inducement to give or promise benefits (Article 319-quater);
 11. incitement to bribery (Article 322 Italian Criminal Code);
 12. bribery of persons responsible for a public service (Article 320 Italian Criminal Code);
 13. embezzlement, extortion, bribery and incitement to bribery of members of bodies of the European Communities and officials of the European Communities and of foreign states (Article 322-bis Italian Criminal Code).

This family of offence was subsequently integrated, through Law 3/2019, with the offence of using improper influence (Article 346-bis of the Italian Criminal Code) and through Legislative Decree 75/2020, with the offences of fraud in public procurement (Article 356 of the Italian Criminal Code), European Agricultural Fund fraud (Article 2 Law 23/12/1986 No. 898), embezzlement (Article 314, paragraph 1 of the Italian Criminal Code)*, embezzlement by gaining from the errors of others (Article 316 of the Italian Criminal Code)* and abuse of office (Article 323 of the Italian Criminal Code)*.

* They are only considered to be offences under the Decree if they violate the financial interests of the European Union.

- c) subsequently, following the entry into force of Italian Decree Law No. 350 of 25 September 2001, containing “*Urgent provisions in anticipation of the introduction of the euro*”; the offences set forth in Article 25-*bis* of the Decree, and namely:
1. counterfeiting money, passing and bringing in counterfeit money to the state, with complicity (Article 453 Italian Criminal Code);
 2. falsification of money (Article 454 Italian Criminal Code);
 3. passing and bringing in counterfeit money to the state, without complicity (Article 455 Italian Criminal Code);
 4. passing counterfeit money received in good faith (Article 457 Italian Criminal Code);
 5. counterfeiting stamps, bringing into the state, purchasing, holding or putting into circulation counterfeit stamps (Article 459 Italian Criminal Code);
 6. counterfeiting watermarked paper used in manufacture of currency or stamps (Article 460 Italian Criminal Code);
 7. manufacturing or holding watermarks or tools to be used for counterfeiting money, stamps or watermarked paper (Article 461 Italian Criminal Code);
 8. use of counterfeit or falsified stamps (Article 464 Italian Criminal Code).
- d) following the entry into force of Italian Legislative Decree No. 61 of 11 April 2002, containing the “*Rules on criminal and administrative offences concerning commercial companies, pursuant to Article 11 of Italian Law No. 366 of 3 October 2001*”, the “corporate offences”, as set forth in Article 3 of the aforesaid Italian Legislative Decree No. 61/02 and in Article 25-*ter* of the Decree, and namely:
1. false corporate reporting (Article 2621 Italian Civil Code);
 2. false corporate reporting of a minor nature (Article 2621-*bis*)¹;
 3. false corporate reporting in listed companies (Article 2622 Italian Civil Code);
 4. impediment of control activities (Article 2625 Italian Civil Code);
 5. fictitious formation of capital (Article 2632 Italian Civil Code);
 6. undue return of contributions (Article 2626 Italian Civil Code);

¹ Note that the offence referred to in Article-2621-*bis* Italian Civil Code was introduced by Italian Law No. 69 of 27 May 2015, which, inter alia, reworded Article 2622 Italian Civil Code and eliminated the crime of “*false statements in reports or disclosures of the independent auditors*” (Article 2624 Italian Civil Code) from the list of predicate corporate offences.

7. illegal sharing of profits and reserves (Article 2627 Italian Civil Code);
 8. unlawful transactions on shares or units of the company or of the parent company (Article 2628 Italian Civil Code);
 9. transactions to the detriment of creditors (Article 2629 Italian Civil Code).
 10. failure to disclose conflict of interest (Article 2629-bis Italian Civil Code introduced by Article 31 of Italian Law No. 262 of 28 December 2005);
 11. improper distribution of corporate assets on the part of liquidators (Article 2633 Italian Civil Code);
 12. bribery in the private sector (Article 2635 Italian Civil Code, as amended by Italian Legislative Decree No. 38 of 15 March 2017);
 13. incitement to bribery in the private sector (Article 2635-*bis*, introduced by Italian Legislative Decree No. 38 of 15 March 2017);
 14. unlawful influence over the shareholders' meeting (Article 2636 Italian Civil Code);
 15. rigging the market (Article 2637 Italian Civil Code);
 16. obstructing the performance of public supervisory authority functions (Article 2638 Italian Civil Code);
 17. false or omitted declarations for the issue of the preliminary certificate (Article 54 Legislative Decree 19/2023, introduced by Legislative Decree no. 19/2023 itself).
- e) then, following the issue and entry into force of Italian Law No. 7 of 14 January 2003, containing the "Ratification and implementation of the international Convention for the suppression of the financing of terrorism, signed in New York on 9 December 1999, and provisions for adaptation of the internal system", the offences for the purpose of terrorism or subversion of the democratic order, provided for by the Italian Criminal Code and by special laws (Article 25-quater of the Decree);
- f) the offences against life or limb, inserted into the original body of the Decree (Article 25-*quater*.1) following the issue and entry into force of Italian Law No. 7 of 9 January 2006, containing "*Provisions concerning the prevention and prohibition of practising mutilation of female genital organs*";
- g) furthermore, by virtue of the issue and entry into force of Italian Law No. 228 of 11 August 2003, containing "*Measures against human trafficking*", which inserted Article 25-*quinquies* into the Decree,

the crimes against the individual governed by Section I, Chapter III, Title XII of Volume II of the Italian Criminal Code, and more specifically:

1. placing or holding in slavery or servitude (Article 600 Italian Criminal Code);
2. underage prostitution (Article 600-*bis* Italian Criminal Code);
3. underage pornography (Article 600-*ter* Italian Criminal Code);
4. holding of pornographic material (Article 600-*quater* Italian Criminal Code);
5. virtual pornography (Article 600-*quater*.1 Italian Criminal Code, added by Article 10, Italian law No. 38 of 6 February 2006);
6. tourist initiatives for the exploitation of underage prostitution (Article 600-*quinquies* Italian Criminal Code);
7. human trafficking (Article 601 Italian Criminal Code);
8. purchase and sale of slaves (Article 602 Italian Criminal Code);
9. illicit brokering and labour exploitation (Article 603-*bis* Italian Criminal Code, introduced among the predicate offences of the Decree by Italian Law No. 199 of 29 October 2016).
10. solicitation of minors (Article 609-*undecies* of the Criminal Code).

The cases referred to in the articles. 600-*quater* and 609-*undecies* of the Criminal Code were subsequently modified by Law no. 238/2021.

- b) the “market abuse” offences: Italian Law No. 62 of 18 April 2005 (Assimilation of Directive 2003/6/EC of the European Parliament and of the Council, of 28 January 2003, on insider dealing and market manipulation – market abuse – and of Commission Implementing Directives 2003/124/EC, 2003/125/EC and 2004/72/EC) introduced to Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Financial Intermediation) the crimes and administrative offences of “insider dealing” (Article 184) and “market manipulation” (Article 185). More specifically, commission of the offences of “insider dealing” and “market manipulation” may lead to the imposition of the financial penalties set forth in Italian Legislative Decree No. 231/01 (Article 25-*sexies*) on the Company, if these offences are committed in the interest or to the advantage of the Entity. Said Italian Law No. 62 of 2005 also provided for, in Article 187-*quinquies* of the Consolidated Law on Finance, a new form of liability of the Entity following the commission in its interest or advantage (not of crimes but) of the administrative offences of: -insider dealing (Article 187-*bis* of the Consolidated Law on Finance); -market manipulation (Article 187-*ter* of the Consolidated Law on Finance).

The cases referred to in Articles 184 and 185 Legislative Decree no. 58 of 24 February 1998 were subsequently modified by Law no. 238/2021.

- i) the “transnational” offences, introduced among the offences giving rise to administrative liability of the Entity by Italian Law No. 146 of 16 March 2006, which ratified and implemented the United Nations Convention and Protocols against transnational organised crime, adopted by the General Assembly on 15 November 2000 and on 31 May 2001 (hereinafter the “Conventions”). Article 10 of Italian Law No. 146 of 2006 includes the offences stated below, to the extent that they are of a transnational nature, as defined by Article 3 of said Law:
1. criminal association (Article 416 Italian Criminal Code);
 2. mafia-type association (Article 416-*bis* Italian Criminal Code);
 3. criminal association with the intent to engage in contraband of foreign processed tobacco (Article 291-quater of the Consolidated Law set forth in Italian Presidential Decree No. 43 of 1973);
 4. association with the intent to engage in unlawful trafficking of narcotic or psychotropic drugs (Article 74 of the Consolidated Law set forth in Italian Presidential Decree No. 309 of 1990);
 5. smuggling of migrants (Article 12(3), (3-*bis*), (3-*ter*) and (5) of the Consolidated Law set forth in Italian Legislative Decree No. 286 of 1998);
 6. inducement not to provide statements or to provide untruthful statements to the judicial authorities (Article 377-*bis* Italian Criminal Code);
 7. aiding and abetting (Article 378 Italian Criminal Code);
- j) furthermore, following the entry into force of Italian Law No. 123 of 3 August 2007, which introduced to the Decree Article 25-*septies*, subsequently reformulated by Article 300 of Italian Legislative Decree No. 81 of 9 April 2008, the crimes of:
1. manslaughter (Article 589 Italian Criminal Code) committed with breach of the regulations governing the protection of health and safety at work;
 2. serious and very serious injury (Article 590 Italian Criminal Code) committed with breach of the regulations governing the protection of health and safety at work.
- k) the offences of receiving, laundering, using money, goods or benefits of unlawful origin and self-laundering: Italian Legislative Decree No. 231 of 21 November 2007, containing “Implementation

of Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing as well as of Directive 2006/70/EC laying down measures for its implementation”, in Article 63(3) adds Article 25-*octies* to Italian Legislative Decree No. 231/2001 establishing the administrative liability of Entities for the offences of receiving (Article 648 Italian Criminal Code), laundering (Article 648-*bis* Italian Criminal Code) and using money, goods or benefits of unlawful origin (Article 648-*ter* Italian Criminal Code). At the same time, said measure repealed the provisions of Italian Law No. 146 of 10 March 2006, which sanctioned pursuant to the Decree the offences of receiving and using money, goods or benefits of unlawful origin only when they are of a “transnational” nature. Lastly, Article 3(3) Italian Law No. 186 of 15 December 2014 introduced the offence of self-laundering (Article 648-*ter.1* Italian Criminal Code) to the legal system and among the predicate offences provided for in Article 25-*octies* of the Decree. The cases referred to in Articles 648, 648-*bis*, 648-*ter* and 648-*ter.1* of the Criminal Code were subsequently modified by Legislative Decree no. 195/2021.

- l) the “*computer crimes and unlawful data processing*”, introduced by Italian Law No. 48 of 18 March 2008 ratifying the Budapest Convention on Cybercrime, which introduced the new Article 24-*bis* to the body of the Decree, and aimed at sanctioning the computer crimes and unlawful data processing and the crimes set forth in the articles of the Italian Criminal Code and, more specifically:
1. forgery of a public computer document or document with evidential value (Article 491-*bis* Italian Criminal Code);
 2. illegal access to a computer or electronic system (Article 615-*ter* Italian Criminal Code);
 3. unauthorised holding and dissemination of access codes to computer or electronic systems (Article 615-*quater* Italian Criminal Code);
 4. dissemination of computer equipment, devices or programmes designed to damage or interrupt a computer or electronic system (Article 615-*quinquies* Italian Criminal Code);
 5. interception, obstruction or unlawful interruption of computer or electronic communications (Article 617-*quater* Italian Criminal Code);
 6. installation of equipment to intercept, obstruct or interrupt computer or electronic communications (Article 617-*quinquies* Italian Criminal Code);
 7. damaging of information, data and computer programmes (Article 635-*bis* Italian Criminal Code);

8. damaging of information, data and computer programmes used by the state or other public body or of public utility (Article 635-*ter* Italian Criminal Code);
9. damaging of computer or electronic systems (Articles 635-*quater* Italian Criminal Code);
10. damaging of computer or electronic systems of public utility (Articles 635-*quinqües* Italian Criminal Code);
11. computer fraud by the person providing electronic signature certification services (Article 640-*quinqües* Italian Criminal Code);

This group of offences was subsequently integrated, by Law Decree 105/2019, with the offence of breaching laws relating to the scope of national cybersecurity (Article 1, paragraph 11, Law Decree 105/2019).

The cases referred to in Articles 615-*quater*, 615-*quinqües*, 617-*quater* and 617-*quinqües* of the Criminal Code were subsequently modified by Law no. 238/2021.

- m) the “*organised crime offences*”, introduced by Italian Law No. 94 of 15 July 2009, containing “Provisions on public safety”, which inserted into the body of the Decree the new Article 24-*ter*, aimed at sanctioning organised crime offences, including criminal association (Article 416 Italian Criminal Code) and mafia-type association (Article 416-bis Italian Criminal Code).
- n) the “*offences of falsification of trademarks and patents*”, “*offences against industry and commerce*” and “*offences involving breach of copyright*”, all introduced by Italian Law No. 99 of 23 July 2009, containing “Provisions for the development and internationalisation of enterprises, and with regard to energy”, which introduced to the body of the Decree the offences of falsification of trademarks and patents, set forth in the renewed Article 25-*bis* (Articles 473 and 474 Italian Criminal Code), the offences against industry and commerce, set forth in the new Article 25-*bis*1 and the offences involving breach of copyright, set forth in the new Article 25-*novies*.
- o) the offence of “*inducement not to provide statements or to provide untruthful statements to the judicial authorities*”, introduced by Italian Law No. 116 of 3 August 2009, ratifying and implementing the UNO Convention against corruption adopted by the UN General Assembly on 31 October 2003 by resolution No. 58/4, which introduced to the body of the Decree the new Article 25-*decies*, which sanctions the offence of inducement not to provide statements or to provide untruthful statements to the judicial authorities.

p) the “*environmental offences*”, introduced by Italian Legislative Decree No. 121 of 7 July 2011, in force since 16 August 2011, which extended the regime of administrative liability of entities to “environmental offences” (Article 25-*undecies*), which specifically include:

- a number of offences established by Italian Legislative Decree No. 152 of 3 April 2006 (the “Environment Code”) with regard to discharging industrial waste water containing dangerous substances (Article 137); unauthorised waste management (Article 256), failure to remediate sites (Article 257); as well as irregular keeping of waste transport records (Article 258); unlawful trafficking of waste (Article 259); organised activities for unlawful trafficking of waste (Article 260); breach of controls on waste traceability (Article 260-bis); breach of provisions on operating facilities (Article 279);
- the offences established by Article 3 of Italian Law No. 549 of 28 December 1993 on the use of ozone-depleting substances;
- a number of offences established by the Italian Criminal Code (such as, for example, environmental disaster pursuant to Article 452-*bis* Italian Criminal Code and trafficking and dumping highly radioactive material pursuant to Article 453-*sexies* Italian Criminal Code).

In addition, note that environmental criminal legislation has been reorganised by Italian Law No. 68 of 22 May 2015 containing “*Provisions relating to crimes against the environment*”.

q) the offence of “*employment of illegally staying third-country nationals*”, introduced by Article 2(1) of Italian Legislative Decree No. 109 of 16 July 2012, which introduced to the body of the Decree Article 25-*duodecies*, which sanctions the crime of employment of illegally staying third-country nationals, established by Article 22(12-*bis*) of Italian Legislative Decree No. 286 of 25 July 1998. In addition, Italian Law No. 161 of 17 October 2017 introduced the offences of “*aiding and abetting illegal entry*” (Article 12(3), (3-bis) and (3-ter) of the Consolidated Law on Immigration - Italian Legislative Decree No. 286 of 25 July 1998) and “*aiding and abetting illegal residence*” (Article 12(5) of the Consolidated Law on Immigration - Italian Legislative Decree No. 286 of 25 July 1998) into Article 25-*duodecies* of the Decree.

r) the offences of “*racism and xenophobia*”, introduced by Italian Law No. 167 of 20 November 2017 containing “*Provisions for the fulfilment of the obligations resulting from Italy’s membership of the European*

*Union - European Law 2017*⁶ were also included in the predicate offences of the Decree under Article 25-terdecies of the same.

s) *Fraud in sports competitions, abuse of gambling or betting and wagering using banned equipment*, introduced into the Decree by Law 39/2019, including in particular:

1. Fraud in sports events (Article 1 Law No. 401 of 13 December 1989)
2. Abuse of gambling or betting (Article 4 Law No. 401 of 13 December 1989).

t) *Tax offences* (Article 25-quinquiesdecies) introduced into the Decree by Law Decree 124/2019 and by Legislative Decree 75/2020, including in particular:

1. Fraudulent statement through the use of invoices or other documents for non-existent transactions (Article 2 Legislative Decree 74/2000)
2. Fraudulent Statement through other trickery (Article 3 Legislative Decree 74/2000)
3. False statement (Article 4 Legislative Decree 74/2000)*
4. Omitted statement (Article 5 Legislative Decree 74/2000)*
5. Issue of invoices for non-existent transactions (Article 8 Legislative Decree 74/2000)
6. Hiding or destruction of accounting documents (Article 10 Legislative Decree 74/2000)
7. Unlawful compensation (Article 10-quater Legislative Decree 74/2000)*
8. Fraudulent failure to pay taxes (Article 11 Legislative Decree 74/2000)

* They are only considered to be offences under the Decree if committed within the scope of cross-border fraudulent systems and in order to avoid value added taxes for a total amount of not less than ten million euros.

u) *Smuggling offences* (Article 25-sexiesdecies) introduced into the Decree by Legislative Decree 75/2020, including in particular:

1. Smuggling in the movement of goods across land borders and customs areas (Article 282 Presidential Decree 43/1973);
2. Smuggling in the movement of goods across border lakes (Article 283 Presidential Decree 43/1973);
3. Smuggling in the movement of goods by sea (Article 284 Presidential Decree 43/1973);
4. Smuggling in the movement of goods by air (Article 285 Presidential Decree 43/1973);
5. Smuggling in non-customs areas (Article 286 Presidential Decree 43/1973);
6. Smuggling for the unlawful use of goods imported with customs advantages (Article 287 Presidential Decree 43/1973);

7. Smuggling in customs deposits (Article 288 Presidential Decree 43/1973);
 8. Smuggling in cabotage and in circulation (Article 289 Presidential Decree 43/1973);
 9. Smuggling in the export of goods eligible to receive entitlements (Article 290 Presidential Decree 43/1973);
 10. Smuggling in temporary imports or exports (Article 291 Presidential Decree 43/1973);
 11. Smuggling of tobacco processed abroad (Article 291-bis Presidential Decree 43/1973);
 12. Aggravating circumstances in the offence of smuggling tobacco processed abroad (Article 291-ter Presidential Decree 43/1973);
 13. Criminal association with the intent to engage in smuggling tobacco processed abroad (Article 291-quater Presidential Decree 43/1973);
 14. Other cases of smuggling (Article 292 Presidential Decree 43/1973);
 15. Aggravating circumstances of smuggling (Article 295 Presidential Decree 43/1973);
 16. and the offences provided for under Title VII, Chapter II of the above-mentioned Consolidated Law (Articles 302 et seq. Presidential Decree 43/1973) where they involve the evasion of border fees for amounts higher than €10,000.
- v) Crimes relating to payment instruments other than cash (Article 25-octies.1) introduced into the Decree by Legislative Decree 184/2021 and, in particular:*
1. Undue use and falsification of payment instruments other than cash (Article 493-ter of the Criminal Code)
 2. Possession and dissemination of equipment, devices or computer programs aimed at committing crimes involving payment instruments other than cash (Article 493-quater of the Criminal Code)
 3. Computer fraud aggravated by the creation of a transfer of money, monetary value, or virtual currency (Article 640-ter of the Criminal Code)
 4. Other cases relating to payment instruments other than cash (Article 25-octies.1, paragraph 2 of the Decree).
- w) Crimes against cultural heritage property (Article 25-septiesdecies) introduced into the Decree by Law no. 22/2022 and, in particular:*
1. Theft of cultural heritage assets (Article 518-bis of the Criminal Code)
 2. Misappropriation of cultural heritage assets (Article 518-ter of the Criminal Code)
 3. Receiving misappropriated cultural heritage assets (Article 518-quater of the Criminal Code)

4. Falsification of private documents relating to cultural heritage assets (Article 518-*octies* of the Criminal Code)
5. Breaches regarding the alienation of cultural heritage assets (Article 518-*novies* of the Criminal Code)
6. Illicit importing of cultural heritage (Article 518-*decies* Criminal Code)
7. Illicit release or export of cultural heritage assets (Article 518-*undecies* of the Criminal Code)
8. Destruction, dispersion, deterioration, disfigurement, soiling or illicit use of cultural or landscape heritage assets (Article 518-*duodecies* of the Criminal Code)
9. Counterfeiting of works of art (Article 518-*quaterdecies* of the Criminal Code).

x) *Recycling of cultural heritage assets and destruction and looting of cultural and landscape heritage assets* (Article 25-*duodevicies*) introduced in the Decree by Law no. 22/2022 and, in particular:

1. Recycling of cultural heritage assets (Article 518-*sexies* of the Criminal Code)
2. destruction and looting of cultural and landscape heritage assets (Article 518-*terdecies* of the Criminal Code).

It should also be noted that:

- Italian Law No. 68 of 22 May 2015 containing Provisions on crimes against the environment, in addition to considerably amending Italian Legislative Decree No. 152/2006 (for example by adding a further section dedicated to the Rules on Penalties), also introduced to the Italian Criminal Code a long list of environmental offences (positioned in the new Title VI-*bis* entitled “Crimes against the environment”), a good number of which are considered by law as predicate offences that can give rise to administrative liability for the company, with consequent amendment and supplement of Article 25-*undecies* of Italian Legislative Decree No. 231 of 8 June 2001. Italian Law 68/2015 has been in force since 29 May 2015;
- Italian Law No. 69 of 27 May 2015, in force since 14 June 2015, in amending the offence of false corporate reporting and related rules within the Italian Civil Code, also established – in Article 12 – “*amendments to the provisions on the administrative liability of entities in relation to corporate offences*”.
- Italian Legislative Decree No. 38 of 15 March 2017, which came into force on 14 April 2017, containing “*Implementation of the framework decision 2003/568/GAI of the Council, of 22 July 2003, relating to the fight against bribery in the private sector*”, introduced further changes on the issue of bribery as regards private entities. As mentioned above, the legislation has rewritten the offence of bribery in the private sector (Article

2635 Italian Civil Code) by making the rules stricter and introducing the offence of incitement to bribery in the private sector (Article 2635-*bis* Italian Civil Code).

The Company may decide at a later date to extend the CRSA to other offences referenced in the Decree, also in view of the recent changes in legislation.

Article 6 of the Decree provides for a form of exoneration from administrative liability when the Entity proves that:

- a. the management body adopted and efficiently implemented, before the offence was committed, suitable *organisational, management and control models* to prevent the perpetration of the criminal offences considered;
- b. it entrusted, to an internal body with independent powers of initiative and control, known as the Supervisory Body, the duty of monitoring the functioning and effective observance of the Model in question, and also of arranging for its update;
- c. the person who committed the offence acted fraudulently;
- d. the Supervisory Body did not fail to perform or inadequately perform its control duties.

The Decree also provides that the aforesaid Models must satisfy the following requirements:

- a. identify the activities where it is possible that the offences may be committed;
- b. lay down specific protocols (i.e. procedures) intended to programme the formation and implementation of the Entity's decisions in relation to the offences to be prevented;
- c. identify suitable procedures for managing financial resources to prevent commission of the offences;
- d. establish reporting obligations to the body responsible for monitoring the functioning and observance of the Models;
- e. introduce a suitable private disciplinary system to sanction failure to comply with the measures stated in the Model.

The Decree also provides that the "*organisational, management and control models*" may be adopted, guaranteeing the aforesaid requirements, on the basis of codes of conduct drawn up by trade associations, submitted to the Ministry of Justice which, in concert with the competent ministries, may make observations, within 30 days, on the Models' capability of preventing offences.

In compliance with this provision, when preparing the Model, the Company referred to the guidelines issued by Confcommercio and those drawn up by Confindustria. It should however be remembered that the information they contain simply provides a reference framework to which each company may refer for the purpose of adopting the Model. They consist in recommendations that the company is free to follow when drawing up the Model. Each company should, in fact, adapt the guidelines to the real situation that characterises it and therefore, to its size and the specific business activity it performs, and consequently choose the technical procedures with which to adopt the Model.

The guidelines set forth by Confcommercio in its Code of Ethics, concerning Italian Legislative Decree No. 231/2001, and approved by the Ministry of Justice by note dated 19 December 2003, subsequently updated by note of the Ministry of Justice dated 13 February 2007 (hereinafter the “Confcommercio Guidelines”), together with the “Guidelines for the construction of organisational, management and control models pursuant to Italian Legislative Decree No. 231/2001” approved by Confindustria on 7 March 2002 (hereinafter the “Confindustria Guidelines”), may therefore be summarised according to the following key points:

- A. identification of the areas of risk, that is, the corporate areas/sectors where it is possible that the detrimental events envisaged by the Decree may be committed;
- B. setting up of a control system capable of preventing the commission of the predicate offences stated in the Model through the adoption of special protocols. The most important components of the control system outlined by Confcommercio and Confindustria are:
 - Code of Ethics;
 - Organisational system;
 - Manual and computer procedures;
 - Authorisation and signature powers;
 - Management and control systems;
 - Informing and training staff.
- C. information obligations of the Supervisory Body and towards the Supervisory Body.

The components of the control system must be based on the following principles:

- verifiability, documentability, consistency and fairness of every transaction;
- application of the principle that no-one may be assigned both the power of expenditure and the power of control;

- documentation of controls;
- provision of an adequate system of penalties for breach of the rules of the Code of Ethics and of the procedures laid down by the Model;
- identification of the requirements of the Supervisory Body (SB) and in particular: autonomy and independence, professionalism and continuity of action.

The aforesaid Guidelines were subject to subsequent updates, the last of which was published in June 2021.

This update was determined by the need to adapt the Guidelines to changes in legislation, case law and practical implementation, which have occurred over the years.

More specifically, with regard to changes in legislation, the Guidelines were adapted to the following offences:

- unlawful receipt of disbursements, fraud against the State, public entities or the European Union or to obtain public disbursements, computer fraud against the State or a public entity or fraud in public procurement;
- corporate offences;
- offences for the purpose of terrorism or the subversion of the democratic order;
- offences against the individual;
- market abuse;
- manslaughter or grievous or very grievous bodily harm committed with breach of the regulations governing the protection of health and safety at work;
- receiving, laundering and using money, goods or benefits of unlawful origin and self-laundering;
- tax offences;
- smuggling.

It should be pointed out that failure to comply with specific points of the aforesaid Guidelines shall not affect the validity of the Model. As each Model must be drawn up with reference to the company's practical reality, they may deviate from the Guidelines, which, by their nature, are general recommendations.

The penalties established for administrative offences resulting from a crime are:

- i. financial penalties;
- ii. disqualifying penalties;
- iii. confiscation;
- iv. publication of the judgement.

In particular, the main disqualifying penalties regard:

- i. disqualification from carrying on business;
- ii. suspension or revocation of authorisations, licences or concessions required to commit the offence;
- iii. prohibition on contracting with public administration, except to obtain a public service;
- iv. exclusion from benefits, financing, contributions or grants and revocation of any already provided;
- v. prohibition on publicising goods or services.

Entities shall not incur any liability when they voluntarily prevented the action from being committed or the event from taking place.

MODEL ADOPTED BY LA RINASCENTE S.P.A.

RINASCENTE'S REASONS FOR ADOPTING THE ORGANISATIONAL AND MANAGEMENT MODEL

In order to ensure that the company's business is always conducted in conditions of fairness and transparency, La Rinascente S.p.A. considered it appropriate to adopt an *“organisational, management and control model”* in accordance with the provisions of the Decree (hereinafter the “Model”).

RINASCENTE believes that, above and beyond legal requirements, the adoption of this Model and the issue of the Code of Ethics together constitute a further valid tool for raising the awareness of all the employees of RINASCENTE and of all its other stakeholders (Customers, Suppliers, etc.), so that, in carrying out their activities, they engage in fair and transparent conduct in line with the ethical and social values guiding RINASCENTE in the pursuit of its corporate purpose, and that can prevent the risk of commission of the offences envisaged by the Decree.

In preparing this Model, RINASCENTE conducted an analysis of its risk areas, and in drafting it, took into account the provisions of the Decree and the *Guidelines* provided by Confcommercio and Confindustria.

PURPOSES OF THE MODEL

The Model drawn up by RINASCENTE is based on the implementation of a system of rules, organisational and operating procedures and control measures, which essentially:

- a) identify the risk areas/processes in corporate activity, that is, the activities where there is a higher possibility of commission of the Offences;
- b) define an internal system of regulations to programme the formation and implementation of the company's decisions in relation to the risks/offences to be prevented through:
 - i. a regulatory system consisting of a Code of Ethics, setting general guidelines, and formalised procedures, intended to provide detailed rules on how to take and implement decisions in “*sensitive*” sectors;
 - ii. a system of delegations and corporate powers which guarantee a clear and transparent representation of the corporate process for forming and implementing decisions;
 - iii. a series of consistent organisational structures designed to guide and monitor the fairness of behaviour, guaranteeing clear and consistent assignment of duties, applying appropriate segregation of functions, ensuring that the order intended by the organisational structure is actually implemented;
- c) identify the processes for managing and controlling financial resources in activities where there is a potential risk of offence;
- d) assign to a Supervisory Body specific duties to monitor the effectiveness and proper functioning of the Model, its consistency with objectives and its periodic update.

The purposes of the Model are therefore to:

- i. prevent and reasonably limit the possible risks associated with corporate activity, with specific regard to the reduction of any unlawful conduct;
- ii. raise awareness in all those who operate in the name and on behalf of RINASCENTE in the risk areas of activity, that in the event of breaches of the provisions contained in the Model, they could

commit an offence punishable by criminal and administrative penalties, inflicted not only on them, but also on RINASCENTE;

- iii. reiterate that RINASCENTE does not tolerate any form of unlawful conduct for whatsoever purpose, as in addition to breaking applicable laws, such conduct is contrary to the ethical and social principles with which RINASCENTE intends to comply.

NATURE OF THE MODEL AND RELATIONS WITH THE CODE OF ETHICS

The provisions contained in this Model are integrated with those of the Code of Ethics, approved at the same time by the Company's Board of Directors (Special Part A), and are based on its principles, even though the Model has a different scope from the Code, on account of the purpose it seeks to pursue in implementation of Italian Legislative Decree No. 231/01.

From this point of view:

- the Code of Ethics represents a tool adopted autonomously and to be applied on a general level by the Company in order to set forth the principles of “corporate ethics” embraced as its own and to be observed by all Addressees;
- the Model instead meets the specific requirements established by the Decree and is designed to prevent the commission of specific types of offences for actions which, appearing to have been committed to the Company's advantage, may entail administrative liability under the provisions of the Decree.

ADDRESSEES OF THE MODEL

The provisions of the Model are addressed to the corporate bodies and their members, employees and collaborators of RINASCENTE (such as “seasonal” workers, project workers and interim/temporary workers), commercial collaborators (managers of “In-store Shops”) if involved in Sensitive Processes, Suppliers, Consultants, Contractors, as well as members of the Supervisory Body, insofar as not included in the above categories.

The persons to whom the Model is addressed are required to strictly observe all its provisions, also in fulfilment of the duties of loyalty, fairness and diligence arising from the legal relations established with the Company.

The Company condemns any conduct that is contrary not only to the law, but also to the provisions of the Model, even if implemented in the interest of, or with the intention of obtaining an advantage for, the Company.

STRUCTURE OF THE MODEL

RINASCENTE's Organisational, Management and Control Model pursuant to Italian Legislative Decree No. 231/01 is made up (as stated above) of this General Part, as well as of the following special parts:

- “Special Part A”: Code of Ethics;
- “Special Part B”: Offences against Public Administration;
- “Special Part C”: Corporate Offences;
- “Special Part D”: Offences relating to health and safety at work;
- “Special Part E”: Offences of receiving, laundering and using money, goods or benefits of unlawful origin and self-laundering;
- “Special Part F”: Organised crime offences;
- “Special Part G”: Offences relating to falsification of trademarks, patents and distinctive signs;
- “Special Part H”: Offences against industry and commerce;
- “Special Part I”: Offences involving breach of copyright;
- “Special Part L”: Environmental offences;
- “Special Part M”: Offence of employment of illegally staying third-country nationals;
- “Special Part N”: Computer crimes and unlawful data processing;
- “Special Part O”: Offences against the individual;
- “Special Part P”: Offences of racism and xenophobia;
- “Special Part Q”: Tax Offences;
- “Special Part R”: Smuggling;
- “Special Part S”: Crimes relating to payment instruments other than cash;
- “Special Part T”: Crimes against cultural heritage assets and recycling of cultural assets and destruction and looting of cultural and landscape heritage assets.

These Special Parts have been developed to describe some of the key elements of the internal control system and, more specifically, they provide a description of the Sensitive Processes and of the measures and mitigants established by the Company to prevent the risk of commission of the offences envisaged by the Decree and specifically analysed by the Company.

PROCESS FOR DRAWING UP AND IMPLEMENTING THE MODEL

The definition of the Company's Organisational and Management Model involved the following phases:

- preliminary analysis of documentation and information that may help to understand the activities performed by the Company and its organisational structure;
- preliminary identification of areas potentially exposed to the risk of commission of offences ("Sensitive Processes") and of their "*Process Owners*";
- description of Sensitive Processes in their current state ("*as-is*") through interviews with the *Process Owners* and analysis of existing corporate documentation;
- analysis of Sensitive Processes to assess the risk of commission of offences pursuant to Italian Legislative Decree 231/2001 on the basis of the current procedures for performing the sensitive processes ("risk assessment"), comparing the current state of the regulatory, organisational and authorisation system and of the internal control system with an "ideal" state, capable of reducing the risk of commission of the Offences within RINASCENTE to an acceptable level; this Gap Analysis led to the identification of any critical areas or gaps, which are not sufficiently detailed in their current state to reduce the risk of committing the Offences to an acceptable level;
- identification of solutions and actions to overcome or mitigate the critical areas found and formulation of a document entitled "Action Plan": for each critical area/gap, the Action Plan states the measures required to reduce the gaps found to a level considered reasonable on the basis of a cost-benefit analysis which, on the one hand, considering the costs, including organisational costs, required to close the gap and, on the other, the effective benefit in light of the effective extent of the risk of commission of crimes. The document defines the level of priority of the Gap/Action Plan and the date of implementation of the corrective measure and identifies the person responsible for implementing the measures identified;
- final structuring and drafting of the Model.

PROJECT APPROACH AND LAUNCH

The first step in the project to draw up and implement the Model (hereinafter also referred to as the “Project”) involved the identification of a special project team coordinated by a Project Manager, identified as the head of the Company’s Legal Affairs Department, to define the phases, procedures, timeframes, resources and persons involved.

More specifically, the following duties were performed by the project team:

- transfer the recommendations contained in the Decree and in the other reference sources to the management and control Model, in particular by: identifying the Sensitive Processes, drawing up the Model and planning/reviewing the corporate procedures and the other control tools required to make the Model effective;
- define the timeframes for implementation of the Project and check its state of progress.

ANALYSIS OF DOCUMENTATION AND PRELIMINARY IDENTIFICATION OF AREAS POTENTIALLY AT RISK

The first step in this phase was to collect the documentation and information that may help to understand the activities performed by the Company and its organisational structure.

Purely by way of example, but not limitation, this information specifically concerned:

- the economic sectors and context in which the Company operates;
- the standard procedures for carrying on business;
- the nature of relations and activities (e.g. commercial, financial, regulatory control, representation, collective bargaining, etc.) with public administrations;
- past cases of real and alleged irregularities;
- internal regulatory and procedural framework (e.g. delegation of functions, decision-making processes, operating procedures);
- documentation concerning administrative orders, internal communications and any other documentary evidence that provide a better understanding of the activities performed by the Company and its organisational structure.

Documentation in electronic and/or paper format concerning the Company and the Project outputs has been filed and made available in a specific repository that can be consulted by the Project Manager and the members of the Supervisory Body (hereinafter the “Repository”).

It should be noted that following a preliminary examination and assessment of all the corporate activities, the possibility of committing certain offences was ruled out and namely the offences of counterfeiting currency, offences against the individual of underage pornography and prostitution, transnational crimes, crimes for the purpose of terrorism or subversion of the democratic order and offences of placing or holding in slavery, human trafficking, purchase and sale of slaves, offences relating aiding and abetting illegal entry and aiding and abetting illegal residence envisaged by the Consolidated Law on Immigration and of market abuse offences (insider dealing and market manipulation) and the offences of fraud in sports competitions, abuse of gambling or betting and wagering using banned equipment. These offences were not therefore the subject of specific assessment or representation in the risk assessment activity conducted by the Company. For these matters it was considered sufficient (and this decision was also confirmed in this version of the Model) to refer to the principles contained in the Model and in the Code of Ethics, where they commit the corporate representatives of RINASCENTE, its collaborators, suppliers and service providers, to observance of the values of protection of the individual, fairness, morality, dignity and equality, as well as compliance with the law.

More specifically, for offences of illegal immigration, the Company deemed that the Code of Ethics and the rules of conduct and the specific principles of behaviour contained in Special Part M (dedicated to Offences relating to the employment of illegal workers) are adequate to prevent the commission of these offences as well.

RISK ASSESSMENT

Interviews were conducted with the persons fulfilling key roles in the corporate organisation (Key Officers), in order to understand the salient aspects of their role/function and of the process/es for which they are responsible, that is, the processes (or phases) in which the function/area/organisational position is involved.

With regard to each function/area/organisational position, the following elements were investigated:

- internal organisation;

- degree of financial autonomy;
- main activities performed by the function or for which it is responsible;
- level of proceduralisation of activities and existence of behavioural guidelines;
- training and information provided;
- monitoring carried out on activities performed by the function;
- procedure for communicating data and information to the management of the organisational area concerned and the company's senior management;
- procedures for managing relations with external parties.

Instead, with regard to each process under review, specific consideration was given to the following aspects:

- who performs each of the important activities involved in the process and who qualifies as the *Process Owner*;
- what are the process inputs and who provides them;
- what are the important decisions that can/must be taken during the process and how are they documented;
- what are the process outputs;
- how is the repository of the important documentation produced managed;
- who has been delegated to sign the formal documents issued during the process;
- what systematic and/or occasional internal controls are required in development of the process and how are they performed;
- who performs these controls and how are they documented;
- what were the results of any occasional or institutional inspections carried out by public officials or third parties;
- what are the most important indicators (economic, quantitative, and strategic) for establishing the level of importance associated with each individual process and how are they quantified (in terms of value, number or recurrence).

The information collected on each *Process Owner* was classified in relation to the Sensitive Processes identified, which were then further examined and possibly supplemented.

For each process, a special data sheet was drawn up to collect and formalise information.

The documents drawn up (which, as stated in the previous paragraph, can be found in the Repository) were shared with the respective *Process Owners*, as identified in the aforesaid data collection sheets assisted by the Project team.

Completion of the risk assessment analysis and identification of critical areas (Gap Analysis)

The risk assessment analysis commenced in previous phases was completed by processing the data collection sheets and consulting each of the *Process Owners* for any supplementary information/specifications. The aim of this analysis was to:

- carry out an assessment of the corporate functions/activities potentially exposed to the risk of offences envisaged by the Decree;
- express an opinion on the organisational and control system as a whole.

The risk analysis and assessment focused on the definition of specific offences that could potentially be associated with each organisational area/division. For each of the main offences defined, some non-exhaustive examples of the possible ways they could be committed were provided.

Secondly, the internal control system referring to each Sensitive Process was analysed and compared to the “optimal” control system inferable from the Decree and the Confcommercio and Confindustria Guidelines and established best practices (Gap Analysis).

More specifically, the provision, effective application and adequacy of the following types of controls were investigated:

- controls concerning the area of powers and responsibilities;
- controls concerning organisation;
- computerised controls;
- other types of control.

The outputs of the risk assessment process, the types of controls investigated and the results of the Gap Analysis are formally recorded in the data collection sheets, which can be found in the Repository.

Identification of solutions to bridge the gaps found (Action Plan)

This phase consisted in assessing and approving the improvements required to reduce the gaps found to a reasonable level, based on a cost-benefit analysis considering, on one hand, the costs, including the organisational costs, associated with bridging the gaps and, on the other, the effective benefit in light of the effective extent of the risk of commission of the related offences.

This activity strove to achieve three main objectives:

- reduce the possibility of commission of the offences envisaged by the Decree;
- keep the process “streamlined”, that is, ensure the right balance between the controls performed, the linearity of the decision-making process and the workload;
- ensure that each activity of relevance for the purposes of the Decree is documented and can therefore be checked.

For each Gap found, the following was identified:

- a plan of action (i.e. the measures required to reduce or eliminate the Gap);
- the person responsible for implementing the measures identified;
- the time limit within which the plan of action must be completed / the state of progress of the measures already underway.

These elements were formally recorded in a document entitled Action Plan.

The content of this document was approved with the Project team.

SPECIFIC RISK ASSESSMENTS ON HEALTH AND SAFETY AT WORK (UNDER ARTICLE 25-*SEPTIES* OF THE DECREE), ENVIRONMENTAL OFFENCES (UNDER ARTICLE 25-*UNDECIES* OF THE DECREE) AND COMPUTER CRIMES AND UNLAWFUL DATA PROCESSING (UNDER ARTICLE 24-*BIS* OF THE DECREE)

With specific regard to the analyses and assessments conducted on health and safety at work, environmental offences and computer crimes and unlawful data processing, specific risk assessments were carried out.

The documentation drawn up in the risk assessments carried out pursuant to this paragraph in order to provide a formal record of the analyses and assessments conducted can be found in the Repository.

DEFINITION OF THE ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL

The analysis, diagnostic and planning phase was followed by the implementation phase, which led to the drawing up of this Model and the definition of the Special Parts.

ADOPTION, AMENDMENTS AND SUPPLEMENTS TO THE MODEL

The Decree provides that the management body is responsible for adopting the Model and leaves it to each Entity to identify which of their internal bodies shall be entrusted with this duty.

In compliance with best practices and the Confindustria Guidelines, RINASCENTE identified the Board of Directors as the Management Body entrusted with approving and adopting the Model. The duty of monitoring the Model's effective implementation is instead assigned, in accordance with the provisions of the Decree, to the Supervisory Body (SB), referred to in the next Chapter.

This means that, as this document is an "*act issued by the management body*" (in compliance with the provisions of Article 6(I)(a) of the Decree), subsequent amendments and supplements of a substantial nature shall therefore be remitted to the authority of the Board of Directors.

Amendments of a substantial nature include, but are not limited, to:

- insertion of additional Special Parts to this document;
- removal of certain parts of this document;
- amendment of the duties of the Supervisory Body;
- identification of a different Supervisory Body to the one currently provided for.

The Chairperson of the Board of Directors and the Chief Executive Officer have the power to make amendments or supplements of an *exclusively formal nature* to this document, provided that the substance of the content remains unchanged.

The Board of Directors and the Supervisory Body must be promptly informed of said amendments or supplements.

SUPERVISORY BODY

IDENTIFICATION OF THE SUPERVISORY BODY

In accordance with the Decree, the body entrusted with monitoring the functioning and observance of the Model must be provided with autonomous powers of initiative and control.

On the basis of this requirement and of the recommendations contained in the Confcommercio and Confindustria Guidelines, the Management Body of La Rinascente S.p.A. considered it appropriate to set up a board to which to assign the role of Supervisory Body (hereinafter also SB).

More specifically, this board is composed of the following members:

- an internal member, who is part of the corporate organisation;
- two external members, who are not part of the corporate organisation, identified as two advisors with proven experience, experts in legal affairs, business organisation and audit.

To ensure full compliance with the provisions of the Decree, the Supervisory Body as identified above reports directly to the Company's top management (Board of Directors) and has no hierarchical link to the operating structures, thus ensuring that it can carry out its function in full autonomy and independence.

The activities implemented by the Supervisory Body cannot be questioned by any other corporate body or structure, while the Management Body is however required to monitor the appropriateness of its actions, as it is ultimately responsible for the functioning and effectiveness of the Model.

As a further guarantee of autonomy, when drawing up the corporate budget, the Management Body shall approve an allocation of financial resources, proposed by the Supervisory Body, which the Supervisory Body must be able to use to meet any requirements necessary for the proper performance of its duties (e.g. specialist advice, travel expenses, etc.).

The members of the Supervisory Body are supposed to have the skills, knowledge and professional competences as well as the integrity required to fulfil the tasks assigned to them. In the composition described above, the Supervisory Body has suitable inspection skills, with specific regard to audit and risk analysis and assessment techniques, as well as the legal expertise to verify the existence of risks of commission of offences envisaged by Decree 231/2001.

In compliance with the Confcommercio and Confindustria Guidelines, best practices and case law on the matter, in the composition described above, the Supervisory Body is considered to have the necessary requirements of independence, autonomy, professionalism and continuity of action.

Assignment of the role of Supervisory Body to persons other than those identified above or amendment of the functions assigned to the Supervisory Body must be decided by resolution of the Management Body and must entail an update of this Model.

PROCEDURES FOR APPOINTING THE SUPERVISORY BODY AND TERM OF OFFICE

The Supervisory Body is appointed by the Board of Directors through a decision taken by a majority of its members.

The Chairperson of the Supervisory Body is also appointed by the Board of Directors in the same way.

Appointment of the members of the Supervisory Body is finalised by a declaration of their acceptance recorded in the minutes of the Board meeting, or by their signing for acceptance of a copy of an extract of the appropriate resolution.

Before making any new appointments, the Board of Directors checks the satisfaction of the requirements expressly stated by the Decree for each member of the Supervisory Body and of the other requirements mentioned in this Chapter.

The Board of Directors regularly assesses the adequacy of the Supervisory Body in terms of its organisational structure and assigned powers.

The annual fee of the members of the Supervisory Body shall be determined by the Board of Directors and shall remain unchanged throughout their entire term of office.

The term of office shall coincide with that of the Company's Board of Directors.

Members of the Supervisory Body may resign from office and may be re-elected upon expiry of their mandate.

The end of the term of office of the members of the Supervisory Body due to the expiry of the term takes effect from when the Supervisory Body was reformed with the resolution of the Board of Directors appointing and accepting the members.

CAUSES FOR INELIGIBILITY, REASONS FOR AND POWERS OF REVOCATION

Appointment as member of the Supervisory Body is subject to the satisfaction of the subjective requirements of good repute, integrity, respectability and professionalism, as well as to the absence of the following causes of ineligibility for appointment:

- being related by blood or marriage up to the fourth degree to members of the Board of Directors, senior managers in general, statutory auditors of the company and auditors appointed by the audit firm;
- existence of even potential conflicts of interest with the Company that could compromise the independence required by the role or by the inherent duties of the supervisory body;
- performance, within the Company, of other operating roles, associated with the power to take decisions that produce economic-financial effects for the Company;
- provision of guarantees or another form of surety for one of the directors (or their spouses), or having lending/borrowing relationships with them that are unrelated to the office held;

- direct or indirect ownership of a level of equity investments that allows them to exercise a significant influence over the company;
- exercise of administration functions – in the three years prior to appointment as member of the Supervisory Body – in undertakings subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- employment as a civil servant at central or local administrations in the three years prior to appointment as member of the Supervisory Body or establishment of a relationship of consultation/cooperation with the same body;
- existence of a conviction, even if it has not become *res judicata*, or a judgement imposing a penalty at the request of the parties (plea bargaining), in Italy or abroad, for offences referred to in the Decree;
- existence of a conviction, even if the judgement has not become *res judicata*, involving even temporary debarment from public offices or temporary debarment from management offices in legal entities and undertakings.

The rules set forth above also apply in the case of appointment of a member of the Supervisory Body to replace another member of said body.

If during the appointment a member of the Supervisory Body can no longer fulfil office (e.g. due to resignation or revocation), the others shall inform the Company's Board of Directors which shall appoint a replacement.

Revocation of the office of member of the Supervisory Body (even of only one member) and assignment of the office to another person can only occur for a just cause, which may also be related to the restructuring of the Company's organisation, by means of a specific resolution of the Board of Directors passed by the majority of its members and with the approval of the Board of Statutory Auditors.

In this regard, the following may be considered non-exhaustive examples of “just causes” for revocation of the powers associated with the office of member of the Supervisory Body:

- loss of the subjective requirements of good repute, integrity, respectability and professionalism held at the time of the appointment;

- supervening reasons of incompatibility;
- serious negligence in the fulfilment of duties associated with the office such as (purely by way of example): failure to draw up the half-year information report or the annual summary report on the activity performed for the Board of Directors; failure to draw up the activity plan;
- “failed or insufficient supervision” by the Supervisory Body, in accordance with the provisions of Article 6(1)(d) of the Decree;
- assignment of operating functions and responsibilities within the corporate organisation that are incompatible with the Supervisory Body’s inherent requirements of “autonomy and independence” and “continuity of action”.

In particularly serious cases, the Board of Directors may order – after consulting the Board of Statutory Auditors – suspension of the Supervisory Body’s powers and appointment of an interim Body before revoking the Supervisory Body.

FUNCTIONS OF THE SUPERVISORY BODY

The Supervisory Body carries out its duties in full autonomy and its decisions cannot be challenged. More specifically, the Supervisory Body must:

- monitor observance of the Model by the Addressees;
- monitor the effectiveness and appropriateness of the Model in relation to the corporate structure and its effective capacity to prevent commission of the Offences;
- update the Model when it is necessary to adapt it to changes in corporate conditions, legislation or the external context.

The Supervisory Body must operate:

- ex-ante (for example by providing information and training to staff);
- continuously (through monitoring, supervision, review and update);
- ex-post (analysing causes and circumstances that led to breach of the Model’s provisions and commission of the offence).

To ensure effective performance of these functions, the Supervisory Body is assigned the following duties and powers:

- regularly check the map of the risk areas in order to guarantee its adjustment to changes in activity and/or the corporate structure;
- collect, process and retain information of relevance to the Model;
- regularly check effective application of the corporate control procedures in the areas of activity involving risk and their effectiveness;
- check the adoption of measures to solve gaps in the internal control systems found during risk assessment (Action Plan), referred to in Paragraph 2.6.3;
- carry out regular checks on specific transactions or actions implemented within Sensitive Processes;
- conduct internal investigations and carry out inspections to ascertain alleged breaches of the Model;
- monitor the adequacy of the disciplinary system established for cases of breach of the rules set forth in the Model;
- liaise with other corporate functions and with other control bodies (first and foremost the Board of Statutory Auditors), including through specific meetings, for better monitoring of activities in relation to the procedures established by the Model, or to identify new risk areas and, in general, to assess various aspects regarding implementation of the Model;
- liaise with the heads of corporate functions to promote initiatives to spread awareness (also with specific regard to the organisation of training courses) and understanding of the Model's principles and to ensure provision of the internal organisational documentation required for its functioning, containing instructions, explanations or updates;
- carry out regular checks on the content and quality of training programmes;
- propose to the Management Body the assessment criteria for identifying Sensitive Transactions.

For this purpose, the Supervisory Body shall have the power to:

- issue provisions and administrative orders to regulate the Supervisory Body's activity;
- access any corporate document of relevance to performance of the functions assigned to the Supervisory Body pursuant to the Decree;
- issue general and specific directives to the various corporate structures, including those at senior level, to obtain from them any information considered necessary for fulfilling its duties, so as to ensure any breaches of the Model are found in good time;
- carry out regular checks on the basis of its own activity plan or even spot checks that are not scheduled in the plan but are considered necessary to performance of its duties.

In carrying out the duties for which it is responsible, the Supervisory Body may be assisted by external collaborators, who may be persons belonging to any corporate function of the Company whose involvement is considered useful for the achievement of specific objectives and/or independent consultants.

At the Supervisory Body's instructions, its collaborators may even proceed individually to carry out the supervisory activities considered appropriate for the functioning and observance of the Model.

When carrying out the assignment given to them as collaborators of the Supervisory Body, persons belonging to a corporate function are exonerated from performing their corporate operating functions and report, hierarchically and functionally, exclusively to the Supervisory Body.

The Supervisory Body shall draw up its own Regulations governing its organisation and aspects of its functioning such as, for example, the frequency of inspections, procedures for passing resolutions, procedures for convening and drawing up minutes of its meetings, resolution of conflicts of interest and procedures for amending/reviewing the regulations.

Furthermore, the Supervisory Body shall arrange for formal meetings and consultations, in particular with:

- the Board of Statutory Auditors;
- those with an important role in the internal control system.

The main purpose of these meetings shall be to discuss and liaise with the persons involved “in the front line” in implementation of the control system, each according to their area of pertinence, in order to allow the Supervisory Body to exploit opportunities to improve existing measures to ensure the Model's effectiveness. In this perspective, the Supervisory Body shall check the effectiveness of the information flows sent to it, as defined in Paragraph 3.5 “Reporting obligations towards the Supervisory Body”.

The Supervisory Body shall regulate the operating procedures and frequency of these meetings, identifying the persons involved each time, and setting the meeting's agenda.

If the Management Body or the Board of Statutory Auditors, or other corporate bodies or internal committees, should request documents and/or information held by the Supervisory Body, it shall promptly call a meeting and decide on the matter.

The Supervisory Body shall also draw up a Plan of Activities that it intends to carry out in order to fulfil the duties assigned, to be disclosed to the Management Body.

REPORTING OBLIGATIONS TOWARDS THE SUPERVISORY BODY

In order to facilitate the supervision of the effectiveness and efficiency of the Model, the Supervisory Body shall receive *information* that is useful or necessary to perform the supervisory duties entrusted to the Supervisory Body (hereinafter classified as **General Information** and **Information on Sensitive Transactions**).

The Supervisory Body must be allowed to access any type of information that is useful to the performance of its activity. Conversely, the Supervisory Body is obliged to keep confidential all the information acquired.

In particular, the Supervisory Body must promptly obtain the following **General Information**, which includes but is not limited to:

- critical areas, irregularities or anomalies found by the corporate functions in implementation of the Model;
- measures and/or information from judicial police bodies, or from any other authority, which indicate that investigations are underway, even against unknown persons, for the Offences;
- internal and external communications concerning any event that could be linked to offences envisaged by the Decree (e.g. disciplinary measures initiated/implemented against employees);
- requests for legal assistance forwarded by employees in the event of initiation of legal proceedings for the Offences;
- committees of inquiry or internal reports, which bring to light liability for offences envisaged by the Decree;

- information on disciplinary procedures conducted with regard to breaches of the Model and penalties imposed (including measures against employees) or orders not to continue such procedures, providing the appropriate reasons;
- summary statements of appointments entrusted by national or foreign public administration;
- information on organisational changes in the key roles of relevance to the Sensitive Processes;
- amendments to the legislative system of relevance to the Sensitive Processes;
- updates to the system of delegations and powers of attorney;
- significant or atypical transactions affected by risk;
- communications of the independent auditors/Board of Statutory Auditors concerning aspects that could indicate shortcomings in the internal control system, reprehensible facts, observations on the Company's financial statements;
- copy of the minutes of the meetings of the Board of Directors and of the Board of Statutory Auditors.

General Information must be provided to the Supervisory Body by the heads of corporate functions on the basis of their area of competence.

Except as specified below with regard to Information to be provided by *Process Owners* on the Sensitive Transactions, the General Information must be submitted in writing, using the email address established for the purpose (ODV@rinascente.it).

Furthermore, in order to allow the Supervisory Body to monitor the activities performed in the risk areas identified, and to outline the scope of action, the *Process Owners*, identified in relation to the process for which they are responsible, are required to send the Supervisory Body **Information on Sensitive Transactions** implemented in the Sensitive Processes specified in Special Part B (Offences against Public Administration), Special Part C (Corporate Offences), Special Part D (Offences relating to health and safety at work), Special Part E (Offences of receiving, laundering and using money, goods or benefits of unlawful origin and self-laundering), Special Part F (Organised crime offences), Special Part G (Offences relating to falsification of trademarks, patents and distinctive signs), Special Part H (Offences against industry and commerce), Special Part I (Offences involving breach of copyright), Special Part L (Environmental offences), Special Part M (Offence of employment of illegally staying third-country nationals), Special Part N (Computer crimes and unlawful data processing), Special Part

O (Offences against the individual), Special Part P (Offences of racism and xenophobia), Special Part Q (Tax offences) and Special Part R (Smuggling); Special Part S (Crimes relating to payment instruments other than cash) and Special Part T (Crimes against cultural heritage assets and recycling of cultural heritage assets and destruction and looting of cultural and landscape heritage assets).

Identification of the aforesaid Sensitive Transactions is based on the drafting of assessment criteria and parameters defined by the Supervisory Body, in accordance with the risk assessment activity conducted, and by assessing their effectiveness for the purpose of performance of duties as well as their ongoing consistency with trends in volumes and significance of activities.

The aforesaid *Process Owners* must bring Sensitive Transactions to the attention of the Supervisory Body by filling in and sending (using any means, provided the dispatch can be traced and the sender recognised) to the Supervisory Body an Information Sheet to be updated on a regular basis or other document with equivalent information.

The Supervisory Body shall inform the *Process Owners* of the aforesaid assessment criteria and parameters, as well as of the operating rules and frequency with which the Information Sheets must be sent.

Lastly, the Supervisory Body must receive timely information flows from the Reporting Manager, as identified in the paragraph "Reporting System", regarding:

- upon receipt of Reports relating to breaches attributable to relevant unlawful conduct pursuant to the Decree or breaches of the Model;
- the progressive development of the follow-up given to such Reports;
- the outcome of the investigations and assessments carried out with respect to the Reports found to be founded;
- the type and subject matter of all the Reports received, even if not attributable to significant illicit conduct pursuant to the Decree or breaches of the Model, and the outcome of the related investigations.

REPORTING BY THE SUPERVISORY BODY

The Supervisory Body reports on the implementation of the Model and on critical areas directly to the Management Body and the Board of Statutory Auditors.

The Supervisory Body reports regularly to the Board of Directors and the Board of Statutory Auditors on the activity performed in accordance with the following procedures:

- disclosure, at the beginning of each year, of the Plan of Activities, which it intends to implement in order to fulfil its assigned duties;
- drawing up, once a year, a report summarising the activities performed in the previous twelve months and their results, critical aspects and breaches of the Model, the proposals concerning necessary updates to be made to the Model, and with regard to the results of the assessments of the relevant, manageable reports.

The Management Body and the Board of Statutory Auditors have the power to convene the Supervisory Body at any time and the Supervisory Body, in turn, has the power to request, through the competent functions and persons, that the aforesaid bodies are convened for urgent and particularly serious matters.

The Supervisory Body may also disclose the results of its finding to the heads of functions if its inspections bring to light shortcomings and conduct or actions that are not in line with the Model. In this case, the Supervisory Body must ask the persons responsible for the processes to provide a plan of the actions to be taken, and relevant timeframes, in order to prevent the repetition of such circumstances.

The Supervisory Body is required to immediately inform the Board of Statutory Auditors, as well as the Management Body, when the breach concerns the company's senior management.

RETENTION OF INFORMATION

All the Information, reports and other documents collected and/or provided in accordance with this Model are retained by the Supervisory Body in a special repository (computer and/or paper), managed by the Supervisory Body, for a period of 10 years.

Only the members of the Supervisory Body and the Management Body are permitted to access the repository.

It should also be noted that the Supervisory Body is responsible for the safekeeping of the documentation produced when preparing and updating the Model (risk assessment, etc.) and which is collected in a specific Repository (referred to in Chapter 2).

REPORTS OF OFFENCES OR BREACHES OF THE MODEL

GENERAL PRINCIPLES

The Company is aware of the fact that, in order to encourage reporting of offences or breaches of the Model, it is necessary to create an *ad hoc* management system for the same, which protects, through suitable technical and organisational measures, the confidentiality of the identity of the reporting person, the person involved and the person mentioned in the report, as well as the content of the report and the related documentation and which is entrusted to an autonomous and specifically trained person.

The Company has therefore equipped itself, in compliance with the applicable legislation², with specific reporting channels, also defining, in a specific Procedure called "*PR33 - Management of the Reporting/Whistleblowing system*" (hereinafter "**Whistleblowing Procedure**"), to be understood as fully referenced in the Model and which constitutes an integral part thereof, the operating methods and responsibilities for the receipt, evaluation, management and closure of reports.

REPORTING SYSTEM

Pursuant to Article 6, paragraph 2-*bis* of Legislative Decree 231/2001, as amended by Legislative Decree 24/2023, the Company has established the internal reporting channels (hereinafter the "**Channels**") referred to in the Article 4 of the aforementioned decree (hereinafter the "**Whistleblowing Decree**"), entrusting its management to the Director of Legal and Corporate Affairs and Internal Audit appointed pursuant to the aforementioned Article 4, paragraph 2 (hereinafter the "**Reporting Manager**").

The Reporting Manager is trained and authorised to manage reports and process the related personal data.

² The reference is to Legislative Decree 24/2023, containing "*Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council, of 23 October 2019, concerning the protection of persons who report breaches of Union law and containing provisions regarding the protection of persons who report breaches of national regulatory provisions*".

In particular, the Channels allow the people expressly indicated by the Whistleblowing Decree and the Whistleblowing Procedure (by way of example: employees, collaborators, consultants etc., hereinafter the "**Whistleblowers**"), to present, to protect the integrity of the Company, reports relating to unlawful conduct relevant pursuant to Legislative Decree 231/2001 or breaches of the Model, as well as relating to breaches of European Union law and national transposition legislation referred to in the Whistleblowing Decree³, all arising from the scope of its work context (hereinafter the "**Reports**"):

- both in written form - via the Integrity Line platform (accessible at the link <https://rinascente.integrityline.com> or through the website [www.rinascente.it/area legale/Integrityline](http://www.rinascente.it/area-legale/Integrityline)), monitored by adequate security measures (in particular with the use of encryption tools) to protect the confidentiality of the identity of the Whistleblowers, of the people reported, of the people mentioned in any case in the Report, as well as of the content of the Reports and the related documentation⁴, or by written communication sent to the address of the registered office of the Company la Rinascente S.p.A. Via Giorgio Washington, 70 - 20146 Milan to the attention of the Reporting Manager;
- and in oral form - through a request for a direct meeting with the Reporting Manager, also protected by confidentiality protection measures.

All information relating to the identification of the Whistleblowers and reportable breaches, the Channels and the methods for accessing them, the conditions for making internal Reports and the Report management *process*, are specified in the Whistleblowing Procedure, published on the Company's website as well as posted at the registered office and points of sale and in any case accessible to potential Whistleblowers.

PROHIBITION ON RETALIATION

Furthermore, the Company, in guaranteeing Whistleblowers the right to make Reports - moreover only under the conditions provided for in the Whistleblowing Decree and the Whistleblowing Procedure - strictly prohibits any retaliation against the Whistleblowers themselves.

³ The reference is to Article 2, paragraph 1, letter. a), nos. 3), 4), 5) and 6) Legislative Decree 24/2023.

⁴ In compliance with the articles. 4, paragraphs 1 and 12 of Legislative Decree 24/2023 and the corresponding provisions of the ANAC Guidelines (Resolution no. 311 of 12 July 2023).

Retaliation means any behaviour, act or omission, even if only attempted or threatened, carried out as a result of a Report⁵, which causes or may cause the Whistleblower, directly or indirectly, unjust damage. By way of example, reference is made to the cases of Article 17, paragraph 4, of the Whistleblowing Decree and the specifications of the Whistleblowing Procedure.

This protection also applies:

- to the subjects who assist the Whistleblowers in the reporting process (“facilitators”);
- to people from the same working context as the Whistleblower and who are linked to him/her by a stable emotional or kinship bond within the fourth degree;
- to the Whistleblowers work colleagues, who work in the same work context as the Whistleblower and who have a habitual and current relationship with the Whistleblower;
- to entities owned by the Whistleblower or for which he/she works, as well as to entities that operate in the same working context as the Whistleblower.

DISSEMINATION OF THE MODEL

In order for the Model to be effective, it is of utmost importance that the resources already present in the company and those who join it in the future are fully aware of the rules of conduct it contains, with a different level of detail according to the different degree of involvement in the Sensitive Processes.

INFORMATIVE ACTIVITY

In order to guarantee effective knowledge and application of the Model, the Management Body formally informs the various categories of Addressees of its adoption.

More specifically, employees are required to sign a declaration stating that they acknowledge the Model and undertake to observe its provisions.

Instead with regard to the Company’s collaborators (such as project workers and interim/temporary workers), commercial collaborators (managers of “In-store Shops”), Suppliers, Contractors and Consultants, the letter of engagement or the contract establishing a form of collaboration with them must explicitly contain clauses, which can also be drawn up in separate documents from the contract.

⁵ Pursuant to Article 2, paragraph 1, letter m) of the Whistleblowing Decree, also of a complaint to the judicial or accounting authorities or of a public disclosure.

The same procedures are followed in the event of substantial reviews and/or updates of the Model.

The Model shall be made available using the procedures and tools considered most appropriate by the Management Body, such as, for example, through dissemination on the website.

STAFF TRAINING

The Management Body is responsible for providing staff training for the purposes of implementation of the Model and identifies the resources within or outside the Company to whom to entrust its organisation.

These resources organise training sessions in association with the Supervisory Body, which assesses their effectiveness in terms of planning, content, updates, timeframes, procedures and identification of participants.

Participation of the persons identified in these training activities must be considered mandatory and therefore failure to participate shall be sanctioned in accordance with the Disciplinary System contained in the Model.

The training must provide information on at least the following:

- the reference legislative framework (Italian Legislative Decree No. 231/2001 and the Guidelines defined above);
- the Model adopted by the Company;
- the Company's Code of Ethics;
- the corporate situations to which legislation applies;
- the measures and protocols introduced after adoption of the Model.

The training must be differentiated according to the various corporate areas to which the recipients belong.

First of all, initial classroom training is provided to those employed by the Company at the time the Model is adopted and who operate in the Sensitive Processes defined above. For remaining staff and for new recruits who join the Company after the Model has been adopted, a special edition of the course shall be provided (possibly using online procedures).

Precise records of the training provided must be kept.

Lastly, the training schedule must include periodic sessions guaranteeing a constant programme of updates.

For the purposes of implementation of the Model, the Human Resources Department manages the staff training in close cooperation with the Supervisory Body.

COMPONENTS OF THE PREVENTIVE CONTROL SYSTEM

The components (protocols) of the preventive control system that must be implemented at corporate level in order to guarantee the Model's effectiveness are:

- ethical principles intended to prevent the offences envisaged by the Decree;
- sufficiently organised and clear organisational system;
- authorisation and signature powers consistent with the organisational and management responsibilities defined;
- manual or computer operating procedures to regulate activities in corporate areas involving risk with appropriate control points;
- management control system capable of promptly reporting the existence or emergence of critical situations;
- staff communication and training system concerning all the Model's elements, including the Code of Ethics;
- appropriate disciplinary system to sanction breach of the rules of the Code of Ethics and of other provisions of the Model.

Without prejudice to the provisions of this Paragraph, which are common to all the offences envisaged by the Decree, information on the protocols that are specific to each type of offence and Sensitive Process could instead be found in the Special Parts.

On the matter of the Code of Ethics, the Supervisory Body, the disciplinary system and the staff communication and training system, reference is made to the information previously provided in the Chapters specifically dedicated to them in the General Part of the Model.

ORGANISATIONAL SYSTEM

RINASCENTE's organisational system is defined through the drawing up of a corporate organisation chart and the issue of delegations of functions and organisational provisions/job descriptions, which provide a clear definition of the functions and responsibilities assigned to each organisational unit.

The Human Resources Department ensures the formalisation, update and dissemination of these documents, subject to approval by the Chief Executive Officer.

A number of Committees have also been set up, such as:

- **Management Committee**, composed of those reporting directly to the Chief Executive Officer, with the purpose of presenting, discussing and approving new ideas/projects, strategies, operating plans and development.
- **Internal Executive Committee**, composed of the Chief Executive Officer, Administration Finance and Control Manager, Central Purchasing Manager and Central Sales Manager, with the purpose of defining the business development strategies, validating strategic projects for the future and constantly monitoring and analysing the results obtained.
- **Assessment Committee**, with a variable composition, with the purpose of assessing the performances of resources, with the exception of Managers and Professionals.
- **Careers Committee**, with the same composition as the Management Committee, which assesses the performances of Managers and Professionals.
- **Risk Control and Sustainability Committee**, comprising certain key members of the Management and Company Security Committee, within the scope of which risks are analysed and mitigation activities planned.

The Chief Executive Officer issues special internal communications formally stating the members, frequency of meetings and objectives of the committees. Meetings are minuted.

AUTHORISATION SYSTEM

The authorisation system, which consists of a coherent and structured system for delegating functions and powers within the Company, must comply with the following requirements:

- mandates must combine each management power to the relevant responsibility and to an appropriate position in the organisational chart and be updated following organisational changes;
- each mandate must provide a specific and unambiguous definition and description of the management powers of the delegated person and the person to whom he/she reports in the hierarchy;
- the management powers awarded with mandates and the implementation of the same must be consistent with the company's objectives;
- the delegated person must be provided with expenditure powers appropriate to the functions assigned;
- powers of attorney may be granted exclusively to persons with an internal functional mandate or specific assignment and must provide for the extension of powers of representation and, possibly, numeric expenditure limits;
- all those who, on behalf of La Rinascente S.p.A., have relations with third parties in general and Public Administration in particular, must be provided with an appropriate Mandate/power of attorney or other organisational instrument.

Insofar as relevant for the purposes of the Decree, the Company shall:

- update the attached schedule following amendments and/or supplements to delegations of powers;
- regularly assess the possibility of reviewing the system, in some cases establishing the requirement of joint signatures of two attorneys or of one attorney and one Executive/Official of the Company in order to further strengthen the control system;
- set up a formalised information flow to all functions, to guarantee prompt disclosure of powers and relevant changes. This flow must also be addressed to third parties, such as credit institutions, etc.;
- carry out regular checks of observance of signature powers. The results of these checks must be brought to the attention of the Board of Directors and the Supervisory Body.

DECISION-MAKING PROCESS

The decision-making process regarding Sensitive Processes must comply with the following criteria:

- each decision concerning transactions carried out as part of Sensitive Processes, as identified below, must be stated in a written document;
- the person who decides that a Sensitive Transaction is to be performed can never be the same as the person who implements and completes it;
- likewise, the persons who decide and implement a Sensitive Transaction can never be the same as the persons who have the power to allocate economic and financial resources to the transaction.

MANAGEMENT CONTROL AND FINANCIAL FLOWS

The management control system adopted by RINASCENTE is divided into various phases involving annual budget preparation, analysis of periodic final statements and preparation of forecasts at Company level.

The system guarantees the:

- involvement of a number of persons, to ensure appropriate segregation of functions in the preparation and transmission of information;
- capacity to promptly report the existence and emergence of critical situations through an appropriate and timely system of information and reporting flows.

Furthermore, financial resources are managed in accordance with principles based on substantial segregation of functions, such as to guarantee that all disbursements are requested, made and controlled by independent functions or persons as separate as possible, to whom no other responsibilities that could give rise to potential conflicts of interest are assigned.

Lastly, liquidity management is based on criteria of preservation of assets, with associated prohibition on carrying out financial transactions involving risk, and possible double signature for use of cash in amounts exceeding pre-determined thresholds.

INFORMATION AND TRAINING PROGRAMME

With specific regard to activities carried out as part of Sensitive Processes, the Company provides and guarantees an appropriate programme of regular and systematic information and training addressed to employees and collaborators involved in these activities.

The programme includes the discussion of corporate governance issues and the dissemination of operating mechanisms and corporate organisational procedures of relevance to matters relating to Sensitive Processes and activities implemented by the Company for the purpose of compliance with Italian Legislative Decree No. 231/2001.

INFORMATION SYSTEMS AND IT APPLICATIONS

In order to protect data integrity and the effectiveness of the information systems and/or IT applications used to carry out or support operating and control activities involved in the Sensitive Processes, the presence and operation of the following is guaranteed:

- user profiling systems for access to modules or environments;
- rules for the proper use of company information systems and aids (hardware and software supports);
- automated system access control mechanisms;
- automated access blocking or prevention mechanisms.

FILING OF DOCUMENTATION

Appropriate formal records are kept of activities carried out in the context of Sensitive Processes, with specific regard to documentation drawn up during their implementation.

The aforesaid documentation, produced and/or available in paper or electronic media, is filed in an orderly and systematic manner by the functions involved in the processes, or specifically identified in procedures or detailed work instructions.

To safeguard the corporate document and information assets, appropriate safety measures are put in place to protect against the risk of loss and/or alteration of documentation referring to Sensitive Processes or unauthorised access to data/documents.

With specific regard to electronic documentation produced or filed on corporate IT media, reference is also made to the information provided in the previous Paragraph.

DISCIPLINARY SYSTEM

GENERAL PRINCIPLES

The Decree provides for the setting up of a “*suitable disciplinary system to sanction failure to comply with the measures stated in the model*” both for persons holding senior positions as well as for persons subject to the management and supervision of others.

The existence of a system of penalties to be applied in the event of failure to comply with the internal procedures established by the Model is indispensable to guarantee the Model’s effectiveness.

The enforcement of penalties must remain completely separate from the development and outcome of any criminal proceedings initiated by the judicial authority if the censurable conduct also constitutes an offence of relevance under the Decree. The rules of conduct imposed by the Model are embraced by the Company regardless of the fact that certain conduct could constitute an offence and that the judicial authority could decide to prosecute.

It should be noted that, without prejudice to the provisions of Paragraph 3.3 (“Causes for ineligibility, reasons for and powers of revocation”), the system of penalties defined could also be applied to members of the Supervisory Body, in relation to the functions assigned to them by this Model and as specified in Paragraph 6.5 below).

BREACHES OF THE MODEL

The following generally constitute breaches of the Model:

1. conduct that directly or indirectly constitutes the offences envisaged by the Decree;
2. conduct which, although it does not constitute one of the offences, is carried out with the unequivocal intention of committing an offence;
3. conduct that does not comply with the provisions set forth in the Model or referenced by the Model;
4. conduct that does not comply with the Company’s Code of Ethics;
5. conduct in breach of the preventive control system referred to in Chapter 5 of this General Part;

6. conduct that does not comply with the general behavioural principles listed in Paragraphs B3, C3, D3, E3, F3, G3, H3, I3, L3, M3, N3, O3, P3, Q3, R3, S3 and T3 and with the specific principles listed in Paragraphs B5, C5, D 5, E5, F5, G5, H5, I5, L5, M5, N5, O5, P5, Q5, R5, S5 and T5 of the Special Parts of the Model and with the procedures referenced by the Model or by the Code of Ethics;
7. conduct that does not comply with the provisions set forth in the Model or referenced by the Model;
8. conduct of non-cooperation with the Supervisory Body consisting, by way of example but not limited to, refusal to provide information or documentation requested, failure to observe general and specific directives issued by the Supervisory Body for the purpose of obtaining information considered necessary for fulfilment of its duties, failure to participate without a justified reason in inspections scheduled by the Supervisory Body and failure to participate in training sessions;
9. breaches inherent to the reporting system referred to in the previous paragraph "Reporting offences or breaches of the Model"; with reference to those breaches and related sanctions, please refer to the following paragraph "Disciplinary system for breaches of the reporting system";
10. breach of the information obligations towards the Supervisory Body specified in Paragraph 3.5 above. "Information obligations towards the Supervisory Body";

The seriousness of breaches of the Model shall be assessed on the basis of the following circumstances:

- presence and intensity of the element of intention;
- presence and intensity of negligent, imprudent and inexperienced conduct;
- presence and intensity of recurrent conduct;
- extent of the danger and/or consequences of the breach for the Company;
- foreseeability of the consequences of the conduct in breach;
- timeframes and manner of the breach;
- circumstances in which the breach took place.

Disciplinary measures shall be adopted in compliance with the principle of graded penalties proportionate to the seriousness of the infringement.

BREACHES OF THE MODEL BY EMPLOYEES AND RELATED MEASURES

The breach of individual rules of this Model by employees subject to the NCLA of 17 March 2005 for employees of Tertiary, Distribution and Services sectors and for employees of the electrical sector constitutes a disciplinary offence.

Any type of breach of the rules contained in the Model authorises the Supervisory Body to request the competent functions of RINASCENTE to impose one of the penalties listed below and determined on the basis of the seriousness of the breach committed and of the conduct engaged in before (e.g. any previous breaches committed) and after (e.g. informing the Supervisory Body of the irregularity) by the perpetrator of the breach.

The disciplinary measures that may be imposed on said employees – in compliance with the procedures set forth in Article 7 of Italian Law No. 300 of 30 May 1970 (Workers' Bill of Rights), applicable special laws and the aforesaid NCLA – are those established by the following system of penalties:

- a) verbal warning;
- b) written warning;
- c) fine not exceeding the equivalent of 3 hours pay;
- d) suspension from work and pay for a period not exceeding 3 full working days;
- e) dismissal without payment in lieu of notice.

In any case, the competent corporate function shall keep the Supervisory Body informed of the penalties imposed and/or breaches ascertained.

More specifically, with regard to breaches of the Model by employees of the Company, the following provisions apply:

1. any employee who breaches the internal procedures set forth by this Model or adopts, when carrying out activities in areas involving risk, conduct that breaches the provisions of the Model, provided that said conduct does not lead to the enforcement of measures established by the Decree, shall be subject to a **verbal warning or written warning** depending on the seriousness of the breach;
2. any worker who repeatedly breaches the internal procedures set forth by this Model or repeatedly adopts, when carrying out activities in areas involving risk, conduct that breaches the provisions of

the Model, provided that said conduct does not lead to the enforcement of measures established by the Decree, shall be subject to a **fine**;

3. any employee who, by breaching the internal procedures set forth by this Model or by adopting, when carrying out activities in areas involving risk, conduct that breaches the provisions of the Model, causes damage to the Company or exposes it to an objective situation of danger to the integrity of its assets, provided that said conduct is not unequivocally aimed at committing the Offences or does not lead to the enforcement of measures established by the Decree, shall be subject to **suspension from work and from pay**;
4. any employee who adopts conduct that does not comply with the provisions of this Model and is unequivocally aimed at committing one of the offences sanctioned by the Decree, as well as any employee who adopts conduct that is clearly in breach of the provisions of this Model, such as to lead to the actual enforcement of measures envisaged by the Decree on the Company, shall be subject to **dismissal without payment in lieu of notice** .

Furthermore, with specific regard to the risk of commission of offences in breach of legislation on health and safety at work provided for by Article 25-*septies* of the Decree, the following possible breaches, graded in increasing order of severity, are specified below:

1. any employee who does not comply with the Model, when the breach leads to a situation of possible danger for the physical integrity of one or more persons, including the perpetrator of the breach, and provided that it does not constitute one of the cases envisaged in points 2, 3 and 4 below, shall be subject to a **verbal warning or written warning**;
2. any employee who does not comply with the Model, when the breach causes damage to the physical integrity of one or more persons, including the perpetrator of the breach, and provided that it does not constitute one of the cases envisaged in points 3 and 4 below, shall be subject to a **fine**;
3. any employee who does not comply with the Model, when the breach causes damage, which can be classified as “serious” pursuant to Article 583(1) Italian Criminal Code, to the physical integrity of one or more persons, including the perpetrator of the breach, and provided that it does not constitute one of the cases envisaged in point 4 below, shall be subject to **suspension from work and from pay**;

4. any employee who does not comply with the Model, when the breach causes damage, which can be classified as “very serious” pursuant to Article 583(2) Italian Criminal Code⁶, to the physical integrity or the death of one or more persons, including the perpetrator of the breach, shall be subject to **dismissal without payment in lieu of notice** .

If the infringement is of such severity that it may give rise to dismissal, the employees may be suspended from work as a precautionary measure until communication of the penalty, in compliance with the provisions of the Workers’ Bill of Rights and the NCLA referred to above.

Finally, with reference to breaches inherent to the reporting system referred to in the previous paragraph "Reporting offences or breaches of the Model" and related sanctions, please refer to the following paragraph "Disciplinary system for breaches of the reporting system".

BREACHES OF THE MODEL BY MANAGERS AND RELATED MEASURES

Breaches of individual rules of this Model by the Company’s managers also constitute a disciplinary offence.

The disciplinary measures that may be imposed on managers – in compliance with the procedures set forth in Article 7 of Italian Law No. 300 of 30 May 1970 (Workers’ Bill of Rights) and applicable special laws – are those established by the following system of penalties:

- a. written reprimand;
- b. disciplinary suspension;
- c. dismissal for justified reason;
- d. dismissal for just cause.

⁶ Article **583 Italian Criminal Code** Aggravating circumstances

Personal injury is serious and is subject to three to seven years’ imprisonment

1. if it gives rise to an illness that endangers the life of the injured person, or to an illness or incapacity to perform ordinary duties for a period of more than forty days;
2. if it produces the permanent weakening of a sense or an organ;

Personal injury is very serious and is subject to six to twelve years’ imprisonment, if it gives rise to:

1. an illness that is certainly or probably incurable;
2. loss of a sense;
3. loss of limb, or a mutilation that leaves the limb unusable, or loss of the use of an organ or of the capacity to procreate, or a permanent or serious speech difficulty;
4. deformation or permanent disfigurement of the face.

In any case, the competent corporate function shall keep the Supervisory Body informed of the penalties imposed and/or breaches ascertained.

More specifically, with regard to breaches of the Model by managers of the Company, the following provisions apply:

- in the event of non-serious breach of one or more procedural or behavioural rules established by the Model, the manager shall be subject to a **written reprimand** consisting in a reminder to observe the Model, which constitutes a necessary condition for continuing the trust-based relationship with the Company;
- in the event of non-serious, but repeated, breach of one or more procedural or behavioural rules established by the Model, the manager shall be subject to a **disciplinary suspension**;
- in the event of serious breach of one or more procedural or behavioural rules established by the Model that constitutes significant non-compliance, the manager shall be subject to **dismissal for a justified reason**;
- if the breach of one or more procedural or behavioural rules established by the Model is so serious as to irreparably damage the trust-based relationship, making even temporary continuation of the employment relationship impossible, the manager shall be subject to **dismissal for a just cause**.

Furthermore, for Company employees classified as “managers”, the following constitute serious breach of the Model’s provisions:

- failure to comply with the obligation to manage or supervise subordinate employees with regard to proper and effective enforcement of the Model;
- failure to comply with the obligation to manage and supervise other workers who, although not linked to the Company by an employer-employee relationship (for example, self-employed persons, consultants, para-subordinate workers, etc.) are still subject to the management and supervision of the “manager” pursuant to Article 5(1)(b) of Italian Legislative Decree No. 231/01, without prejudice to qualification of the contract with these workers.

Finally, with reference to breaches inherent to the reporting system referred to in the previous paragraph "Reporting offences or breaches of the Model" and related sanctions, please refer to the following paragraph "Disciplinary system for breaches of the reporting system".

MEASURES AGAINST MEMBERS OF THE MANAGEMENT BODY, THE BOARD OF STATUTORY AUDITORS AND MEMBERS OF THE SUPERVISORY BODY

In the event of breach of the Model by one or more members of the Company's Management Body, the Supervisory Body shall inform the entire Board of Directors and the Board of Statutory Auditors who shall take appropriate measures in accordance with the seriousness of the breach committed, in light of the criteria stated in Paragraph 6.2 and in compliance with the powers established by law and/or by the Articles of Association (statements in the minutes of meetings, requests to convene or convening of the Shareholders' Meeting with inclusion in the agenda of appropriate measures against those responsible for the breach, etc.).

The disciplinary measures that may be imposed on one or more members of the Company's Management Body, subject to resolution of the Board of Directors to be passed with abstention of the person concerned and, if required by law and/or by the Articles of Association, by resolution of the Shareholders' Meeting, are those established by the following system of penalties:

- a) written reprimand;
- b) temporary suspension from office;
- c) revocation of office.

More specifically, with regard to breaches of the Model by members of the Company's Management Body, the following provisions apply:

- in the event of non-serious breach of one or more procedural or behavioural rules established by the Model, the member of the Management Body shall be subject to a **written reprimand** consisting in a reminder to observe the Model, which constitutes a necessary condition for continuing the trust-based relationship with the Company;
- in the event of serious breach of one or more procedural or behavioural rules established by the Model, the member of the Management Body shall be subject to a **temporary suspension from office**;
- in the event of serious breach of one or more procedural or behavioural rules established by the Model such as to irreparably damage the trust-based relationship, the member of the Management Body shall be subject to **revocation of office**.

Furthermore, for members of the Company's Management Body, the following constitute serious breach of the Model's provisions:

- failure to comply with the obligation to manage or supervise subordinate employees with regard to proper and effective enforcement of the Model;
- failure to comply with the obligation to manage and supervise other workers who, although not linked to the Company by an employer-employee relationship (for example, self-employed persons, consultants, para-subordinate workers, etc.) are still subject to the management and supervision of the Management Body pursuant to Article 5(1)(b) of Italian Legislative Decree No. 231/01, without prejudice to qualification of the contract with these workers.

In the event of breach of the Model by the Company's entire Management Body, the Supervisory Body shall inform the Board of Statutory Auditors, which shall immediately convene the Shareholders' Meeting in order to take the necessary measures.

In the event of breach of the Model by one or more members of the Board of Statutory Auditors or by the entire Board of Statutory Auditors, the Supervisory Body shall inform the Management Body and the Shareholders' Meeting which shall take appropriate measures in accordance with the seriousness of the breach and in compliance with the powers established by law and/or by the Articles of Association (statements in the minutes of meetings, requests to convene or convening of the Shareholders' Meeting with inclusion in the agenda of appropriate measures against those responsible for the breach, etc.).

If the Management Body is informed of breaches of the Model by one or more members of the Supervisory Body, the Management Body shall liaise with the Board of Statutory Auditors in order to take the action considered most appropriate in accordance with the seriousness of the breach and in compliance with the powers established by law and/or by the Articles of Association.

More specifically, if the breach is committed by a member of the Supervisory Body who is also a Company employee, the penalties set forth in Paragraphs 6.3 and 6.4 shall be enforced.

In any case, the Board of Directors and the Board of Statutory Auditors shall always keep the Supervisory Body informed of the penalties imposed and/or breaches ascertained.

Finally, with reference to breaches inherent to the reporting system referred to in the previous paragraph "Reporting offences or breaches of the Model" and related sanctions, please refer to the following paragraph "Disciplinary system for breaches of the reporting system".

MEASURES AGAINST COLLABORATORS, CONSULTANTS, SUPPLIERS AND CONTRACTORS

Any breach implemented by collaborators, Consultants, Suppliers, Contractors, commercial collaborators (managers of "In-store Shops") may lead, in compliance with the specific contractual clauses contained in the letters of engagement or in the cooperation agreements, to termination of the contractual relationship, without prejudice to claims for compensation, if the conduct causes damage to the Company, as in the case of court enforcement of measures envisaged by the Decree.

DISCIPLINARY SYSTEM FOR BREACHES OF THE REPORTING SYSTEM

The Company adopts this **Disciplinary System for breaches of the reporting system**, pursuant to Article 6, paragraph 2, Legislative Decree 231/2001 and Article 21, paragraph 2, of the Whistleblowing Decree, providing for disciplinary sanctions for the following categories of sanctionable infringements:

- carrying out retaliation;
- preventing the submission of reports;
- breach of the obligation of confidentiality of the identity of the Whistleblowers, those reported, the people mentioned in any case in the Report and the facilitators, as well as the content of the reports and the related documentation;
- failure to carry out verification and analysis of the Reports received;
- Reports⁷ which are proven to have been made with intent and gross negligence;
- adoption of procedures that do not comply with those referred to in Articles 4 and 5 of the Whistleblowing Decree.

The sanctions specified in the previous paragraphs will be applicable to these categories of disciplinary infringements in accordance with the nature of the relationship with the Company and

⁷ Pursuant to the Whistleblowing Decree, anyone who has submitted unfounded complaints or disclosures shall also be subject to disciplinary sanctions.

according to a general criterion of progressive correspondence between the category of infringements and the type of sanction.

Within this general systematic criterion, the sanction applied in practice must take into specific consideration, on a case by case basis, aggravating or mitigating circumstances according to the principle of proportionality, the gravity of the objective case; the type and intensity of the subjective element (malice or negligence, serious, medium or slight); the situation that the infringement was an attempt or was actually completed; any harmful consequences caused, any voluntary correction of errors; the use of precedents attributable to the aforementioned disciplinary categories, even where they do not constitute the requisites for the repeat offence; the degree of diligence and trust required based on the author's duties and/or professional qualification and/or corporate role; and any other concrete circumstance otherwise relevant for the purposes of categorising the sanction among those that could apply.

In any case, disciplinary sanctions will be applied regardless of:

- whether or not damages are determined as a consequence of the corresponding disciplinary infractions being committed;
- from the failure by ANAC to apply the administrative pecuniary sanctions provided for the same hypotheses by Article 21, paragraph 1, of the Whistleblowing Decree.

On the other hand, unless other specific features of the case at hand are found, the following will be considered as significant aggravating factors:

- the fact that the infringement led to application to the Company of a pecuniary administrative sanction pursuant to Article 21, paragraph 1, of the Whistleblowing Decree;
- the commission of the infringement by the Reporting Manager;
- the fact that the breach of confidentiality has led to sanctions by the Guarantor Authority for the protection of personal data.

Lastly, in cases of unfounded reports⁸ which are proven to have been made with intent or gross negligence, the determination of damage for the Company will be considered with a maximum aggravating factor. Furthermore, in such cases, the Company reserves the right to request the consequent compensation from the person responsible.

⁸ As well as unfounded complaints or disclosures.

Disciplinary sanctions will be applied in compliance with Article 7 of Law 20 May 1970, n. 300 and the relevant provisions of the NCLA for tertiary sector, distribution and services employees, upon completion of the dispute procedure and receipt of the justifications, where the latter are not found to be well-founded or sufficient for exemption purposes.

Where those responsible for the aforementioned infringements are temporary workers, the exercise of disciplinary power against them will take place in the forms and with the distribution of employer skills specific to the corresponding employment relationship.