

LINDE MATERIAL HANDLING ITALIA S.p.A.

Registered office Via A. De Gasperi 7 - 20045 Lainate (MI)

Share capital Euro 2,480,000 fully paid up

VAT no. / Tax Code / Company Register 00199400128

REA MI 1919699

Single-member company

Subject to direction and coordination of KION GmbH A.G.

ORGANIZATION, MANAGEMENT AND CONTROL

MODEL

pursuant Italian Legislative Decree no. 231 of 8 June 2001

as subsequently amended, concerning the

"ADMINISTRATIVE LIABILITY OF COMPANIES"

Updated by the Board of Directors during the meeting held on 13 March 2023

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MODEL UPDATE HISTORY

Description	Data Approval
Adoption of the Model (resolution of the Board of Directors)	06/12/2016
First update	13/12/2017
Second update (by the Managing Director)	26/06/2018
Third update	22/04/2020
Fourth update	13/03/2023

DEFINITIONS

(In the text below the definitions are shown with the initials in capital letters, but not in bold)

Executive Director(s)	Directors with operational proxies and powers: Chairman, if granted powers, and Managing Director(s) where appointed.
Code of Ethics	The set of provisions set out in the KION Group's Code of Compliance transposed by the Company and the Code of Ethics adopted by the Company.
Associates	Persons having work or service relationships other than subordinate employment with Linde.
Consultants	Individuals with specific professional skills in certain areas, not employees of Linde Material-Handling Italia, who assist Linde Material-Handling Italia in carrying out activities, providing advice, assistance, opinions, information.
Leg. 231/2001 or Decree 231 or Decree	Legislative Decree no. 231 of 8 June 2001 as amended over time.
Recipients	<p>(i) The Corporate Bodies (as defined below)</p> <p>(ii) All those who perform functions of representation, administration and management, including de facto management, of the Company</p> <p>(iii) Employees (as defined below) of Linde</p> <p>(iv) Contractors and general consultants of Linde (also in company form)</p> <p>(v) Interns</p> <p>(vi) Personnel seconded to Linde by another company, including outsourced workers</p> <p>as well as</p> <p>(vii) The members of the Supervisory Body as far as they are concerned</p> <p>The persons referred to in (iii), (iv), (v) and (vi) above who act in the name of and on behalf of, or even only on behalf of, Linde (as defined below) are obliged to comply with both Linde's 231 Model and STILL's 231 Model, the contents of which – given the substantial identity of their businesses – are very similar.</p> <p>The Recipients are also the employees of STILL and persons connected to STILL in the sense of points (iv), (v) and (vi) above who will act in the name and on behalf of or even only on behalf of Linde.</p>
Employees	Persons having an employment relationship with Linde Material-

	Handling Italia, including managers.
Information flows (unless otherwise specified)	Information, data, news and documents to be provided on a periodic basis by the Company to the Supervisory Body.
Suppliers	The parties – natural or legal persons – who by virtue of specific contracts sell goods or provide services of any kind to Linde.
GDPR and updated Legislative Decree	Respectively, Regulation (EU) no. 679/2016 "General Data Protection Regulation" and Leg. Decree no. 101 of 10.08.2018, bringing Italian regulations into compliance with the GDPR.
Linde or Company	Linde Material-Handling Italia S.p.A., with registered office in Lainate (MI), Via De Gasperi 7 (previously with registered office in Bugugiate (VA), Via del Luguzzone 3).
Guidelines	The Guidelines for the construction of the Organisation, Management and Control Models pursuant to Leg. Decree 231/2001 indicated by Confindustria.
QSA Manual or Manual	The Integrated Quality, Safety and Environment System Manual adopted by Linde.
231 Model or Model	The Organization, Management and Control Model adopted by Linde pursuant to Decree 231.
Corporate Bodies	Linde's Shareholders' Meeting, Board of Directors and Board of Statutory Auditors.
SB or Supervisory Body	The supervisory body envisaged in Legislative Decree no. 231/2001.
P.A.	The Public Administration, meaning – by way of example – all central and peripheral government offices, local authorities, public bodies in general, their staff, as well as public officials and those in charge of public services.
Service Providers	The parties to which the Company entrusts – by contract or by works contract or by contract of any other nature – the performance of works or services of any kind.
Procedure(s)	The internal company rules to be observed within the Sensitive Processes.
Sensitive Processes	The business processes during having a risk of committing one of the Predicate Offences.
Protocols	The set of procedures and practices and the controls put in place by the Company as part of the Sensitive Processes to reduce the risk of committing Predicate Offences to an acceptable level.
Predicate Offence(s)	The offence(s) for which the entity is liable under Leg. Decree 231/2001, as set out in the Catalogue of Offences in Annex B, including, for defining purposes only, the offences referred to in

	article 187- <i>quinquies</i> of Leg. Decree no. 58/1998 (Consolidated Law on Finance);
Report	Report to the Supervisory Body (or to the Company) of situations that the whistleblower has become aware of while doing his/her work concerning: a) commission of or attempts to commit any of the Predicate Offences envisaged in Decree 231, even if not expressly listed in the Model, b) infractions relating to the 231 Model (including the Code of Ethics and Protocols/Procedures), c) offences in general.
STILL	STILL S.p.A., with registered office in Lainate, Via De Gasperi 7



GENERAL SECTION

1. **LEGISLATIVE DECREE 231/2001 - SUBJECTS, TYPES OF OFFENCES AND SANCTIONS**

1.1. **Direct liability of the company for certain types of offences**

1.1.1. Liability assumptions

Leg. Legislative Decree no. 231 of 8 June 2001, entitled "*Regulations governing the administrative liability of legal persons, companies and associations also without legal status*", introduced in the Italian law system the direct liability of companies (and of entities in general) for certain offences (hereinafter Predicate Offences) committed by:

- natural persons who cover representation, administration or direction positions at the company or at one of its organizational units granted financial and functional independence (known as *top-level subjects*);
- natural persons who carry out, including de facto, the management and control of said entities;
- natural persons subject to direction or supervision of one of the aforementioned subjects (known as *subjects supervised by others*).

The company's direct liability is added to the responsibility of the natural person who committed the offence.

Extending liability to the company requires, as an essential condition, that the Predicate Offence be committed in the interest of or to the advantage of the company itself.

The interest is subjective in nature: it refers to the volatile sphere of the event of the natural person who acts, and can be evaluated at the time of the behavior. If the natural person has committed the offence in his/her own personal interest, in order for the company to be responsible said interest needs to coincide at least in part with that of the company. Moreover, in the case of culpable offences the interest must be assessed with reference not to the intent of the event, but to the conduct ⁽¹⁾.

The advantage is characterized as a set of the benefits – especially of a capital nature – gained from the offence, which can be evaluated following the commission of the latter (see Cassation, Criminal Section II, no. 3615 of 2005).

1.1.2. Source of responsibility

When determining the source of responsibility for an offence of collective entities, the Court of Cassation refers to what is known as "*fault of the organization*". In other words, the relationship between the legal person (company) and the offence committed by the individual – which founds responsibility of the former – cannot be justified only in connection to the fact that the natural person has committed a crime in the interest of or to the advantage of the entity, but also to the fact that

⁽¹⁾ For the crimes of homicide and negligent injury committed in violation of occupational safety regulations, it seems inappropriate to assume an interest in the event (death or injury), since an interest or benefit for non-compliance with the precautionary regulations can instead be alleged. For example, the interest or benefit of the institution could be cost savings or other economic advantages at the expense of safety.

the infringement can be traced back to a behaviour (managerial defect) held by the entity: basically, some sort of culpability should (and must) be attributed to the legal person, since the company can be called to be liable for the infringement committed by natural persons only when certain gaps and shortcomings in the organization of its the company's activity have allowed said subjects to commit offences ⁽²⁾.

1.1.3. Nature of the liability

The nature of the liability, although defined as "administrative" by law and considered "criminal" by many commentators, has been considered by the joint sections of the Supreme Court ⁽³⁾ as a *tertium genus* that combines the characteristics of the criminal and administrative system – in an attempt to balance the reasons of preventive efficiency with those of maximum guarantee – and which is fully compatible with constitutional principles ⁽⁴⁾.

1.1.4. Autonomy of the liability

The company's direct liability is added to the responsibility of the natural person who committed the offence.

The liability of the company is autonomous from that of the natural person, but not from the objective realisation of a crime. Therefore, once it has been ascertained that the criteria for the subjective imputation of the company have been met (crime committed in the interest or advantage of the company by one of the persons specified above), the company is liable for the crime even if the perpetrator has not been identified or is not imputable or the crime has been extinguished ⁽⁵⁾. In other words, in order for the entity's liability to exist, it is "necessary for an offence to be committed by the person associated with the entity, but it is also not necessary for this offence to be ascertained by identifying and condemning the person responsible".

1.1.5. Complicity in the crime

The liability of the entity may also exist in the case of complicity in the crime,

⁽²⁾ The profiles of "organizational blame" are structured differently depending on whether the offence was committed by a person in a top management position or by his/her subordinate, since in these two cases the company is required to adopt two different types of precautionary measures in order to prevent any sanctioning consequence:

- In the hypothesis of a crime committed by top managers, the legal person can be exempt from responsibility only if it is able to prove that it has undertaken the necessary measures for preventing the commission of crimes of the type that was committed – through the adoption of an adequate organisation and effective prevention checks and through a special control body, equipped with full autonomy of initiative in the supervisory activity - so that the commission of the offence was possible only thanks to a fraudulent dodging of said prevention mechanisms;
- In the case of an offence committed by individuals subject to supervision by others, the company shall be responsible only if the public prosecutor is able to prove that the commission of the offence was made possible by failure to comply with the obligations of direction or supervision, in any event excluding the existence of said organizational shortcoming if, prior to the commission of the crime, an Organization, Management and Control Model was adopted and effectively implemented, according to an evaluation to be carried out *ex ante* and in abstract terms, aimed to prevent offences of the same type as the one that was committed.

⁽³⁾ Cassation, United Sections, 24 April 2014, no. 38343, known as the "Thyssen" judgement.

⁽⁴⁾ The Court has examined the case law according to which the regulatory system outlined by Leg. Decree 231/2001 constitutes respectively (i) an administrative liability, in accordance with the header of the legislation or (ii) a liability essentially of a criminal nature, since it is left to the criminal judge to ascertain the crimes it derived from, the guarantees of a criminal trial also being extended to the entity, or (iii) a *tertium genus*, based on the latter considering the 231 system as a body of legislation with a unique imprint.

⁽⁵⁾ See Cass. Sec. VI criminal division, no. 28299 of 7 July 2016

provided that the causes of the crime are attributable to the company ⁽⁶⁾.

1.1.6. Attempted crimes

The responsibility of the body is also extended to include attempted crimes (art. 26 Leg. 231).

1.1.7. Offences committed abroad

The liability envisaged in the Decree also applies to offences committed abroad, provided that the State where the offence was committed does not proceed on its own against said offences.

1.1.8. Sanctions

Ascertaining the company's liability entails the application to said company of monetary and disqualifying sanctions (below).

The text of Leg. Decree 231/2001, updated with the amendments carried out over time up to the present, is enclosed herein as Annex "A" ⁽⁷⁾. Hereinafter, the term "Leg. Decree 231/2001" or "Decree" shall be understood as the original decree as amended over time. The number of articles with no indication of the legislative measure to which they refer are intended as being referred to Leg. Decree 231/2001.

1.2. **Predicate Offences (categories)**

Predicate Offences belong to the following categories:

- 1.2.1. Embezzlement and misappropriation of funds, fraud to the detriment of the State or other public entity or the European Union or for the obtaining of public funds and computer fraud to the detriment of the State or other public entity and fraud in public procurement (art. 24);

⁽⁶⁾ A common case is complicity in the contractor's crimes, with respect to the so-called contracting party's position of guarantee (see below).

⁽⁷⁾ Leg. Decree no. 231 of 8 June 2001, issued in execution of parliamentary decree no. 300 of 29 September 2000, originally envisaged only some of the crimes currently provided for, related to corruption. The Decree was subsequently amended and supplemented by including additional crimes, through the following legislative measures: Law no. 409 of 23 November 2001 (Forgery of money, public credit cards and revenue stamps), Leg. Decree no. 61 of 11 April 2002 (Corporate offences), Law no. 7 of 14 January 2003 (Crimes for the purpose of terrorism or subversion of the democratic order), Ministerial Decree no. 201 of 26 June 2003 (Communication of codes of conduct by trade associations), Law no. 228 of 11 August 2003 (Crimes against the individual), Law no. 62 of 18 April 2005 (Market abuse), Decree-Law no. 144 of 27 July 2005 converted by Law no. 155 of 31 July 2005 (International terrorism), Law no. 262 of 28 December 2005 (Provisions for the protection of savings and the discipline of financial markets), Law no. 7 of 9 January 2006 (Female genital mutilation), Law no. 38 of 6 February 2006 (Fight against child pornography), Law no. 146 of 16 March 2006 (Fight against transnational organised crime), Law no. 123 of 3 August 2007 (Measures to protect health and safety at work), Leg. Decree no. 231 of 21 November 2007 (Money laundering), Law no. 48 of 18 March 2008 (Cybercrime), Law no. 81 of 9 April 2008 (Consolidation Act on safety at work), Law no. 94 of 15 July 2009 (Immigration), Law no. 99 of 23 July 2009 (Protection of industrial property), Leg. Decree no. 121 of 7 July 2011 (Environmental crimes), Leg. Decree no. 109 of 16 July 2012 (Employment of workers without a residence permit), Law no. 190 of 6 November 2012 (Offences against the PA), Leg. Decree no. 39 of 4 March 2014 (Child abuse), Law no. 186 of 15 December 2014 (Self-money laundering), Law no. 68 of 22 May 2015 (Malicious pollution), Law no. 69 of 27 May 2015 (Crimes against public administration, Mafia-type associations and false accounting), Law no. 199 of 29 October 2016 (Labour exploitation), Leg. Decree no. 38 of 15 March 2017 (Bribery between private individuals), Law no. 161 of 17 October 2017 (Illegal immigration), Law no. 167 of 20 November 2017 (Racism and xenophobia), Law no. 179 of 30 November 2017 (Whistleblowing), Law no. 3 of 9 January 2019 (Offences against the PA), Law no. 39 of 3 May 2019 (Sports fraud), Decree-Law no. 105 of 21 September 2019 (Cyber security), Law no. 157 of 19 December 2019 converting Decree-Law no. 124 of 26.10.2019 (Tax offences), Leg. Decree no. 75 of 14 July 2020 (Implementation of the EU Financial Interests Directive), Leg. Decree no. 184 of 8 November 2021 (Fraud and counterfeiting of non-cash means of payment), Law no. 22 of 9 March 2022 (Crimes against cultural heritage and Laundering of cultural property and devastation and looting of cultural and landscape heritage).

- 1.2.2. Computer crimes and illegal data processing (art. 24-bis);
 - 1.2.3. Organized crime (art. 24-ter);
 - 1.2.4. Embezzlement, extortion, undue inducement to give or promise benefits, bribery and abuse of office (Offences against the Public Administration) (art. 25);
 - 1.2.5. Counterfeiting money, public credit cards, revenue stamps and distinctive trademarks and signs (art. 25-bis)
 - 1.2.6. Crimes against industry and trade (art. 25-bis.1);
 - 1.2.7. Corporate crimes (art. 25-ter);
 - 1.2.8. Crimes for the purpose of terrorism or subversion of the democratic order (art. 25-quater)
 - 1.2.9. Practices of mutilating female genitals (art. 25-quater 1)
 - 1.2.10. Crimes against the individual (art. 25-quinquies);
 - 1.2.11. Market abuse (art. 25-sexies);
 - 1.2.12. Manslaughter and serious personal injury or grievous bodily harm committed with violation of rules on the protection of health and safety in the workplace (art. 25-septies);
 - 1.2.13. Receiving of stolen goods, money laundering, employment of money, goods or utilities of illegal origin, as well as self-money laundering (art. 25-octies);
 - 1.2.14. Offences relating to non-cash payment instruments (art. 25-octies 1)
 - 1.2.15. Offences on the subject of violation of copyright (art. 25-novies);
 - 1.2.16. Inducement not to make or to make false statements before the judicial authorities (art. 25-decies);
 - 1.2.17. Environmental crimes (art. 25-ter);
 - 1.2.18. Employment of illegally staying third-country nationals (art. 25-duodecies).
 - 1.2.19. Racism and xenophobia (art. 25-terdecies).
 - 1.2.20. Fraud in sports competitions, illegal gaming or betting and gambling by means of prohibited devices (art. 25-quaterdecies)
 - 1.2.21. Tax crimes (art. 25-quinquiesdecies)
 - 1.2.22. Smuggling (art. 25-sexiesdecies)
 - 1.2.23. Crimes against cultural heritage (art. 25-septiesdecies)
 - 1.2.24. Laundering of cultural heritage and devastation and looting of cultural and landscape heritage (art. 25-duodecies)
 - 1.2.25. Transnational crimes (envisaged by art. 10 of Law no. 146 of 16 March 2006).
- The details of the individual Predicate Offences are listed in the Catalogue in Annex B.

1.3. Sanctions

The Decree establishes an articulated system of sanctions (against organizations) that can have significant consequences both economically and with respect to the continuity of the business itself, given that restrictive sanctions are also envisaged, including a definitive halt to business in extreme cases due to severity and recidivism.

The sanctions provided by the Decree (art. 9) applicable to the company are the monetary and/or disqualifying kind.

1.3.1. Monetary fines (art. 10 - 11 -12)

If the liability of the entity is recognised, the financial penalty is always applied. Monetary fines are quantified through a system of quotas, and range from a minimum of € 100 to a maximum of € 1,000; the value of each single share can vary from a minimum of € 258 (two hundred fifty-eight) to a maximum of € 1,549 (one thousand five hundred forty-nine).

The amount of the monetary fine shall be at the Judge's discretion: the number of shares is determined "... taking into account the seriousness of the fact, the degree of responsibility of the entity and the activities carried out in order to eliminate or reduce the consequences of the fact and to prevent the perpetration of additional crimes. The damages are calculated on the basis of the economic and financial conditions of the organization in order to ensure the effectiveness of the sanction...". 517 of the Criminal Code) ⁽⁸⁾.

1.3.2. Disqualifying sanctions (art. 13 - 14)

Disqualifying sanctions are specified by law and last for at least three months up to a maximum of two years. The law sets forth criteria for their selection by the judge ⁽⁹⁾.

These measures consist of:

- a) debarment, in extreme cases, from exercising the activity,
- b) suspension or revocation of the authorizations, licenses or permits functional to the commission of the offence,

⁽⁸⁾ In certain cases, the monetary sanction is reduced. In fact, art. 12 states that:

"1. The monetary sanction is reduced by half and in any case cannot exceed the amount of € 103,291.00 if:

- a) the offender committed the fact mainly in his/her own interest or that of third parties and the entity did not obtain an advantage or obtained a minimum advantage;
 - b) the financial damage caused is particularly slight.
2. The sanction is reduced from one third to one half, if, before the beginning of proceedings of first instance:
The entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the crime or has effectively acted in that sense;
- b) an organizational model suited to preventing the kind of crimes that have been committed has been implemented and made operational.
3. In case both conditions provided for in the letters of the paragraph above, the sanction is reduced from one half to two thirds.
4. In any case, the monetary sanction cannot be less than € 10,329.00".

⁽⁹⁾ Art. 14 states as follows:

"Disqualifying sanctions concern the specific activity to which the unlawful act committed by the entity refers. The judge establishes the type and duration on the basis of the criteria indicated in article 11, taking into account the suitability of the individual sanctions in terms of preventing the same type of offences as the one committed.

2. The ban on contracting with the Public Administration may also be limited to certain types of contracts or to certain administrations. The disqualification from exercising an activity entails the suspension or revocation of the authorisations, licenses or permits instrumental to the performance of the activity.

3. If necessary, disqualifying sanctions can be applied jointly.

4. The disqualification from exercising the activity is applied only when the application of other disqualifying sanctions appears to be inadequate. "

- c) ban on contracting for work with the Public Administration (except for obtaining the performance of a public service),
- d) exclusion from public aid, financing, grants and subsidies and/or revocation of those already granted,
- e) ban on advertising goods or services.

Disqualifying penalties can be applied only where expressly provided for in connection with specific Predicate Offences (principle of legality), and when at least one of the following conditions take place:

- the entity has obtained a significant profit as a consequence of the crime and the crime has been committed by:
 - top managers, or
 - individuals under the direction or supervision of others if the crime has been determined or facilitated by serious shortcomings in the organization;
- repetition of the illegal behaviour.

The disqualification sanctions do not apply in the cases provided for in Article 12, paragraph 1.

1.3.3. Confiscation (art. 19)

Confiscation of the profit that the entity has derived from the offence is mandatory (art. 6, Leg. Decree 231/2001, last paragraph), which confiscation may also be ordered in equivalent form.

1.3.4. Publication of the judgement (art. 18)

At its own discretion, the Judge may order the publication of the sentence, at the company's expense, for one time only, in full or in abstract form, in one or more newspapers and through posting in the Municipality where the company's main offices are located.

2. CONDITIONS FOR THE COMPANY TO BE EXONERATED FROM LIABILITY

The company or entity may be exempt from liability if it proves in court (art. 6 of Leg. Decree 231/2001):

- a) that through its management body prior to the commission of the act constituting an offence it adopted and effectively implemented organizational and management models capable of preventing offences of the kind committed;
- b) to have entrusted a body endowed with autonomous powers of initiative and control with the task of supervising the operation of and compliance with the model as well as ensuring that it is updated;
- c) that the persons who committed the offence acted by fraudulently circumventing the aforementioned organisation and management model;
- d) that there was no or insufficient supervision by the body referred to in letter b) above.

Furthermore, the company or entity is not liable if the persons who committed the offence acted *solely* in their own interest or that of third parties.

3. **THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL**

3.1. **Model documentation**

- 3.1.1. Linde has adopted the Organization, Management and Control Model (contained herein) (hereinafter also referred to in short as the "**Model**") for the purpose of preventing the commission of certain specific types of Predicate Offences provided for by Leg. Decree 231/2001 by top managers and by other subjects referred to in par. 1.1. above, the risk of which is deemed significant during the performance of company business. 1.1. whose risk is considered relevant in the conduct of the company's business.
- 3.1.2. The Company has also adopted a **Group Code of Ethics/Code of Conduct**, an integral part of the Model and annex "C", which among other things contains principles of conduct such as to determine in all those who work in the name of and on behalf of the Company the full awareness that the commission of offences is strongly condemned by the Company and entails the imposition of disciplinary sanctions (or other sanctions for non-employees).
- 3.1.3. In addition to the Code of Ethics, the Model is supplemented by "**Protocols**" (including "**Procedures**" and "**Practices**") relating to Sensitive Processes (as defined below), both pre-existing and adopted from time to time by the executive directors of the Company: Procedures may also be prepared and disseminated to the respective recipients **by computer**.
- The Protocols are also an integral part of the Model ⁽¹⁰⁾.
- 3.1.4. The Company has also set up a Supervisory Body (SB) which is assigned the task of supervising the effectiveness, operation and observance of the Model and the Protocols, as well as to encourage their update.
- 3.1.5. The Model adopted by Linde M-H was drawn up taking into account the indications contained in the "*Guidelines for constructing organization, management and control models pursuant to Leg. Decree 231/2001*", proposed by Confindustria.
- 3.1.6. The Model and the Protocols represent a structured and organic system of rules, procedures and control activities aimed at preventing the commission of Predicate Offences and at promoting a culture of ethics and corporate transparency.
- 3.1.7. Also an integral part of the Model are (i) the KION Principles of Compliance for Independent Partners in the KION Sales & Service Organisation and (ii) the KION Group Principles of Supplier Conduct.

3.2. **Rules for approving the Models and protocols/procedures, and for updating them**

⁽¹⁰⁾ Infra in this document, any time the Model is mentioned, it is therefore intended as the set of this document (annexes, Code of Ethics included) and of the Protocols/Procedures.

3.2.1. Competent body

The Model – in compliance with article 6, paragraph 1, letter a), of Leg. Decree 231/2001 – is a “*document issued by the governing body*” and, as such, it is approved by the Board of Directors.

The Model was approved and updated by the Board of Directors of Linde as specified in the chronology at the beginning of the document and will be subject to changes and additions as specified below.

3.2.2. Substantial Updates of the Model

The Company and the SB each verify, as far as they are concerned, whether it is necessary or appropriate to update the Model. The SB makes proposals to the Board of Directors for this purpose.

Any substantial updates to the Model that may become necessary are subject to the approval of the Board of Directors. In any case, updates of a substantial nature include those concerning the expectation of new risks or the modification/inclusion of expectations of existing risks, as well as those concerning changes to the corporate organisational structure or the identification/modification/integration of new sensitive activities or Sensitive Processes.

More specifically, the updating of the Model must be assessed when the following circumstances occur:

- a) the passage of new laws or significant regulatory changes with respect to the Company's business;
- b) business needs have arisen as a result of changes in the corporate organization and/or the scope of the company's activities or the manner in which the latter are carried out;
- c) significant violations of the prescriptions of the Model have been found that have demonstrated their ineffectiveness and/or inconsistency for the purposes of prevention of the commission of the Predicate Offences.

3.2.3. Non-Substantial Updates of the Model

Any updates to the Model that are not of a substantial nature may be made by the Executive Directors within the scope of their respective powers, with an obligation to report to the Board of Directors, and provided that they do not deem it appropriate to submit the decision to the Board of Directors for approval.

3.2.4. Adoption and modification of new protocols/procedures

The adoption of new Protocols/Procedures, as well as the amendment and abrogation of individual Protocols/Procedures, is the responsibility of the Executive Directors within the framework of the powers granted to them, unless they deem it appropriate to submit the decision to the Board of Directors for approval.

3.2.5. Informing the SB

Any updates to the Model must be communicated to the SB.

3.3. Recipients of the Model

3.3.1. Internal parties and partners

The Model is addressed to the Recipients as defined at the beginning of this document: therefore, it is addressed not only to Linde's employees and corporate bodies but also to its suppliers, its consultants and parties in general who work with the Company (hereinafter "Partners") and are involved in Sensitive Processes as defined and identified below.

Partners will be required to sign a commitment to comply with Linde's Model and its Code of Ethics or to declare that they have adopted their own similar Model and Code of Ethics that regulate the prevention of the crimes covered by Linde's Model and Code of Ethics.

3.3.2. Board of Statutory Auditors

The Board of Statutory Auditors of Linde acknowledges the Model, formalizing its commitment to comply with it insofar as the Board itself is concerned.

The Board of Statutory Auditors, because of the tasks assigned to it by the law or of professional affinity, is one of the privileged and institutional interlocutors of the Supervisory Body, as well as of the internal control functions and bodies.

Hence, the Board must always be informed of any (objection to) commission of the offences provided for by Leg. Decree 231/2001 as well as of any shortcomings in the Model or non-compliance therewith.

In turn, the Board of Statutory Auditors must promptly inform the Supervisory Body of any violations of the Model, even if attempted only, of which it gains knowledge within the scope of its mandate.

4. CONSTRUCTION OF THE MODEL

4.1. Structure of the Model

The Model consists of a general section and of Special Sections, one for each category of Predicate Offences the risk of commission of which, from the analyses carried out, is considered to be realistically identifiable and significant during performance of the company activity.

4.2. The function of the Model and its inspiring principles

4.2.1. Risk prevention and compliance

The main function of the Model, supplemented with the Protocols, is the implementation of a structured and organic system of governance – through the adoption of procedures and checks (before and after) – the purpose of which is to prevent and manage the risk of committing Predicate Offences, efficient and effective pursuant to the provisions of Leg. Decree 231/2001.

The Model takes into account the specific types of Predicate Offences whose risk is considered significant in the performance of the company's business.

The Company asks all recipients to respect and comply with the Model, with the aim of providing the protagonists of company life with the principles and rules to inspire their conduct both in general and on specific occasions and in any previously unidentifiable situations.

The principles and rules contained in the Model are aimed at making sure that the Recipients – whose activities may go as far as the commission of Predicate Offences – acquire full awareness that certain behaviours constitute criminal unlawful acts (or in some cases administrative unlawful acts) the perpetration of which is entirely unacceptable, firmly condemned and contrary to the interest of Linde even in the event that the latter may appear to draw benefit from any such acts. This is in addition to the further awareness that committing the crime shall entail application of the sanctions set forth by the law, by the Model itself and by the relevant CCNL.

4.2.2. The qualifying points of the Model

The qualifying points of the Model are listed here below:

- a) the identification of activities exposed to the risk of committing the Predicate Offences and the formalization of company procedures such as to govern the performance of said activities;
- b) the granting of authorizing and signatory powers consistent with organizational and managerial responsibilities;
- c) the application of and compliance with the principle of segregation of duties, according to which no function can manage an entire process on its own;
- d) the traceability of the decisions and of the documentation concerning company functions carried out within the scope of sensitive processes;
- e) the setting up of a Supervisory Body (SB) granted operational autonomy and independence, as well as the appropriate human and financial resources for performance of the tasks assigned to said Body by the law;
- f) the execution of suitable checks;
- g) the adoption of a disciplinary system suited to sanctioning failure to comply with the prescriptions and procedures contained in the Model;
- h) the distribution at all company levels of the rules of behaviour and of the procedures.

4.2.3. Recipients of the Model

The Recipients of the Model are specified in the definitions section.

4.2.4. Controls

The Supervisory Body is assigned the task of verifying the efficacy, effectiveness and updating of the Model (supplemented with Protocols/Procedures), of overseeing the functioning of and compliance with the Model, as well as of encouraging its update in order to adapt it to any changes in regulations or

company activities that may occur, as well as to the needs that may arise from any violations, possibly formulating suggestions to the Board of Directors. All as developed below in detail.

5. SENSITIVE PROCESSES AT LINDE

5.1. Risk mapping

5.1.1. Corporate purpose and activity

The corporate purpose of the company is to engage in the study and sale of machinery and handling equipment of all kinds, and related accessories and spare parts, specifically:

- a) standard and special forklift trucks, or other self-propelled means or systems or for fixed installation, suited to handling materials;
- b) electric and battery-powered vehicles for commercial and industrial applications, intended for the transport of people, goods and a mix of the above;
- c) of the relevant units, sub-units, normal and/or special equipment, specific and/or complementary components, spare parts, accessories;
- d) motors, pumps, hydrostatic drives and hydraulic components in general.

For all products that are involved in the company's business as set out in the preceding points, the company may sell or hire, including as an intermediary, as well as assemble, store, maintain, repair, overhaul and service on its own account or on behalf of third parties ⁽¹¹⁾.

5.1.2. Organizational structure

As of June 2021, the structure of STILL S.p.A. was merged with the structures of the branch Linde Material-Handling Italia S.p.A. ("**Linde**") into a single Operating

⁽¹¹⁾ The company may also collect savings from shareholders through the acquisition of funds with the obligation of repayment by the company itself, as well as from parent companies, subsidiaries or associates within the meaning of Article 2359 of the Civil Code and from subsidiaries of the same parent company, in the manner and in compliance with the provisions of Leg. Decree no. 385 of 1.09.1993 and in compliance with the provisions established by the Interministerial Committee for Credit and Savings.

For the achievement and within the scope of the aforementioned purposes, the corporate purpose also envisages that the Company may carry out industrial, commercial, real estate, securities and financial transactions (the latter not vis-à-vis the public) – including the stipulation of loans in any form, including mortgages, subsidies and financing, the provision of endorsements, sureties, mortgages and any other guarantee, including collateral, and also to third parties – acquire or assign in any form patents, licences, manufacturing processes, as well as acquire and dispose of shareholdings in companies and enterprises with objects similar or related to its own, including by participating in their establishment.

Expressly excluded from the corporate purpose are activities reserved to members of professional associations or otherwise prohibited by law, as well as the professional performance of investment services vis-à-vis the public along with other reserved businesses referred to in Leg. Decree no. 58 of 24.02.1998 (TUF), the business of banking and the collection of savings from the public referred to in Leg. Decree no. 385 of 01.09.1993, as well as the performance vis-à-vis the public of any other financial activity subject to the law. Fiduciary activities and any confidential professional activities are also excluded.

Unit called: KION ITS EMEA Italy ⁽¹²⁾. However, the two companies retained their identities as separate legal entities ⁽¹³⁾.

At the date of updating of the Model, the organisational structure of KION ITS EMEA Italy is divided into three divisions called Sales & Service, each relating respectively to STILL, Linde and Baoli branded products ⁽¹⁴⁾, as well as into further first-level cross-cutting functions called: Intralogistic Solutions, Business Operations, Strategic Marketing, Human Resources and Business Transformation. As part of the aforementioned restructuring, Linde transferred the Linde business unit relating to the "workshop" business to STILL, with statutory effect from 1 April 2022, which was relocated to the Lainate site. The "Sales & Service" functions are part of the respective legal units.

All of the above functions report hierarchically to one of STILL's managing directors, who assumed the role of Managing Director of Linde.

The KION ITS EMEA Italy organisational structure also includes the Sales & Service Controlling function (currently reporting to a STILL board member) and KION Financial Services.

In essence, therefore, an amalgamation of the structures operating for the STILL and Linde brands was realised through inter-company relations and strategic secondments of personnel, aimed at working together to achieve development goals ⁽¹⁵⁾. The new organisation was explained within the companies and to third parties through specially organized announcements and events.

The underlying structures of the Management Team are being defined through a process of co-creation in stages (as was the case for the first line), involving key figures in Italy and the Group.

The Company has a procedure governing powers of signature and external representation.

5.1.3. Activity performed

With the handover of the "workshop", Linde manages sales (sales and rental) at the Lainate site.

The operations of the Branches ⁽¹⁶⁾ remain unchanged, as they also deal with sales and maintenance on customers' premises.

Furthermore, the Company owns the entire share capital of two concessionaires,

⁽¹²⁾ Branches are defined as companies controlled by the same parent company. In this situation, the common parent company is KION GROUP A.G., a company incorporated under German law.

⁽¹³⁾ The Linde Company had previously adopted and maintains its own Organisation, Management and Control Model pursuant to Leg. Decree no. 231/2001. Conversely, such a model was not adopted by Baoli.

⁽¹⁴⁾ The Sales & Service divisions attend to the sales and service operations in the country for their respective brands, including Branches.

⁽¹⁵⁾ The Board of Directors takes note of the disclosures made by the Company's directors regarding their interests as members of the boards of directors of other KION Group companies, for transactions with the same; and decides whether or not to recognise detrimental activities in these transactions pursuant to Article 2391, Section 2, of the Italian Civil Code, also taking into account the benefits to the Company from group synergies. In addition, the executive directors acknowledge the KION Group's governance guidelines.

⁽¹⁶⁾ Respectively in San Giuliano (MI), Castelmaggiore (BO), Pomezia (Rome) and Preganziol (TV).

to which it transmits its internal rules, insofar as applicable.

5.1.4. Non-listing

The Company is not listed on the stock exchange or on other regulated markets; however, it is part of a group ("KION Group") the Parent company of which, KION AG, is listed on the Frankfurt Stock Exchange.

5.1.5. Identifying Sensitive Processes

The mapping of the Company's activities considered at risk, in other words activities within the scope of which there is a significant risk of Predicate Offences being committed, has resulted in the identification of the Sensitive Processes, as defined below.

This mapping was carried out through:

- a) an analysis of the company's operations through interviews with the CEO and the management of key functions at the time the Model was adopted⁽¹⁷⁾;
- b) the analysis of the company's business as it evolved with the creation of the KION ITS EMEA Italy Business Unit mentioned above;
- c) analysis of company documentation, with particular regard to organisational structure, signature powers and system documentation;
- d) the identification of the types of Predicate Offences in which one may run into while performing the company business;
- e) the identification of processes/functions within the scope of which said Predicate Offences may be committed ("**Sensitive Processes**") and the real level of the risk of occurrence;
- f) the analysis of existing procedures/practices through a review of the documentation pertaining to them and through interviews with key subjects within the scope of the structures;
- g) the analysis of control/prevention systems in place and the identification of corrective actions to be developed ("gap analysis").

5.2. Significant Sensitive Processes identified

The following sensitive processes have been identified in the corporate operations, subject to more detailed analysis in the individual special sections.

- 5.2.1. Sensitive processes in relation to "*offences of misappropriation of funds, fraud against the State or a public body or the European Union or for the purpose of obtaining public funds and computer fraud against the State or a public body or fraud in public procurement*" (Art. 24).

⁽¹⁷⁾ Specifically, in addition to the General Manager, the Customer Services Manager, the Sales Manager, the Sales & Network Manager, the IT Manager, the Personal Data Processing Manager, the Credit Manager, the Accounting Manager (excluding tax aspects, which are entrusted to a leading external professional firm), the Communications Manager, the Personnel Management Office Manager (hiring), the Management Secretary, the RSPP.

The risks of committing the crimes in question are deemed to be basically minimum since, at present, the Company rarely requests contributions, subsidies or public funding. When this happens, the request could concern contributions aimed at personnel training and funding for e-commerce services.

As far as public supply contracts are concerned, while they are not part of the company's typical operations, they may take place.

Therefore, the Company has deemed it appropriate to regulate the matter.

5.2.2. Sensitive Processes in connection with "*computer crimes and illegal data processing*" (art. 24-bis).

As far as computer crimes are concerned, the relevant Sensitive Processes mainly relate to: access, use and management of computer facilities, systems and services; installation of equipment that could be capable of intercepting, preventing or interrupting computer or online communications; possession and dissemination of passwords and access codes to computer systems; preparation of information documents; use of digital identities; data processing with reference to Italian, European and international laws (GDPR and Leg. Decree no. 101 of 10.08.2018, bringing Italian regulations into compliance with the GDPR).

5.2.3. Sensitive Processes in connection with "*crimes against the Public Administration*" (art. 25).

The interviewed subjects confirmed that the commission of crimes against the Public Administration (**PA**) poses a significant risk in connection with just about all the Predicate Offences provided for by the law.

The significant Sensitive Processes mainly refer to: applications generally aimed at obtaining licenses, permits, authorizations and concessions, as well as possible participation in tenders called by public administrations or private negotiations with the same; relationships with ministerial, regional, provincial, municipal office and Public Administration offices in general (for example purposes only: Inland Revenue Service, Finance Police or GDF, social security and welfare institutions, local healthcare agencies or ASL, ARPA, public safety authorities, Customs Agency, Fire Brigade, etc.); contacts with public officials and public service officers; mandatory hiring; activities concerning safety and hygiene in the workplace and environmental protection; resorting to consultants or service providers that entertain relationships with the Public Administration on behalf of the P.A.

All of the above also within the scope of inspection activities by the Public Administration.

5.2.4. Sensitive Processes in connection with "*Corporate crimes*" (art. 25-ter)

As regards corporate crimes, the main Sensitive Processes mainly refer to the preparation of corporate communications, either mandatory by law or voluntary, pertaining to the Company's economic, equity and financial situation (financial statements, reports on operations, scheduled, etc.) as well as to the communication of the conflict of interest, to transactions involving the capital, to the distribution of profits, to merger or demerger transactions, and to company reorganizations.

Moreover, the risks of committing the crimes of private corruption and incitement to private corruption were identified, mainly in connection with the Company's commercial activities, but also in connection with third-party subjects appointed by the Company to render specific types of services.

5.2.5. Sensitive Processes in connection with "*Market abuse*" (25-sexies)

As far as market abuse is concerned, since the company is not listed the related risk can be considered essentially theoretical.

However, in view of the fact that the parent company is listed on the Frankfurt Stock Exchange, the opportunity was recognized to implement a procedure aimed at governing the processing and management of confidential information drawing upon and referring to the Group's procedures.

5.2.6. Sensitive Processes in connection with "*Crimes of manslaughter and serious personal injury or grievous bodily harm committed with violation of regulations on health and safety in the workplace*" (art. 25-septies).

As regards crimes committed in violation of regulations pertaining to health and safety in the workplace, the main Sensitive Processes are basically related to: (i) storage, handling and processing of carts and various materials at the Branches; (ii) maintenance of products at the Branches and on the customers' premises; (iii) operations on products at third parties in any capacity, both where managed by the Company and where transferred to third parties with transfer of ownership or leased/rented (responsibility of the distributor and for any maintenance); (iv) intralogistics (design of warehouse layouts and design of new processes for customers); (v) internal environmental risks, general office activities (with use of personal computers, video terminals, printers, faxes, photocopiers and IT devices in general); and (vi) transport and use of company vehicles.

5.2.7. Sensitive Processes in connection with Offences concerning "*Receiving stolen goods, money laundering, employment of money, goods or utilities of illegal origin, self-money laundering*" (art. 25-octies).

With regard to Predicate Offences pertaining to receipt of stolen goods, money laundering, employment of money, goods or utilities of illegal origin, self-money laundering, the main Sensitive Processes basically refer to investments and sales and, in particular with regards to self-money laundering, fiscal/tax fulfilments and the accounting of corporate transactions, in the event that irregular accounting may result in the setting up of "slush funds". Besides, considering the company procedures and practices, the risk is not deemed to be particularly significant.

5.2.8. Sensitive Processes in connection with Predicate Offences concerning "*Crimes on the subject of violation of copyright*" (art.25-novies 231/2001).

As regards crimes on the subject of copyright, there is a risk associated with the use of software applications.

Furthermore, a risk is identified with respect to the hypothetical use of previous employers' software by employees and the use by the Company of images and/or contributions of employees in the context of corporate initiatives, e.g. publications.

5.2.9. Sensitive Processes in connection with the "*Crime of inducement not to make or*

to make false statements before the judicial authority" (art. 25-decies).

As regards the crime referred to above, there is a theoretical risk of minimal significance.

5.2.10. Sensitive Processes in connection with "*Environmental crimes*" (art.

Sensitive Processes relating to environmental offences, after the transfer of the workshop to third parties, mainly concern the storage and disposal of hazardous waste at Branches and third parties, the disposal of spent batteries, and the disposal of inks and electronic equipment.

5.2.11. Sensitive Processes in connection with the crimes of employing workers in violation of specific legal provisions, in reference to: "*Unlawful intermediation and exploitation of labour* (art. 25-quinquies with reference to art. 603-bis of the Criminal Code) and "*Employment of undocumented third-country nationals*" (art. 25-duodecies).

The Sensitive Processes pertaining to the aforementioned crime mainly refer to service contracts as well as to the use of temporary work agencies or cooperatives of which services the Company avails itself.

5.2.12. Sensitive Processes in connection with *crimes against industry and trade* (Art. 25-bis 1)

The only sensitive process that could be identified refers to the risk of "sale of industrial products with false markings" (art. 517 Criminal Code), and manifests itself in the activity of purchasing finished products for purposes of selling or renting them to customers.

5.2.13. Sensitive Processes associated with Tax-related Predicate Offences

The Sensitive Processes that present a risk of committing the Predicate Offences in question concern the following activities: (i) issue of accounting documents; (ii) receipt of accounting documents; (iii) submission of forms and communications concerning tax matters; (iv) payment of taxes.

5.2.14. Sensitive Processes in connection with other Predicate Offences.

With regard to any other Predicate Offences not expressly mentioned in the paragraphs above, the Company has verified that, during the performance of the company business, there are no significant risks of said crimes being committed; nevertheless, constant monitoring will be carried out.

5.2.15. Compliance with regulations

In all Sensitive Processes, the provisions of the Model, of the Code of Ethics/Code of Conduct, of the Protocols/Procedures must be complied with, without prejudice to the general principle that anyone operating on behalf of the Company must act in compliance with the regulations in force when doing business and in relations with third parties.

Any violation of the provisions set forth in the Model and in the Code of Ethics/Conduct shall entail the application of sanctions on the perpetrator, as specified below.

6. **SUPERVISORY BODY**

6.1. **Establishment and member requirements**

6.1.1. Establishment of the SB

The Company, pursuant to art. 6, paragraph 1 of Leg. Decree 231/2001, has appointed a Supervisory Body (SB) which is assigned the task of overseeing, continuously, autonomously and independently from the Company's top management, the effective functioning and observance of the Model, including the Protocols and the Code of Ethics, as well as of encouraging its update.

The Supervisory Body is a panel composed of three or more members, as resolved by the Board of Directors.

The SB approves the regulations that govern its own functioning.

The members of the SB, in their capacity and within the scope of performing their function, are not subject to the hierarchical and disciplinary power of any company function or body.

The Supervisory Body shall perform its tasks with the professionalism and diligence required by the nature of the appointment.

6.1.2. Requirements for SB members

Without prejudice to the requirements of autonomy and independence, the majority of the members of the SB must be identified in subjects who are in no way tied by a relationship of dependence to Linde or its subsidiaries.

The members of the SB must possess suitable professionalism and experience on corporate, legal, accounting, fiscal and management matters, or in some of them, as well as possess the requisites of independence and integrity provided for by legal provisions applicable to members of the Board of Statutory Auditors.

6.1.3. Incompatibility

The following subjects cannot hold the office of member of the Supervisory Body and, if appointed, they shall forfeit from office:

- individuals who find themselves in the conditions referred to in art. 2382 of the Italian Civil Code ⁽¹⁸⁾;
- non-independent directors, spouses, relatives and similar up to the fourth degree of the directors of the Company and of the subsidiaries controlled by the Company;
- anyone who has been indicted or convicted, even with non-final sentence or plea bargain, for one of the Predicate Offences;
- those who have been the subject of measures under anti-Mafia laws.

⁽¹⁸⁾ This means interdicted and banned persons, disqualified persons, bankrupt persons or persons who have been sentenced to a penalty entailing a ban, even temporary, from public office or the inability to exercise managerial functions.

6.1.4. Technical secretariat

In order to facilitate the performance of its work and ensure coordination with the Company's internal structures, the Supervisory Body may avail itself of a technical secretariat, even of an inter-functional nature, and including Company employees if deemed appropriate.

6.2. Appointment, remuneration, duration, budget

6.2.1. Appointment and remuneration

The Supervisory Body is appointed by the Company's Board of Directors, which defines its structure and establishes the remuneration for its individual members.

The Supervisory Body appoints its own chairman if the chairman has not been appointed directly by the Board of Directors.

Upon accepting the appointment, the members of the SB declare to possess the requisites and to not find themselves in the conditions of incompatibility referred to above, being required to promptly communicate to the Board of Directors any loss of said requisites or the onset of conditions of incompatibility.

6.2.2. Duration

The Supervisory Body stays in office for a period determined by the Board of Directors, which shall not exceed 3 (three) years from its appointment, and its members may be re-appointed in full or in part.

In case one or more members are unable to exercise their functions for a period of more than two months, the SB will notify the Board of Directors, which will replace the unavailable members or re-appoint the entire SB.

6.2.3. Budget

On an annual basis, the Board of Directors approves an endowment fund, proposed by the SB itself, which the latter can use for any need pertaining to performance of the tasks assigned to it, save for any urgent needs that may be defined by the SB directly with an Executive Director of the Company or with the latter's authorized representative.

6.3. Forfeiture, dismissal, resignation - Replacement

6.3.1. Forfeiture

The loss of requisites for appointment in the SB constitutes a reason for forfeiture from office for the individual members, but not for the entire SB.

Members who have an organic or subordinate employment relationship with the Company or with another company of the group the Company belongs to, or who in any case hold a position within the group at the time of their appointment as members of the SB, automatically cease to hold office *(i)* in the event of termination of said employment relationship or position and regardless of the cause of termination, *(ii)* in the event of assignment to a task other than that on

the basis of which the employee was appointed as a member of the SB. This is without prejudice to the possibility of confirmation of the appointment by specific resolution of the Board of Directors.

6.3.2. Dismissal

The dismissal of the SB or of its individual members can be ordered by the Board of Directors for justified reasons only.

Just causes for the dismissal of a member of the SB include but are not limited to:

- a serious breach in the performance of his/her duties;
- failure to inform the Board of Directors of a conflict of interest that can compromise his/her independence;
- breach of confidentiality with regard to news and information acquired in the performance of the Supervisory Body's duties;
- for a member who is linked to the Company by an employment relationship, initiation of disciplinary proceedings.

6.3.3. Resignation

Each member of the SB may resign at any time from office with written notice sent (including by email) to the Chairman of the Board of Directors with a copy to the Chairman of the Board of Statutory Auditors and the other members of the Body.

The resignation shall take effect upon receipt of the communication and the person resigning shall be entitled to the remuneration (if due) accrued to that point.

6.3.4. Replacement

Members who have forfeited or dismissed or who have resigned from office shall be replaced by a resolution of the Board of Directors, provided that the latter does not consider reducing the number of the body's members. Replacements shall remain in office for the remaining duration of the Body.

6.4. Tasks

6.4.1. The SB is assigned the task of overseeing:

- a) compliance with the Model and Protocols by the Recipients;
- b) the effectiveness and adequacy of the Model and of the Protocols, in connection with the company's organizational structure, based on the actual ability to prevent Predicate Offences from being committed;
- c) the updating of the Model and of the Protocols, in the event of a need to adapt it in connection to changed legislative and/or company conditions or in case significant violations of the prescriptions set forth in the Model are ascertained (cf. art. 7 of the Decree).

6.4.2. On a more specific operational level, without prejudice to the power of autonomously governing its own activities, the SB nevertheless carries out the

following tasks:

- a) implementing control procedures aimed at verifying the actual operativity of the Model and of the protocols; it being understood that, in any event, control activities fall under the primary responsibility of operational management and are considered integral part of all company processes (known as "line control").
- b) performing reconnaissance activities on the company business in order to update the mapping of areas at risk within the company context;
- c) coordinating with the various company functions in order to monitor activities in the areas at risk;
- d) verifying the needs to update the Model and the Protocols
- e) carrying out periodical checks on specific acts or transactions conducted in the areas of activity at risk;
- f) collecting, retaining and processing significant information in relation to compliance with the Model, as well as updating the list of information that must be mandatorily forwarded to the SB or always kept available to said body;
- g) checking the actual presence and regular keeping and efficacy of the documentation requested in connection with the provisions of the Model or of the Protocols for the various types of administrative offences and crimes;
- h) periodically reporting to the corporate bodies of Linde with regard to the company policies in support of the activity pursuant to Leg. 231/2001.
- i) reporting to the Board of Directors any observed non-compliances and proposing the application of sanctions in accordance with the sanctioning system;
- j) maintaining any necessary contact, including through the receipt and sending of reports, with the SB, or (if an SB has not been appointed) with the control bodies, of the parent companies of Linde or of companies controlled by the latter or subject, together with the latter, to common control.

6.4.3. During the performance of their tasks, each member of the SB has free access, at any one of the Company function, to all information, data and documentation deemed necessary for the performance of the assigned tasks, with no need for prior consent.

6.4.4. For the performance of its activities – under its own direct supervision and responsibility – the SB may avail itself of the assistance of any structure of the Company (or of companies belonging to the same Group on the basis of inter-company service agreements) or, should it deem it necessary, of external consultants, in the latter case using the funds allocated.

6.4.5. The control activities implemented by the SB cannot be questioned by any other company body or function, in any event without prejudice to the fact that the Board of Directors is in any case called to supervise on the adequacy of said

activities, since said Board is the ultimate body responsible for the proper functioning and efficacy of the organizational model.

6.5. Activities and Reporting

The SB has three reporting lines:

- the first one, on a continuous basis, towards the Managing Director;
- the second one, on a periodical basis, towards the Board of Directors;
- the third one, of an event-based nature, towards the Board of Directors in the event that, outside the periodical checking activities, the SB nevertheless gains knowledge of behaviours that violate the procedures provided for by the Model and/or by the Protocol, or of other behaviours that complete or may complete offences or unlawful administrative acts, or lastly in the case where the SB deems it necessary or appropriate to proceed with updating the Model.

The SB is required to periodically draw up a written report on its activities intended for the Board of Directors.

6.6. Periodical Checks

The checks on the Model and on the Protocols will be conducted periodically according to the frequency established by the SB (Annual verification plan), or even at a time other than the scheduled time.

The SB will be entitled to carry out more in-depth research, analyses and checks on the existing procedures, on corporate acts and on the more significant contracts in the areas of activity at risk, or other checks and verifications deemed necessary or appropriate.

Internally, the SB may operate as it sees fit, including through meetings, activities of individual members, and exchanges of information by any means.

6.7. Information flows and retaining of information

In addition to the reporting activity envisaged above, the SB is required to operate through continuous actions, to be ensured also through constant coordination between the SB and top management (or parties authorized by the latter for this purpose) and the set-up of suitable information flows from the Company to the SB and vice versa, without prejudice to the prescriptions contained in the Model.

6.7.1. Communication flows by the SB

The SB:

- a) formulates proposals for updating the Model in case suitable corrections, additions or adaptations of the Model itself become necessary or appropriate in connection with *(i)* changes in the legislative framework, *(ii)* changes in the corporate situation (concerning, for example, the company type, its organization, business perimeter, production methods), *(iii)* violations of the Model;

- b) sends *ad hoc* communications to the Company's operational management in case of need and/or urgency;
- c) reports to the corporate bodies any violations of the Model that may be committed by the members of the corporate bodies of which it becomes aware.

6.7.2. Communication flows by the Company

For the purpose of facilitating the supervisory activities on the efficacy of the Model and of the Protocols, the Company is required to promptly implement, vis-à-vis the SB, information flows pertaining to all facts, information, documents and data that must be brought to the knowledge of the SB itself, as established by the Model in all its parts, including the provisions of the single procedures.

Specifically:

- a) Executive Directors or persons delegated thereby must inform the SB:
 - (i) of any event, fact, situation relevant to compliance with and operation of the Model;
 - (ii) of the results of any audits and verifications carried out by internal functions, group structures, auditors or external entities that may be relevant for the prevention of the Predicate Offences;
 - (iii) of changes in the organizational structure to the SB including proxies/issuing of powers of attorney;
 - (iv) of any changes in the scope of activities (expansion or contraction of existing activities or launch of any new activities).
- b) executive Directors or persons delegated thereby are required to inform the SB of the following events relating to the company's operations:
 - (i) notices of convocation of meetings;
 - (ii) notices of convocation of meetings of the board of directors;
 - (iii) constitution of the executive committee and its convening notices;
 - (iv) establishment of strategic committees and their functions (e.g. appointments committee, strategy committee, investment committee, administration and finance committee and the like);
 - (v) any conflicts of interest found during meetings of the board of directors or the shareholders' meeting;
 - (vi) annual financial statements including directors' reports and certification by the auditors;
 - (vii) transactions concerning the share capital;
 - (viii) extraordinary transactions, such as, for example, mergers or de-mergers;
 - (ix) criticalities or conflicts of interest detected within the scope of the management of confidential information;

- c) within their respective spheres of competence, Top Managers are required to immediately give the SB information on:
- (i) conduct identified that they believe may constitute violations of the prescriptions contained in the model or the commission of specific types of Predicate Offences, providing evidence of the implemented disciplinary proceedings and of any sanctions applied or dismissal measures, accompanied by the relevant reasons;
 - (ii) requests for legal assistance forwarded by executives, employees or other subjects entitled to do so, towards which the judiciary served notices of indictment or commenced proceedings for Predicate Offences covered by Leg. Decree 231/2001, or for administrative proceedings pertaining to the infringements referenced in art. 187-quinquies of Leg. 58/1998.
 - (iii) measures and/or communications coming from judiciary police bodies, or from any other authority, from which one can infer the start or conduct of investigations, including of unknown subjects, for the Predicate Offences referred to in Leg. Decree 231/2001, or for administrative proceedings pertaining to the infringements referenced in art. 187-quinquies of Leg. 58/1998.
 - (iv) reports drawn up by the managers of company functions within the scope of their control activity which may reveal pertinent facts, acts, events or omissions for purposes of compliance with the provisions of Leg. 231/2001.
 - (v) news pertaining to any violations of the managerial and control procedures referenced, even indirectly, by the Model and/or the Protocols, which may lead to the commission of Predicate Offences.

6.7.3. Other communication flows to the SB

Based on their respective areas of responsibility and organisational tasks, the company functions are required to provide the SB with information concerning:

- (i) request, disbursement and use of public funds;
- (ii) inspections by the Public Administration;
- (iii) participation in and awarding of tenders issued by the Public Administration or parties performing public utility functions or Community bodies;
- (iv) contracts awarded to LINDE following competitive tenders at the national and international level, or following private negotiations with the Public Administration or parties acting as public utilities or community bodies;
- (v) anomaly indicators pertaining to management control, administration and treasury activity;
- (vi) identification and assessment of occupational health/safety and environmental risks;
- (vii) results of the verification activities, non-conformities and specific problems pertaining to health/safety at work and environmental protection;

(viii) the occurrence of accidents (or near-accidents) involving employees, associates or other subjects present, even occasionally, at the industrial sites, warehouses office, local units or other locations where the Company carries out its activity.

In any event, the above is without prejudice to all other obligations to inform the SB as provided by the Model's Procedures or as requested by the SB.

6.7.4. Procedure for submitting reports to the SB

The Company is required to issue a specific procedure to manage information flows from it to the Supervisory Body.

6.7.5. Meetings with the Board of Directors and Executive Directors

The SB may ask to meet with the Board of Directors or Executive Directors any time it deems it necessary or appropriate, both in connection with the implementation of the Model and in connection with specific situations and/or violations of the Model.

In its turn, the SB may be convened at all times by the Board of Directors in order to report on special events or situations pertaining to the functioning and implementation of the Model.

6.7.6. Meetings of the SB with company functions

The various company functions are required to keep all documentation pertaining to information forwarded to the SB available, as also provided for by the Protocols and by existing operating practices.

The SB can nevertheless request, in full autonomy, any company function or structure to provide additional information of a periodical nature or news concerning specific situations.

6.7.7. Documentation

a) Minutes

Minutes or reports will be kept of the meetings of the SB with the aforementioned persons and bodies, or an adequate record will be kept. Said minutes/reports shall be retained by the Company, with a copy provided to the SB.

b) Retention of Documents

The various company functions are required to keep all documentation pertaining to information forwarded to the SB available, as also provided for by the Protocols and by existing operating practices.

The information, documentation and reports collected by the SB during the performance of its institutional duties must be filed and retained by the SB itself, keeping the acquired information and documents confidential, including in compliance with regulations on data processing.

6.8. Subjective qualification of the SB for privacy purposes

The Personal Data Protection Authority considered that, by reason of the processing of personal data that the exercise of the duties and functions entrusted to the SB entails (e.g. access to information acquired through information flows or the reports referred to below), without prejudice to its ownership of the data processing pursuant to the GDPR, as part of the technical and organisational measures to be implemented in keeping with the principle of accountability (Article 24 of the GDPR) the Company must designate the individual members of the SB as "authorised" for processing (art. 4, no. 10, art. 29, art. 32, para. 4 of the GDPR and also art. 2-*quaterdecies* of the Privacy Code). With regard to the processing of the data received, these persons must comply with the instructions given by the data controller so that the processing is carried out in accordance with the principles laid down in Article 5 of the GDPR.

The data controller in turn is required to adopt the appropriate technical and organisational measures to ensure the protection of the processed data, while at the same time guaranteeing the SB autonomy and independence from the corporate management bodies in the performance of its duties in accordance with the procedures laid down in the aforementioned law ⁽¹⁹⁾.

6.9. Reporting to the Supervisory Body

6.9.1. Subject matter of the reports

Anyone can inform the Supervisory Body (or the Company) of situations that they may have become aware of due to his/her work and/or his/her relations with the Company in general concerning:

- a) commission of or attempts to commit any of the Predicate Offences envisaged in Decree 231, even if not expressly listed in the Model,
- b) infractions relating to the 231 Model (including the Code of Ethics and Protocols/Procedures),
- c) offences in general.

(hereinafter referred to as "Reports").

The possibility of reporting must be understood as a tool for safeguarding a common good ascribable to the stability and proper functioning of the Company.

6.9.2. Channels for submitting reports to the SB

Reports may be sent to the Supervisory Body, choosing one of the following reserved communication channels:

- a) by e-mail to the following address (reserved for the Supervisory Body, outside the company's domain and not accessible by third parties):

odv.linde-mhi@pec.linde-mh.it

⁽¹⁹⁾ These principles are set out in a communication of the Personal Data Protection Authority issued to the Association of the Members of the Supervisory Bodies under Leg. Decree 231/2001 of May 2020; the premise of the statement of the Supervisory Authority is that the Supervisory Body, regardless of whether its members are internal or external, must be considered "part of the entity" in that it operates within the organisation of the entity (as moreover established in Article 6 of Decree 231).

- b) by letter, with the wording "Personal and Strictly Confidential" written on the envelope, to the following address:

Supervisory Body of Linde Material Handling Italia S.p.A.

To the kind attention of the Chairman

Via A. De Gasperi 7

21045 Lainate (MI)

Reports can also be made in anonymous form.

6.9.3. Whistleblowing

The email communication channel specified above is also established to comply with the purposes specified in article 6, paragraph 2, letter d) of the Decree (so-called "Whistleblowing")⁽²⁰⁾.

6.9.4. Content of reports

Reports must be detailed and based on factual elements that are precise and consistent. They must comply with confidentiality criteria to protect the effectiveness of the investigations to be carried out and the integrity of the persons specified in the report. They must refrain from reporting facts of generic, confusing and/or defamatory content.

The detailed description of the facts giving rise to the report shall not contain information that is not strictly relevant to the subject of the report.

6.9.5. Protection of the whistleblower (prohibition of discrimination)

Those who submit reports⁽²¹⁾ to the SB may not suffer any negative consequences as a result of such conduct, except for the case in which it is ascertained that the subject who submitted the report was, at the time of the reporting, aware of the fact that the information provided to the SB was false or did not correspond to the truth.

In particular, whistleblowers are protected by the legislative prohibition against retaliatory or discriminatory actions against whistleblowers on grounds directly or indirectly related to the report: i.e. the whistleblower may not "be penalised, demoted, dismissed, transferred or subjected to any other organisational measure having an direct or indirect adverse effect on his/her working conditions.

6.9.6. Management of reports

The SB will assess the reports received and, if it deems it appropriate, will initiate the appropriate investigation, summoning separately – where known – the author of the report and the alleged offender, hearing people informed of the facts and

⁽²⁰⁾ Article 6 of the Decree was amended in this sense by Law no. 179 of 30 November 2017 containing *Provisions for the protection of those submitting reports of crimes or irregularities they have become aware of in the context of a public or private employment relationship*.

⁽²¹⁾ The report referred to in the aforementioned Article 6 of the Decree may be made by any Recipient of the Model (including the Code of Ethics and Protocols/Procedures) as specified in the "Definitions" section, as well as by shareholders, auditing firms and persons who, although external to the Company, directly or indirectly operate on behalf of and/or in the interest of the Company.

acquiring the documentation deemed appropriate.

All reports shall be managed according to criteria suited to ensuring the utmost confidentiality, both at the time they are received and during the phases of the subsequent investigations by the Supervisory Body, except for anything that may become necessary in order to carry out checks on the reports and without prejudice to the obligations of provide information when so requested by the judicial authority or by other public authorities ⁽²²⁾.

6.9.7. Sanctions

Penalties, discipline or other sanctions will be taken for non-employees in accordance with the provisions of the Model below for violations of the Model itself:

- against those who violate the protection of the whistleblower
- against whistleblowers who, with intent or gross negligence, make reports that prove to be unfounded.

7. INFORMATION AND TRAINING

7.1. Communication

For Model efficacy purposes, the Company aims to ensure, to the company's human resources as well as to those who may join the company in the future, proper knowledge of the rules of conduct contained herein, with a different degree of understanding depending on the level of involvement of said resources in Sensitive Processes. A similar knowledge, according to similar criteria, must be ensured as far as the Protocols are concerned.

The information and training system is implemented, through the means considered more appropriate and affective, by the HR Department together with the managers of the other functions involved from time to time in the application of the Model and of the Protocols.

The Company will identify suppliers and customers, including external associates and business partners for various reason to whom to provide information on the topic of the adoption of the Model and on the contents of the Model itself, requesting that they commit themselves to complying with the principles contained in it.

7.2. Training

7.2.1. Training aimed at spreading knowledge of the regulations referred to in Leg. Decree 231/2001 is different, in terms of content and implementation methods, depending on the qualification of the recipients, of the risk level in the area they

⁽²²⁾ Remember that the pursuit of the interests of the integrity of public and private administrations, as well as the prevention and repression of embezzlement, constitutes just cause for disclosure of information covered by the obligation of secrecy established in articles 326, 622 and 623 of the Criminal Code and article 2105 of the Italian Civil Code. There is no just cause for disclosure if the obligation of professional secrecy binds the person who became aware of the information as a result of a relationship of professional consulting or assistance with the body, company or natural person concerned. Information and documents that are subject to corporate, professional or official secrecy must not be disclosed in ways that exceed the purposes of eliminating the offence (and, in particular, must be kept within the communication channel specifically set up for this purpose).

operate in, of performance by the subjects of company representation functions and of the granting of powers, if any.

Therefore, Linde provides for different levels of information and training through suitable distribution tools.

Specific information on the Model is included in hiring letter for all new-hires; moreover, there is a special section on the Company website which is updated periodically based on changes in legislation and/or updates of the Model.

7.2.2. Training is mandatory for all Recipients.

Training has to be delivered frequently enough and using methods able to measure the recipients' level of participation and learning.

7.2.3. The SB may be asked to take part in the training.

In any event, *(i)* the Training Plan must be communicated to the SB for any comments or suggestions, and *(ii)* all documentation related to the training (and its outcome) must be retained so that it can be made available to the SB itself.

7.2.4. Training is delivered according to the following methods.

a) Directors, executives and/or personnel with powers of representation.

The training of executives and personnel equipped with powers to represent the Company is delivered on the basis of an initial workshop and periodic refresher courses in which all new directors and newly-hired executives, or new hires equipped with representation powers participate.

b) Other personnel.

The remaining personnel are trained *(i)* according to an internal informative statement that, for new hires, is enclosed with the hiring letter, *(ii)* on the basis of an initial training through e-learning, *(iii)* through subsequent periodic updates, including in connection with any changes in the job description or legislative changes.

For the purpose of delivering proper training, the function managers arrange for distributing the Model and, for those subjects concerned by the Sensible Processes, the Protocols.

7.2.5. In the event of misunderstandings or questions as to interpretation, the Recipients must refer to their hierarchical superiors, and if the misunderstandings or questions are not resolved, to the SB.

7.2.6. Documentation

The documentation relating to information and training activities will be kept by Human Resources, which is assigned responsibility for internal training.

8. DISCIPLINARY SYSTEM

8.1. General principles

The effectiveness of the Model is also tied to the adequacy of the sanctioning system for violation of the rules of conduct and, generally speaking, of internal regulations and procedures.

The application of disciplinary sanctions addressing the violation of rules of conduct and failure to comply with company provisions is independent from the criminal sentence or from the administrative one, as well as from their outcome, since these provisions are implemented by the company in full autonomy, regardless of the nature of criminal or administrative offence represented by the conduct.

The sanction shall be commensurate with the seriousness of the violation and whether or not it is the first occurrence; any repeated violations may lead to the employee's dismissal.

Incorrect interpretation of the principles and rules established by the Model, without prejudice to the provisions of par. 7.2.5 above may constitute an exception only in cases of conduct in good faith in which the limits set by the Model exceed the limits requested of a diligent person.

With regard to employees, the sanctioning system pertaining to violations of the Model is part of the company's disciplinary rules.

8.2. Measures against employees

Employees (executives excluded) are subject to the sanctions provided in the category-specific national collective labour agreement (CCNL), or in the respectively applicable CCNLs, in compliance with the procedures set out in current law.

In particular, in accordance with provisions pertaining to labor law contained in the National Collective Labor Agreements, it is provided that:

- a) Measures such as *written reprimand, fine or suspension*, depending on the seriousness of the violation, shall be applied to employees who violate the internal procedures contained in the Model (for example, fails to comply with the prescribed procedures, fails to communicate to the SB the prescribed information, fails to carry out checks, etc.) or, in any event, adopt behaviors while performing activities within the scope of Sensitive Processes that do not comply with the Model provisions;
- b) The *layoff* measure shall be applied to employees who, during performance of the Sensitive Processes:
 - carry out acts that do not comply with the provisions of the Model and are solely aimed at the commission of a Predicate Offence, as such behaviour implies a breach so serious as to not allow the continuation, not even on a temporary basis, of the work relationship,or,
 - have been finally convicted for any one of the Predicate Offences or subjected to the irrevocable application of the administrative sanction for one of the administrative infringements envisaged by the laws in force.

The system of sanctions refers to the various category-specific labor contracts as applicable.

The challenging of violations, the disciplinary procedures and the application of sanctions

fall, within the limit of the assigned tasks, in the attributions of subjects to whom the relevant powers are granted by Top Management.

8.3. Measures against executives

In case the executives, during the performance of activities within the scope of Sensitive Processes, violate the prescriptions of the Model and/or of the Protocols, the Company arranges for applying to those responsible for said violation the measures considered to be most appropriate in compliance with the provisions of the law and of the applicable CCNL, according to current legal procedures.

8.4. Measures against directors

In case any members of the Board of Directors violate the prescriptions of the Model, the SB shall promptly notify the Board of Directors, which will adopt the necessary measures within the scope of its powers, including proposing to the shareholders' meeting the revocation from office. The relevant communications shall be addressed directly to all members of the Board of Directors, except for the subjects involved in the violation.

8.5. Measures against members of the Board of Statutory Auditors

In case any members of the Board of Statutory Auditors violate the prescriptions of the Model, the SB shall immediately notify the Board of Directors and the Board of Statutory Auditors, which will adopt the necessary measures within the scope of its powers, including proposing to the shareholders' meeting the revocation from office. The relevant communications shall be addressed directly to all members of the Board of Directors and of Board of Statutory Auditors, except for the subjects involved in the violation.

8.6. Measures against consultants and partners/suppliers

The commission of Predicate Offences by Consultants or by *Partners/Suppliers*, just like any violation by the latter of the rules contained in the Model shall entail, for the company functions that entertain relationships with the aforementioned subjects, the obligation to adopt all available contractual and legal instruments in order to safeguard the company's rights, including, if necessary, cancelling the contract, and without prejudice for claim compensation.

9. THE SYSTEM OF PROXIES AND POWERS

The SB must be notified with regards to the system of proxies adopted by the Company, any subsequent modification, as well as with regards to any checks on the system of proxies that may be conducted by the pertinent functions.

10. CERTIFIED MANAGEMENT SYSTEMS

The Company has certified its management systems as specified below.

10.1. Certifications

- a) UNI EN ISO 9001:2015 - Quality Management System, for the business of "Configuration, sale, rental, and servicing of forklift trucks and design of intralogistics solutions, including technical assistance and maintenance". Valid for all sites.
- b) UNI ISO 45001:2018 - Safety Management System for the business of "Sale, rental and servicing of forklifts including technical assistance and maintenance". Valid for all sites.
- c) UNI EN ISO 14001:2015 - Environmental Management System for the business of "Sale, rental and servicing of forklifts including technical assistance and maintenance". Valid for all sites.

10.2. Management systems manual

With regard to and as a function of what is indicated in section 10.1 above, the Company has adopted an Integrated Quality, Safety and Environment Manual (QSE Manual), updated on 31.01.2022 with the inclusion of the data of the new Lainate premises (discussed further below).

10.3. Retention of Documents

The Company shall arrange for keeping all system documents up-to-date, as well as to supplement them if necessary, for the purpose of improving the qualities of the offered services and keeping the certification.

The system documentation pertaining to the aforementioned certifications is kept in the certified units and is available on the Company's intranet; together with the procedures included herein, said documentation forms integral part of the Model, along with any changes and additions made from time to time, and is communicated to all personnel required to comply with it.

11. FLEXIBILITY OF THE MODEL

The Model should not be viewed as a static entity, but instead will be constantly adapted in connection to both the organizational changes of processes that the company will be faced with, and to any legislative changes that may occur, and finally in the event of significant violations of the provisions of the Model and Protocols. For the performance of activities associated with the Sensitive Processes specific to the individual contexts, the Company will therefore adopt more specific procedures that provide greater protection.

ANNEXES

Annex "A"

- Leg. Decree no. 231 of 8 June 2001, entitled "*Rules governing the administrative liability of legal persons, companies and associations, including those without legal personality*"

Annex "B"

- Catalogue of Predicate Offences

Annex "C"

- Code of Ethics, approved by the Board of Directors during the meeting held on 29 July 2016

Annex "D"

- KION Group Code of Compliance