

**LINDE MATERIAL HANDLING ITALIA SpA**  
**Registered office Via A. De Gasperi, 7 - 20045 Lainate (MI)**  
**Share Capital Euro 2,480,000 iv**  
**VAT / Tax code / Company Register 00199400128**  
**REA MI 1919699**  
**Single-member company**  
**Subject to the direction and coordination of KION Group AG**

**MODEL**  
**OF ORGANIZATION, MANAGEMENT AND CONTROL**

pursuant to Legislative Decree 8 June 2001 n. 231  
and subsequent amendments, concerning the  
"ADMINISTRATIVE RESPONSIBILITY OF COMPANIES"

Updated by the Board of Directors at its meeting on June 11, 2025

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## ATTACHMENTS

### Annex "A"

- Code of Compliance (Code of Ethics) of the KION Group as of the date of approval of the update of the Model.

## **MODEL UPDATE HISTORY**

<b>Description</b>	<b>Date Approval</b>
Adoption of the Model (resolution of the Board of Directors)	December 6, 2016
First update	13 December 2017
Second update (from the CEO)	June 26, 2018
Third update	April 22, 2020
Fourth update	March 13, 2023
Fifth update	June 11, 2025



## **DEFINITIONS**

( *Definitions* in the text are given with initials in capital letters, but not in bold)

<b>Executive Director(s)</b>	The directors with operational delegations and powers: President where provided with powers and Chief Executive Officer(s) where appointed.
<b>Code of Ethics</b>	The set of provisions set out in the KION Group <i>Code of Compliance adopted by the Company and the Code of Ethics adopted by the Company</i> .
<b>Collaborators</b>	The subjects having with Linde the provision of work or services other than subordinate work.
<b>Consultants</b>	Individuals with specific professional skills in certain matters, not employees of Linde Material-Handling Italia, who assist Linde Material-Handling Italia in carrying out activities, providing consultancy, assistance, opinions, information.
<b>Legislative Decree 231/2001 or Decree 231 or Decree</b>	Legislative Decree 8 June 2001 n. 231 as amended over time.
<b>Recipients</b>	<p>(i) ( the Corporate Bodies (as defined below),</p> <p>(ii) all those who hold representative, administrative and management roles, even de facto, of the Company,</p> <p>(iii) Employees (as defined below) of Linde,</p> <p>(iv) Linde's collaborators and consultants in general (also in the form of companies),</p> <p>(v) interns ,</p> <p>(vi) personnel seconded to Linde from another company, including temporary staff,</p> <p>as well as</p> <p>(vii) the members of the Supervisory Body for what is attributable to them.</p> <p>The subjects referred to in points (iii), (iv), (v) and (vi) above who will operate in the name and on behalf, or even only on behalf, of Linde (as defined below) are required to comply with both Linde Model 231 and Linde Model 231, the contents of which - given the substantial identity of their activities - are substantially similar.</p> <p>The Recipients also include STILL employees and persons connected to STILL in the sense of points (iv), (v) and (vi) who will operate in the name and on behalf or even only on behalf of Linde.</p>

<b>Employees</b>	Persons having an employment relationship with Linde Material-Handling Italia, including managers.
<b>Information Flows (unless otherwise specified)</b>	Information, data, news and documents to be provided on a periodic basis by the Company to the Supervisory Body.
<b>Suppliers</b>	The subjects, natural or legal persons, who, by virtue of specific contracts, sell goods to Linde or provide services or performances of any kind.
<b>GDPR and Legislative Decree of adaptation</b>	Respectively, Regulation (EU) no. 679/2016 "General Data Protection Regulation" and Legislative Decree 10.08.2018 no. 101, which adapts Italian legislation to the GDPR.
<b>Linde or Company</b>	Linde Material-Handling Italia SpA, with headquarters in Lainate (MI), Via De Gasperi 7 (previously with headquarters in Buguggiate (VA) Via del Luguzzone 3).
<b>Guidelines</b>	The Guidelines for the construction of Organization, Management and Control Models pursuant to Legislative Decree 231/2001 indicated by Confindustria.
<b>QSA Manual or Manual</b>	The Integrated Quality, Safety and Environment System Manual adopted by Linde.
<b>Model 231 or Model</b>	The Organization, Management and Control Model adopted by Linde pursuant to Legislative Decree 231.
<b>Social Bodies</b>	The Shareholders' Meeting, the Board of Directors and the Supervisory Board of Linde.
<b>ODV or Organization</b>	The supervisory body provided for by Legislative Decree no. 231/2001.
<b>PA</b>	The Public Administration, meaning - by way of example - all central and peripheral state offices, local authorities, public bodies in general, their personnel, as well as public officials and those in charge of public services.
<b>Service Providers</b>	The subjects to whom the Company entrusts - with a procurement contract or with a work contract or with a contract of any other nature - the execution of works or services of any nature.
<b>Procedure(s)</b>	The internal company rules to be observed in the context of Sensitive Processes.
<b>Processes Sensitive</b>	The business processes in the performance of which there is an identifiable risk of committing one of the Predicate Offences.
<b>Protocols</b>	The set of procedures and practices, and control activities, implemented by the Company within the scope of the Sensitive Processes in order to reduce the risk of commission of Predicate Offences to an acceptable level.

<b>Predicate Offence(s)</b>	The crime(s) for which the administrative liability of the entity is foreseen pursuant to Legislative Decree 231/2001, including, for definition purposes only, the offences referred to in art. 187- <i>quinquies</i> of Legislative Decree 58/1998 (consolidated law on finance);
<b>Report</b>	<p>Communication to the Supervisory Body (or to the Company) of situations of which the whistleblower has become aware for reasons of his office concerning:</p> <ul style="list-style-type: none"> <li>a) commission, or attempted commission, of any of the Predicate Offences provided for by Decree 231, even if not expressly covered in the Model,</li> <li>b) violations relating to Model 231 (including the Code of Ethics and Protocols/Procedures),</li> <li>c) illicit acts in general.</li> </ul>
<b>STILL</b>	STILL SpA, with headquarters in Lainate, Via De Gasperi 7



## **GENERAL PART**

## 1. **DECREE 231/2001 - SUBJECTS, CRIMINAL FACTS AND SANCTIONS**

### 1.1. **Direct liability of the company for certain types of crimes**

#### 1.1.1. Assumptions of liability

Legislative Decree no. 231 of 8 June 2001, entitled " *Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality* " , introduced into the Italian legal system direct liability for companies (and entities in general) for certain crimes (hereinafter Predicate Crime(s)) committed by

- natural persons who hold representative, administrative or management roles in the company or in one of its organizational units with financial and functional autonomy (so-called *top management* );
- natural persons who exercise, even de facto, the management and control of the same entities;
- natural persons subject to the direction or supervision of one of the above-mentioned subjects (so-called *subjects subject to the direction of others* ).

The direct liability of the company is added to that of the natural person who committed the crime.

The extension of liability to the company requires as an essential prerequisite that the Predicate Offence was committed in the interest or to the advantage of the company itself .

Interest has a subjective nature: it refers to the volitional sphere of the event of the natural person who acts and can be assessed at the time of the conduct. If the natural person has committed the crime in his personal interest, in order for the entity to be liable it is necessary that such interest coincides at least in part with that of the company. Moreover, in the case of negligent crimes, interest must be assessed with reference not to the will of the event to occur, but to the conduct ( <sup>1</sup> ).

The advantage is characterised as a complex of benefits – above all, but not only, of a patrimonial nature – derived from the crime, which can be assessed after the commission of the latter (see Cass., II Criminal Section, no. 3615 of 2005).

#### 1.1.2. Source of responsibility

In determining the source of criminal liability of collective entities, the Court of Cassation refers to the so-called " organizational fault " . That is to say, the relationship between the legal person (company) and the crime committed by the individual - which establishes the liability of the former - is not justified only in relation to the fact that the natural person has committed a crime in the interest or with an advantage for the entity , but also with the fact that the crime is

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( <sup>1</sup> ) In the crimes of manslaughter and bodily harm committed in violation of workplace safety regulations, it seems inappropriate to presume an interest in the event (death or injury), since an interest or advantage may instead be configured, for various reasons, in the failure to comply with precautionary regulations. For example, the interest or advantage of the entity could be found in the saving of costs or in other economic advantages to the detriment of safety.



connected to a behavior ( managerial defect) of the entity: in essence, also in relation to the legal person, a certain form of guilt is wanted (and must be) found, the entity being able to be called to answer for the crime committed by certain natural persons only when some gaps and shortcomings in the organization of its activity have allowed such subjects to engage in criminal conduct ( <sup>2</sup>).

#### 1.1.3. Nature of liability

The nature of liability, although defined as "administrative" by the legislator and considered "criminal" by many commentators, has been considered by the joint sections of the Court of Cassation ( <sup>3</sup>) as a *tertium genus* which combines the features of the criminal and administrative systems - in an attempt to reconcile the reasons for preventive efficiency with those of maximum guarantee - and which proves to be entirely compatible with the constitutional principles ( <sup>4</sup>).

#### 1.1.4. Autonomy of responsibility

The direct liability of the company is added to that of the natural person who committed the crime.

The liability of the company is independent from that of the natural person but not from the objective commission of a crime. Therefore, once the existence of the subjective imputation criteria of the company has been ascertained (crime committed in the interest or to the advantage of the company by one of the subjects indicated 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 ( <sup>5</sup>). In other words, for the liability of the entity to exist it is «necessary that a crime be committed by the subject attributable to the entity, but it is not also necessary that such crime be ascertained with identification and conviction of the responsible party».

#### 1.1.5. Conspiracy in the crime

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

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( <sup>2</sup>) The profiles of "organisational fault" are structured differently depending on whether the crime was committed by a senior person or by one of his subordinates , as in the two cases the types of precautions that the organisation must adopt to avoid the sanctioning consequences against it are different :

- in the event of a crime committed by individuals in a top position, the legal person may be exempt from liability only if it demonstrates that it has taken the necessary measures to prevent the commission of crimes of the type that occurred - through the adoption of an adequate organization and effective preventive controls and through the establishment within the entity of a specific control body, equipped with full autonomy of initiative in the supervisory activity - so that the commission of the crime was possible only thanks to a fraudulent evasion of such prevention mechanisms ;
- in the case of a crime committed by individuals subject to the supervision of others, the entity will be liable only if it is demonstrated by the public prosecution that the commission of the crime was made possible by the failure to comply with the obligations of management or supervision; the existence of such an organizational deficit is in any case excluded if, before the commission of the crime, an organizational, management and control model suitable, according to an evaluation to be carried out *ex ante* and in abstract, to prevent crimes of the type that occurred, has been adopted and effectively implemented.

( <sup>3</sup>) Cassation Court, United Sections, 24 April 2014, no. 38343, known as the "Thyssen" ruling.

( <sup>4</sup>) The Court examined the doctrinal orientations according to which the regulatory system outlined by Legislative Decree 231/2001 would respectively configure (i) an administrative liability, in compliance, moreover, with the heading of the legislation, or (ii) a substantially criminal liability, the ascertainment of the crimes from which it derives being left to the criminal judge, and the guarantees specific to the process being also extended to the entity. criminal, or, (iii) a *tertium genus* , concluding for the latter nature and considering the 231 system as a normative *corpus* of peculiar imprint.

( <sup>5</sup>) See Cass. Criminal Section VI, 7 July 2016 n. 28299

provided that the causes of attribution to the company exist ( <sup>6</sup>).

1.1.6. Attempted crimes

The liability of the entity also extends to attempted crimes (art. 26 Legislative Decree 231 ).

1.1.7. Crimes committed abroad

The liability provided for by the Decree also applies to crimes committed abroad, provided that the State of the place where the crime was committed does not prosecute them.

1.1.8. Sanctions

The determination of the company's liability entails the imposition of pecuniary and prohibitive sanctions on the company (see *below* ).

Hereinafter , the term "Legislative Decree 231/2001" or "Decree" shall mean the original decree as amended over time; the numbers of articles of law without an indication of the regulatory provision to which they pertain shall be understood to refer to Legislative Decree 231/2001.

## 1.2. Predicate Offences (categories)

The Predicate Offences belong to the following categories:

- 1.2.1. Undue receipt of grants, fraud against the State or a public body or the European Union or for the purpose of obtaining public grants, and computer fraud against the State or a public body and fraud in public supplies (art. 24);
- 1.2.2. Computer crimes and unlawful data processing (art. 24-bis);
- 1.2.3. Organized crime offences (art. 24-ter);
- 1.2.4. Embezzlement, extortion, undue inducement to give or promise benefits, corruption (Crimes against the Public Administration) (art. 25);
- 1.2.5. Counterfeiting of coins, public credit cards, stamps and instruments or signs of recognition (art. 25-bis)
- 1.2.6. Crimes against industry and commerce (art. 25-bis.1);
- 1.2.7. Corporate crimes (art. 25- ter );
- 1.2.8. Crimes with the aim of terrorism or subversion of the democratic order (art. 25-quater)
- 1.2.9. Practices of female genital mutilation (art. 25-quater 1)
- 1.2.10. Crimes against the individual personality (art. 25-quinquies);
- 1.2.11. Market abuse (art. 25-sexies);
- 1.2.12. Manslaughter or serious or very serious injury committed in violation of the rules

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( <sup>6</sup> ) A frequently recurring hypothesis is that of the contractor's complicity in the crimes, in relation to the so-called position of guarantee of the client (on which *we will discuss below* ).

on health and safety at work (art. 25-septies);

- 1.2.13. Receiving, money laundering, use of money, goods or utilities of illicit origin, as well as self-laundering (Article 25-octies);
- 1.2.14. Offences relating to non-cash payment instruments and fraudulent transfer of assets (art. 25-octies 1)
- 1.2.15. Crimes relating to infringement of copyright (art. 25-novies);
- 1.2.16. Inducement not to make statements or to make false statements to the judicial authority (art. 25-decies);
- 1.2.17. Environmental crimes (art. 25-undecies);
- 1.2.18. Employment of third-country nationals whose stay is irregular (art. 25-duodecies).
- 1.2.19. Racism and xenophobia (art. 25-terdecies).
- 1.2.20. Fraud in sports competitions, illegal gambling or betting and gambling carried out 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. Recycling of cultural goods and devastation and plundering of cultural and landscape goods (art. 25-duodevicies)
- 1.2.25. crimes (provided for by art. 10, L. 16 March 2006, n. 146).

### 1.3. The sanctions

The Decree provides for a complex system of sanctions (against entities) that can lead to significant consequences both from the point of view of the economic impact and from that of the continuity of the activity itself, given that prohibitive sanctions are also provided for, among which there is the ban from exercising the social activity even definitively, in extreme cases due to gravity and reiteration.

The sanctions provided for by the Decree (art. 9) against the company are divided into pecuniary sanctions and interdictory sanctions.

#### 1.3.1. Pecuniary sanctions (art. 10 - 11 -12)

In case of recognition of the entity's liability, the pecuniary sanction is always applied. The pecuniary sanctions are quantified with a system of quotas, which can vary from a minimum of 100 to a maximum of 1,000; the value of each single quota can vary from a minimum of Euro 258.00 (two hundred fifty-eight) to a maximum of Euro 1,549 (one thousand five hundred forty-nine).

The measurement of the pecuniary sanction is left to the discretion of the judge: the number of quotas is determined «... *taking into account the seriousness of the fact, the degree of responsibility of the entity, the activity carried out to eliminate or mitigate the consequences of the fact and to prevent the commission of further offences. The amount of the quota is set on the basis of the economic and*

*patrimonial conditions of the entity, in order to ensure the effectiveness of the sanction ...» ( <sup>7</sup>).*

### 1.3.2. Interdictory sanctions (art. 13 - 14)

The interdictory sanctions are indicated by the law in a peremptory manner and have a duration of not less than three months and not more than two years. The law dictates the criteria for their choice by the judge ( <sup>8</sup>).

These measures consist of:

- a) ban, in extreme cases, from carrying out the activity,
- b) suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- c) prohibition on entering into contracts with the Public Administration (except to obtain the performance of a public service),
- d) exclusion from benefits, financing, contributions or subsidies; possible revocation of those already granted,
- e) prohibition on advertising goods or services.

Interdictory sanctions may be applied only where they are expressly provided for with reference to specific Predicate Offences (principle of legality), and when at least one of the following conditions applies:

- that the entity has derived a significant profit from the crime and the crime has been committed
  - from a subject in apical position, that is
  - by individuals subjected to the direction of others when the commission of the crime was determined or facilitated by serious organizational deficiencies;
- the offences are repeated.

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( <sup>7</sup> ) In some cases the pecuniary sanction is reduced. Article 12 in fact provides that:

«1. The pecuniary sanction is reduced by half and in any case cannot exceed €103,291.00 if:

- a) the perpetrator of the crime committed the act in his own interest or in the interest of third parties and the entity did not gain any advantage from it or gained a minimal advantage from it;
- b) the patrimonial damage caused is particularly insignificant.

2. The penalty is reduced by one third to one half if, before the opening declaration of the first degree trial:

- a) the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the crime or has in any case effectively taken steps to this end;
- b) an organizational model suitable for preventing crimes of the type that occurred has been adopted and made operational.

3. In the event that both conditions set out in the letters of the previous paragraph occur, the sanction is reduced by half to two thirds.

4. In any case, the pecuniary sanction cannot be less than €10,329.00.»

( <sup>8</sup> ) Article 14 provides that

«The prohibitive sanctions have as their object the specific activity to which the entity's offence refers. The judge determines the type and duration on the basis of the criteria indicated in article 11, taking into account the suitability of the individual sanctions to prevent offences of the type committed.

2. The prohibition to contract with the public administration may also be limited to certain types of contract or to certain administrations. The prohibition to exercise an activity entails the suspension or revocation of the authorizations, licenses or concessions functional to the performance of the activity.

3. If necessary, the interdictory sanctions may be applied jointly.

4. The ban on carrying out the activity is applied only when the imposition of other interdictory sanctions is inadequate."

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

1.3.3. Confiscation (art. 19)

The confiscation of the profit that the entity has derived from the crime is mandatory (art. 6 Legislative Decree 231/2001, last paragraph), confiscation that can also be ordered in the form of an equivalent amount.

1.3.4. Publication of the judgment (art. 18)

The Judge may, at his discretion, order the publication of the sentence, at the company's expense, once only, in extract or in full, in one or more newspapers and by posting in the Municipality where the company's main office is located.

## 2. CONDITIONS WHY THE COMPANY CAN BE EXEMPTED FROM LIABILITY

The company or entity may benefit from exemption from liability if it proves in court (art. 6 of the Legislative Decree). 231/2001):

- a) of having adopted and effectively implemented through its governing body, prior to the commission of the act constituting the crime, organisational and management models suitable for preventing crimes of the type that occurred;
- b) of having entrusted a body, equipped with autonomous powers of initiative and control, with the task of supervising the functioning and observance of the model as well as ensuring its updating;
- c) that the persons who committed the crime acted by fraudulently evading the aforementioned organizational and management model;
- d) that there has been no omission or insufficient supervision by the body referred to in the previous letter b).

Furthermore, the company or entity is not liable if the individuals who committed the crime acted in their own *exclusive interest* or in the interest of third parties.

## 3. ORGANIZATION, MANAGEMENT AND CONTROL MODEL

### 3.1. Documentation relating to the Model

3.1.1. Linde has adopted the Organization, Management and Control Model (referred to in this document) (hereinafter also referred to for brevity as the "**Model** ") for the purposes of preventing the commission of certain specific types of Predicate Offences provided for by Legislative Decree 231/2001 by senior management and other persons referred to in the previous paragraph 1.1., the risk of which is deemed relevant in the performance of company business.

3.1.2. The Company has also adopted a **Code of Ethics ( KION Group Code of Compliance )** , an integral part of the Model and annexed to "A", which contains,

among other things, principles of conduct that ensure that all those who operate in the name and on behalf of the Company are fully aware that the commission of crimes is strongly censured by the Company and entails the imposition of disciplinary sanctions (or other types of sanctions for non-employees).

- 3.1.3. The Model, in addition to the Code of Ethics, is integrated by the " **Protocols** " (including " **Procedures** " and " **Practices** ") relating to the Sensitive Processes (as defined below), both pre-existing and adopted from time to time by the executive directors of the Company: The procedures can **also be prepared and distributed to the respective recipients electronically**.

The Protocols also constitute an integral part of the Model ( <sup>9</sup>).

- 3.1.4. the Company has established the Supervisory Body (ODV) with the task of monitoring the effectiveness, functioning and compliance of the Model and Protocols as well as promoting their updating.
- 3.1.5. The model adopted by Linde MH was prepared taking into account the directions provided by the " *Guidelines for the construction of organisation, management and control models pursuant to Legislative Decree 231/2001* " suggested by Confindustria.
- 3.1.6. The Model and the Protocols configure a structured and organic system of rules, procedures and control activities aimed at preventing the commission of Predicate Offences and encouraging a culture of ethics and corporate transparency.
- 3.1.7. Also forming an integral part of the Model are (i) the KION Compliance Principles for Independent Partners in the KION Sales & Service organization and (ii) the KION Group Supplier Code of Conduct.

### **3.2. Rules for the approval of the Model and Protocols/Procedures, and for their updating**

#### **3.2.1. Competent body**

The Model – in accordance with Article 6, paragraph 1, letter a), of Legislative Decree 231/2001 – is an " *act issued by the management body* " and, as such, is approved by the Board of Directors.

The The Model has been approved and updated by the Linde Board of Directors as indicated in the chronology above, and will be subject to changes and additions as specified below.

#### **3.2.2. Substantive Model Update**

The Company and the ODV verify, each to the extent of their competence, the need or opportunity to proceed with updates to the Model. The ODV formulates proposals to the Board of Directors for this purpose.

Any substantial updates to the Model that may be necessary are subject to approval by the Board of Directors. In any case, updates of a substantial nature

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( <sup>9</sup> ) Hereinafter, whenever the Model is mentioned, this document as a whole (including attachments and the Code of Ethics) and the Protocols/Procedures will be included.



are those that concern the forecast of new risks or the modification/integration of the forecast of existing risks, as well as those that concern changes to the company's organizational structure or the identification/modification/integration of new sensitive activities or Sensitive Processes.

The updating of the Model must be evaluated in particular when the following circumstances occur:

- a) that new laws or regulatory changes have been introduced that are relevant to the Company 's activities ;
- b) that business needs have arisen as a result of changes in the corporate/business organisation and/or in the scope of the company's business, or in the methods of carrying out the latter;
- c) that significant violations of the provisions of the Model have been found which have demonstrated its ineffectiveness and/or inconsistency for the purposes of preventing the commission of the Predicate Offences .

#### 3.2.3. Update of the Non-Substantial Model

Updates to the Model that are not of a substantial nature may be made by the Executive Directors within the scope of their respective delegations, with the commitment 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 modification and repeal of individual Protocols/Procedures, is the responsibility of the Executive Directors, within the scope of the powers conferred to them, unless they deem it appropriate to submit the decision to the Board of Directors for approval.

#### 3.2.5. Information to the ODV

Any update to the Model must be communicated to the ODV.

### 3.3. Recipients of the Model

#### 3.3.1. Internal subjects and *partners*

The Model is addressed to the Recipients as defined in the epigraph: it is therefore addressed not only to Linde's employees and corporate bodies, but also to its suppliers, consultants and individuals in general who enter into business relationships with the Company (hereinafter "*Partners* ") and are involved in the Sensitive Processes as defined and identified below.

Partners will be required to sign a commitment to comply with Linde's Model and 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 contemplated in Linde's Model and Code of Ethics.

#### 3.3.2. Board of Auditors

The Board of Statutory Auditors of Linde acknowledges the Model, formalizing its commitment to observe it as far as it concerns it.

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

The Board must therefore always be informed of any (contestation of) commission of the crimes provided for by Legislative Decree 231/2001 as well as of any shortcomings in the Model or non-compliance with the same.

The Board of Statutory Auditors must in turn promptly inform the Supervisory Body of any violations of the Model, even attempted, of which it becomes aware within the scope of its mandate.

## **4. CONSTRUCTION OF THE MODEL**

### **4.1. Model Structure**

The Model is made up of a general part and Special Parts, one for each category of Predicate Offences, the risk of commission of which, from the analyses carried out, is deemed to be concretely verifiable and relevant in the performance of the company's activity.

### **4.2. The function of the Model and the inspiring principles**

#### **4.2.1. Risk prevention and compliance**

The primary function of the adoption of the Model, integrated with the Protocols, is the preparation of a structured and organic *governance system* - with the adoption of procedures and control activities (preventive and *ex post*) - which has as its objective the prevention and management of the risks of commission of Predicate Offences, effective and efficient in relation to the provisions of Legislative Decree 231/2001.

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

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

The principles and rules contained in the Model are intended to enable the Recipients - whose activity could border on the commission of Predicate Offences - to acquire full awareness that certain behaviours constitute criminal offences (or in some cases administrative offences) the commission of which is totally unacceptable, firmly condemned and contrary to the interests of Linde even if the latter would apparently seem to be able to benefit from them. To this must be added the further awareness that the commission of the offence will entail the application of the sanctions provided for by law, by the Model itself and by the

relevant CCNL.

#### 4.2.2. Qualifying points of the Model

The qualifying points of the Model are:

- a) the identification of activities exposed to the risk of commission of Predicate Offences and the formalisation of company procedures to regulate the performance of such activities;
- b) the assignment of authorization and signature powers consistent with organizational and management responsibilities;
- c) the application and compliance with the principle of separation of functions, according to which no function can independently manage an entire process;
- d) the traceability of decisions and documentation relating to business operations carried out within sensitive processes;
- e) the establishment of the Supervisory Body (ODV) with operational autonomy and independence, and adequate human and financial resources to carry out the tasks assigned to it by law;
- f) carrying out appropriate checks;
- g) the adoption of a disciplinary system suitable for sanctioning failure to comply with the provisions and procedures of the Model;
- h) the dissemination of behavioral rules and procedures at all company levels.

#### 4.2.3. Recipients of the Model

The Recipients of the Model are specified in the epigraph in the definitions paragraph.

#### 4.2.4. The controls

The Supervisory Body has the task of verifying the effectiveness, effectiveness and updating of the Model (integrated by the Protocols/Procedures), of supervising its functioning and compliance, as well as of promoting its updating in order to adapt it to changes in legislation and corporate activity that may arise, as well as to the needs that may emerge from any violations, formulating any proposals to the Board of Directors. All as developed in detail below.

## 5. PROCESSES AT LINDE

### 5.1. Risk Mapping

#### 5.1.1. Object and social activity

The company's corporate purpose is to carry out research and marketing activities for all types of machinery and handling equipment, and related accessories and spare parts, and in particular:

- a) of forklifts, both standard and special, and other self-propelled or fixed-plant

vehicles or systems, suitable for moving materials;

- b) of battery-powered electric vehicles for commercial and industrial applications, intended for the transport of people, goods and mixed transport;
- c) of the related groups, subgroups, normal and/or special equipment, specific and/or complementary components, spare parts, accessories;
- d) of engines, pumps, hydrostatic transmissions and hydraulic components in general.

For all the products which are the object of the social activity referred to in the previous points, the Company can carry out the sale or rental, also as an intermediary, as well as the assembly, installation, storage, maintenance, repair, revision and assistance on its own behalf or on behalf of third parties ( <sup>10</sup>).

#### 5.1.2. Organizational structure

Since June 2021, the structure of the company STILL SpA has been merged, together with the structures of the subsidiary Linde Material-Handling Italia SpA (" **Linde** "), into a single Operating Unit called: KION ITS EMEA Italy ( <sup>11</sup>). However, the two companies have maintained their respective identities as separate legal entities ( <sup>12</sup>).

The organizational structure of KION ITS EMEA Italy at the date of the Model update is divided into three divisions called Sales & Service, each relating respectively to the products with the STILL, Linde and Baoli brands ( <sup>13</sup>), as well as into the additional first-level "transversal" functions called: Intralogistic Solutions, Business Operations, Strategic Marketing, Human Resources and Business Transformation. As part of the aforementioned restructuring, Linde sold to STILL, with civil law effect from 1 April 2022, the Linde business unit relating to the business activity called "workshop", which was transferred to the Lainate

( <sup>10</sup>) The company may also collect savings from shareholders through the acquisition of funds with the obligation of reimbursement by the company itself, as well as from parent companies, subsidiaries or affiliates pursuant to art. 2359 of the civil code and from companies controlled by the same parent company, in the manner and in compliance with the provisions of Legislative Decree 1.09.1993 n. 385 and in compliance with the provisions established by the Interministerial Committee for Credit and Savings.

In order to achieve and within the scope of the above-mentioned purposes, the corporate purpose also provides that the Company may carry out industrial, commercial, real estate, securities and financial transactions (the latter not towards the public) - including the taking out of loans in any form, including mortgages, subsidies and financing, the provision of endorsements, sureties, mortgages and any other guarantee, including real ones, and also in favour of third parties -, purchase or transfer in any form patents, licences, manufacturing processes, as well as take and dispose of shares in companies and businesses having similar or connected purposes to its own, including by intervening in their incorporation.

The corporate purpose expressly excludes activities reserved to members of professional registers or otherwise prohibited by law, as well as the professional performance towards the public of investment services and other reserved activities pursuant to Legislative Decree 24.02.1998 n. 58 (TUF), banking and savings collection activities among the public pursuant to Legislative Decree 01.09.1993 n. 385, as well as the performance towards the public of any other financial activity subject to a reserve of law. The performance of fiduciary activities and any reserved professional activity is also excluded.

( <sup>11</sup>) Associated companies are companies controlled by the same parent company; in the situation considered, the common parent company is KION GROUP AG, a company under German law.

( <sup>12</sup>) Linde Company had previously adopted, and maintains, its own Organization, Management and Control Model pursuant to Legislative Decree no. 231/2001. Conversely, such a model has not been adopted by Baoli.

( <sup>13</sup>) The Sales & Service divisions handle commercial and service activities on the national territory for the respective brands, including branches.

site. The "Sales & Service" functions are part of the respective legal units.

All of the above functions report hierarchically to one of the managing directors of STILL, who has assumed the role of CEO of Linde.

The KION ITS EMEA Italy organizational structure also includes the Sales & Service Controlling functions (currently headed by a STILL board member) and KION Financial Services.

In essence, therefore, a union of the structures operating for the STILL and Linde brands has been created through inter-company relationships and appropriate secondments of personnel, aimed at achieving development objectives together ( <sup>14</sup>) . The new organization has been illustrated within the companies, and to third parties, through specific organizational communications and events.

The structures underlying the Management Team mentioned above are being defined through a co-creation process in phases (as happened for the first line), involving key figures in Italy and in the Group.

The Company has a procedure that regulates the powers of signature and external representation.

#### 5.1.3. Activity carried out

(sales and rental) at the Lainate headquarters .

The activity of the Branches ( <sup>15</sup>) which deal with marketing and maintenance also at the customer's premises remains unchanged.

Furthermore , the Company owns the entire share capital of two dealers, to which it transmits its internal regulations, where applicable.

#### 5.1.4. Not listed

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

#### 5.1.5. Identifying Sensitive Processes

The mapping of the Company's activities to be considered at risk, i.e. the activities within which there is a significant risk of commission of the Predicate Offences, has led to the identification of the Sensitive Processes, as defined *below* .

This mapping was carried out through:

- a) the analysis of the company's activity, through interviews with the CEO and the management of key functions at the time of adoption of the Model ( <sup>16</sup>);

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( <sup>14</sup>) The Board of Directors takes note of the communications of the Company's directors regarding the interests they hold as members of the administrative bodies of other companies of the KION Group, for transactions with the same; and decides whether or not to identify in such transactions prejudicial activities pursuant to art. 2391, 2nd paragraph, of the Civil Code, also taking into account the benefits that derive to the Company from group synergies. Furthermore, the executive directors take note of the KION Group's *governance guidelines*.

( <sup>15</sup>) Respectively in San Giuliano (MI), Castelmaggiore (BO), Pomezia (Rome) and Preganziol (TV).

( <sup>16</sup>) In particular, 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* (with the

- b) the analysis of the company's activity in its evolution with the creation of the KION ITS EMEA Italia Business Unit mentioned above;
- c) the analysis of company documentation, with particular attention to the organizational structure, signing powers and system documentation;
- d) the identification of the types of Predicate Offences that may be committed in the performance of company activities;
- e) the identification of the processes/functions within which such Predicate Offences could be committed (" **Sensitive Processes** ") and the concrete level of risk of their occurrence;
- f) the analysis of existing procedures/practices through the examination of the documentation relating to them and interviews with key subjects within the structures;
- g) the analysis of the control/prevention systems in place and the identification of corrective actions to be developed (" *gap analysis* ").

## 5.2. The Processes Sensitive relevant identified

In social activity, the sensitive processes indicated below have been identified, with the reservation of more detailed specification in the individual special sections.

- 5.2.1. Sensitive processes in relation to " *crimes of undue receipt of funds, fraud against the State or a public body or the European Union or for the obtaining of public funds and computer fraud against the State or a public body* " or *fraud in public supplies* " (Art. 24).

The risks of committing the crimes in question are considered substantially minimal since the Company rarely requests contributions, subsidies or public funding. When this occurs, the request could concern contributions for staff training and funding for *e-commerce services*.

As regards public supply contracts, these, even if they do not fall within the typical activity of the company, may take place.

The Company has therefore identified the opportunity for the matter to be regulated.

- 5.2.2. Sensitive Processes in relation to " *computer crimes and unlawful data processing* " (art. 24- *bis* ).

With regard to computer crimes, the relevant Sensitive Processes are mainly related to: access, use and management of IT structures, systems and services; installation of equipment that could be able to intercept, prevent or interrupt IT or telematic communications; possession and dissemination of passwords and access codes to IT systems; preparation of information documents; use of digital identities; data processing with reference to Italian, European and international legislation (GDPR and Legislative Decree 10.08.2018 n° 101, adapting Italian

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exception of tax aspects, which are entrusted to a leading external professional firm), the *Communication Manager* , the Personnel Management Office Manager (recruitment), the Management Secretary, and the RSPP were heard.



legislation to the GDPR ).

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

The subjects interviewed confirm that the commission of crimes against the Public Administration ( **PA** ) presents a significant risk with reference to almost all the *Predicate Crimes* contemplated by the law.

The relevant Sensitive Processes mainly refer to: applications generally aimed at obtaining licenses, permits, authorizations, and concessions, as well as any participation in tenders announced by public administrations or private negotiations with the same; relationships with ministerial, regional, provincial, municipal offices, and PA offices in general (by way of example: Revenue Agency, GDF, social security institutions, ASL, ARPA, Public Security Authority, Customs Agency, Fire Brigade, etc.); contacts with public officials and public service representatives; mandatory hiring; activities concerning safety and hygiene at work and environmental protection; use of consultants or service providers who enter into relationships with the PA on behalf of the Company.

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

5.2.4. Sensitive Processes in relation to "*corporate crimes*" (art. 25- *ter* )

With regard to corporate crimes, the relevant Sensitive Processes are mainly related to the preparation of corporate communications, whether mandatory by law or voluntary, relating to the economic, patrimonial and financial situation of the Company (balance sheets, management reports, prospectuses, etc.), as well as to the communication of conflicts of interest, capital transactions, distribution of profits, merger or demerger transactions, and organizational reorganizations.

Furthermore, there are risks of commission of the crimes of corruption between private individuals and of incitement to corruption between private individuals with reference mainly to the commercial activities of the Company, but also with reference to third parties appointed by the Company to carry out certain services.

5.2.5. Processes in relation to "*market abuse*" (art. 25- *sexies* )

As regards market abuse, since the Company is not listed, the related risk can be considered substantially remote.

However, given that the parent company is listed on the Frankfurt Stock Exchange, it was deemed appropriate to implement a procedure regulating the way in which privileged information is handled and managed, which takes up and refers to the Group procedures.

5.2.6. Sensitive processes in relation to "*crimes of homicide and negligent injury committed in violation of the legislation on health and safety at work*" (art. 25- *septies* ).

With regard to crimes committed in violation of the regulations on health and safety at work, the relevant Sensitive Processes are mainly related to: ( *i* ) storage, movement and processing of trolleys and various materials at the Branches, ( *ii* )

maintenance of products at the Branches and at customers' premises, ( *iii* ) operations on products at third parties in any capacity, whether managed by the Company or sold to third parties with transfer of ownership or on lease/loan (liability of the distributor and for any maintenance), ( *iv* ) intralogistics activities (design of warehouse layouts and design of new processes for customers), ( *v* ) internal environmental risks, generic office activities (with the use of personal computers, video terminals, printers, fax machines, photocopiers and IT devices in general), and ( *vi* ) transport and use of company vehicles.

- 5.2.7. processes in relation to crimes concerning " *receiving, money laundering, use of money, goods or utilities of illicit origin, self-laundering* " (art. 25- *octies* ).

With regard to the Predicate Offences relating to receiving stolen goods, money laundering, use of money, goods or utilities of illicit origin, self-laundering, the relevant Sensitive Processes essentially concern investments and sales, and, with regard to self-laundering in particular, tax/fiscal obligations and the accounting of corporate transactions, where the irregular maintenance of the same may result in the creation of slush funds. However, considering the company procedures and practices, the risk is deemed not to be particularly significant.

- 5.2.8. Sensitive Processes in relation to Predicate Offences concerning " *crimes relating to the infringement of copyright* " (art.25- *novies* 231/2001).

As regards copyright crimes, it is believed that there is a risk connected to the use of *software* .

Furthermore, a risk is identified in relation to the hypothetical use of *software* from previous employers by employees and the use by the Company of images and/or contributions from employees in the context of company initiatives such as, for example, publications .

- 5.2.9. Sensitive Processes in relation to the " *crime of inducing someone not to make statements or to make false statements to the judicial authority* " (art. 25- *decies* ).

With regard to the crime in question, it is believed that there is a theoretical risk of minimal relevance.

- 5.2.10. Sensitive processes in relation to " *environmental crimes* " (art. 25- *undecies* ).

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

- 5.2.11. Processes in relation to crimes of employing workers in violation of specific laws, with reference to: " *Illegal intermediation and exploitation of labour* " (art. 25- *quinquies* with reference to art . 603 -*bis cp* ) and " *Employment of third-country nationals whose stay is irregular* " (art. 25- *duodecies* ).

The Sensitive Processes relating to the crime in question essentially concern service procurement contracts as well as the use of the services of temporary employment agencies or cooperative societies whose services the Company makes use of.

5.2.12. Sensitive Processes in relation to *crimes against industry and commerce* (Art. 25-*bis* 1)

The only identifiable sensitive process concerns the risk of the crime of "selling industrial products with false markings" (art. 517 of the Criminal Code) and is manifested in the activity of purchasing finished products for the purpose of resale or rental to customers.

5.2.13. processes in relation to tax crimes (Art. 25- *quinquiesdecies* )

The Sensitive Processes that present the risk of commission of the Predicate Offences in question concern the following activities: (i) issuing of documentation relating to accounting; (ii) receiving documentation relating to accounting; (iii) filing of declarations and communications concerning tax matters; (iv) payment of taxes.

5.3 Sensitive Processes in relation to other Predicate Offences.

With regard to the other Predicate Offences not expressly mentioned in the preceding paragraphs, the Company has found that in the performance of the corporate activity there are no significant risks of their commission; in any case, constant monitoring will be carried out.

5.4 Compliance with regulations

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

Violation of the provisions of the Model and Code of Ethics/Conduct will result in the infringement being subject to sanctions as specified below.

## 6. **SUPERVISORY BODY**

### 6.1. **Establishment and requirements of the components**

6.1.1. Establishment of the ODV

The Company establishes, pursuant to art. 6 paragraph 1 of Legislative Decree 231/2001, the Supervisory Body (ODV) which has the task of supervising - with continuity, autonomy and independence from the operational top management of the company - the effective functioning and observance of the Model, including the Protocols and the Code of Ethics , as well as promoting its updating.

The Supervisory Body has a collegial structure, composed of three or more members, as decided by the Board of Directors.

The ODV approves the regulations for its own functioning.

The members of the ODV, in their capacity and within the scope of the performance of their function, are not subject to the hierarchical and disciplinary power of any

corporate body or function.

The Supervisory Body must carry out its duties with the professionalism and diligence required by the nature of the assignment.

#### 6.1.2. Requirements for ODV components

Without prejudice to the requirements of autonomy and independence, the majority of the members of the ODV must be identified among individuals who are not linked by any relationship of dependency with Linde or companies controlled by it.

The members of the ODV must have adequate professionalism and experience in corporate, legal, accounting, tax, technical management matters or in some of them, as well as possess the independence and honorability requirements provided for by the applicable law for the members of the Board of Auditors.

#### 6.1.3. Incompatibility

He cannot hold the position of member of the Supervisory Body and, if appointed, he will lose his position:

- whoever finds himself in the conditions referred to in art. 2382 of the civil code ( <sup>17</sup>);
- non-independent directors, spouses, relatives and in-laws within the fourth degree of the directors of the Company and of its controlled companies;
- anyone who has been sent for trial or convicted, even with a non-final sentence or plea bargain, for one of the Predicate Offences;
- who has been the subject of measures under anti-mafia legislation.

#### 6.1.4. Technical Secretariat

In order to facilitate the performance of its work and ensure coordination with the internal structures of the Company, the Supervisory Body may avail itself of a technical secretariat, including inter-functional and possibly made up of employees of the Company.

### **6.2. Appointment, compensation, duration , financial endowment**

#### 6.2.1. Appointment and compensation

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

The Supervisory Body appoints its own president, where the latter has not been directly appointed by the Board of Directors.

The members of the ODV, upon acceptance of the appointment, declare that they possess the requirements and that they are not in the conditions of incompatibility

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( <sup>17</sup>) That is, the interdicted, the incapacitated, the bankrupt or anyone who has been sentenced to a penalty that involves the interdiction, even temporary, from public office or the incapacity to exercise managerial offices.

indicated above, and are required to promptly communicate to the Board of Directors any loss of the requirements or the onset of the conditions of incompatibility.

#### 6.2.2. Duration

The Supervisory Body remains in office for the term established by the Board of Directors, which does not exceed 3 (three) years from the appointment, and its members may be reappointed in whole or in part.

In the event of one or more members being unable to carry out their functions for a period exceeding two months, the ODV will notify the Board of Directors, which will proceed with the replacement of the unavailable members or with a new nomination of the entire ODV.

#### 6.2.3. Financial endowment

The Board of Directors annually decides on a financial allocation proposed by the ODV itself, which the ODV can use for any need necessary to carry out the tasks assigned to it, except for any urgent needs that may be defined by the ODV directly with an Executive Director of the Company or a person delegated by the same.

### **6.3. Forfeiture, revocation, waiver - Replacement**

#### 6.3.1. Decay

The loss of the requirements for appointment to the ODV constitutes a reason for the dismissal of the individual members, but does not entail the dismissal of the entire ODV.

Members who have an organic or subordinate employment relationship with the Company or with another company of the group to which the Company belongs, or who in any case hold a role within the group at the time of their appointment as members of the ODV, automatically lose their position *(i)* in the event of termination of said subordinate employment relationship or role and regardless of the cause of termination, *(ii)* in the event of assignment to a role other than that on the basis of which the employee was appointed as a member of the ODV. The possibility of confirmation in the position with a specific resolution by the Board of Directors remains unaffected.

#### 6.3.2. Revocation

The revocation of the ODV or of individual members may be ordered by the Board of Directors only for just cause.

The following facts constitute, but are not limited to, just cause for the revocation of a member of the ODV:

- ascertainment of a serious breach in the performance of one's duties assignments;
- failure to communicate to the Board of Directors a conflict of interest that would undermine independence;

- violation of confidentiality obligations regarding news and information acquired in the exercise of the Supervisory Body's functions;
- initiation, in the case of a member who is linked to the Company by an employment relationship, of disciplinary proceedings.

#### 6.3.3. Renunciation

Each member of the ODV may resign from the assignment at any time by sending written communication (including by e-mail) to the President of the Board of Directors and a copy to the President of the Board of Auditors and to the other members of the Body.

The waiver takes effect upon receipt of the communication and the waiver will be entitled to the compensation (if due) accrued pro-rata.

#### 6.3.4. Replacement

Members who have been removed or revoked or who have renounced their office are replaced by resolution of the Board of Directors, unless the latter deems it necessary to reduce the number of members of the body. The substitutes remain in office for the remaining duration of the Body.

### 6.4. Assignments

#### 6.4.1. The ODV is entrusted with the task of supervising:

- a) on compliance with the Model and the Protocols by the Recipients;
- b) on the effectiveness and adequacy of the Model and the Protocols in relation to the company's organizational structure, based on their actual suitability to prevent the commission of the Predicate Offences;
- c) on the updating of the Model and the Protocols, where there is a need to adapt it in relation to changed regulatory and/or corporate conditions or in the event that significant violations of the provisions of the Model are ascertained (see art. 7 of the Decree).

#### 6.4.2. On a more specifically operational level, the ODV, while retaining the power to independently regulate its own activity, nevertheless carries out the following tasks:

- a) activate the control procedures that allow the effective operation of the Model and the Protocols to be verified; it being specified that in any case the control activities are delegated to the primary responsibility of the operational management and are considered an integral part of each company process (so-called "line control").
- b) carry out and/or request surveys of company activity for the purpose of updating the mapping of areas of activity at risk within the company context;
- c) coordinate with the various company functions to monitor activities in risk areas;
- d) verify the need for updating the Model and Protocols



- e) carry out periodic checks on specific operations or actions carried out in the risk activity areas;
- f) collect, store and process relevant information in order to comply with the Model, as well as update the list of information that must be mandatorily transmitted to the ODV or kept at its disposal;
- g) check the actual presence and regular maintenance and effectiveness of the documentation requested in relation to what is provided for in the Model and in the Protocols for the different types of crime and administrative offence;
- h) periodically report to Linde's corporate bodies regarding the implementation of company policies in support of the activity pursuant to Legislative Decree 231/2001;
- i) report to the Board of Directors any non-compliance detected and propose the application of the sanctions provided for by the sanctioning system;
- j) maintain all appropriate contact, including receiving and making reports, with the ODVs, or (in the absence of ODVs) with the control bodies, of the companies that control Linde or are controlled by the latter or are subject to joint control with it.

6.4.3. In carrying out their duties, each member of the ODV has free access, at any corporate function of the Company, to any information, data and documentation deemed necessary for the performance of their duties, without the need for any prior consent.

6.4.4. The ODV may avail itself of the assistance of any structure of the Company for the performance of its activities - under its direct supervision and responsibility. (or companies belonging to the same Group on the basis of *inter-company service agreements*) or, if deemed necessary, external consultants using, in the latter case, the endowment fund.

6.4.5. The control activities carried out by the ODV cannot be audited by any other body or corporate structure, it being understood however that the Board of Directors is in any case called upon to carry out a supervisory activity on the adequacy of its intervention, as it is ultimately responsible for the functioning and effectiveness of the organizational model.

## 6.5. Activities and Reporting

*reporting lines :*

- the first, on an ongoing basis, towards the Chief Executive Officer;
- the second, on a periodic basis, to the Board of Directors;
- a third, optional, action against the Board of Directors in the event that, outside of periodic control activities, the ODV becomes aware of behaviors in violation of the procedures set out in the Model and/or the Protocols, or of other behaviors that constitute or may constitute hypotheses of a crime or administrative offence, or finally in the event that the ODV deems it necessary or appropriate to proceed with the updating of the Model.

The ODV is responsible for periodically preparing a written report on its activities for the Board of Directors.

## 6.6. Periodic checks

The checks on the Model and the Protocols will be carried out periodically according to the frequency that the ODV deems appropriate to establish (Annual check plan), or even outside of what is scheduled.

The ODV may carry out specific in-depth analyses, analyses and checks on existing procedures, corporate documents and contracts of greatest relevance in the areas of activity at risk, or other control activities that it deems necessary or appropriate.

The ODV may operate internally, as it deems appropriate, through meetings, activities of individual members, exchanges of information by any means.

## 6.7. Information flows and information storage

The ODV, in addition to the reporting activity provided for above, is required to operate with continuity of action, to be ensured also through constant coordination between the ODV and *top management* (or subjects delegated by the latter for this purpose) and the establishment of adequate information flows from the Company to the ODV and vice versa, without prejudice to the provisions of the Model.

### 6.7.1. Communication flows from the ODV

The ODV:

- a) formulates proposals for updating the Model in cases where corrections, additions, adjustments to the Model itself are necessary or appropriate in relation to (i) changes in the legislative framework, (ii) changes in the corporate context (e.g. regarding the type of company, corporate organization, scope of activity, production methods), (iii) violations of the Model;
- b) "ad hoc" communications in case of need and/or urgency at the operational head of the Company ;
- c) communicates to the corporate bodies any violations of the Model that may be committed by members of the corporate bodies of which it becomes aware.

### 6.7.2. Communication flows from the Company

In order to facilitate the monitoring activity on the effectiveness of the Model and the Protocols, the Company is required to implement, in a timely manner, information flows towards the ODV regarding all the facts, information, documents and data that must be brought to the attention of the ODV itself according to what is established by the Model in all its parts, including what is provided for by the individual procedures.

In particular:

- a) Executive Directors or persons delegated by them are required to communicate to the ODV:
  - (i) any event, fact, situation relevant to the observance and functioning of the Model;
  - (ii) the results of any *audits* and checks carried out by internal functions, by structures of the group to which they belong, by auditors or by external bodies that may be relevant for the purposes of preventing the Predicate Offences;
  - (iii) changes in the organizational structure, including delegations of powers/issuing of powers of attorney;
  - (iv) changes to the scope of business (expansion or contraction of existing ones or possible undertaking of new activities).
- b) Executive Directors or persons delegated by them are required to inform the ODV of the following events relating to corporate activities:
  - (i) notices of meeting calls;
  - (ii) notices of convocation of board of directors meetings;
  - (iii) constitution of the executive committee and notices of its convocation;
  - (iv) establishment of strategic committees and related functions (for example: nomination committee, strategic committee, investment committee, administration and finance committee and similar);
  - (v) any conflicts of interest identified in the context of meetings of the board of directors or the shareholders' meeting;
  - (vi) annual financial statement including the directors' reports and the auditors' certification;
  - (vii) operations relating to share capital;
  - (viii) extraordinary transactions, such as mergers, demergers, spin-offs;
  - (ix) critical issues or conflicts of interest encountered in the management of privileged information.
- c) The Top Subjects, within their respective areas of competence, are required to provide the ODV with immediate information regarding:
  - (i) their detected behaviors considered to constitute violations of the provisions of the Model or commission of Predicate Offences, with evidence of the disciplinary proceedings initiated and any sanctions imposed, or of the archiving provisions, with the relative reasons;
  - (ii) requests for legal assistance submitted by managers, employees or other persons entitled to it, against whom the judiciary has notified notices of investigation or initiated proceedings for Predicate Offences provided for by Legislative Decree 231/2001, or for administrative proceedings relating to the offences referred to in art. 187-quinquies of Legislative Decree 58/1998;

- (iii) provisions and/or communications from judicial police bodies, or from any other authority, from which it is clear that investigations have been initiated or carried out, even against unknown persons, for Predicate Offences provided for by Legislative Decree 231/2001, or for administrative proceedings relating to the offences referred to in art. 187-quinquies of Legislative Decree 58/1998;
- (iv) reports prepared by the heads of company functions as part of their control activity from which facts, acts, events or omissions relevant for the purposes of compliance with the provisions of Legislative Decree 231/2001 may emerge;
- (v) information relating to any violations of the management and control procedures referred to even indirectly by the Model and/or the Protocols, which may lead to the commission of Predicate Offences .

#### 6.7.3. Other communication flows towards the ODV

The corporate functions, according to their respective competences and organizational responsibilities, are required to provide the ODV with information regarding:

- (i) request, provision and use of public funding;
- (ii) Public Administration inspections;
- (iii) participation in, and awarding of, tenders announced by the Public Administration, or entities performing public utility functions, or community bodies;
- (iv) tenders or contracts for which LINDE has been awarded following national and international tenders, or following private negotiations with the Public Administration or entities performing public utility functions, or community bodies;
- (v) anomaly indicators relating to management control, administration and treasury activities;
- (vi) identification and assessment of company risks in terms of health/safety at work and the environment;
- (vii) results of verification activities, non-conformities and specific problems relating to health/safety at work and environmental protection;
- (viii) occurrence of accidents (or near-accidents) involving employees, collaborators or other individuals present, even occasionally, in industrial plants, warehouses, offices, local units or other places where the Company carries out its business.

In any case, all other information obligations towards the ODV provided for by the Model and the Procedures or that may be requested by the ODV remain in place.

#### 6.7.4. Procedure for reporting to the ODV

The Company is required to provide for the issuing of a specific procedure dedicated to the regulation of information flows from it to the Supervisory Body.

#### 6.7.5. Meetings with the Board of Directors and Executive Directors

The ODV may request to be heard by the Board of Directors or the Executive Directors whenever it deems it necessary or appropriate, both in relation to the implementation of the Model and with reference to specific situations and/or violations of the Model.

In turn, the ODV may be convened at any time by the Board of Directors to report on particular events or situations relating to the functioning and implementation of the Model.

#### 6.7.6. ODV meetings with corporate functions

The various corporate functions are required to keep available all documentation relating to the information transmitted to the ODV, as also provided for by the Protocols and existing operating practices.

The ODV may, however, independently request from any corporate function or structure further periodic information or news concerning specific situations.

#### 6.7.7. Documentation

##### a) Verbalization

for the meetings of the ODV with the subjects and bodies indicated above, or in any case an adequate record will be kept. The minutes/reports will be kept by the Company, with a copy to the ODV.

##### b) Document storage

The various corporate functions are required to keep available all documentation relating to the information transmitted to the ODV, as also provided for by the Protocols and existing operating practices.

The information, documentation and reports collected by the ODV in the performance of its institutional tasks must be archived and stored by the ODV itself, maintaining due confidentiality on the documents and information acquired, also in compliance with the data processing regulations.

### 6.8. Subjective qualification of the ODV for privacy purposes

The Personal Data Protection Authority has deemed that, due to the processing of personal data that the exercise of the tasks and functions entrusted to the ODV entails (such as, for example, access to information acquired through information flows or the reports referred to below), the Company, without prejudice to the ownership of the data processing pursuant to the GDPR, must designate - within the scope of the technical and organizational measures to be implemented in line with the principle of *accountability* (art. 24 of the GDPR) - the individual members of the ODV as subjects "authorized" to process (art. 4 no. 10, art. 29, art. 32 par. 4 GDPR and also art. 2- *quaterdecies* of the Privacy Code). These subjects, in relation to the processing of the data received, must comply with the instructions given by the owner so that the processing takes place in accordance with the principles established by art. 5 of the GDPR.

The owner in turn is required to adopt the appropriate technical and organizational measures to guarantee the protection of the data processed, simultaneously ensuring that the ODV is autonomous and independent from the corporate management bodies in carrying out its tasks according to the methods set out in the aforementioned legislation ( <sup>18)</sup>).

## 6.9. Reports whistleblowing

### 6.9.1. Establishment of reporting channels

In order to implement the provisions introduced by Legislative Decree no. 24 of 10 March 2023, containing "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law and containing provisions on the protection of persons reporting breaches of national legislation", as well as those contained in art. 6, paragraph 2-bis of Legislative Decree 231/2001, the Company has activated internal reporting channels that protect – also through the use of encryption tools – the confidentiality of the identity of the whistleblower, of the person involved and of the person mentioned in the report, of the content of the report and of the related documentation, simultaneously adopting a specific procedure that governs its management.

### 6.9.2. Reporting channels

Reports can be made by choosing from the following reserved channels :

- a) an IT platform provided by an external provider through which to make a written report
- b) a telephone hotline through which to make a verbal report;
- c) the request for a face-to-face meeting with the person in charge of managing the aforementioned channels.

Reports can also be made anonymously.

### 6.9.3. Contents of the reports

Reports must be detailed and based on factual elements that are precise and consistent; they must observe confidentiality criteria to protect the effectiveness of the investigations to be carried out and the honorability of the persons involved in the report; they must refrain from reporting facts of generic, confusing and/or defamatory content.

In the detailed description of the facts giving rise to the report, no information must be provided that is not strictly relevant to the subject of the report itself.

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( <sup>18)</sup> The principles set out are set out in a communication from the Guarantor for the Protection of Personal Data made in favour of the Association of Members of Supervisory Bodies pursuant to Legislative Decree 231/2001 of May 2020; the premise of the Guarantor's statement is that the Supervisory Body, regardless of whether its members are internal or external, must be considered "part of the entity" as it operates within the organisation of the entity (as established by art. 6 of Decree 231).



The reports, which may concern violations already committed or which, on the basis of concrete elements, are believed to be likely to be committed, concern the violations and offences referred to in Legislative Decree 24/2023.

#### 6.9.4. Protection of the whistleblower (prohibition of retaliation)

Any type of retaliatory act or behavior is prohibited - that is, any behavior, act or omission, even if only attempted or threatened, carried out as a result of the report, the complaint to the judicial or accounting authority or the public disclosure and which causes or may cause unjust damage to the reporting person or the person who filed the complaint, directly or indirectly - against the reporting subjects, facilitators, persons involved, work colleagues of the Reporting Person and persons in the same work context who are linked to the Reporting Person by a stable emotional or kinship bond within the fourth degree and to entities owned by the Reporting Person, as provided for by art. 3 of Legislative Decree 24/2023.

By way of example and not limited to, possible retaliatory acts include: dismissal, suspension or equivalent measures; demotion or failure to promote; change of duties, change of place of work, reduction of salary, modification of working hours; suspension of training or any restriction of access to it; negative marks of merit or negative references; adoption of disciplinary measures or other sanctions, including financial ones; coercion, intimidation; harassment, etc.

The protections in question do not apply to those who make reports in the knowledge that they contain information that is clearly unfounded, as well as information that is already in the public domain at the time the report is made, or if the reports concern mere disputes, claims or requests related to a personal interest, relating exclusively to individual employment relationships or to relationships with hierarchically superior figures.

#### 6.9.5. Report Management

Reports relevant pursuant to Legislative Decree 24/2023 are managed, according to the methods set out in the specific procedure issued by the Company, by a special collegial body established within the Company and composed of: Compliance Representative, Compliance Manager and President of the ODV. All reports will be managed according to criteria aimed at ensuring maximum confidentiality, both at the time of receipt and in the phases of subsequent investigations, except when necessary for carrying out checks on the reports and without prejudice to the obligations to provide information at the request of the judicial authority or other public authorities ( <sup>19</sup>).

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( <sup>19</sup> ) It should be remembered that the pursuit of the interest in the integrity of public and private administrations, as well as in the prevention and repression of embezzlement, constitutes just cause for the disclosure of information covered by the obligation of secrecy pursuant to Articles 326, 622 and 623 of the Criminal Code and Article 2105 of the Civil Code. There is no just cause for disclosure if the obligation of professional secrecy weighs on those who have become aware of the information by virtue of a professional consultancy or assistance relationship with the entity, company or natural person concerned. Information and documents that are the subject of business, 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).

#### 6.9.6. Sanctions

Sanctions, disciplinary or otherwise, will be adopted for non-employees, in accordance with the provisions set out below in the Model for violations of the Model itself:

- against anyone who violates the whistleblower's protection measures
- against whistleblowers who, with intent or gross negligence, make reports that turn out to be unfounded.

## 7. INFORMATION AND TRAINING

### 7.1. Communication

For the purposes of the effectiveness of the Model, it is the Company's objective ensure, both for the resources already present in the company and for those who will be included, a correct knowledge of the rules of conduct contained therein, with different levels of depth in relation to the different level of involvement of the same resources in the Sensitive Processes. Similar knowledge, according to similar criteria, must be ensured for the Protocols .

The information and training system is implemented, through the means deemed most appropriate and effective, by the HR Management together with the managers of the other functions involved from time to time in the application of the Model and the Protocols .

The Company will identify suppliers and customers, including external collaborators and *partners* of various kinds, to whom it will provide any information regarding the adoption of the Model and the contents of the Model itself, with a request for a commitment to respect the principles contained therein.

### 7.2. Training

7.2.1. The training activity aimed at spreading knowledge of the regulations referred to in Legislative Decree 231/2001 differs, in content and implementation methods, depending on the qualification of the recipients, the risk level of the area in which they operate, the performance by the subjects of company representation functions and the attribution of any powers.

Linde therefore provides different levels of information and training through suitable dissemination tools.

Specific information on the Model is included in the hiring letter for all new hires and, in addition, a specific section on the Company's *website* is dedicated to the topic and is updated periodically, based on changes in legislation and/or updates to the Model.

7.2.2. Training is mandatory for all Recipients.

Training must take place with adequate frequency and with methods of recording the participation and learning of the recipients.

7.2.3. The ODV may be required to participate in training.

In any case *(i)* the Training Plan must be communicated to the ODV for any comments or suggestions and *(ii)* the documentation concerning the training (with the related outcome) must be kept available to the ODV itself.

7.2.4. Training is carried out according to the following methods.

a) Directors, management personnel and/or those with representative powers.

The training of the management staff and of the staff with powers of representation of the Company takes place on the basis of an initial seminar and periodic updates, in which all new directors and newly hired staff with the qualification of manager, or with powers of representation, participate from time to time.

b) Other staff.

The training of the remaining personnel takes place *(i)* on the basis of an internal information note which, for new hires, is attached to the letter of employment, *(ii)* on the basis of an initial training seminar also via e-learning, *(iii)* through subsequent periodic updates also in relation to any changes in job description or amendments to the legislation.

For the purposes of adequate training activities, the function managers shall ensure the dissemination of the Model and, for the subjects interested in the related Sensitive Processes, of the Protocols.

7.2.5. In case of misunderstandings or doubts of interpretation, the Recipients must contact their hierarchical superiors and, where the misunderstandings and doubts are not resolved, the ODV.

7.2.6. Documentation

The conservation of documentation relating to information and training activities will be the responsibility of Human Resources, which is responsible for internal training.

## 8. DISCIPLINARY SYSTEM

### 8.1. General principles

The effectiveness of the Model is also linked to the adequacy of the sanctioning system for the violation of the rules of conduct and, in general, of the internal procedures and regulations.

The application of disciplinary sanctions for violation of the rules of conduct and failure to comply with company provisions is independent of criminal or administrative proceedings and their outcome, as these regulations are adopted by the company in full autonomy regardless of the criminal or administrative nature of the conduct.

The sanction will be commensurate with the seriousness of the infringement and its possible repetition; recidivism will also be taken into account for the purposes of imposing

a possible expulsion sanction.

An incorrect interpretation of the principles and rules established by the Model, without prejudice to the provisions of paragraph 7.2.5 above, may constitute an exemption only in cases of good faith conduct in which the constraints imposed by the Model exceed the limits of detail required of a person of good diligence.

The sanctioning system relating to violations of the Model, as far as employees are concerned, is part of the company's disciplinary rules.

## 8.2. Sanctions for subordinate workers

The sanctions provided for in the category-specific collective bargaining agreement, or in the applicable collective bargaining agreements respectively, shall apply to subordinate workers (excluding managers), in compliance with the procedures established by current legislation.

In application of the provisions relating to labour discipline contained in the current CCNL, it is expected that:

- a) *does not observe the prescribed procedures, fails to communicate the required information to the ODV, fails to carry out checks, etc.)* or in any case, when carrying out activities within the scope of Sensitive Processes, behaves in a manner that does not comply with the provisions of the Model, incurs a written reprimand, fine or suspension, depending on the seriousness of the infringement;
- b) the worker incurs the *dismissal* provision if, in carrying out the Sensitive Processes:
  - carries out acts that do not comply with the provisions of the Model and are unequivocally aimed at committing a Predicate Offence, such behaviour being considered a breach of discipline and office duties so serious as to not permit even provisional continuation of the employment relationship,or,
  - has received a final conviction for any of the Predicate Offences or the irrevocable application of an administrative sanction for one of the administrative offences provided for by the legislation in force.

The sanctioning system refers to the various category contracts that may be applicable.

The contestation of infringements, disciplinary proceedings and the imposition of sanctions fall, within the limits of their competence, within the attributions of the subjects to whom the relevant powers are conferred by the Company Management .

## 8.3. Measures against managers

In the event of violation, by managers, in the performance of activities within the scope of the Sensitive Processes, of the provisions of the Model and/or the Protocols, the Company shall apply against those responsible the measures deemed most appropriate in accordance with the provisions of the law and the applicable CCNL, in compliance with the legal procedures in force.

#### **8.4. Measures against administrators**

In the event of a violation of the Model by members of the Board of Directors, the ODV will immediately inform the Board of Directors, which will adopt the appropriate measures within its powers, including any proposal to the shareholders' meeting to remove them from office. The relevant communications will be addressed directly to all members of the Board of Directors, with the exclusion of the individuals involved.

#### **8.5. Measures against members of the board of auditors**

In the event of a violation of the Model by members of the Board of Auditors, the ODV will immediately inform the Board of Directors and the Board of Auditors, who will adopt the appropriate measures within their respective powers, including any proposal to the shareholders' meeting to remove them from office. The relevant communications will be addressed directly to all members of the Board of Directors and the Board of Auditors, with the exclusion of the individuals involved.

#### **8.6. Measures against consultants and *partners* / suppliers**

The commission of Predicate Offences by Consultants or *Partners* /Suppliers, as well as any violation by them of the rules set out in the Model, will entail, for the company functions that have relationships with them, the obligation to activate all contractual and legal instruments available for the protection of the company's rights, including where appropriate the termination of the contract, and without prejudice to compensation for damages.

### **9. THE SYSTEM OF DELEGATIONS AND POWERS OF ATTORNEY**

The ODV must be informed of the system of delegations and powers of attorney adopted by the Company , any subsequent modifications, as well as any checks on the system of delegations/powers of attorney that may be carried out by the competent functions.

### **10. CERTIFIED MANAGEMENT SYSTEMS**

The Company has equipped itself with certified management systems as specified below.

#### **10.1. Certifications**

- a) UNI EN ISO 9001:2015 - Quality Management System , for the activity of " Configuration, marketing, rental and assistance of forklifts and design of intralogistics solutions, including technical assistance and maintenance activities". Valid for all locations.
- b) UNI ISO 45001:2018 – Safety Management System for the activity of "Marketing, rental and assistance of forklifts including technical assistance and maintenance". Valid for all locations.

- c) UNI EN ISO 14001:2015 – Environmental Management System for the activity of “Marketing, rental and assistance of forklifts including technical assistance and maintenance”. Valid for all locations.

## 10.2. Management Systems Manual

With reference to and in accordance with what is indicated in paragraph 10.1 above, the Company has adopted an Integrated Quality, Safety and Environment Manual (QSE Manual)

## 10.3. Document storage

The Company will keep the system documents updated, as well as integrate them where necessary, in order to increase the quality of the services offered and maintain the certification.

The system documentation of the aforementioned certifications is kept in the units subject to certification and can be consulted on the Company 's *intranet* ; *it constitutes*, together with the procedures provided for therein, an integral part of the Model, as well as the amendments and additions that will be adopted from time to time, and is communicated to the personnel required to observe it .

## 11. MODEL FLEXIBILITY

The Model is not to be understood as a static entity, but will be continuously adapted in relation to both the organizational process changes that the company will have to face, and with reference to any regulatory changes that may occur, and, finally, in the event of significant violations of the provisions of the Model itself and of the Protocols. The Company will therefore adopt, for the performance of activities connected to the Sensitive Processes specific to individual entities, any more specific or more protective procedures.

## 12. PARTS SPECIALS

### 12.1. Purpose of the Special Parts

The Special Parts refer to the behavior of the Recipients involved in the Sensitive Processes concerning the different categories of Predicate Offences considered to be at significant risk and are distinguished by type of Predicate Offence and by some particular categories of contracts.

The special parts indicate:

- the general company rules;
- the types of crime;
- Sensitive Processes;
- the general principles of behavior;



- the specific Procedures that regulate the matter, to be respected by the recipients of the Model;
- other useful knowledge and rules;
- the controls of the Supervisory Body.

The aim of the regulation is to ensure that all interested parties behave in compliance with the laws in force, the rules contained in the Model and the Protocols, the provisions of the Code of Ethics, and the values and policies of the shareholders, in order to prevent the commission of the Predicate Offences in question.

## 12.2. Contents of the Special Parts

The Special Parts concern respectively: (i) the Predicate Offences of embezzlement and undue receipt of funds and fraud in public supplies (art.24 Legislative Decree no. 231/2001); (ii) the Predicate Offences relating to information technology and unlawful data processing (art.24- *bis* ); (iii) the Predicate Offences against the Public Administration (art.25); (iv) the Presupposed Offences of counterfeiting of coins, public credit cards, revenue stamps and instruments or signs of recognition (art. 25- *bis* ); (v) the Presupposed Offences of corporate law (art. 25- *ter* ) and of market abuse (art. 25- *sexies* ); (vi) the Presupposed Offences of manslaughter and serious or very serious bodily harm through negligence committed in violation of the rules on workplace safety (art. 25- *septies* ); (vii) the Presupposed Offences concerning receiving stolen goods, money laundering, use of money, goods or utilities of illicit origin, self-laundering (art. 25- *octies* ); (viii) the Presupposed Offences concerning crimes relating to the violation of copyright (art. 25- *novies* ); (ix) the Predicate Offence of inducing a person not to make or to make false declarations to the judicial authority (art. 25- *decies* ); (x) the Predicate Environmental Offences (art.25- *undecies* ); (xi) certain offences concerning the employment of workers in violation of particular provisions of law: in particular the employment of citizens of third countries whose stay is irregular (art. 25- *duodecies* ) and illicit intermediation and exploitation of labour (art. 25- *quinquies* ); (xii) crimes against industry and commerce (art. 25- *bis* 1), (xiii) the Predicate Tax Crimes (art. 25- *quinquiesdecies* ); (xiv) contractual relationships: recourse to contracts or to the provision of services or work by third parties as well as relationships with marketing partners.

## **SPECIAL PART ONE**

- ***Embezzlement of public funds***
- ***Undue receipt of grants, fraud against the State or a public body or the European Union or for the purpose of obtaining public grants and computer fraud against the State or a public body and fraud in public supplies***

**(art. 24 Legislative Decree 231/2001)**

## **1. The types of Predicate Offences attributable to the type of offences referred to in this special part considered to be of significant risk (art. 24 Legislative Decree 231/2001)**

### **1.1. Embezzlement of public funds (art. 316- *bis* of the criminal code)**

The crime is committed against anyone who, outside the Public Administration, having obtained from the State, another public body or the European Community contributions, subsidies or financing intended to promote initiatives aimed at the construction of works or the performance of activities of public interest, does not use them for the aforementioned purposes (the illicit conduct consists in the diversion, even partial, of the sum obtained, regardless of whether the planned activity is carried out anyway).

Considering that the crime is committed during the executive phase, the crime itself may also be configured with reference to financing already obtained in the past.

### **1.2. Undue receipt of grants to the detriment of the State or another public body (art. 316- *ter* cp)**

The crime is committed by anyone who, through the use or presentation of false declarations or documents or documents certifying untrue things or through the omission of due information, unduly obtains, for himself or for others, contributions, financing, subsidized loans or other disbursements of the same type, however named, granted or paid by the State, by other public bodies or by the European Communities.

The crime is committed at the time of obtaining the funding and is configured, with a residual nature, only in cases in which the conduct does not constitute the crime referred to in art. 640- *bis* of the Criminal Code (aggravated fraud for the purpose of obtaining public funding).

### **1.3. Aggravated fraud for obtaining public funds (art. 640- *bis* cp)**

The crime occurs when fraud (conduct of someone who, by means of artifices or deceptions, misleads someone, procures for himself or others an unjust profit to the detriment of others: art. 640 of the Criminal Code) is carried out to unduly obtain contributions, financing, subsidized loans or other disbursements of the same type, however named, granted or paid by the State, other public bodies or the European Communities. This offence may occur when artifices or deceptions are carried out, for example by communicating untrue data or preparing false documentation, to obtain public funding.

### **1.4. Computer fraud (art. 640- *ter* of the criminal code)**

The crime occurs when a person, by altering in any way the functioning of a computer or telematic system or by intervening without right in any way on data, information or programs contained in a computer or telematic system or pertinent to it, procures for himself or others an unjust profit to the detriment of others. In fact, by way of example, the crime in question may be integrated if, once a loan has been obtained, the computer system is violated in order to insert an amount relating to the loans higher than that legitimately obtained.

The penalty is increased if the act is committed by abusing the status of system operator

(<sup>20</sup>) and is further increased if the act is committed by substituting the digital identity to the detriment of one or more subjects.

### **1.5. Fraud in public supplies (art. 356 cp) (<sup>21</sup>)**

The crime occurs when a person commits fraud in the execution of public supply contracts or in the fulfillment of other contractual obligations indicated in the previous article (<sup>22</sup>) (<sup>23</sup>) (<sup>24</sup>).

The typical element of the crime consists in fraud during the execution of one of the contracts indicated in art. 355 of the Criminal Code. It is a crime of pure conduct: therefore the commission of the crime occurs at the moment of the fraudulent execution of the contract, without the need for either the achievement of an undue profit by the supplier or the occurrence of a financial prejudice for the contracting entity.

The crime can also be committed by the subcontractor and more generally by any person who has assumed the obligation to execute the contract.

The protected legal asset is identified in the correct performance of the PA, even if the lack of the goods or services covered by the contract does not endanger the normal functioning of the establishment or service with regard to the institutional purposes.

The prevailing jurisprudence considers that fraud must be identified in every contractual violation, provided that it is the result of bad faith, without the need for the presence of artifices and deceptions towards the other party, and without the adoption of deceptive behavior, recognizing the existence of the crime when there has been fraudulent delivery of things that are totally or partially different from the agreed characteristics, the fraud being able to concern both the type, the quality, the quantity of the things or works supplied, and the poor execution of the works, without the responsible party trying to hide or disguise the defects of their performance. Fraudulent failure to perform must be read in its entirety and not divided up through the individual moments through which it is realized.

From a subjective point of view, jurisprudence is consistent in considering generic intent to be sufficient to integrate the psychological element, consisting in the awareness of carrying out a performance different from that due, with the use of means, materials and techniques different from those agreed or in any case unsuitable for correct execution. Proof of intent, however, cannot be deduced from the simple existence of defects and flaws in the supply, since it is also necessary to demonstrate that the defects are the result of fraudulent execution of the contract.

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(<sup>20</sup>) The penalty is increased by the same amount even if the act is committed to the detriment of the State or another public body or under the pretext of exempting someone from military service.

(<sup>21</sup>) The crime in question was introduced into the catalogue of predicate crimes, together with other crimes, by Legislative Decree no. 75 of 14 July 2020 "Implementation of EU Directive 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law" (so-called PIF Directive).

(<sup>22</sup>) Non-fraudulent breach of public supply contracts constitutes a crime in itself (art. 355 of the Criminal Code), which does not fall within the scope of Decree 231. It occurs when a person, by not fulfilling the obligations arising from a supply contract concluded with the State, or with another public body, or with a company providing public services or public necessity, causes the lack, in whole or in part, of things or works, which are necessary for a public establishment or a public service. Active subjects of the crime may also be subcontractors, mediators and representatives of suppliers, when they, by violating their contractual obligations, have caused the lack of supply.

(<sup>23</sup>) The crime is punishable by imprisonment from one to five years and a fine of not less than 1,032 Euro. The penalty is increased in the cases provided for in the first paragraph of the previous article, reported in note 22.

(<sup>24</sup>) The crime differs from fraud against the State or a public body in that fraud is characterised by misleading information.

### **1.6. Disturbed freedom of auctions (art. 353 cp)**

The crime occurs when a person, with violence or threats, or with gifts, promises, collusion or other fraudulent means, prevents or disturbs the bidding in public auctions or private tenders on behalf of public administrations, or drives away the bidders. The penalty is increased if the guilty party is a person appointed by law or by the Authority to the auctions or tenders in question. The penalties also apply in the case of private tenders on behalf of private individuals, directed by a public official or by a legally authorised person.

### **1.7 Disturbed freedom of the contractor selection process (art. 353-bis cp)**

The crime occurs when a person, with violence or threats, or with gifts, promises, collusion or other fraudulent means, disturbs the administrative procedure aimed at establishing the content of the tender notice or other equivalent document in order to influence the methods of selection of the contractor by the public administration.

## **2. Sensitive Processes**

The Company rarely requests contributions, grants or public funding. When this occurs, the request usually concerns contributions for staff training and funding for *e-commerce services*.

The sensitive processes that can be hypothesized concern the *procedure* for requesting contributions/financing, the actual use of the amounts received, the control and reporting of the use of the contributions themselves, participation in tenders and the request by customers who – in exchange for obtaining national and European financing for the purchase of capital goods – request to issue estimates at non-market conditions or “without discounts”.

Other processes could also concern any public supply contracts, both in the stipulation phase and in the execution phase.

The Company has identified the opportunity for the matter to be regulated.

## **3. principles of conduct**

### **3.1. Company organization**

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles in such a way that a single individual cannot follow an entire Sensitive Process alone (also with regard to the request and possibility of handling financial resources), in particular with regard to the attribution of representation, responsibility, definition of hierarchical lines and operational activities.

Recipients who request public funding on behalf of Linde MH must be granted formal authority to do so.

Persons with external powers must act within the limits of the powers granted to them. Persons without external powers must request the intervention of persons with appropriate powers.

### **3.2. Submission of funding applications**

Any applications to national or community public bodies aimed at obtaining subsidized

financing or public grants must be signed only by subjects with the relevant powers, after verification of the necessary prerequisites for submitting the application. The application must contain statements that correspond to reality.

### **3.3. Use of funds obtained**

The funds obtained must be used exclusively for the purpose for which they were granted and their use must be transparent, monitored and traceable.

The use of the funds received must be the subject of detailed periodic reporting, including during the use of the funds, and the related supporting documentation must be kept available for the performance of internal controls and ODV controls.

### **3.4. Prohibitions**

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, directly or indirectly constitute the types of crimes included among those considered above; it is also forbidden to carry out behaviours which conflict with the legislation and/or with the Model.

In particular, it is prohibited to:

- a) make monetary donations to Italian or foreign public officials;
- b) distribute freebies and gifts outside of what is provided for by company practice, which includes the applicable KION Group policies (i.e. any form of gift offered that exceeds normal courtesy practices or is in any case aimed at obtaining preferential treatment); in particular, any form of gift to Italian and foreign public officials (even in those countries where the giving of gifts is a widespread practice), or to their family members, that may influence the independence of judgment or induce them to ensure any advantage for the company is prohibited. The permitted freebies are always characterized by their small value or because they are aimed at promoting charitable or cultural initiatives, or the image of the products of the Company or companies controlled by it (so-called brand image). The gifts offered - except those of modest value - must be adequately documented to allow checks by the ODV;
- c) grant advantages of any nature (promises of employment, etc.) in favour of representatives of the Italian or foreign Public Administration which may determine the same consequences envisaged in the previous point;
- d) carry out services in favour of service companies, consultants and suppliers that cannot be adequately justified in the context of the contractual relationship with them;
- e) to recognise compensation in favour of suppliers of goods and services as well as consultants that cannot be adequately justified in relation to the type of assignment to be carried out and to the practices in force at a local level;
- f) submit false declarations to national or community public bodies in order to obtain public grants, contributions or subsidized financing;
- g) allocate sums received from national or community public bodies as grants, contributions or financing for purposes other than those for which they were granted.

The above prohibitions apply to all Recipients.



### **3.5. Transparency**

The Company must follow, in requesting and managing public grants, rules that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## **4. Specific procedures**

### **4.1. Use of funding**

Funds received must be used exclusively for the purposes indicated in the application.

The use of the funds received must be the subject of detailed periodic reporting, including during the use of the funds, and the related documentation must be kept available for the performance of internal controls.

With regard to public supply contracts, full reference is made to the provisions *below* for crimes against the public administration and in particular for participation in public tenders ( <sup>25</sup>).

### **4.2. Recourse to third party services**

The content of the Fourteenth Special Part is recalled in full.

### **4.3. Miscellaneous**

4.3.1. Any criticality or conflict of interest that may arise within the process must be communicated, in writing, not only to the company management but also to the ODV.

4.3.2. The procedures established for the prevention of computer crimes must be respected.

4.3.3. The provisions of the KION Group Compliance Code must be observed.

### **4.4. Check**

Those who perform a control and supervisory function on obligations connected to the Sensitive Processes in question must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

The procedure for reporting to the Supervisory Body must be observed.

## **5. ODV controls**

### **5.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter .

The ODV is guaranteed free access to all relevant company documentation.

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( <sup>25</sup> ) Special Part Three and in particular par. 4.3.



## **5.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this First Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART TWO**

- ***Computer crimes and unlawful data processing***  
**(art. 24- bis Legislative Decree 231/2001)**

**1. The types of Predicate Offences attributable to the typology of computer crimes and unlawful data processing considered to be of significant risk (art. 24- *bis* Legislative Decree 231/2001)**

**1.1. Falsity in electronic documents (art. 491- *bis* cp)**

The crime occurs in the case of false statements regarding a public or private computer document having evidentiary value.

**1.2. Falsehood in registers and notifications (art. 484 cp)**

The crime occurs when a person who is required by law to make records subject to inspection by the Public Security Authority, or to notify the Authority itself regarding his industrial, commercial or professional operations, writes or allows false information to be written.

**1.3. Use of a false document (art. 489 cp)**

The crime occurs when a person, without having participated in the falsity, uses a false document.

**1.4. Unauthorized access to a computer or telematic system (art. 615- *ter* cp)**

The crime occurs when a person unlawfully enters a computer or telematic system protected by security measures or remains there against the express or tacit will of the person who has the right to exclude him.

**1.5. Illegal possession and dissemination of access codes to computer or telematic systems (Art. 615- *quater* cp)**

The crime occurs when a person, in order to obtain an advantage for himself or others or to cause damage to others, illegally obtains, reproduces, disseminates, communicates or delivers codes, key words or other means suitable for accessing a computer or telematic system, protected by security measures, or in any case provides indications or instructions suitable for the aforementioned purpose.

**1.6. Interception, impediment or unlawful interruption of computer or telematic communications (617- *quater* cp)**

The crime occurs in the event of fraudulent interception of communications relating to a computer or telematic system or between multiple systems, or of impediment/interruption of the same, and also in the event of revelation of the content of the communications through any means of information to the public.

**1.7. Installation of equipment designed to intercept, prevent or interrupt computer or telematic communications (617- *quinquies* cp)**

The crime punishes the installation of equipment designed to intercept, prevent or interrupt communications relating to a computer or telematic system or between multiple systems, except in cases provided for by law.

**1.8. Damage to information, data and computer programs (art. 635- *bis* cp)**

The Company is also punishable in the event of crimes relating to the destruction, deterioration, cancellation, alteration or suppression of information, data or computer programs of others.

**1.9. Damage to information, data and computer programs used by the State or by another public body or in any case of public utility (art. 635- *ter* cp)**

The crime occurs, unless the act constitutes a more serious crime, when a person commits an act aimed at destroying, deteriorating, cancelling, altering or suppressing information, data or computer programs used by the State or by another public body or pertinent to them, or in any case of public utility.

**1.10. Damage to computer or telematic systems (art. 635- *quater* cp)**

The crime occurs when, through the conduct referred to in Article 635- *bis* , or through the introduction or transmission of data, information or programs, there is destruction, damage or unusability, in whole or in part, of other people's computer or telematic systems or seriously hinders their functioning.

**1.11. Damage to computer or telematic systems of public utility (art. 635- *quinquies* cp)**

The crime occurs when the conduct referred to in Article 635- *quater* is aimed at destroying, damaging, rendering, in whole or in part, unusable computer or telematic systems of public utility or at seriously hindering their functioning.

**1.12. Computer fraud (art. 640- *ter* of the criminal code)**

The crime occurs when a person, by altering in any way the functioning of a computer or telematic system or by intervening without right in any way on data, information or programs contained in a computer or telematic system or pertinent to it, procures for himself or others an unjust profit to the detriment of others. In fact, by way of example, the crime in question may be integrated if, once a loan has been obtained, the computer system is violated in order to insert an amount relating to the loans higher than that legitimately obtained.

The penalty is increased if the act is committed by abusing the status of system operator ( <sup>26</sup>) and is further increased if the act is committed by substituting the digital identity to the detriment of one or more subjects.

**1.13. Computer fraud by the person providing electronic signature certification services (art. 640- *quinquies* cp)**

The crime occurs in the case of providing electronic signature certification services, with the aim of obtaining an unfair profit for oneself or others or of causing damage to others, in violation of the obligations established by law for the issuing of a qualified certificate.

**1.14. Crimes referred to in Article 1, paragraph 11, of Legislative Decree 21 September 2019, no. 105 concerning national cyber security**

The Legislative Decree in question - which certainly does not shine with clarity in the wording of the law - establishes the perimeter of national cyber security, in order to ensure a high level of security of the networks, information systems and IT services of public administrations, national bodies and operators, both public and private, on which the exercise of an essential function of the State depends, or the provision of an essential service for the maintenance of civil, social or economic activities that are fundamental to

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( <sup>26</sup>) The penalty is increased by the same amount even if the act is committed to the detriment of the State or another public body or under the pretext of exempting someone from military service.

the interests of the State and whose malfunction, interruption, even partial, or improper use, may result in damage to national security. In light of the above, a decree of the President of the Council of Ministers, adopted on the proposal of the Interministerial Committee for the Security of the Republic (CISR), identifies the public administrations and national operators, both public and private, included in the perimeter of national cyber security and required to comply with the measures and obligations provided for in this matter. The entities in question are required in particular to prepare, update and transmit to the competent ministries, at least annually, a list of the networks, information systems and IT services of their respective relevance.

The conduct constituting a crime consists in providing - for the purpose of hindering or influencing the performance of the proceedings referred to in paragraph 2, letter b) ( <sup>27</sup>) or paragraph 6, letter a) ( <sup>28</sup>), or the inspection and supervisory activities provided for in paragraph 6, letter c) ( <sup>29</sup>) - information, data or factual elements that do not correspond to the truth, relevant for the preparation or updating of the lists referred to in paragraph 2, letter b), or for the purposes of the communications referred to in paragraph 6, letter a), or for the performance of the inspection and supervisory activities referred to in paragraph 6), letter c) or fails to communicate the aforementioned data, information or factual elements within the prescribed time limits. The crime is punishable by imprisonment from one to five years.

## 2. Sensitive Processes

With regard to computer crimes, the relevant Sensitive Processes are mainly related to: (i) access, use and management of IT structures, systems and services; (ii) installation of equipment to intercept, prevent or interrupt IT or telematic communications; (iii) possession and dissemination of *passwords* and access codes to IT systems; (iv) preparation of information documents; (v) use of digital identities; (vi) data processing with reference to the legislation set out in the GDPR and Legislative Decree 10/08/2018 n° 101 "harmonization of the Privacy Code with European legislation" .

In particular, theoretical risks exist with reference to the following Sensitive Processes:

- a) management of IT structures, systems and services, including access, alterations and modifications to the Company's system, and in particular to confidential *files* and folders, by the system administrator or other persons, including those external to the company organisation;
- b) use of the Company's IT system by both employees or collaborators and by *dealers (sellers)* ;
- c) data processing;
- d) possession and dissemination of access codes to computer or telematic systems;
- e) use of digital identities;

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( <sup>27</sup>) Paragraph 2, letter b) penalises the falsity or omission of declarations by the subjects in question.

( <sup>28</sup>) Paragraph 6, letter a) penalises the violation of obligations to communicate the awarding of contracts.

( <sup>29</sup>) Paragraph 6, letter c) penalises the impediment of inspection and supervisory activities by the relevant bodies.



- f) dissemination of computer equipment, devices or programs;
- g) preparation of information documents;
- h) activities involving the risk of interception, impediment or illicit interruption of computer or telematic communications;
- i) management of information systems support services;
- j) access to third-party systems.

The risk of computer fraud of the entity providing electronic signature certification services is excluded, as the Company purchases the signature certification services externally, without performing them itself.

### 3. General principles of conduct

#### 3.1. Recipients

The following rules of conduct apply to the Recipients with particular reference to those who, in any capacity, are responsible for the management and maintenance of *servers*, databases, applications, *clients* and telecommunication networks, as well as to all those who have access to the information system. company and in particular to those who have been assigned *passwords* and access keys.

#### 3.2. Compliance with the relevant legislation and requirements

In order to comply with the rules and observe the provisions of this Second Special Part, the recipients of the Model must comply with the principles and procedures described below, as well as with the Rules and General Principles contained in the General Part of the Model, or referred to therein, both in Italy and abroad. They must also comply with (i) the Code of Ethics and the truth and transparency of the documentation used, in all circumstances; (ii) the legislation on *Data Processing* ( GDPR and Legislative Decree 10/08/2018 n° 101 "harmonization of the Privacy Code with European legislation") including the provisions issued by the Privacy Guarantor; (iii) the ownership and title of other people's IT systems; (iv) the utmost diligence in the processing of IT documentation.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among those considered above; it is also forbidden to carry out behaviours in violation of the company principles and procedures set out in this Special Part.

#### 3.3. Company organization

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles in such a way that a single individual cannot follow an entire Sensitive Process alone (also with regard to the request and possibility of handling financial resources), in particular with regard to the attribution of representation, responsibility, definition of hierarchical lines and operational activities.

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

The company organization must ensure compliance with the relevant regulations.

### **3.4. Summary programmatic document**

The Company will adopt, and the Recipients are required to observe, a summary programmatic document aimed primarily at ensuring and regulating the regulation of the management and monitoring system for the protection and access, at the various functional levels, to the company's IT and telematic systems, within which the following activities are regulated:

- User profile management and authentication process
- workstation management and protection
- external access management
- Network management and protection
- Management of system outputs and storage devices
- physical security.

### **3.5. Communications for the purposes of national cyber security**

The communications in question (insofar as they concern data, information or factual elements relevant to national cyber security) must be made by an Executive Director, or a person expressly delegated by him in writing, after verification and approval by the IT manager. In the event that the delegate is the IT manager, the communications must in any case be approved by an Executive Director.

In any case, communications must be made within the prescribed time limits and their omission is not permitted.

### **3.6. Traceability**

The Company must follow rules that guarantee the traceability and transparency of the choices made , keeping all supporting documentation available to the ODV .

## **4. Specific procedures**

### **4.1. General obligations and prohibitions for users of the computer system**

System users:

- a) may not use alternative connections to those provided by the Company;
- b) can access the information system only through uniquely assigned identification codes;
- c) must refrain from any conduct that may compromise the confidentiality and integrity of the information and data of Emmelibri and third parties;
- d) must refrain from any conduct aimed at overcoming or circumventing the protections of the company IT system;
- e) must keep the identification codes, and are prohibited from communicating them to third parties;
- f) they must not install programs without the authorizations required in internal

procedures;

- g) must not carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among those considered above;
- h) must respect the ownership and ownership of other people's computer systems.

#### 4.2. Minimum safety measures

System administrators ( <sup>30</sup> ) must implement appropriate measures to prevent *hacking phenomena* , such as, for example, the necessary firewalls that prevent external access. System administrators are provided with their own authentication credentials.

The Company, with the support of system administrators, must provide the following minimum security measures:

- a) access to information residing on company *servers* and databases controlled by models, procedures and tools authentication, with the provision of unique access credentials to employees *client* ;
- b) access to applications guaranteed through authorization tools;
- c) periodic verification of the identification of the scope of data processing permitted to individual persons in charge and responsible for the management or maintenance of electronic instruments;
- d) periodic updating of servers and PCs (including laptops) based on specific needs;
- e) protection of electronic devices and data against unlawful data processing, unauthorized access and certain computer programs;
- f) adoption of procedures for the storage of backup copies and for the restoration of the availability of data and systems;
- g) impossibility of abusively replicating passwords and access codes to computer or telematic systems; passwords must be kept in a special container subject to password;
- h) any access to and exit from the system by the system administrator must be traced, also in order to allow the detection of any alteration of the system by users, in compliance with the legislation on data processing;
- i) prohibition for system administrators – also in compliance with Group policies – to operate outside their duties without the authorization of the user concerned;
- j) availability of network data replicated on personal computers only to authorized users;
- k) protection of networking devices using appropriate tools to limit external access (firewalls and proxies);
- l) placing networking devices in dedicated and protected areas in order to make them

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( <sup>30</sup> ) In the absence of shared regulatory and technical definitions, the system administrator is defined in the Provision of the Privacy Guarantor of 27 November 2008 as "a professional figure dedicated to the management and maintenance of processing systems with which personal data processing is carried out, including database management systems, complex software systems such as ERP ( *Enterprise resource planning* ) systems used in large companies and organisations, local networks and security devices, to the extent that they allow intervention on personal data".

accessible only to authorised personnel;

- m) protection of servers, PCs and other electronic devices (such as laptops, mobile phones and the like) with antivirus programs, automatically updated against the risk of intrusion;
- n) protection of the machine room servers by means of adequate devices that prevent anomalous behaviour and access to the servers limited to authorised personnel only in order to guarantee the physical security of the data contained and managed therein.

#### **4.3. Inspections**

Any inspections in this area must be attended by persons specifically delegated to do so for the Company. The Company is required, during any inspection activities, to provide maximum cooperation in carrying out the investigations. In particular, the documents that the inspectors deem necessary to acquire must be made available promptly and in full, with the prior consent of the company manager responsible for assistance with the inspection and delegated to communicate with the proceeding Authority.

The minutes drawn up by the Public Authorities must be diligently kept by the company function that is responsible for following the inspection/verification. Where appropriate, the interested function may add minutes or reports for internal company use to the minutes of the proceeding Authorities. The ODV must be informed of the inspection and, in the event that the final report highlights critical issues, it must be promptly informed with a written note from the head of the function involved.

#### **4.4. Data processing**

With regard to data processing, the Company must in particular observe the following provisions:

- a) The Company appoints, where the conditions exist (see art. 37 of the GDPR), the Data Protection Officer in accordance with Community legislation.
- b) The processing of personal data (even partial) can be carried out only in compliance with the conditions of lawfulness indicated in articles 6 and 9 of the GDPR. In particular, where the processing is carried out on the basis of consent, the Data Controller and/or the subjects authorised by it must check that the consent is given freely and specifically in reference to a clearly identified processing, documented in writing, after providing the interested party with the information referred to in the GDPR .
- c) The sending of advertising or direct sales material or for the performance of market research or commercial communication can only be carried out using the following methods:
  - for the possible use of automated calling systems without the intervention of an operator , the prior consent of the recipients is required ( <sup>31</sup>);

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( <sup>31</sup>) The consent of the interested party, without prejudice to the provisions of point b) above, may not be required if the data controller uses, for the purposes of direct sales of its own products or services , the email addresses provided by the interested party in the context of the sale of a product or service, provided that these are services similar to those being sold and the interested party, adequately informed, does not refuse such use, initially or on the occasion of subsequent communications.

- the prior consent of the recipients must also be acquired for electronic communications via email, fax, MMS (Multimedia Messaging Service) or SMS (Short Message Service) type messages or other types;
  - the recipient must be informed of the possibility of objecting to the processing at any time, easily and free of charge;
  - communications must not be made by disguising or concealing the sender's identity or without providing a suitable address at which the interested party can exercise the rights mentioned above.
- d) The communications and provisions of the Privacy Guarantor addressed to the Company must be transmitted to the Data Controller, or to a person designated by the same or to the Data Protection Officer where appointed, who will be responsible for examining what is prescribed by the Authority and supporting the Company in adopting the appropriate measures to act in compliance with what is requested.
- e) The processing of data other than the so-called special data ( <sup>32</sup>), which presents specific risks for the fundamental rights and freedoms, as well as for the dignity of the interested party, in relation to the nature of the data or the methods of processing or the effects it may determine, is permitted in compliance with measures and precautions to guarantee the interested party, where prescribed by the Guarantor.
- f) The communication and dissemination of personal data whose cancellation has been ordered is prohibited, except for the communication or dissemination of data requested by the judicial authority, by the police force or by public authorities in general for the purposes of defense or security of the State or for the prevention, detection or repression of crimes.
- g) It is prohibited, outside the cases permitted by law, the transfer, even temporary, outside the territory of the State, in any form or means, of personal data being processed, directed to a country not belonging to the European Union , when the legal system of the country of destination or transit of the data does not ensure an adequate level of protection of individuals.

#### **4.5. Processing of special categories of personal data**

Where the data processed falls into the category of so-called special data, the following additional provisions must be observed:

##### **4.5.1. Definition of categories of special personal data**

The GDPR defines "special categories of data" as "*personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, as well as the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation* ."

##### **4.5.2. Conditions of treatment**

Special data may be processed only in compliance with the conditions of lawfulness described in art. 9 of the GDPR and the Privacy Code, as amended by Legislative

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( <sup>32</sup>) For the definition of particular categories of data, please refer to paragraph 4.5.1 below.

Decree 101/2018 ; during processing, the measures and precautions prescribed by the Guarantor must be observed. In particular, with regard to the processing of special data in the context of employment relationships, the Company must comply with the measures indicated in the General Authorization of the Privacy Guarantor (no. 1/2016 and subsequent amendments) ( <sup>33</sup>).

#### 4.5.3. Personal data of the court ( <sup>34</sup>)

The processing of personal data relating to criminal convictions and offences or related security measures shall be permitted only if authorised by express provisions of Union or Member State law, or by a provision of the Guarantor, which specify the relevant public interest purposes of the processing, the types of data processed and the operations that may be performed.

#### **4.6. Authority for the protection of personal data**

In notifications to the Guarantor Authority or in communications, deeds, documents or declarations made or exhibited in proceedings before the Guarantor, or during investigations, the declarations and certificates, and the documents produced, must be truthful.

The measures adopted by the Guarantor Authority must be regularly executed.

#### **4.7. Communications to the ODV**

Any critical issues or conflicts of interest that may arise within the scope of the Sensitive Processes must be communicated, in writing, not only to the company management but also to the ODV.

Those who perform a control and supervisory function on obligations connected to the Sensitive Processes in question must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

The provisions of the Code of Ethics and the procedure for reporting to the Supervisory Body must generally be observed.

#### **4.8. Coordination with the provisions of the GDPR and Legislative Decree no. 196/2003 (Privacy Code) as amended by Legislative Decree 10/08/2018 no. 101 "harmonization of the Privacy Code with European legislation"**

The Company is aware that the matrix of measures of Model 231 that concern the prevention of conduct/crimes that may occur in the interest or to the advantage of the entity, committed by subjects within the network, intersects with the matrix of measures of the separate and different model for compliance with the GDPR and Legislative Decree no. 196/2003 (Privacy Code) as amended by Legislative Decree no. 101/2018 ("harmonization of the Privacy Code with European legislation"), both of which are

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( <sup>33</sup>) The provision does not apply to the processing (i) of data relating to members of religious confessions and to individuals who, with reference to exclusively religious purposes, have regular contact with the same confessions, carried out by the relevant bodies, or by civilly recognised bodies, provided that the data are not disseminated or communicated outside the same confessions; (ii) of data relating to the membership of associations or organisations of a trade union or category nature to other associations, organisations or confederations of a trade union or category nature.

( <sup>34</sup>) The Privacy Code defines "judicial data" as "personal data capable of revealing the provisions referred to in Article 3, paragraph 1, letters a) to o) and r) to u), of Presidential Decree 14 November 2002, no. 313, regarding criminal records, the register of administrative sanctions deriving from crimes and related pending charges, or the status of defendant or suspect pursuant to Articles 60 and 61 of the Code of Criminal Procedure".



designed to protect data regardless of whether the violation occurs by internal or external subjects. It is in fact to be considered clear that the commission of computer crimes may entail the risk of a data security violation that produces "unauthorized disclosure or access to personal data or their loss, destruction or modification" and this regardless of whether the violation is committed accidentally or unlawfully. In any case, the violation may entail heavy economic sanctions and damages against the Company.

With reference to the above, the Company provides for functional coordination between the two organizational and prevention systems (231 and GDPR), taking into account (i) the catalogue of Predicate Computer Crimes , (ii) other types of crimes whose implementation makes use of IT systems [such as, for example, computer fraud (art. 640-ter of the Civil Code), certain types of corporate crimes (pursuant to art. 25-ter ), certain crimes relating to the violation of copyright (pursuant to art. 25-novies )] and (iii) the impact of IT also on the management of whistleblowing pursuant to Law 179/2017.

In this perspective, the Data Controllers will take into account the Model 231 in drafting the Data Processing Register, but the ODV will also have to acquire the data processing registers and verify that the two risk matrices are not in conflict with each other, giving different interpretations to the same protection function.

## **5. Use of third-party services**

The contents of the Fourteenth Special Part are recalled in full.

## **6. Miscellaneous**

**6.1.** Any critical issues or conflicts of interest that may arise within the scope of the Sensitive Processes must be communicated, in writing, not only to the company management but also to the ODV.

Those who perform a control and supervisory function on obligations connected to the Sensitive Processes in question must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

**6.2.** The provisions of the Code of Ethics and the procedure for reporting to the Supervisory Body must generally be observed.

The provisions of the KION Group Compliance Code must be observed.

## **7. ODV controls**

### **7.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### **7.2. Activities of the Supervisory Body**



Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Second Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company 's management any anomalies or critical issues that it may detect.



## **SPECIAL PART THREE**

- ***Crimes against the Public Administration***  
**(art. 25 Legislative Decree 231/2001)**

## **1. The types of Predicate Offences attributable to the typology of offences against the public administration, considered to be of significant risk (art. 25 Legislative Decree 231/2001)**

### **1.1. Extortion (art. 317 cp)**

The crime occurs when a public official or a person in charge of a public service ( <sup>35</sup>), abusing his powers or his position, forces someone to give or promise unduly, to him or to a third party, money or other benefits. Coercion means any moral violence implemented with abuse of quality and power that results in a threat of unjust harm.

Since this is a crime specific to a public official in which the private individual takes on the role of the person offended/damaged by the crime, the possibility that such crime could constitute Predicate Offences for the direct liability of the entity appears residual. By way of example, however, one can conjecture the case of an employee of the Company concurring in the crime by instigating a public official to engage in extortionate conduct towards a third party, without prejudice, of course, to the extreme of the advantage or interest that the Company should derive from such conduct.

### **1.2. Corruption for the exercise of function or powers (art. 318 cp)**

The crime occurs when a public official or a person in charge of a public service (for the latter see art. 320 of the Criminal Code) receives, for himself or for others, money or other benefits, or accepts the promise thereof, to perform acts in the exercise of his functions or powers. The activity of the public official, in other words, is expressed in an act in accordance with the duties of office (for example: issuing a required authorization).

The penalty also applies to anyone who gives or promises money or other benefits.

### **1.3. Corruption for an act contrary to official duties (art. 319 cp)**

The crime occurs when a public official or a person in charge of a public service receives, for himself or for others, money or other benefits, or accepts the promise thereof, to omit or delay, or to have omitted or delayed, acts of his office (determining an advantage for the offerer). The activity of the public official in other words is expressed in the omission of an official act or in an act contrary to the duties of office (for example: issuing an authorization in the absence of requirements by the applicant).

The penalty also applies to anyone who gives or promises money or other benefits.

This criminal hypothesis differs from extortion in that in corruption there is an agreement between the corrupt and the corrupter aimed at achieving a mutual advantage, while in extortion the private individual is subjected to coercion by the public official.

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( <sup>35</sup>) The definition of public official and public service employee established by the penal code is reported below, which is also useful for the interpretation of the other articles of law cited below.

Art. 377 cp Definition of public official

*" For the purposes of criminal law, public officials are those who exercise a public legislative, judicial or administrative function. For the same purposes, the administrative function regulated by public law provisions and by authoritative acts and characterized by the formation and manifestation of the will of the public administration or by its performance by means of authoritative or certifying powers is public . "*

Art. 358 Definition of the person in charge of a public service:

*« For the purposes of the criminal law, those who, in any capacity, provide a public service are entrusted with a public service. Public service must be understood as an activity regulated in the same forms as a public function, but characterized by the lack of the powers typical of the latter, and with the exclusion of the performance of simple administrative tasks and the provision of merely material work.*

#### **1.4. Corruption in judicial acts (art. 319- *ter* cp)**

The crime occurs when corruption acts (see articles 318 and 319 of the Criminal Code) are committed against a public official to favor or damage a party in a civil, criminal or administrative proceeding. The crime is also constituted in the event that there is no unjust damage or unjust advantage (the unjust conviction gives rise to an aggravating circumstance). The definition of public official referred to in the law includes not only magistrates but also their institutional collaborators (e.g. clerks).

#### **1.5. Undue inducement to give or promise benefits (art. 319- *quater* cp)**

The crime occurs when a public official or a person in charge of a public service, abusing his position or his powers, induces someone to give or promise unduly to him or to a third party, money or other benefits. Unlike what is provided for extortion, the private individual is punishable.

According to case law, undue inducement may consist of an activity of suggestion, persuasion or moral pressure carried out by a public official or a person in charge of a public service towards a private individual which, although perceived as illicit by the latter, does not destroy his freedom of determination, making it possible for him not to accede to the claim of the public entity.

#### **1.6. Incitement to corruption (art. 322 cp)**

The crime occurs when a private individual offers or promises money or other undue benefits to a public official or a person in charge of a public service, if the offer or promise is not accepted.

Incitement can be configured both with reference to corruption for the exercise of functions or powers (art. 318 cp), and to corruption to omit or delay an official act.

#### **1.7. Sentence increases**

Law no. 69 of 27 May 2015 increased the penalties for the crimes referred to in Articles 318 (bribery for an official act), 319 (bribery to omit or delay an official act or commit an act contrary to official duties), 319-*ter* ( *bribery* in judicial acts) and 319- *quater* (undue inducement) of the Criminal Code, mentioned above.

#### **1.8. Sanctions interdictory for corruption crimes**

Law no. 3 of 19 January 2019 (amending art. 25 of the Decree) has increased the interdictory sanctions for corruption crimes, differentiating the *quantum* based on the role held within the entity by the person who committed the crime: for crimes committed by directors, the application of interdictory sanctions is foreseen from four to seven years, while for crimes committed by persons under the supervision or control of the latter, the sanction is foreseen from two to four years.

#### **1.9. Voluntary repentance for corruption crimes**

Law no. 3 of 19 January 2019 (by inserting a new paragraph 5-bis into art. 25 of the Decree ) introduced a reduction in sentence for entities that, before the first-instance sentence, take steps to prevent the criminal activity from leading to further consequences, to ensure evidence of the crimes and to identify those responsible or to seize the sums or other benefits transferred and have eliminated the organizational deficiencies that led to the crime by adopting and implementing organizational models suitable for preventing crimes

of the type that occurred.

#### **1.10. Traffic of illicit influences (art. 346- *bis* cp)**

The crime occurs when "anyone, outside of cases of complicity in the crimes referred to in Articles 318, 319, 319- *ter* and in the corruption crimes referred to in Article 322- *bis* , exploiting or boasting of existing or alleged relationships with a public official or a person in charge of a public service or one of the other subjects referred to in Article 322- *bis* , unduly causes money or other benefits to be given or promised, to himself or to others, as the price of his illicit mediation towards a public official or a person in charge of a public service or one of the other subjects referred to in Article 322- *bis* , or to remunerate him in relation to the exercise of his functions or powers". The crime is punishable by imprisonment from one year to four years and six months.

The same penalty applies to anyone who unduly gives or promises money or other benefits.

Increases in punishment are foreseen in the case of involvement of public officials or public service employees; the punishment is instead reduced if the facts are of particular triviality.

#### **1.11. Embezzlement (art. 314 cp, 1st paragraph),** when the act offends the financial interests of the European Union ( <sup>36</sup>)

The crime occurs when a public official or a person in charge of a public service appropriates money or other movable property belonging to others which he has possession of or in any case has access to by reason of his office or service. The provision falls within the scope of Decree 231 when the act offends the financial interests of the European Union ( <sup>37</sup>).

Since this is a crime typical of a public official and a person in charge of a public service, the liability of the Company appears to be configurable (i) in the case of complicity by a person linked to the company by one of the relationships from which the imputability of the company itself derives; (ii) for public economic bodies and for companies with public participation, in which some persons may assume public qualifications by virtue of the activity actually carried out.

#### **1.12. Embezzlement by profiting from the error of others (art. 316 of the Criminal Code),** when the act offends the financial interests of the European Union ( <sup>38</sup>)

The crime occurs when a public official or a person in charge of a public service, in the exercise of his functions or service, taking advantage of the error of others, unduly receives or retains, for himself or for a third party, money or other benefits. The crime is punishable by imprisonment from six months to three years and by imprisonment from six months to four years when the act offends the financial interests of the European Union and the damage or profit exceeds €100,000.

Since this is a crime typical of a public official and a person in charge of a public service, the liability of the Company appears to be configurable (i) in the case of complicity by a

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( <sup>36</sup>) The crime in question, together with the crime of embezzlement by profiting from the error of others (art. 316 of the Criminal Code), has been included among the predicate crimes contemplated in art. 25 of Decree 231 with the amendment of said article made by Legislative Decree 14.7.2020 n. 75, provided that the fact constituting the crime offends the financial interests of the European Union . In this latter regard, it should be specified that the aforementioned Legislative Decree n. 75 was issued in "Implementation of EU Directive 2017/1371 on the fight against fraud affecting the financial interests of the Union by means of criminal law" (so-called PIF Directive) .

( <sup>37</sup>) The company will be subject to a pecuniary sanction of up to 200 shares.

( <sup>38</sup>) See note 22.

person linked to the company by one of the relationships from which the imputability of the company itself derives; (ii) for public economic bodies and for companies with public participation, in which some persons may assume public qualifications by virtue of the activity actually carried out.

### **1.13. Improper allocation of money or movable goods (314-bis cp)**

**1.14.** The crime occurs when a public official or a person in charge of a public service, who, by reason of his office or service, has possession or in any case the availability of money or other movable property belonging to others, uses them for a purpose other than that provided for by specific provisions of law or by acts having the force of law from which there is no margin of discretion and intentionally procures for himself or others an unjust patrimonial advantage or for others an unjust damage. The offence is punishable by imprisonment from six months to three years.

### **1.15. Extension of liability for damages caused to the European Union**

In general, Legislative Decree 75/2020 has established that in relation to all crimes against the public administration referred to in art. 25 of Legislative Decree 231/2001, liability is also extended to cases that damage not only the Italian State and public bodies, but also the financial interests of the European Union. In the latter case, sanctions are generally increased.

## **2. Sensitive Processes**

Linde, through the analysis carried out, has identified some Sensitive Processes in the activity towards the Public Administration, or towards the European Community (Parliamentarians, officials), verifying the existence of procedures that regulate them or detecting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where necessary, appropriate updating.

The Sensitive Processes identified mainly refer to:

- a) request and management of licenses, permits, concessions, authorizations;
- b) relations with the Revenue Agency and the Guardia di Finanza concerning the Company's tax position; relations with local authorities in relation to local taxes;
- c) relations with Labour Offices and Labour Inspectorate, during the ordinary management of resources;
- d) relationships with social security institutions for the payment of contributions, allowances, premiums and the management of accidents at work;
- e) relations with public administration offices concerning safety and hygiene at work;
- f) relations with the Fire Brigade to obtain fire prevention permits and certificates;
- g) activities related to environmental protection;
- h) relations with the Public Administration in general in the context of inspection activities;
- i) participation in public tenders ;
- j) stipulation, with the Public Administration, of procurement contracts, sponsorship contracts



and contracts in general;

- k) relations with ministerial, regional, provincial, municipal offices, and public administration offices in general; in particular relations with public officials and public service representatives;
- l) mandatory hiring;
- m) placement, suitability tests, mandatory hiring;
- n) relations with the Customs Agency for the import and export of goods;
- o) recourse to consultants or service providers who enter into relationships with the Public Administration on behalf of the Company;

The risks can be found both in the activities of the head office and in the activities of the branches.

### **3. General principles of conduct**

#### **3.1. Organization and powers**

- 3.1.1. In general, the company's organizational system must comply with the fundamental requirements of formalization and clarity, of segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources), in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.
- 3.1.2. Members of corporate bodies and employees who maintain relationships with the Public Administration on behalf of the Company must be granted formal power in this regard. Persons with external powers must act within the limits of the powers granted to them. Persons without external powers must request the intervention of persons with appropriate powers.
- 3.1.3. Any critical issues or conflicts of interest that may arise in the context of the relationship with the Public Administration must also be communicated, in writing, to the ODV.
- 3.1.4. The Recipients must comply with the General Principles and Rules contained in the General Part of the Model or referred to therein, such as the management manuals and the system documentation underlying the certifications, the Code of Ethics, as well as the specific procedures, both in Italy and abroad.

#### **3.2. Prohibitions**

The general prohibitions specified below apply to all Recipients.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, directly or indirectly constitute the types of crimes included among those considered above; it is also forbidden to carry out behaviours which conflict with the legislation and/or with the Model.

In the context of the aforementioned behaviors, it is specifically prohibited to:

- a) make or promise donations of money or other benefits to Italian or foreign public

officials;

- b) distribute freebies and gifts outside of what is provided for by company practice (i.e. any form of gift offered that exceeds normal commercial or courtesy practices, or in any case aimed at obtaining preferential treatment in the conduct of any company activity); in particular, any form of gift to Italian and foreign public officials (even in those countries where the giving of gifts is a widespread practice), or to their family members, that may influence the independence of judgment or induce them to ensure any advantage for the company is prohibited. The permitted freebies are always characterized by their small value or because they are aimed at promoting charitable or cultural initiatives, or the image of the products of the company or company controlled by it ( *brand image* ). The gifts offered - except those of modest value - must be documented in an adequate manner to allow checks by the ODV;
- c) grant advantages of any nature (promises of employment, etc.) in favour of representatives of the Italian or foreign Public Administration which may determine the same consequences envisaged in the previous point;
- d) carry out services in favour of service companies, consultants and suppliers that cannot be adequately justified in the context of the contractual relationship with them;
- e) consent to (or cooperate in) allowing public officials or persons in charge of a public service, whether in Italy or within the European Union, to appropriate money or other movable property belonging to others of which they have possession or in any case availability by reason of their office or service;
- f) consent to (or cooperate so that) public officials or persons in charge of public services, both in Italy and within the European Union, may commit abuses of office as described above;
- g) to recognise compensation in favour of suppliers of goods and services as well as consultants that cannot be adequately justified in relation to the type of assignment to be carried out and to the practices in force at a local level;
- h) submit false declarations to national or community public bodies in order to obtain public grants, contributions or subsidized financing;
- i) allocate sums received from national or community public bodies as grants, contributions or financing for purposes other than those for which they were granted.

### 3.3. Traceability

The Company must follow, by attributing appropriate evidence, procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## 4. Inspections

Inspections by the Public Administration must be attended by persons expressly delegated for this purpose on behalf of the Company. The Company is required, during any inspection activities, to provide maximum cooperation in carrying out the investigations. In particular, the documents that the inspectors deem necessary to acquire must be made available promptly and

in full, with the prior consent of the company manager responsible for assisting in the inspection and delegated to communicate with the proceeding authority.

The minutes drawn up by the public authorities must be diligently preserved by the company function that is responsible for following the inspection/verification. Where appropriate, the interested function may add minutes or reports for internal company use to the minutes of the proceeding authorities.

The ODV must be informed of the inspection and, in the event that the final report highlights critical issues, it must be promptly informed with a written note from the person responsible for the function involved.

## **5. Participation in tenders and public supplies)**

Any applications to national or community public bodies aimed at participating in tenders or obtaining subsidized financing or public grants must be signed only by subjects with the relevant powers, after verification of the necessary prerequisites for submitting the application.

The application must contain truthful statements, must not omit required information, must not contain misleading or false information.

The designated function must verify that there are no grounds for the Company to be excluded from participation in the tender as provided for by the laws in force ( <sup>39</sup>).

It is forbidden, prior to the tender and until the contracting authority has proceeded with the award of the same, to maintain contacts:

- a) with subjects of the contracting station, or attributable to the same, aimed at unduly influencing the contents of the tender and/or the requirements for participation in the tender and/or the decision-making process for the awarding of the tender; or in order to obtain confidential information for one's own advantage;
- b) with subjects attributable to potential competitors, aimed at influencing the competitor's participation in the tender.

The same criteria set out above, and in particular the correctness and transparency of conduct, must be followed in the stipulation and execution of public supply contracts as well as in the fulfillment of the related contractual obligations.

## **6. Use of third-party services**

The contents of the Fourteenth Special Part are recalled in full.

## **7. (Non) use of cash**

Outside of the management of petty cash, cash payment transactions are prohibited, except in

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( <sup>39</sup>) The following may be grounds for exclusion from the tender, by way of example: having committed serious, duly ascertained infringements of the regulations on health and safety at work or on the environment; the existence of a situation of conflict of interest; the existence of situations distorting competition; having suffered interdictory sanctions pursuant to Legislative Decree 231/2001; failure to comply with the regulations on the hiring of disabled people; the existence of a situation of control over other participants; the existence of serious professional misconduct pursuant to art. 80, paragraph 5, letter c) of the public procurement code.

cases that are exhaustively documented and justified by the Executive Directors; in any case, cash payments to members of the Public Administration are prohibited.

## 8. Check

Those who perform a control and supervisory function on obligations connected to the performance of the aforementioned activities (payment of invoices, allocation of funding obtained from the State or from community bodies, etc.) must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

## 9. Procedure

In relations with the Public Administration, procedures must be observed, if applicable, also those issued by the parent company KION AG, in the following areas:

- a) provisions of the KION Group Compliance Code and general *compliance* rules ;
- b) payment management;
- c) issuing, managing and paying for orders;
- d) travel, expense reimbursements and invoices, petty cash
- e) tributes;
- f) tenders, contracts, sponsorships, contracts in general with public administrations
- g) signatures also concerning the issuing of powers of attorney;
- h) implementation of the KION Group Compliance Code with reference to the local Italian reality,
- i) staff selection,
- j) reports to the Supervisory Body.

## 10. ODV controls

### 10.1. Reports to the Supervisory Body

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### 10.2. Activities of the Supervisory Body

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Third Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.



The ODV will report to the Company's management any anomalies or critical issues that it may detect.

## **SPECIAL PART FOUR**

- ***Counterfeiting of coins, public credit cards, stamps and instruments or signs of recognition***  
**(art. 25- bis Legislative Decree 231/2001)**

## **1. The types of Predicate Offences attributable to the type of offences referred to in this special part, considered to be of significant risk (art. 25- *bis* Legislative Decree 231/2001)**

Below is a brief description of the only Predicate Offence of the type in question that is considered at risk of being committed.

### **1.1. Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and designs. (art. 473 cp)**

The crime occurs when a person, being aware of the existence of an industrial property title: (i) counterfeits or alters trademarks or distinctive signs, national or foreign, of industrial products, or, without being involved in the counterfeiting or alteration, makes use of such counterfeit or altered trademarks or signs; (ii) counterfeits or alters industrial patents, designs or models, national or foreign, or, without being involved in the counterfeiting or alteration, makes use of such counterfeit or altered patents, designs or models.

## **2. Sensitive Processes**

The risk of counterfeiting, alteration, use of trademarks or distinctive signs or patents, models and designs is considered to be modest. In fact, the Company normally uses its own trademarks and distinctive signs.

The Sensitive Processes identified mainly refer to:

- a) Branch activities in relation to the case in which the Branch markets third-party brand sweepers, shelves and platforms which are purchased and resold or rented;
- b) product development;
- c) introduction into the State and trade of third party products.

## **3. General principles of conduct**

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources), in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.

The Recipients must comply with the General Principles and Rules contained in the General Part of the Model, or referred to therein, such as the management manuals and the system documentation underlying the certifications, the Code of Ethics, as well as the specific procedures, both in Italy and abroad.

The general prohibitions specified below apply both to employees and members of the corporate bodies of Linde MH, directly, and to *service companies*, consultants, suppliers and *partners* involved in the Company's activities in various capacities, pursuant to specific contractual clauses.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among



those considered above; it is also forbidden to carry out behaviours in violation of the company principles and procedures set out in this Special Part.

#### **4. Specific procedures**

- 4.1.** The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.
- 4.2.** Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.
- 4.3.** The provisions of the KION Group Compliance Code must be observed.
- 4.4.** The use of third-party *know-how for the purposes of developing the Company's products* and the introduction and marketing of third-party products in the State must take place according to a system of prior verification of the existence of any patents or proprietary rights and after obtaining the necessary licenses, in any case supported by specific contractual guarantees.
- 4.5.** The procedure for reporting to the Supervisory Body must be observed.

#### **5. ODV controls**

##### **5.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

##### **5.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Fourth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART FIVE**

- ***Corporate Crimes***  
**(art. 25- *ter* Legislative Decree no. 231/2001)**
- ***Market abuse***  
**(art. 25- *sexies* Legislative Decree no. 231/2001)**

## **1. The types of Predicate Offences attributable to the typology of corporate offences, considered to be of significant risk (art. 25-ter Legislative Decree 231/2001)**

### **1.1. False corporate communications (art. 2621 cc)**

The crime hypothesis referred to in art. 2621 of the Civil Code occurs when « *Outside the cases provided for in art. 2622 (editor's note: concerning listed companies), directors, general managers, managers responsible for drawing up corporate accounting documents, auditors and liquidators, who, in order to obtain an unjust profit for themselves or for others, knowingly present material facts that are not true in the balance sheets, reports or other corporate communications directed to shareholders or the public, as required by law, or omit material facts whose communication is required by law on the economic, patrimonial or financial situation of the company or the group to which it belongs, in a manner concretely capable of misleading others* ».

The penalty is one to five years of imprisonment. The same penalty applies if the false statements or omissions concern assets owned or administered by the company on behalf of third parties.

The rule was thus amended by law no. 69 of 27 May 2015 containing "Provisions regarding crimes against public administration, mafia-type associations and false accounting" (<sup>40</sup>).

### **1.2. prevented (art. 2625 cc)**

The crime punishes directors who prevent or hinder, by concealing documents or other suitable devices, the performance of control or auditing activities attributed to shareholders, other corporate bodies, or auditing firms, provided that the act has caused damage to shareholders. In the absence of damage, the act constitutes an administrative offence and does not generate direct liability of the entity.

This is a typical crime committed by administrators.

### **1.3. Undue return of contributions (art. 2626 cc)**

The typical conduct consists in the return to the members, even in simulated form, of the contributions or the release of the members themselves from the obligation to perform them, except in cases of legitimate reduction of the share capital.

This is a crime typical of directors; members could be prosecuted only in the case of complicity.

### **1.4. Illegal distribution of profits or reserves (art. 2627 cc)**

The criminal conduct consists in distributing profits or advances on profits not actually

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(<sup>40</sup>) The aforementioned law n.69/2015 also introduced articles 2621 - bis into the civil code and 2621 - ter , which respectively state

«Art. 2621 -bis (Minor offences). — Unless they constitute a more serious crime, the penalty of six months to three years of imprisonment applies if the offences referred to in Article 2621 are minor, taking into account the nature and size of the company and the manner or effects of the conduct.

Unless they constitute a more serious crime, the same penalty as in the previous paragraph applies when the facts referred to in Article 2621 concern companies that do not exceed the limits indicated in the second paragraph of Article 1 of Royal Decree 16 March 1942, no. 267 (editor's note: these are small entrepreneurs). In this case, the crime is prosecutable upon complaint by the company, the partners, the creditors or the other recipients of the social communication».

«Art. 2621 -ter (Non-punishability for particular triviality). — For the purposes of non-punishability for particular triviality of the act, pursuant to Article 131 -bis of the Criminal Code, the judge shall evaluate, in a prevalent manner, the extent of any damage caused to the company, to the members or to the creditors resulting from the acts referred to in Articles 2621 and 2621 -bis ».

earned or legally allocated to reserves, or in distributing reserves, even if not constituted with profits, which cannot by law be distributed.

The return of profits or the reconstitution of reserves before the deadline for the approval of the budget extinguishes the crime.

This is a crime typical of directors; members could be prosecuted only in the case of complicity.

#### **1.5. Illicit operations on shares or quotas of the company or of the controlling company (art. 2628 of the Civil Code)**

The crime is committed with the purchase or subscription - outside the cases permitted by law - of shares or quotas of the company or the controlling company, which causes damage to the integrity of the share capital or reserves that cannot be distributed by law.

If the share capital or reserves are reconstituted before the deadline for the approval of the financial statement relating to the financial year in relation to which the conduct was carried out, the crime is extinguished.

This is a crime typical of directors; members could be prosecuted only in the case of complicity.

#### **1.6. Transactions to the detriment of creditors (art. 2629 cc)**

This offence occurs when, in violation of the provisions of law for the protection of creditors, reductions in share capital or mergers with other companies or divisions are carried out, which cause damage to creditors.

Compensation for damages to creditors before the trial extinguishes the crime. The crime is prosecutable upon complaint of the injured party, who must be identified as one of the damaged creditors.

This is a typical crime committed by administrators.

#### **1.7. formation of capital (art. 2632 cc)**

The crime occurs when the capital of the company is fictitiously created or increased by (i) attributing shares or quotas for an amount lower than their nominal value; (ii) reciprocal subscription of shares or quotas; (iii) significant overvaluation of contributions of assets in kind, of credits or of the assets of the company, in the case of transformation.

This is a crime committed by directors and contributing members.

#### **1.8. Improper distribution of company assets by liquidators (art. 2633 cc)**

The crime, typical of liquidators, is perfected with the distribution of company assets among the members before the payment of the company creditors or the setting aside of the sums necessary to satisfy them, which causes damage to the creditors.

Compensation for damages to creditors before the trial extinguishes the crime. The crime is prosecutable upon complaint of the injured party, who must be identified as one of the damaged creditors.

### 1.9. Corruption between private individuals (art. 2635, paragraph 3, cc) ( <sup>41</sup> )

The criminal conduct provided for by art. 2635, paragraph 3, of the Civil Code consists, unless the act constitutes a more serious crime, in offering, promising or giving money or other undue benefits.

- to administrators, general managers, managers responsible for preparing corporate accounting documents, auditors and liquidators of private companies or entities,
- to those who within the organisational framework of the company or private entity exercise managerial functions other than those of the subjects referred to in the previous period ( <sup>42</sup> ),
- to those who are subject to the direction or supervision of one of the subjects indicated in the first paragraph ,

to cause an act to be performed or omitted in violation of the obligations inherent to one's office or of the obligations of loyalty.

This is "active corruption" ( <sup>43</sup> ) ( <sup>44</sup> ).

Corruption is punishable even if committed through a third party .

The crime also applies to those who perform the functions de facto.

The crime is prosecutable ex officio (art. 1, paragraph 5, law 9 January 2019 n. 3).

The violation of duties inherent to the office is substantiated in the violation of institutional obligations imposed by law (e.g. obligations whose violation constitutes corporate crimes) or in the violation of regulatory provisions (e.g. statutes, assembly resolutions, formal obligations related to functional tasks). The violation of loyalty obligations in turn refers to duties contained in laws, regulations or conventions, such as civil law provisions (e.g. art. 2105, art. 1175, art. 1375 cc) including refraining from acting in conflict of interest.

### 1.10. Incitement to corruption between private individuals (art. 2635- bis cc)

The crime occurs when the above-mentioned corrupt offer or promise is not accepted ( <sup>45</sup> ).

The crime is prosecutable ex officio (art. 1, paragraph 5, law 9 January 2019 n. 3)

( <sup>41</sup> ) The current wording of art. 2635 of the Civil Code is the result of two subsequent legislative amendments: the first introduced by Law 6 November 2012 n. 190 (art. 1, paragraph 76) and the second by Legislative Decree 15 March 2017 n. 38.

( <sup>42</sup> ) Extension implemented with the above-mentioned Legislative Decree no. 38/2017.

( <sup>43</sup> ) The punitive provision actually has a broader scope: art. 2635, paragraph 1, of the Civil Code in fact provides that soliciting or receiving, for oneself or for others, undue money or other benefits, or accepting the promise thereof (passive corruption), is also a crime . This provision , however, does not have repercussions on Legislative Decree no. 231/2001 given that the company's liability is affirmed only " *in the cases provided for by the third paragraph of article 2635 of the civil code*", that is to say in active corruption (offer, promise or giving of undue money or other benefits). However, the personal liability of the natural person remains in place, with the application in some cases of the accessory sanction of temporary disqualification from holding managerial positions in legal persons and companies.

( <sup>44</sup> ) The company ( *for the crime of corruption between private individuals, in the cases provided for by the third paragraph of article 2635 of the civil code* ) is subject to a pecuniary sanction of between four hundred and six hundred shares. The interdictory sanctions provided for by article 9, paragraph 2 also apply.

For natural persons, the crime is punishable by imprisonment from one to three years. For persons subject to the direction and supervision of others, the penalty is imprisonment of up to one year and six months. The penalties are doubled if the company has securities listed on regulated markets in Italy or other European Union countries or distributed to the public to a significant extent pursuant to Article 116 of the consolidated text of provisions on financial intermediation, pursuant to Legislative Decree 24 February 1998, no. 58, and subsequent amendments.

( <sup>45</sup> ) The company is subject to a pecuniary sanction of between two hundred and four hundred shares. The interdictory sanctions provided for in Article 9, paragraph 2, also apply.

### **1.11. Unlawful influence on the assembly (art. 2636 cc)**

Typical conduct involves determining, through simulated acts or fraud, the majority in the assembly with the aim of obtaining, for oneself or for others, an unjust profit.

The crime is constructed as a common crime, which can be committed by "anyone" who carries out the criminal conduct.

### **1.12. Stock manipulation (art. 2637 cc)**

This criminal offence consists in spreading false information, or in carrying out simulated transactions or other artifices, concretely capable of causing a significant alteration in the price of unlisted financial instruments or for which no request for admission to trading on a regulated market has been submitted, or in significantly affecting the public's trust in the financial stability of banks or banking groups.

This is also a common crime, which can be committed by "anyone" who carries out the criminal conduct.

### **1.13. Obstruction to the exercise of the functions of the Public Supervisory Authorities (art. 2638 cc)**

This is a criminal hypothesis that can be committed with two distinct conducts:

- the first is achieved (i) through the disclosure in the communications required by law to the Public Supervisory Authorities (in order to hinder the exercise of the functions of the latter) of material facts that do not correspond to the truth, even if they are the subject of assessments, on the economic, patrimonial or financial situation of the subjects subject to supervision, or (ii) through the concealment, with other fraudulent means, in whole or in part, of facts that should have been communicated and concerning the same economic, patrimonial or financial situation. The liability also exists in the event that the information concerns assets owned or administered by the company on behalf of third parties;
- the second is achieved by simply obstructing the exercise of supervisory functions carried out by public authorities, carried out knowingly and in any form, even by omitting the communications due to the authorities themselves.

The active subjects of the crime are the directors, the general managers, the managers responsible for drafting the company's accounting documents, the auditors and the liquidators.

### **1.14. Rules relating to listed companies**

For the sake of completeness, it is recalled that the following rules only concern listed companies: (i) art. 2622 of the Civil Code (False corporate communications by listed companies), in the new text as amended by the above-mentioned law no. 69/2015 ( <sup>46</sup>),

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( <sup>46</sup>) The new text is reported:

«Art. 2622 (False corporate communications by listed companies). — Directors, general managers, managers responsible for drawing up corporate accounting documents, auditors and liquidators of companies issuing financial instruments admitted to trading on a regulated market in Italy or another European Union country, who, in order to obtain an unfair profit for themselves or for others, knowingly set out material facts that are not true in their balance sheets, reports or other corporate communications addressed to shareholders or the public or who omit material facts that are relevant to the law regarding the economic, patrimonial or financial situation of the company or the group to which it belongs, in a manner that is concretely capable of misleading others, shall be punished with imprisonment for a term of three to eight years.  
The following are considered equivalent to the companies indicated in the previous paragraph:

(ii) art. 173- *bis* of the TUF (False prospectus) ( <sup>47</sup>) and (iii) art. 2629- *bis* of the Civil Code (Failure to communicate a conflict of interest) ( <sup>48</sup>).

### **1.15 False or omitted declarations for the issuing of the preliminary certificate (art. 54 Legislative Decree 19/2023)**

The offence punishes anyone who, in order to make it appear that the conditions for the issuing of the preliminary certificate referred to in Article 29 of Legislative Decree 19/2023 have been fulfilled, creates documents that are completely or partially false, alters true documents, makes false declarations or omits relevant information.

## **2. Sensitive Processes**

**2.1.** Linde, through the analysis carried out, has identified several Sensitive Processes in which the risk of committing corporate crimes is detected, verifying the existence of procedures that regulate them or detecting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where necessary, appropriate updating.

**2.2.** The Sensitive Processes identified mainly refer to:

- a) bookkeeping (accounting records; data entry into the system) ;
- b) preparation of documents made available to members and communications to members (and possibly to the market) relating to the economic, patrimonial and financial situation of the Company (financial statement and, where drawn up, consolidated statement, quarterly and half-yearly reports, etc.);
- c) conflict of interest detection ;
- d) management of relations with the Board of Statutory Auditors and with the auditors

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1) companies issuing financial instruments for which a request for admission to trading on a regulated market in Italy or another European Union country has been submitted;

2) companies issuing financial instruments admitted to trading in an Italian multilateral trading system;

3) companies that control companies issuing financial instruments admitted to trading on a regulated market in Italy or another European Union country;

4) companies that appeal to public savings or that in any case manage them.

The provisions of the preceding paragraphs shall also apply if the false statements or omissions concern assets owned or administered by the company on behalf of third parties."

( <sup>47</sup>) TUF = Legislative Decree of 24 February 1998, n. 58.

The offence considered by art. 173- *bis* of the TUF (Falsehood in prospectuses) consists in the display of false information or the concealment of data or news within prospectuses (by which is meant the documents required for the purpose of soliciting investment or admission to listing on regulated markets, or to be published on the occasion of public purchase or exchange offers) in ways that are likely to mislead the recipients of the prospectuses themselves.

It is specified that: (i) there must be the intention to deceive the recipients of the prospectuses; (ii) the conduct must be aimed at obtaining an unfair profit for oneself or for others.

The crime is constructed as a common crime, which can be committed by "anyone" who carries out the criminal conduct.

( <sup>48</sup>) Failure to communicate a conflict of interest (art. 2629- *bis* cc)

This criminal hypothesis consists in the violation of the obligations set forth in art. 2391, first paragraph, of the Civil Code by the director of a company with securities listed on regulated markets in Italy or another European Union State or distributed to the public in a significant manner pursuant to art. 116 TUF (or other entities subject to supervision), if the aforementioned violation has resulted in damage to the company or to third parties.

Article 2391, first paragraph, of the Civil Code requires the directors of joint-stock companies to inform the other directors and the board of auditors of any interest that, on their own behalf or on behalf of third parties, they have in a specific transaction of the company, specifying its nature, terms, origin and scope. The managing directors must also abstain from carrying out the transaction, investing it with the collegiate body. The sole director must also inform the first available meeting.



in relation to accounting control and the preparation of the Company's financial, economic and patrimonial situation;

- e) management and communication of news/data externally relating to the Company and/or shareholders;
- f) management of the alert procedures provided for by the crisis and insolvency code;
- g) active invoicing and collection management;
- h) passive cycle management;
- i) purchasing and supply management;
- j) treasury management, home banking;
- k) warehouse management;
- l) personnel management;
- m) operations relating to share capital and the distribution of dividends;
- n) mergers, demergers and other extraordinary transactions;
- o) tax/fiscal obligations;
- p) organizational reorganizations.
- q) preparation of communications to any Supervisory Authorities and management of relationships with them.

**2.3.** With particular reference to the Predicate Offence of corruption between private individuals, the risk may arise in the following processes:

- a) determination of discounts by the sales force;
- b) *procurement* ;
- c) activities carried out by *dealers* ;
- d) relationships with competitors;
- e) relationships with private third parties of any nature, such as, for example, purchases, sales, intermediations, use of third party services and contractual relationships in general, relationships with competitors.

On the other hand, the risk of committing a crime in credit management is excluded.

### **3. principles of conduct**

#### **3.1. Recipients**

The addressees of the rules of conduct and procedures are the corporate bodies , as well as all employees and collaborators, including non-employees, of Linde MH. These subjects must comply with the principles of conduct and prohibitions set forth in the Procedures in force adopted by the Company (or adopted by the group to which they belong), in the Company's Code of Ethics and in general by the provisions contained in the General Part of the Model, or referred to by the same, such as the management manuals and the system documentation underlying the certifications, both in Italy and abroad.

### 3.2. Organization and powers

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles in such a way that a single individual cannot follow an entire Sensitive Process alone (also with regard to the request and possibility of handling financial resources), in particular with regard to the attribution of representation, responsibility, definition of hierarchical lines and operational activities.

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

### 3.3. Obligations and prohibitions

#### 3.3.1. Rules

In carrying out operations relating to corporate management, in addition to the rules set out in the Model and, in particular, those indicated in the following paragraphs, the members of the corporate bodies of Linde MH (and the employees and consultants within the scope of the activities they carry out) must know and respect:

- a) in general , the applicable Italian and foreign legislation;
- b) national and international accounting principles;
- c) the Corporate Governance Principles adopted by the Linde Board of Directors;
- d) the company's organizational structure and management control system;
- e) the rules relating to the administrative, accounting, financial and reporting system of the Company;
- f) the Code of Ethics;
- g) company procedures/guidelines, documentation and related provisions;
- h) the laws, rules and regulations of market control bodies.

External consultants must undertake to comply with the Linde MH Model and Code of Ethics, or, in the case of entities, have adopted their own similar Model and Code of Ethics that regulate the prevention of the crimes contemplated in the Linde MH Model and Code of Ethics.

#### 3.3.2. Obligations

The Recipients have the express obligation to:

- a) maintain correct, transparent and collaborative behavior, in compliance with the law and internal company procedures, in all activities aimed at preparing the balance sheet and other corporate communications, in order to provide members and third parties with truthful and correct information on the economic, patrimonial and financial situation of the Company;
- b) maintain correct behavior, in compliance with the law and internal company procedures, paying the utmost attention and accuracy in the acquisition,

processing and illustration of data and information relating to financial instruments issued by Linde MH, necessary to allow investors to reach a well-founded judgment on the Company's financial, economic and equity situation, on the evolution of its business, as well as on its financial instruments and related rights;

- c) strictly observe all the rules established by law to protect the integrity and effectiveness of the share capital, in order not to damage the guarantees of creditors and third parties in general;
- d) safeguard the regular functioning of the Company and its corporate bodies, guaranteeing and facilitating every form of internal control over corporate management required by law, as well as the free and correct formation of the assembly's will;
- e) not to carry out simulated transactions or spread false news likely to cause a significant alteration in the price of financial instruments;
- f) carry out promptly, correctly and in good faith all communications required by law and regulations towards the supervisory authorities, without placing any obstacles in the way of the exercise of the supervisory functions exercised by them.

### 3.3.3. Prohibitions

are prohibited from carrying out, collaborating or causing the carrying out of conduct which, taken individually or collectively, constitute, directly or indirectly, the types of crime included among those considered above; they are also prohibited from carrying out conduct in violation of the principles and company procedures set out in this Special Part.

In the context of the aforementioned behaviors, it is prohibited, in particular, to:

- a) represent or transmit for processing and representation in balance sheets, reports and prospectuses or other corporate communications, data on the economic, patrimonial and financial situation of the Company that have not been verified with the administrative structures or are incomplete or in any case do not correspond to reality;
- b) omit data and information required by law on the economic, patrimonial and financial situation of the Company;
- c) alter the data and information intended for the preparation of the information prospectuses;
- d) illustrate the data and information used in such a way as to provide a presentation that does not correspond to the actual opinion gained on the financial, economic and asset situation of the Company and on the evolution of its business, as well as on the financial instruments and related rights;
- e) return contributions to members or release them from the obligation to make them, except in cases of legitimate reduction of the share capital;
- f) distribute profits or advances on profits not actually earned or allocated by law to legally non-distributable reserves;

- g) purchase or subscribe to shares of the Company or of controlled companies outside the cases provided for by law, thereby damaging the integrity of the share capital;
- h) carry out reductions in share capital, mergers or demergers, in violation of the provisions of law for the protection of creditors, causing them damage;
- i) proceed with the fictitious formation or increase of the share capital, by allocating shares for a value lower than their nominal value when increasing the share capital;
- j) carry out behaviors that materially impede, through the concealment of documents or the use of other fraudulent means, or that in any case hinder, the performance of the control and auditing activity by the Board of Statutory Auditors or the auditing firm, or in any case by other subjects charged with control;
- k) determine or influence the adoption of resolutions by the Assembly, by carrying out simulated or fraudulent acts aimed at altering the regular process of forming the assembly's will;
- l) publish or disseminate false news, or carry out simulated transactions or other fraudulent or deceptive behaviors involving listed or unlisted financial instruments, and capable of significantly altering their price;
- m) fail to carry out, with due completeness, accuracy and timeliness, the periodic reports required by the laws and applicable regulations to the Supervisory Authorities to which the company activity is subject, as well as fail to transmit the data and documents required by the regulations and/or specifically requested by the aforementioned Authorities;
- n) to present in the aforementioned communications and transmissions untrue facts, or to conceal relevant facts relating to the economic, patrimonial or financial conditions of the Company;
- o) carry out any behaviour that hinders the exercise of supervisory functions, including during inspections by public supervisory authorities (express opposition, specious refusals, or even obstructive or non-collaborative behaviour, such as delays in communications or in making documents available).

### 3.4. Transparency

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## 4. Procedure

### 4.1. General procedures

For the purposes of implementing the rules listed above, in addition to the general principles contained in the General Part of the Model, the specific procedures (issued or soon to be issued) indicated below must be respected:

- a) procedures regulating the preparation of the budget;
- b) Group accounting principles and *guidelines manual*;
- c) procedures that regulate the flow of accounting data;
- d) Group compliance code;
- e) system of powers and compliance with the powers of attorney issued;
- f) any cash pooling procedures;
- g) reporting procedures aimed at preventing the risk of committing corporate crimes;
- h) drafting a risk report according to Group directives;
- i) control procedures on discounts applied by sellers;
- j) procedure relating to the authorization and signing of orders and the payment of the related invoices;
- k) product certification procedure (which requires approval from the product development manager and the quality manager).

#### **4.2. Procedures concerning corruption between private individuals**

With particular reference to the Predicate Offence of corruption between private individuals, the following procedures (issued or soon to be issued) must also be observed :

- a) treasury procedure for paying invoices, both to suppliers and to service providers or professional collaborations;
- b) credit management procedures;
- c) Guidelines for the awarding of contracts;
- d) Supplier selection procedure

#### **4.3. Communication of news/data to the outside regarding the Company and shareholders**

Communications to members and/or the market relating to the economic , equity and financial situation of the Company (such as, for example , the financial statement accompanied by the management report, quarterly and half-yearly reports, etc.) must be drawn up in accordance with the specific procedures, practices and corporate logic in place, so as to

- a) clearly and completely determine the data and information that each interested function must provide and the accounting criteria for processing the data;
- b) identify the aforementioned functions and the topics to be communicated and informed, indicate suitable deadlines, foresee the organisation of the related flows and the possible issuing of specific certifications;
- c) provide for the transmission of data and information to the responsible function through a system (including IT) that allows the tracking of individual steps and the identification of the subjects who enter the data into the system;
- d) provide criteria and methods for the processing of budget data;
- e) provide shared mechanisms in the formation of statistical data and estimates.

Accounting data contained in Company communications addressed externally, or to third parties (e.g. communications following meetings of the Board of Directors, information prospectuses ), must be previously verified with the CFO.

#### **4.4. Relations with the Board of Auditors and Auditors**

The following measures are adopted in the relations between Linde and the Board of Auditors or the auditing firm:

- a) compliance with company procedures that regulate the selection phase of proposals from auditing firms;
- b) except for the tasks and duties required by law, Linde's auditing firm or other entities connected to it may not be assigned any other different tasks unless permitted by law and, where permitted, always with the prior written authorization of the Chief Executive Officer.

#### **4.5. Confidential information**

Without prejudice to the guidelines and fundamental principles indicated in the Code of Ethics, "confidential" and "relevant" ( *price sensitive* ) company information must be communicated in compliance with the specific internal procedure for the management of confidential information.

#### **4.6. Operations relating to share capital**

All transactions involving Linde's share capital, as well as the incorporation of companies, the purchase and sale of shareholdings, mergers and demergers must be carried out in compliance with the *Corporate Governance rules* and the company procedures established for this purpose.

#### **4.7. Preparation of communications to the Supervisory Authorities and management of relationships with them**

Where the Company's activities become subject to the supervision of Public Authorities in accordance with the specific applicable regulations, in order to prevent the commission of the crimes of false communications to the authorities and obstruction of supervisory functions, the activities subject to supervision must be carried out by the functions specifically appointed for this purpose and identified in the company organisational provisions containing the attribution of specific responsibilities in relation to:

- to periodic reports to the authorities required by laws and regulations;
- to the transmission to the latter of the documents required by laws and regulations (e.g., balance sheets and minutes of meetings of corporate bodies);
- to the transmission of data and documents specifically requested by the supervisory authorities;
- on the behavior to be adopted during inspections.

These procedures require the following activities:

- a) implementation of all organizational and accounting interventions necessary to extract the data and information for the correct compilation of the reports and their timely sending to the supervisory authority, according to the methods and times established by the applicable legislation;

- b) adequate formalization of the procedures in question and subsequent documentation of the execution of the obligations provided for therein, with particular reference to the data processing activity;
- c) provision, during the inspection activity, by the inspected functions and organizational units, of maximum collaboration in carrying out the investigations. In particular, the documents that the inspectors deem necessary to acquire must be made available promptly and in full, with the prior consent of the company manager responsible for assisting with the inspection and delegated to communicate with the proceeding authority;
- d) participation in inspections by persons expressly delegated to do so. The minutes drawn up by public authorities must be diligently kept by the company function responsible for following the inspection/verification. Where appropriate, the interested function may add minutes or reports for internal company use to the minutes of the proceeding authorities. If the final minutes highlight critical issues, the ODV must also be promptly informed with a written note from the person responsible for the function involved.

#### **4.8. Other rules aimed at preventing corporate crimes in general.**

In addition to the *Corporate Governance* rules , procedures/guidelines, and defined organizational responsibilities, the following additional measures must be observed:

- a) activation of a periodic training-information program for relevant personnel on *Corporate Governance rules* and corporate crimes;
- b) provision for periodic meetings of the ODV with the Board of Auditors and the body responsible for internal control to verify compliance with the discipline regarding corporate regulations and *Corporate Governance* ;
- c) formalization and/or updating of internal regulations and procedures aimed at compliance with company regulations.

In Sensitive Processes relating to the prevention of corporate crimes, the following must also be observed:

- a) the Code of Ethics;
- b) the treasury procedure;
- c) the investment procedure;
- d) the purchasing procedure;
- e) any procedure for relationships with related parties that may be necessary;
- f) the procedure for reporting to the Supervisory Body.

## **5. Market abuse**

**5.1.** The risk *assessment carried out also took into consideration the processes concerning the handling of privileged information* ( <sup>49</sup>) with reference to the possibility of commission of

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( <sup>49</sup>) Information which, if made public, could significantly affect the prices of financial instruments ( *price sensitive information* ), i.e. information that a reasonable investor would presumably use as one of the elements on which to base his investment



Predicate Offences and administrative offences attributable to the type of market abuse (art. 25- *sexies* Legislative Decree 231/2001). Said offences and administrative offences consist of:

- Crime of abuse of privileged information (art. 184 TUF) ( <sup>50</sup>)
- Crime of Market Manipulation (art. 185 TUF) ( <sup>51</sup>)
- Administrative offence of abuse of privileged information (art. 187- *bis* TUF) ( <sup>52</sup>)
- Administrative offence of market manipulation (art. 187- *ter* TUF) ( <sup>53</sup>)

The analysis carried out revealed that the risk of the Predicate Offences and administrative offences specified above being verified exists because the Company, although not listed on the stock exchange or other regulated markets, is nevertheless part of a Group ("KION Group") whose parent company KION GROUP AG is listed on the Frankfurt Stock Exchange .

**5.2.** The individuals who, in carrying out their activities for the Company, may have access to privileged information (authorized individuals) will be identified by the Chief Executive Officer and will be required to treat said information in compliance with criteria of absolute confidentiality, according to the procedures adopted by the KION Group for the treatment of privileged and confidential information, ensuring the traceability of the process and keeping all supporting documentation available to the Supervisory Body.

The Company, where necessary in relation to the issuance of its own listed financial instruments or those of other companies in the group, will implement any additional procedures aimed at preventing the risk of commission of the Predicate Offences and

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decisions.

Privileged information, pursuant to art. 181 TUF, must have the following characteristics:

- be precise in nature, in the sense that (i) it must refer to a set of circumstances which exist or which may reasonably be expected to come into existence; or it must refer to an event which has occurred or which may reasonably be expected to occur; and (ii) it must be sufficiently specific to enable conclusions to be drawn as to the possible effect of the set of circumstances or the event referred to above on the prices of financial instruments;
- not yet be made public;
- concern, directly or indirectly, one or more issuers of financial instruments or one or more financial instruments (for financial instruments, pursuant to art. 180 TUF, this means the financial instruments referred to in art. 1, paragraph 2 of the same TUF (to which reference is made for details)).

( <sup>50</sup>) The crime is committed by anyone who, having come (directly) into possession of privileged information by virtue of (i) his/her capacity as a member of the administrative, management or control bodies of the issuer, (ii) his/her participation in the capital of the same, or (iii) the exercise of a work activity, a profession or a function, even public, or of an office:

- a) carries out, directly or indirectly, on his own behalf or on behalf of third parties, transactions on financial instruments using the same information (so-called *trading* );
- b) communicates such information to others outside the normal exercise of its business, it being irrelevant whether the third parties receiving the information actually use it or not (so-called *tipping* );
- c) recommends or induces others, on the basis of them, to carry out one of the operations indicated in letter a) (so-called *tuyautage* ).

( <sup>51</sup>) The crime is committed by anyone who spreads false news (so-called information manipulation) or carries out simulated operations or other artifices concretely capable of causing a significant alteration in the price of financial instruments (so-called operational manipulation).

( <sup>52</sup>) The administrative offence differs from the corresponding criminal offence in that the subjective element of intent is required.

( <sup>53</sup>) As regards the administrative offence relating to market manipulation, the definition is more detailed than that provided for the criminal offence as it includes, as non-exhaustive cases: (i) transactions or orders to buy or sell which provide or are likely to provide false or misleading indications regarding the supply, demand or price of financial instruments; (ii) transactions or orders to buy or sell which allow, through the action of one or more persons acting in concert, the market price of one or more financial instruments to be fixed at an anomalous or artificial level; (iii) transactions or orders to buy or sell which use artifices or any other type of deception or expedient; (iv) other artifices likely to provide false or misleading indications regarding the supply, demand or price of financial instruments.

administrative offences in question.

## **6. Internal Control**

Those who perform a control and supervision function on obligations connected to Sensitive Processes must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies to their hierarchical superior and to the ODV.

## **7. ODV controls**

### **7.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### **7.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Fifth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.

## **SPECIAL PART SIX**

- ***Manslaughter or serious or very serious injuries committed in violation of the regulations on health and safety at work***  
**(art. 25- septies Legislative Decree no. 231/2001)**

## **1. The types of Predicate Offences attributable to the type of offences of manslaughter and serious or very serious negligent injury committed in violation of the regulations on health and safety at work deemed to be of significant risk (art. 25-septies Legislative Decree no. 231/2001 )**

### **1.1. Manslaughter (art. 589 cp)**

The crime occurs when someone causes the death of a person through negligence.

For the purposes of the direct liability of the company, the crime is relevant (and limited) under two different aspects.

#### **1.1.1. Manslaughter committed in violation of the rules on health and safety at work (Art. 25- septies , first paragraph, of the Decree).**

Decree no. 81/2008 constitutes the fundamental normative source regarding the protection of health and safety in the workplace.

Article 55 is entitled "Sanctions for the employer and the manager" and indicates the types of crime attributable to the Employer ( <sup>54</sup>) and the Safety Manager. For further details on these figures, please refer to paragraph 4.4 *below* .

In relation to the crime referred to in Article 589 of the Criminal Code, committed in violation of the rules on health and safety at work, a pecuniary sanction of 1,000 shares is foreseen against the company. The interdictory sanctions referred to in Article 9, paragraph 2 of Decree 231 (see par. 1.3.2 *above* ) also apply, for a period of not less than three months and not more than one year.

#### **1.1.2. Manslaughter in which the death occurs due to negligence consisting in the violation of regulations on the protection of health and safety at work other than those referred to in art. 55, paragraph 2, Legislative Decree no. 81/2008 (Art. 25-septies , second paragraph, of the Decree).**

In fact, the law expressly provides that " *the provisions of paragraph 1" of art. 25-septies are without prejudice* .

In relation to the crime referred to in Article 589 of the Criminal Code, committed in violation of the rules on the protection of health and safety at work, a pecuniary sanction of no less than 250 quotas and no more than 500 quotas is foreseen against the company. The interdictory sanctions referred to in Article 9, paragraph 2 (see par. 1.3.2 *above* ) also apply, for a period of no less than three months and no more than one year.

### **1.2. Personal injury through negligence (art. 590 cp)**

The crime occurs when serious or very serious personal injuries are caused through negligence, in violation of the rules for the prevention of accidents at work and occupational diseases.

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( <sup>54</sup>) The "employer" is the figure at the top of the so-called "guarantee positions" and is defined by law as " *the person holding the employment relationship with the worker or, in any case, the person who, according to the type and structure of the organisation within which the worker carries out his/her activity, has responsibility for the organisation itself or for the production unit in that he/she exercises decision-making and spending powers* " (art. 2, paragraph 1, letter b), Legislative Decree no. 81/2008). Case law recognises, in the presence of certain requirements, the possibility for a company to identify more than one employer within its activities.

The injury is considered serious (art. 583 cp, paragraph 1) in the following cases: (i) if the act results in an illness that endangers the life of the injured party, or an illness or inability to attend to ordinary occupations for a period exceeding forty days; (ii) if the act produces the permanent weakening of a sense or an organ.

The injury is considered very serious if the fact results in (art. 583 cp, paragraph 2): (i) a disease that is certainly or probably incurable; (ii) the loss of a sense; (iii) the loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious difficulty in speaking .

For acts committed in violation of the rules for the prevention of accidents at work or relating to workplace hygiene or which have caused an occupational disease, the crime is prosecutable ex officio.

The company is subject to a pecuniary sanction of no more than 250 shares (and no less than 100, given the general limit set out in Article 10, paragraph 2); to which are added the interdictory sanctions for a period of no more than six months.

### 1.3. Common elements

The common element in both types of crime is guilt, as defined by art. 43 of the Criminal Code, referring to the occurrence of the homicide and the injuries. In this regard, a crime is to be configured as negligent, or against the intention, when the event, even if foreseen, is not wanted by the agent and occurs due to negligence or imprudence or incompetence, or due to failure to comply with laws, regulations, orders or disciplines.

Such types of crime may occur, for example, when, in order to obtain an advantage (for example, a saving in terms of money or time), not all the precautions and controls required by current legislation on workplace safety have been implemented.

The violation of the rules on health and safety at work can be either intentional or negligent.

### 1.4. Passive subjects of the underlying crime

It should be remembered that the case law on accident prevention is oriented towards considering as passive subjects of the underlying crimes in question also subjects other than the subordinate worker, such as for example (i) partners, even de facto, who carry out their activity in favour of or on behalf of the company, (ii) persons external to the company organisation who may occasionally be found in the workplace (see Cass. IV criminal 11.4.2016, no. 14775), provided that the accident event is a consequence of the violation of workplace safety regulations.

## 2. Sensitive Processes

**2.1.** The Sensitive Processes relevant in the context of the crimes of manslaughter and serious or very serious negligent injury committed in violation of the regulations on health and safety at work can be identified in those indicated by art. 30 of Legislative Decree 81/2008 and in particular:

- a) in compliance with the technical-structural standards of the law relating to equipment, systems, workplaces, chemical, physical and biological agents;
- b) in the risk assessment activity and in the preparation of the resulting prevention and protection measures;

- c) in organizational activities, such as emergencies, first aid, contract management, periodic safety meetings, consultations with workers' safety representatives;
- d) in health surveillance activities;
- e) in the information and training of workers;
- f) in surveillance activities with reference to compliance with safety procedures and instructions by workers;
- g) in the acquisition of legally required documentation and certifications;
- h) in periodic checks relating to the application and effectiveness of the procedures adopted.

It should be noted that the risk of committing the crimes referred to in paragraphs 1.1.2 and 1.1.3 of this special part above, regardless of whether the offence falls within the provisions of the first or second paragraph of art. 25- *septies* of Decree 231, could also occur as a result of (i) design and/or manufacturing defects in the products marketed by the Company, (ii) marketing of the products (in the form of rental or sale), in relation to the use of the products by third parties in any capacity, whether managed by the Company or transferred to third parties with transfer of ownership or rental/loan, (iii) deficiencies in maintenance and repair of the products where the Company is responsible .

Further risks can be identified in the transport of products and in the use of company vehicles.

As regards the crimes of serious or very serious negligent injury committed in violation of the legislation relating to health and safety at work, these present the risk of materializing in all the sensitive processes indicated above in this paragraph.

**2.2.** In more detail, the relevant business processes identified by Linde on the basis of the documentation relating to the risk assessment process mainly refer to:

- a) all the workshop activity of the Branches;
- b) all maintenance and repair activities of forklifts, even at third parties;
- c) the use or movement of forklifts, even on third party premises.
- d) intralogistics activity (design of warehouse layouts and design of new processes for customers);
- e) the storage and transport of materials and the use of company vehicles;
- f) carrying out general daytime office work activities, including the use of personal computers with video terminals, printers, fax machines, photocopiers;
- g) the management of Local Units (Branches);
- h) occupational diseases.

The Company provides for the preparation of specific risk assessment documents (DVR) for each business unit.

### **3. principles of conduct**

### 3.1. Policy

The Company, in consideration of the activity it carries out, attributes particular and primary importance - as well as towards its employees and collaborators - to the protection of the health and safety of its customers, in order to prevent the possibility of damage to people who use the products of the Company itself.

### 3.2. Specific recipients

The Recipients of the rules of conduct and procedures are indicated in the introductory paragraph of the Model which contains the definitions. Of particular importance among them are the Employer(s) and his/her delegates, the Head of the prevention and protection service ( RSPP ), and all STILL managers/employees who deal with and carry out tasks in the area of safety at work.

All Recipients must refrain from carrying out, contributing to or causing the carrying out of conduct that may lead to the commission of the types of crime indicated above; they must also comply with the behavioral principles and prohibitions set forth in the Company's Code of Ethics and in general by the provisions of the Model.

### 3.3. Company organization

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles in such a way that a single individual cannot follow an entire Sensitive Process alone (also with regard to the request and possibility of handling financial resources), in particular with regard to the attribution of representation, responsibility, definition of hierarchical lines and operational activities.

### 3.4. Identifying responsibilities

In order to comply with the rules and observe the principles, prohibitions and prescriptions listed in the previous paragraphs, the recipients of the Model must, within the scope of the company safety management system, comply with the provisions described below, as well as with the general rules and principles of conduct contained in the General Part, both in Italy and abroad.

#### 3.4.1. Employer and other guarantee positions

The Company formally identifies, through organizational provisions and specific delegations and by the subjects identified by the relevant legislation, the internal responsibilities in matters of health and safety at work, with particular reference to: Employer(s<sup>55</sup>), Delegates of the Employer(s), Manager and employees of the Prevention and Protection Service, Workers' Safety Representatives, workers responsible for implementing fire prevention and fire-fighting measures, evacuation in the event of serious and immediate danger, rescue, first aid and, in any case, emergency management , supervisors. Such responsibilities - assigned through formal attribution within the employment relationship or, in the case of subjects external to the company, through a suitable assignment contract - must be promptly and punctually communicated to interested third parties in the cases provided for (e.g. ASL, Labour Inspectorate, INAIL); in particular, the appointment

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(<sup>55</sup>) It should be remembered that - by jurisprudence and doctrine - the possibility that more than one employer may be identified is peacefully recognised.



of Workers' Safety Representatives must be communicated to the competent bodies.

#### 3.4.2. Prevention and Prevention Service

The employees and managers of the Prevention and Protection Service, whether internal or external, must: (i) have professional skills and qualifications appropriate to the nature of the risks present in the workplace and related to work activities; (ii) possess a qualification of no less than a high school diploma as well as a certificate of attendance, with verification of learning, of specific training courses appropriate to the nature of the risks present in the workplace and related to work activities; (iii) be in sufficient number with respect to the characteristics of the Company and have adequate means and time to carry out their duties.

#### 3.4.3. Delegation of functions

The delegation of functions by the Employer must be granted and accepted in writing with a certain date. In the process of assigning delegations of functions, the professional and experience requirements of the delegate, required by the specific nature of the delegated functions, must be verified, and all the organizational, management and control powers required by the specific nature of the delegated functions must be attributed to the delegate, as well as the spending autonomy necessary for the performance of the delegated functions, also taking into account possible emergency and urgency situations, without prejudice in any case to the obligation of the delegate to promptly report to the delegating party on his/her work.

#### 3.4.4. Competent Doctor

The Employer appoints the Competent Doctor, who has the task of supervising and monitoring compliance by individual workers with (i) their obligations under the law, (ii) company provisions regarding health and safety at work and the use of collective protection equipment and personal protective equipment. The competent doctor must possess the requirements established by law and must follow, in carrying out his duties, the principles of occupational medicine and the ethical code of the International Commission on Occupational Health (ICOH).

#### 3.4.5. Security Managers and Supervisors

Constant monitoring of compliance with the regulations on health and safety at work, the specific procedures and principles of conduct reported in this Special Part are entrusted to the Safety Managers and Supervisors. Managers and Supervisors receive specific training for this purpose, as required by current legislation.

The Employer's obligations include identifying the person or persons in charge of carrying out the supervisory activities referred to in Article 19 of Legislative Decree no. 81/2008 ( <sup>56</sup>).

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( <sup>56</sup>) Letter "b-bis of art. 18 paragraph 1, introduced by Law 17 December 2021 n. 215 of Conversion into law, with amendments, of the decree-law 21 October 2021, n. 146) .

) are reported in the note .<sup>57</sup>

#### 3.4.6. Workers' safety representatives

The Company shall take all necessary steps to elect the Workers' Safety Representatives.

### 3.5. Compliance with the relevant legislation and requirements

3.5.1. The Recipients, each within their respective areas of competence, must know and respect or in any case, with regard to the corporate bodies and the Employer(s), make known and ensure compliance, in addition to the rules set out in the Model:

- a) the legislation and the instructions of the relevant authorities regarding health and safety in the workplace, with particular reference to Legislative Decree no. 81/2008 ( <sup>58</sup>);
- b) the legislation relating to the manufacturing of products ( Legislative Decree 27/01/2010, n. 17 implementing the so-called Machinery Directive) with regards to the products marketed;
- c) the company Code of Ethics;
- d) company guidelines and procedures for regulating issues relating to health, hygiene and safety at work.

3.5.2. The company organization, as provided for by Legislative Decree 81/2008 and subsequent additions and amendments, must ensure compliance with the regulations on the protection of the health and physical integrity of workers (safety

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( <sup>57</sup>) Art. 19 of Legislative Decree no. 8/2008, obligations of the supervisor

With reference to the activities indicated in Article 3, the supervisors, according to their responsibilities and competences, must:

- a) supervise and monitor compliance by individual workers with their legal obligations, as well as with company provisions regarding health and safety at work and the use of collective protection equipment and personal protective equipment made available to them and, in the event of detection of behaviors that do not comply with the provisions and instructions given by the employer and managers for the purposes of collective and individual protection, intervene to modify the non-compliant behavior by providing the necessary safety instructions. In the event of failure to implement the provisions given or if non-compliance persists, interrupt the worker's activity and inform the direct superiors (note: letter replaced by Law 17 December 2021 no. 215 );
- b) ensure that only workers who have received adequate instructions access areas that expose them to a serious and specific risk;
- c) require compliance with measures for controlling risk situations in the event of an emergency and give instructions so that workers, in the event of serious, immediate and unavoidable danger, abandon the workplace or the danger area;
- d) inform workers exposed to the risk of serious and immediate danger as soon as possible about the risk itself and the measures taken or to be taken in terms of protection;
- e) refrain, except in duly justified cases, from requiring workers to resume their activity in a work situation in which a serious and immediate danger persists;
- f) promptly report to the employer or manager any deficiencies in the means and work equipment and personal protective equipment, as well as any other dangerous conditions that occur during work, of which he or she becomes aware on the basis of the training received;
- g) in the event of detection of deficiencies in the means and work equipment and of any dangerous conditions detected during the surveillance, if necessary, temporarily interrupt the activity and, in any case, promptly report the non-conformities detected to the employer and the manager (note: letter added by Law 17 December 2021 n. 215 );
- h) attend specific training courses as provided for in Article 37.

( <sup>58</sup>) Lastly with Legislative Decree 21 October 2021, n. 146 (Urgent measures in economic and fiscal matters, to protect employment and for urgent needs), converted into law with amendments by L. 17 December 2021, n. 215.

and prevention, workplace hygiene) and environmental protection, as well as generally ensuring a safe, healthy and suitable working environment for carrying out the activity, through:

- a) the assessment of health and safety risks, both for employees and collaborators, and for customers;
- b) prevention planning, also in order to guarantee an increase in safety levels over time;
- c) the elimination of risks or, where this is not possible, their reduction to a minimum in relation to the knowledge acquired on the basis of technical progress;
- d) compliance with ergonomic principles in the organisation of work (work stations and choice of equipment) and in the definition of working and production methods, to mitigate the effects on health of monotonous and repetitive work;
- e) limiting to a minimum the number of workers who are, or who may be, exposed to the risk;
- f) the prioritization of collective protection measures in parallel with individual protection measures;
- g) health checks on workers, with particular attention to specific risks, including the removal of workers from exposure to the risk, where there are health reasons relating to their person, and their assignment, where possible, to another task;
- h) the information, training, consultation and participation activities of workers or their representatives, managers and supervisors on issues concerning safety and health in the workplace;
- i) the formalization of adequate instructions to workers;
- j) the definition of adequate emergency measures to be implemented in the event of first aid, fire-fighting, evacuation of workers and serious and immediate danger;
- k) the use of warning and safety signals;
- l) regular maintenance of environments, equipment, machines and systems, with particular attention to safety devices in compliance with the manufacturers' instructions.

Measures relating to safety, hygiene and health at work must in no case entail financial burdens for workers.

When choosing suppliers of goods or services, priority must be given to the reliability of the supplier and its ability to correctly fulfill the obligations undertaken, in addition to the quality/price ratio of the good or service offered.

### 3.6. Obligations

Recipients are required to:

- a) take care of their own safety and health as well as that of the people present in the workplace and the customers of their Local Units, in accordance with their training and the instructions and means received;
- b) operate in accordance with the needs that emerge from the social context, safeguarding fundamental human rights;
- c) comply with and enforce the regulations and provisions of the authorities regarding the environment and health and safety at work, including with reference to the provisions regulating access to and the presence on the Company's premises of third parties external to the Company itself;
- d) comply with laws and regulations, the provisions of health authorities and relevant bodies, self-discipline regulations, and the principles of the Code of Ethics;
- e) acquire complete knowledge of the regulatory provisions regarding hygiene, health and safety at work, also through participation in courses established by the Company, also taking into account the specific tasks assigned;
- f) observe the provisions and instructions received for the purposes of collective and individual protection;
- g) adopt all necessary measures for the health and safety of workers and customers of the Local Units, as well as measures to control risk situations in the event of an emergency;
- h) periodically update prevention measures in relation to organizational and production changes that are relevant to health and safety at work, or in relation to the degree of evolution of prevention and protection techniques;
- i) undergo the required health checks;
- j) appoint the managers and supervisors required by current legislation, ensuring, in general, a safe, healthy and suitable working environment for carrying out the activity;
- k) assign work tasks in relation to the capabilities and conditions of workers with respect to their health and safety;
- l) equipping themselves with the necessary tools to prevent the behaviour of individuals from determining the liability of the legal person;
- m) use machinery, equipment, work tools, any dangerous substances, means of transport and other work equipment correctly, as well as individual and collective safety and protection devices and immediately report to the Employer any deficiencies thereof, as well as any other dangerous conditions of which one becomes aware, taking direct action, in case of urgency, within the scope of one's own skills and possibilities, to eliminate or reduce such deficiencies or dangers;
- n) identify and delimit the perimeter of the work areas affected by maintenance or new construction activities at risk in order to prevent access to such areas by unauthorised persons;
- o) follow the safety rules issued by the Prevention and Protection Service in the drafting, signing and execution of contracts;

- p) promptly carry out legal obligations or contribute to the fulfillment of all obligations imposed by the competent authority or in any case necessary to protect the safety and health of workers at work;
- q) implement the measures for the protection and prevention of workplace risks that affect the work activity that is the subject of the contract, as well as coordinate the protection and prevention interventions in order to eliminate risks due to interference between the works of the various companies involved in the execution of the overall work;
- r) allow access to areas that expose to serious and specific risks only to workers who have received adequate instructions and specific training in this regard.
- s) Promote cooperation and coordination for service activities carried out at Customers.

The Recipients must also, to the extent of their respective competence, systematically and organically verify the compliance of the operating machines, purchased and put online, with the community regulations on safety, as well as the adequacy of the safety systems installed on them.

Suppliers of any kind and installers of systems, machines or other technical means, as well as designers of workplaces/places, must be required, in relation to the nature of the goods supplied or the service provided, to guarantee compliance with the regulations on workplace safety and the protection of people's health.

### **3.7. Prohibitions**

It is expressly forbidden to:

- a) remove or modify safety, signalling or control devices without authorisation from company management, as well as deactivate or render even partially inefficient individual or collective protection devices;
- b) carry out operations or maneuvers that are not within one's own competence or that could compromise one's own safety or that of other workers;
- c) access work areas to which you are not authorized;
- d) manufacture, purchase, rent and use systems, machines, equipment or other technical means, including individual and collective protective devices, which are not adequate or do not comply with the current safety provisions.

## **4. System Manual for Quality, Environment, Health and Safety Management (Manual)**

### **4.1. Purpose of the HSE Manual**

The Company has identified a system of procedures and processes and their interactions that provide evidence of the activities carried out for the management of Quality, the environment and Health and Safety at work.

The purposes of adopting an integrated system can be summarised, as far as the legislation introduced by Decree 231 is concerned, in promoting a culture of safety and reducing risks to the health and safety of workers, in improving environmental performance, in increasing

the level of customer satisfaction with regard to the quality of the products/services provided [customers being understood as the consumer (in the quality area), the worker and those who are in the workplace (in the safety area) and the territorial context (environmental protection)].

Furthermore, the optimization of documentation and a more effective monitoring of interdependent aspects of the company are pursued.

The Manual is based on compliance with the international standards UNI EN ISO 9001:2015, (Quality), UNI ISO 45001:2018 ( <sup>59</sup>) (Safety) and UNI EN ISO 14001:2015 (Environment).

By pursuing compliance with the aforementioned ISO standards, the Manual – with the specific procedures and operating instructions indicated therein – intends to implement a suitable tool also aimed at preventing the risks of committing the predicate crimes contemplated in Model 231, with particular reference to the crimes of manslaughter and serious or very serious negligent injury committed in violation of the regulations on workplace safety (referred to in this Special Part) and environmental crimes (referred to in the Tenth Special Part, which reports in detail the crimes in question and to which reference is made).

The Manual, with the processes, procedures and instructions of the system, constitutes an integral part of the Model and, like the Model, is subject to updating in the event of changes in the relevant national and international legislation, changes in the activity and new company procedures, as well as when deemed appropriate ( <sup>60</sup>) .

## **4.2. Risk identification and assessment**

The management system provides for the identification and assessment of risks and the definition of control of health and safety at work and environmental aspects, indicating resources, roles, responsibilities and authorities, as well as training, awareness and skills.

In particular, the management system identifies the Organization, its processes and their interactions.

## **4.3. Management Procedures, Safety Procedures and Environmental Procedures**

### **4.3.1. Definition of procedures**

The Management system is integrated with integrated management procedures, safety procedures and instructions and environmental procedures and instructions.

Management Procedures are those relating to the common requirements of the reference standards.

Safety and Environmental Procedures and Instructions are those relating to the standard requirements of the UNI EN ISO 14001 and UNI EN ISO 45001 certifications respectively, those relating to the requirements of the legislation on the environment and safety and those specific to operational control.

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( <sup>59</sup>) The ISO 45001:2018 certification (Occupational health and safety management systems) has replaced the previous BS OHSAS 18001 Standard certification.

( <sup>60</sup>) The last update was made in January 2022 with the insertion of the data relating to the transfer of the registered office to Lainate.

The main Safety Procedures and the main Environmental Procedures and Instructions of the Integrated Management System are referred to in this special part (Safety) and in the Eleventh Special Part (Environment).

#### 4.3.2. Management review

At least once a year, the Management holds a review meeting in order to verify that all elements of the HSE Manual are relevant and appropriate to the company's activities. The Company Policy and objectives are also subject to review. The operational methods of implementation are defined in the following documents:

Procedure P 000 – Hse process diagram and scope of application.

#### 4.3.3. Communication of Management System documents

The HSE Management System is available to company functions in a controlled manner through the intranet and in accordance with the following documents:

procedure P 027 – System document managementThe Manual is made available for company functions

### 4.4. **Risk identification and assessment**

The manual provides for the identification and assessment of risks and the definition of the control of health and safety at work and environmental aspects, indicating resources, roles, responsibilities and authorities, as well as training, awareness and skills.

In particular, the HSE Manual provides for: (i) identification of workplace safety and environmental aspects for the purposes of updating the Risk Assessment Document and determining significant environmental impacts; (ii) identification and assessment of related or potential risks; (iii) definition of the HSE policy; (iv) identification of the legal requirements and regulations applicable to the company, both in terms of health and safety at work and environmental protection; (v) definition of the management review and the appropriate internal and external communication channels.

## 5. **Specific procedures**

### 5.1. **Corporate safety management system**

The integrated company management system involves the adoption of specific procedures based on the entire production cycle, aimed at preventing and in any case minimising as much as possible the risk of harm to workers, including third-party employees.

In general, the Company adopts the most appropriate measures to prevent internal and external environmental risk, biological risk, physical risk and psychological risk, both with respect to its own employees and external collaborators of any kind, and with respect to those who in any way use or handle the Company's products.

The company's system for managing safety and protecting workplace hygiene and workers' health is designed to ensure compliance with all legal obligations relating to:

- a) compliance with the technical-structural *standards* of the law relating to equipment, systems, workplaces, physical, chemical and biological agents;
- b) execution of risk assessment activities and preparation of the resulting prevention



and protection measures;

- c) organizational activities, such as emergencies, first aid, contract management, periodic safety meetings, consultations with workers' safety representatives;
- d) health surveillance activities;
- e) information and training activities for workers;
- f) surveillance activities with reference to compliance with safety procedures and instructions by workers;
- g) acquisition of legally required documentation and certifications;
- h) environmental protection and disposal of special waste;
- i) periodic checks on the application and effectiveness of the procedures adopted.

## 5.2. Information flows

The Company ensures adequate and timely information flows between the Employer(s), the Competent Doctor and the Prevention and Protection Service in relation to the processes and risks connected to the Company's activity, in order to allow collaboration between them in the risk assessment, in the planning of health surveillance, in the preparation of the implementation of measures for the protection of the health and psycho-physical integrity of workers, in the training and information activity for workers and in the organization of the first aid service.

## 5.3. Risk assessment

The Company identifies and assesses all risks to the safety and health of workers, including those concerning groups of workers who may be exposed to particular risks.

The risk assessment must be documented through the preparation of a formalised report ("*Risk Assessment Document pursuant to Legislative Decree 81/2008* ") which contains the following essential elements and in any case what is required by law:

- a) the assessment of health and safety risks associated with the production and use of the Company's products, including those affecting third-party users of the products themselves, with an indication of the criteria adopted for the assessment;
- b) the indication of the prevention and protection measures and of the individual protection devices deemed appropriate as a result of the aforementioned assessment. The Individual Protection Devices made available to workers must comply with legal requirements, be kept in good working order, used only for the intended uses and be the subject of specific training and information activities; workers must use them in all the cases provided for, taking adequate care of them and without making any changes on their own initiative, reporting any defect or inconvenience detected in them;
- c) the program of measures deemed appropriate to improve safety levels over time;
- d) the identification of the procedures for the implementation of the measures to be implemented, as well as the corporate functions called upon to provide them, to which only individuals with adequate skills and powers must be assigned;
- e) the name of the person responsible for the Prevention and Protection Service, of the

Workers' Representatives for Safety (or of the territorial ones) and of the competent Doctor who participated in the risk assessment;

- f) the indication of the tasks that may expose workers to specific risks that require recognised professional ability, specific experience, adequate training and education.

The Risk Assessment Document must have a certain date, must be approved by the Employer(s), the RSPP and the competent Doctor, after consulting the Workers' Safety Representatives (to whom a copy must be provided), and must be kept at the relevant production unit.

The risk assessment must be conducted according to transparent, comprehensive and easy-to-use methods and criteria.

In the event of changes in the production process and/or work organization that are significant for the purposes of protecting the health and safety of workers, and/or in relation to the degree of evolution of prevention and protection techniques, and/or following significant accidents, and/or when the results of health surveillance require it, the Risk Assessment Document must be promptly updated with the introduction of suitable measures to regulate the new situation that has occurred.

All subjects involved in the Sensitive Processes referred to in this Special Part must observe the provisions of the DVR and the DUVRI listed below.

#### **5.4. Safety and emergency management plan**

The Protection and Prevention Service must adopt measures to deal with emergency situations, with the development, periodic updating and scheduled exercises of the Safety and Emergency Management Plan, containing instructions and procedures to be observed in the event of (i) fire, (ii) evacuation of settlements, (iii) accident and illness, (iv) first aid, (v) natural disasters , (vi) environmental emergencies.

The Plan must contain the following essential elements:

- description of workplaces and fire risk assessment,
- provisions for the organization of emergency interventions (personnel in charge and related tasks),
- a general emergency and evacuation plan for work environments .

The Company ensures timely interventions by the competent public services in matters of first aid, rescue, fire-fighting and emergency management.

A summary of the Emergency Plan, as well as relevant procedures and instructions, must be distributed and/or made available to all affected workers.

The operating methods are defined in the following procedures and related instructions:

- (i) P 011 Emergency Management (Sales and Service Division)
- (ii) Headquarters Emergency and Evacuation Plan (by. Sales and Service)

#### **5.5. Fire risk**

With specific regard to fire risk, a Document for the Assessment of Fire Risks in the

Workplace must be prepared and promptly updated, where necessary in relation to changes in risk, pursuant to the Ministerial Decree of 10 March 1998, by the Protection and Prevention Service, which contains:

- a) the assessment of fire risks in the workplace, with an illustration of the identified dangers and an indication of the criteria and methodology adopted;
- b) the location of the production unit and the identification of the type of building and systems at fire risk, with the specification of the construction characteristics, escape routes and fire prevention devices;
- c) identification of employees and other persons exposed to fire risk,
- d) the fire protection measures adopted, with particular reference to: (i) the adoption of adequate fire-fighting equipment, systems and devices, with the scheduling of the necessary checks and maintenance; (ii) the provision of adequate first aid measures; (iii) the identification of one or more emergency response teams, made up of an adequate number of people duly trained in fire-fighting, first aid and evacuation; (iv) the definition of the evacuation plan for the places and the carrying out and documentation of periodic escape drills; (v) the training of the personnel in charge; and (vi) the information provided to the personnel concerned.

The document must be approved by the Employer(s) and the RSPP, after consulting the Workers' Safety Manager, and kept at the relevant production unit.

## 5.6. Transfers

In internal and external transfers, both with company vehicles and with one's own vehicles, all necessary and appropriate precautions must be observed for the purpose of protecting the physical integrity of the employees (for example: by checking the regular maintenance of the vehicles, compliance with road signs, checking the regular insurance coverage, use of individual or collective protection devices, etc.).

## 5.7. Awarding of contracts (Risk of interference – DUVRI)

In the event of the awarding of contracts for works or services, adequate prevention and protection measures must be taken, with assessment of any interference risks as provided for by art. 26 of Legislative Decree no. 81/2008; measures must also be taken to ensure the necessary collaboration and cooperation by the contractor for the correct performance of the activities in compliance with current legislation.

In the case of opening construction sites (temporary and mobile) it is compliance with the specific legislation regarding temporary construction sites is required, both in the design phase and in the execution phase (Title IV of Legislative Decree 81/2008) and the adoption of all the measures provided for therein.

For each contract, the Interference Risk Assessment Document (DUVRI) must be prepared.

The preparation of the DUVRI is carried out by the contract manager with the support of the RSPP, evaluating all the risk factors inherent to the activity carried out. Once the drafting of the DUVRI is completed, the manager sends a communication to the Employer(s) in which he/she declares to have analyzed the contents of the DUVRI, confirming its completeness and correct drafting. Finally, the Company sends the DUVRI by registered mail to the interested service provider, who in turn will examine it and return

it signed to the Company, again by registered mail.

It will also be expected that professional figures will be appointed with specific tasks in the field of health and safety at work, both in the planning and execution phases. In particular, a safety manager must be appointed.

In the context of carrying out activities under a contract or subcontract regime, the client must have the contracting or subcontracting employers expressly indicate the personnel who perform the function of supervisor (paragraph 8- bis of art. 26 Legislative Decree 9 April 2008, n.81, added by law 17 December 2021 n. 215 ).

#### **5.8. Security costs**

law , safety costs must be indicated separately and clearly in procurement contracts .

The costs for interference must be indicated within the DUVRI or the document for verifying the Technical Professional Suitability of the contractor .

#### **5.9. Certificates**

For all workplaces, Fire Prevention Certificates and certifications relating to systems (such as heating plants, elevators, electrical systems and any other systems) must be obtained, and where appropriate adequate, and kept in accordance with the provisions of law; furthermore, the minutes of the relevant periodic checks and any reports of conformity to the competent bodies must be kept.

#### **5.10. Health surveillance**

Health surveillance is carried out by the Competent Doctor through health protocols defined according to specific risks and considering the most advanced scientific directions; it must be carried out in compliance with current legislation, European directives, as well as the indications provided by the Advisory Commission and if the worker requests it and it is considered by the Competent Doctor to be related to work-related risks.

In particular, health surveillance includes: *(i)* preventive medical examination upon entry into the company in order to assess suitability for the job, *(ii)* periodic medical examination, *(iii)* medical examination upon request of the worker in order to express an opinion of suitability for the specific job, *(iv)* medical examination upon change of job in order to verify suitability for the new job, *(v)* medical examination upon termination of the employment relationship, in the cases provided for by current legislation, *(vi)* medical examination prior to resuming work, following absence for health reasons lasting more than sixty consecutive days. A health and risk file must be established and promptly updated for each worker subjected to health surveillance.

The monitoring and surveillance activities of the Health Surveillance Plan must be documented through a specific Health Report, prepared by the competent Doctor on an annual basis and addressed to the Prevention and Protection Service and the Personnel Management, a report to be illustrated at the annual meeting called pursuant to art. 35 of Legislative Decree 81/08.

#### **5.11. Injuries**

Work-related injuries involving staff who are absent for at least three days must be reported/communicated as an accident to INAIL within two days of receiving the medical certificate details.

The acquisition and transmission of information data relating to accidents must be carried out on the basis of and in compliance with specific formalised internal procedures.

Near miss situations, i.e. those situations in which, due to organizational and management deficiencies, an accident could have occurred, must be reported and examined for the purposes of any organizational and management interventions.

#### 5.12. Information and training

The Company implements an information program for employees and collaborators regarding the protection of hygiene and safety at work, in relation to: (i) risks to safety and health connected to the company's activity; (ii) prevention and protection measures and activities adopted; (iii) specific risks to which one is exposed in relation to the activity carried out, (iv) dangers connected to the use of dangerous substances and preparations on the basis of the safety data sheets required by current legislation and good technical practice standards; (v) measures and activities concerning first aid, fire fighting, evacuation of workers; (vi) appointment of the RSPP and the competent doctor; (vii) names of workers responsible for safety; (viii) applicable reference legislation; (ix) company policies and procedures regarding health and safety at work.

For workers and collaborators who have specific responsibilities in the field of health and safety at work, a specific training and refresher program is implemented, differentiated according to the tasks assigned and the different risk profiles to which the company belongs. The performance and participation in courses on health, hygiene and safety at work must be monitored and adequately documented, also through the archiving and custody of the related programs and attendance certificates.

Workers' Safety Representatives are guaranteed free access to relevant company information and documentation.

#### 5.13. Group rules

The provisions of the KION Group Compliance Code must be observed.

### 6. Risks inherent in the products ( consequent to the marketing/use of the products by customers, as well as for maintenance defects)

#### 6.1. Machinery Directive

The Company is required, with regard to the marketing of products, to check that the products purchased and resold or rented comply with the regulations on the design and manufacturing of the products themselves as per the so-called "**Machinery Directive**" (<sup>61</sup>) and the provisions implementing said directive as per Legislative Decree 27/01/2010, n. 17 (Implementation of Directive 2006/42/EC) (hereinafter "**Implementation Decree of the Machinery Directive**"), regulations to be understood as expressly and fully referred to here.

In this context, the Company is required - among other things - in particular to observe the essential health and safety requirements relating to the design and construction of its

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( <sup>61</sup>) Directive 2006/42/EC on machinery and amending Directive 95/16/EC on lifts.

products (hereinafter also " **Machines** ") ( <sup>62</sup>).

## 6.2. Risk assessment

The Company carries out a risk assessment to establish the health and safety requirements concerning the Machines marketed. The results of the risk assessment are taken into account in the maintenance, marketing and instructions for the use of the Machines ( <sup>63</sup>).

The control of the Machines' compliance with the regulations and the risk assessment are also carried out with regard to the marketing of Machines purchased from third parties for the purpose of resale or rental. In such cases, the Company is required to detect and eliminate or have eliminated any risks arising from design and/or manufacturing defects.

The Machines marketed must bear the "CE" marking and be accompanied by the "CE" declaration of conformity, pursuant to the aforementioned Implementation Decree.

## 6.3. User and maintenance manuals for customers

The Company adopts and provides customers with use and maintenance manuals relating to the forklifts marketed (i.e. purchased from third parties and redistributed for sale or rental), in order to provide customers with instructions for the correct use of its products and for correct maintenance, also with a view to user safety.

Each cart has a manual published in the chosen language. The manuals are specific to each type of cart and can be downloaded from the company website.

A paper copy of the manuals is delivered to customers in accordance with the ISO3691-1 UNI EN ISO 3691-1 standard.

The Company, where it directly carries out maintenance services at customers' premises, requires customers to provide suitable environments that comply with the regulations on health and safety at work.

## 6.4. Use of machines in production

The Company is aware that:

- a) in the event that the damaging event is caused by the failure to comply with accident prevention precautions in the design and manufacture of the machinery used for production, the liability of the Employer is not excluded, as he is obliged to eliminate sources of danger for employees who must use the aforementioned machinery (see *Criminal Court, Section IV, Sentence, 14/03/2014, no. 22249*).

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( <sup>62</sup>) Pursuant to the provisions of Annex I, provided for by art. 3, paragraph 3, letter a) of the Implementation Decree of the Machinery Directive.

( <sup>63</sup>) The risk assessment includes both the general one which applies to all types of machinery, and the one which refers to certain more specific types of hazards .

With the above risk assessment and risk reduction process, the Company pursuant to the law:

- (i) establishes the limits of the machine, which include the intended use and reasonably foreseeable misuse,
- (ii) identifies the dangers that the machine may give rise to and the dangerous situations that result from them,
- (iii) estimate the risks, taking into account the severity of the possible injury or damage to health and the probability of its occurrence,
- (iv) assesses the risks in order to establish whether a risk reduction is required in accordance with the objective of the Implementation Decree,
- (v) eliminates hazards or reduces the risks resulting from them, applying protective measures in the order indicated by the legislation.



- b) the presence of the "CE" conformity marking on the machinery or the reliance placed on the fame and technical competence of the manufacturer do not constitute an exemption from his liability (see Cass. pen., Sez. IV, 12/06/2008, n. 37060).
- c) These principles are also applicable to the use by customers, in the activities they carry out, of the Machines distributed by the Company.

## **7. Reporting new risks**

The Company ensures the possibility of reporting new risks by control bodies and corporate structures as well as by individual subjects, and provides for the collection of reports in a specific database, which is updated periodically through a monitoring system (also at Group level) and *a to do list*.

## **8. Security Budget**

The Company undertakes, within its budgets, to refrain from making decisions in the field of safety, health and hygiene at work referring exclusively to a policy of cutting costs and investments.

The Company must communicate to the ODV the budget allocated for security.

## **9. Use of third-party services**

The contents of the Fourteenth Special Part are recalled in full.

## **10. Sanctions**

Violation of regulatory provisions and company rules regarding health and safety protection in the workplace constitutes a violation of the Model and, therefore, a disciplinary offence punishable as provided for in the General Part.

## **11. Internal Control**

Those who perform a control and supervision function on obligations connected to Sensitive Processes must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies to their hierarchical superior and to the ODV.

## **12. ODV controls**

### **12.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.



The ODV is guaranteed free access to all relevant company documentation.

## 12.2. Activities of the Supervisory Body

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Sixth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.

## Appendix to Special Part Seven (further risks)

The Company informs the Recipients of certain additional (with respect to what has already been highlighted above) amendments to Legislative Decree no. 81/2008, which in any case entail criminal consequences even if not attributable to Decree 231, introduced by Legislative Decree 21 October 2021, no. 146 (Urgent measures in economic and fiscal matters, to protect employment and for urgent needs), converted into law with amendments by Law 17 December 2021, no. 215. The objective pursued is to strengthen the protection of workers' health and safety by combating irregular work.

Violations of certain provisions entail particularly significant sanctions, also for the Company.

it has been established ( <sup>64</sup>) the obligation of prior communication (to the territorial labour inspectorate competent for the territory) of the start of the activity of the aforementioned workers.

Furthermore, Annex I to Legislative Decree no. 81 of 9 April 2008, reporting the Types of violation for the purposes of adopting the (suspension) measures referred to in Article 14 of the said decree, has been replaced.

The risks for the Company, regardless of the administrative sanctions ( <sup>65</sup>), essentially consist of:

- a) in the prohibition for the company to contract with the public administration and with contracting authorities,
- b) in the expectation that the National Labour Inspectorate adopts a suspension measure when it finds that at least 10 percent of the workers present in the workplace are employed, at the time of the inspection, without prior communication of the establishment of the employment relationship
- c) in the application of sanctions for serious violations in the field of health and safety at work as per Annex I ( <sup>66</sup>).

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( <sup>64</sup>) art. 14, paragraph 1, Legislative Decree no. 81/2008, Provisions to combat irregular work and to protect the health and safety of workers.

( <sup>65</sup>) In case of violation, the administrative sanction from 500 to 2,500 Euros applies in relation to each occasional self-employed worker for whom the communication has been omitted or delayed.

( <sup>66</sup>) Article 13, paragraph 1, letter g) of Law 17 December 2021 n. 215 replaced said annex with the one reported below.

"ANNEX I

The suspension measure is adopted in relation to the part of the business activity affected by the violations or, alternatively, the work activity carried out by the workers affected by the violations referred to in numbers 3 and 6 of Annex I. Together with the suspension measure, the National Labour Inspectorate may impose specific measures aimed at eliminating the danger to the safety or health of workers during work.

The employer who fails to comply with the suspension order referred to in this article shall be punished with imprisonment for up to six months in cases of suspension for violations of health and safety at work and with imprisonment for three to six months or a fine of between 2,500 and 6,400 euros in cases of suspension for irregular work.

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(Article 14, paragraph 1)

Types of violation for the purposes of adopting the measures referred to in Article 14

	SPECIFIC FACTS
1.	Failure to prepare the risk assessment document
2.	Failure to develop an Emergency and Evacuation Plan
3.	Lack of education and training
4.	Failure to establish a prevention and protection service and appoint a person responsible for it
5.	Failure to develop the operational safety plan (POS)
6.	Failure to provide personal protective equipment against falls from a height
7.	Lack of protection against vacuum
8.	Failure to apply support structures, except for the requirements deducible from the technical report on the consistency of the ground
9.	Work near power lines in the absence of suitable organizational and procedural provisions to protect workers from the resulting risks
10.	Presence of live bare conductors in the absence of suitable organisational and procedural provisions to protect workers from the resulting risks
11.	Lack of protection against direct and indirect contacts (earthing system, circuit breaker, differential switch)
12.	Failure to supervise the removal or modification of safety, signalling or control devices



## **SPECIAL PART SEVEN**

- ***Receiving, laundering and use of money, goods or utilities of illicit origin, self-laundering***  
**(art. 25- octies Legislative Decree no. 231/2001)**

**1. The types of Predicate Offences attributable to the type of offences of receiving stolen goods, money laundering, use of money, goods or utilities of illicit origin, self-laundering (art. 25- octies Legislative Decree 231/2001) considered to be of significant risk.**

**1.1. Receiving stolen goods (art. 648 cp)**

The crime occurs when, in order to obtain a profit for oneself or others, one purchases, receives or conceals money or things deriving from any crime, or in any case one interferes in having them purchased, received or concealed.

**1.2. Money laundering (art. 648- bis cp)**

The crime occurs when money, goods or other utilities deriving from crime are replaced or transferred ( <sup>67</sup>), or other operations are carried out in relation to them, in such a way as to hinder the identification of their criminal origin.

**1.3. Use of money, goods or utilities of illicit origin (art. 648- ter cp)**

The crime occurs when, outside of the cases of receiving stolen goods and money laundering indicated above, money, goods or other benefits deriving from crime are used in economic or financial activities.

**1.4. Self-laundering (art. 648 – ter .1.) ( <sup>68</sup>)**

The crime occurs when a person - having committed or contributed to committing a non-culpable crime - uses, replaces, transfers, in economic, financial, entrepreneurial or speculative activities, the money, goods or other utilities deriving from the commission of such crime, in such a way as to concretely hinder the identification of their criminal origin ( <sup>69</sup>).

Conduct whereby money, goods or other utilities are used merely for personal use or enjoyment is not punishable.

For example, the crime of self-laundering can be committed as a result of other criminal activities - such as tax evasion, corruption and the appropriation of corporate assets - if the proceeds from such crimes are used in economic, financial, entrepreneurial or speculative activities of the person who committed or contributed to committing such crimes .

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( <sup>67</sup>) The article was amended by Legislative Decree no. 195/2021, which eliminated the limitation of the basic crime to “ non-negligent” .

( <sup>68</sup>) Self-laundering was introduced among the *Predicate Offences* by Law 15 December 2014, n. 186, which came into force on 1 January 2015, containing «Provisions regarding the emergence and repatriation of capital held abroad as well as for strengthening the fight against tax evasion. Provisions regarding self-laundering».

( <sup>69</sup>) The crime is punishable by imprisonment from two to eight years and a fine from 5,000 to 25,000 Euro. The penalty of imprisonment from one to four years and a fine from 2,500 to 12,500 Euro applies if the money, goods or other benefits derive from the commission of a non-culpable crime punishable by imprisonment of less than a maximum of five years .

In any case, the penalties provided for in the first paragraph shall apply if the money, goods or other benefits derive from a crime committed under the conditions or purposes referred to in Article 7 of Legislative Decree No. 152 of 13 May 1991, converted, with amendments, by Law No. 203 of 12 July 1991, and subsequent amendments (Urgent measures on the fight against organised crime and transparency and proper functioning of administrative activity).

The penalty is increased when the acts are committed in the exercise of a banking or financial activity or other professional activity. The penalty is reduced by up to half for those who have effectively worked to prevent the conduct from leading to further consequences or to ensure evidence of the crime and the identification of the goods, money and other benefits deriving from the crime.

### 1.5. assumption of money laundering and self-laundering

The origin of the utilities that have become available to the author.

### 1.6. Difference between recycling and self-laundering

Money laundering: outside of cases of complicity in the "source crime".

Self-laundering: in the case of commission or complicity in the commission of the "source crime"

### 1.7. Typical behavior

money laundering and self-laundering crimes is as follows:

- it is "*replaced*" (you receive "dirty" money or goods from crime and you return legal benefits)
- it is "*transferred*" (passage of the asset into the sphere of third parties, through fictitious ownership or different legal instruments)
- "other operations are performed [...]"
- with methods suitable to hinder the identification of the [...] criminal origin, that is to say *with an attitude that hinders the traceability of the illicit origin* .

## 2. Sensitive Processes

Linde, through the analysis carried out, has identified some Sensitive Processes in the context of the crimes of receiving stolen goods, money laundering, use of money, goods or utilities of illicit origin, self-laundering, verifying the existence of procedures that regulate them or noting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where necessary, appropriate updating.

The Sensitive Processes identified on the basis of the documentation relating to the risk assessment process mainly and theoretically refer to:

- a) corporate capital transactions / acquisition of financing;
  - b) investments;
  - c) acquisitions;
  - d) sales;
  - e) customer relations;
  - f) counterparty evaluation, with particular reference to cooperative or labor placement companies;
  - g) sales in established dealerships;
  - h) small maintenance jobs;
- and, with particular regard to self-laundering,

- i) tax/fiscal obligations;
- j) accounting of corporate transactions, if irregular accounting could lead to the creation of

slush funds.

The interviewees believe that the occurrence of the crimes in question is made impossible/unlikely by the measures adopted by the Company.

### **3. General principles of conduct**

#### **3.1. Company organization**

In general, the company's organizational system must comply with the fundamental requirements of formalization and clarity, of segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources), in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

#### **3.2. Compliance with specific regulations**

The Recipients must comply with the legislation on anti-money laundering (Legislative Decree no. 231/2007) as well as adhere to the General Principles and Rules contained in the General Part of the Model, or referred to therein (such as the management manuals and the system documentation underlying the certifications), the Code of Ethics, and specific procedures, both in Italy and abroad.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among those considered above.

#### **3.3. Transparency**

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

### **4. Use of third-party services**

The content of the Fourteenth Special Part is recalled in full.

### **5. Specific procedures**

The Company has adopted the following procedures with respect to the Sensitive Processes in question, which all subjects involved in the processes themselves are required to observe :

- a) the procedures envisaged in the context of the prevention of corporate crimes;
- b) the Group procedure for investments;
- c) the customer evaluation procedure;
- d) the treasury procedure;

- e) the budget procedure;
- f) KION Compliance Principles for Independent Partners in the KION Sales & Service Organization
- g) The KION Group Supplier Code of Conduct;
- h) the procedure for communications to the Supervisory Body.

in compliance in any case with the accounting principles and civil and tax regulations regarding correct accounting .

The provisions of the KION Group *Compliance Code* must be observed.

## **6. ODV controls**

### **6.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### **6.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Seventh Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.





## **SPECIAL PART EIGHT**

- ***Offences relating to infringement of copyright***  
**(art. 25- novies Legislative Decree no. 231/2001)**

## **1. The types of Predicate Offences attributable to the typology of copyright infringement offences, considered to be of significant risk (art. 25- *novies* Legislative Decree 231/2001 )**

### **1.1. Art . 171, first paragraph, letter a), a- *bis* ), c) and d), Law 22 April 1941, n. 633**

The crime occurs when a person: (i) reproduces, transcribes, recites in public, disseminates, sells or offers for sale or otherwise places on the market another's work or reveals its content before it is made public, or introduces and puts into circulation in the State copies produced abroad contrary to Italian law [art. 171, first paragraph, a)]; (ii) makes available to the public, by introducing it into a telematic network system, through connections of any kind, a protected intellectual work, or part of it [art. 171, first paragraph, a- *bis* )); (iii) carries out the above-mentioned acts through one of the forms of processing provided for by this law [art. 171, first paragraph, c)]; (iv) reproduces a number of copies or performs or represents a number of performances or representations greater than that which he had the right to produce or represent respectively [art. 171, first paragraph, d)].

### **1.2. Art . 171- *bis* Law 22 April 1941, n. 633**

The crime occurs when a person illegally duplicates, for profit, computer programs or for the same purposes imports, distributes, sells, holds for commercial or entrepreneurial purposes or leases programs contained in media not marked by the Italian Society of Authors and Publishers (SIAE). The penalty is imprisonment from six months to three years and a fine from €2,582 to €15,493. The same penalty applies if the act concerns any means intended solely to allow or facilitate the arbitrary removal or functional evasion of devices applied to protect a computer program. The penalty is not less than a minimum of two years' imprisonment and a fine of €15,493 if the act is of significant gravity.

The crime also occurs when a person, for the purpose of making a profit, reproduces, transfers to another medium, distributes, communicates, presents or demonstrates in public the contents of a database in violation of the provisions of Articles 64-*quinquies* and 64- *sexies* , or extracts or re-uses the database in violation of the provisions of Articles 102- *bis* and 102- *ter* , or distributes, sells or leases a database, on media not marked with SIAE.

### **1.3. Art . 171- *ter* , first paragraph, b) and c) Law 22 April 1941, n. 633**

The crime occurs when a person, for non-personal use: (i) abusively reproduces, transmits or disseminates in public, by any means, works or parts of literary, dramatic, scientific or didactic, musical or dramatic-musical, or multimedia works, even if included in collective or composite works or databases [art. 171- *ter* , first paragraph, b)]; (ii) holds or disseminates the above-mentioned works even though he or she has not contributed to the duplication or reproduction [art. 171- *ter* , first paragraph, c)].

### **1.4. Art . 171- *ter* , second paragraph, a), a-*bis*), b) and c) Law 22 April 1941, n. 633**

The crime occurs when a person, for non-personal use: (i) reproduces, duplicates, transmits or distributes illegally, sells or otherwise places on the market, transfers for any reason or imports illegally more than fifty copies or specimens of works protected by copyright and related rights [art. 171- *ter* , second paragraph, a)]; (ii) in violation of article 16, for profit, communicates to the public by placing it in a telematic network system, through connections of any kind, a work of the mind protected by copyright, or part of it

[art. 171- *ter* , first paragraph, a-bis)]; (iii) by carrying out in an entrepreneurial form the activity of reproduction, distribution, sale or marketing, importation of works protected by copyright and related rights, is guilty of the acts provided for in paragraph 1 [art. 171- *ter* , first paragraph, b)]; (iv) promotes or organizes the illicit activities referred to in paragraph 1 [art. 171- *ter* , first paragraph, c)].

## 2. Sensitive Processes

Linde, through the analysis carried out, has identified some Sensitive Processes in the context of copyright infringement crimes by verifying the existence of procedures that regulate them or by detecting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where necessary, appropriate updating.

The Sensitive Processes identified on the basis of the documentation relating to the risk assessment process mainly refer to

- a) to the acquisition and use of *software* ,
- b) to the Company's use of images and/or contributions from employees in the context of company initiatives such as, for example, publications .

The interviewees believe that the occurrence of the crimes in question is in any case made impossible/unlikely by the measures adopted by the Company.

## 3. principles of conduct

### 3.1. Company organization

In general, the company's organizational system must comply with the fundamental requirements of formalization and clarity, of segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources), in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

### 3.2. Compliance with specific regulations

The Recipients must comply with the legislation on copyright (Law no. 633/1941) as well as adhere to the General Principles and Rules contained in the General Part of the Model, or referred to therein, the Code of Ethics, and specific procedures, both in Italy and abroad.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among those considered above.

Those involved in sensitive processes are required not to allow their collaborators to make improper use of the acquired usage rights.

### 3.3. Traceability

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## 4. Use of third-party services

The contents of the Fourteenth Special Part are recalled in full.

## 5. Specific procedures

In particular, the following requirements must be observed:

### 5.1. Software

- a) *software* without the necessary authorizations/licenses is prohibited ;
- b) the use of software outside of the purchased usage rights is prohibited;
- c) the management of authorisations/licenses, and the control over the use of the related *software*, are the responsibility of the IT Function;
- d) the corporate functions responsible for the acquisition of *software* must obtain contractual guarantees from their assignors regarding (i) the ownership of the economic exploitation rights by the assignor, (ii) the originality of the works and the non-existence of violations of third party rights;
- e) the installation and use of *software* that is not made available by the functions specifically authorised by the Company and that is not functional with the tasks performed by the users is prohibited;
- f) the installation and use, in the Company's computer systems and on the individual personal computers supplied, of software (such as *Peer to Peer* ) through which it is possible to exchange *files* (of any type) with other subjects within the Internet (such as films, documents, songs, viruses, etc.) without any possibility of control by the Company is prohibited;
- g) the staff, in the context of their work, must not duplicate and/or distribute software in any form;
- h) Staff are not authorized to reproduce licensed media.

### 5.2. Image rights and SIAE rights

Any use by the Company of images and/or contributions from employees in the context of company initiatives must be preceded by the consent of the interested party, whether express or implicit resulting from the circumstances.

The use, in the context of corporate events or demonstrations, of musical pieces or in any case of works for which copyright is due must be carried out in compliance with SIAE regulations.

### 5.3. Databases

The subjects who find themselves having the possibility of managing databases ( <sup>70</sup> ) must observe the provisions of Articles 64- *quinquies* ( <sup>71</sup> ) and 64- *sexies* ( <sup>72</sup> ) , and refrain from extracting or re-utilising the database in violation of the provisions of Articles 102- *bis* and 102- *ter* ( <sup>73</sup> ), as well as from distributing, selling or leasing a database.

#### 5.4. Information and training

With regard to the Sensitive Processes in question, the Company ensures that its employees and collaborators receive adequate training.

## 6. ODV controls

### 6.1. Reports to the Supervisory Body

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### 6.2. Activities of the Supervisory Body

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Eighth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

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( <sup>70</sup> ) Pursuant to art. 102- *bis* , (i) creator of a database means anyone who makes significant investments for the creation of a database or for its verification or presentation, committing, for this purpose, financial means, time or work; ( ii) extraction, the permanent or temporary transfer of all or a substantial part of the contents of a database to another medium by any means or in any form; (iii) re-use, any form of making available to the public all or a substantial part of the contents of the database by distributing copies, renting, transmission by any means and in any form. Regardless of whether the database can be protected under copyright or other rights and without prejudice to the rights on the content or parts thereof, the creator of a database has the right to prohibit extraction or re-use of all or a substantial part of the same.

( <sup>71</sup> ) Pursuant to art. 64- *quinquies* , the author of a database has the exclusive rights to perform or authorise:

- a) permanent or temporary reproduction, in whole or in part, by any means and in any form;
- b) translation, adaptation, different arrangement and any other modification;
- c) any form of distribution to the public of the original or copies of the database; the first sale of a copy within the territory of the European Union by the right holder or with his consent exhausts the right to control, within the Union, subsequent sales of the copy;
- d) any public presentation, demonstration or communication, including transmission by any means and in any form;
- e) any reproduction, distribution, communication, presentation or demonstration in public of the results of the operations referred to in letter b).

( <sup>72</sup> ) Pursuant to Article 64- *sexies* , the activities indicated in Article 64- *quinquies* carried out by the legitimate user of the database or a copy thereof are not subject to the authorization of the author, if such activities are necessary for access to the content of the database itself and for its normal use; if the legitimate user is authorized to use only a part of the database, this paragraph applies only to that part.

The article in question also specifies that other activities are not subject to the authorization referred to in article 64- *quinquies* by the right holder, the main ones of which are access to or consultation of the database when it has exclusively educational or scientific research purposes, not carried out within a business, as well as the use of the database for public safety purposes or as a result of an administrative or judicial procedure.

( <sup>73</sup> ) Pursuant to art. 102- *ter* , the legitimate user of the database made available to the public must not cause harm to the right holder and may not carry out operations that conflict with the normal management of the database or that cause unjustified harm to the creator of the database. The extraction or re-utilization of non-substantial parts, assessed in qualitative and quantitative terms, of the content of the database for any purpose carried out by the legitimate user are not subject to the authorization of the creator of the database made available to the public for any reason.



The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART NINE**

- ***Inducement not to make statements or to make false statements to the judicial authority***  
**(art. 25- *decies* Legislative Decree no. 231/2001)**



## **1. The predicate crime of inducing someone not to make statements or to make false statements to the judicial authority (art. 25-decies Legislative Decree 231/2001)**

### **1.1. Inducement not to make statements or to make false statements to the judicial authority (art. 377- bis cp)**

The crime occurs when, through the use of violence or threats, or through the offer or promise of money or other benefits, a person is induced not to make statements or to make false statements before the judicial authority, statements that can be used in criminal proceedings, when the person has the right to remain silent.

## **2. Sensitive Processes**

Linde, through the analysis carried out, found that the crime in question could occur whenever a person, whether an employee or not of the company, is called to testify, or knows a witness, in cases in which an interest of the Company is involved.

## **3. General principles of conduct**

In general, the recipients of the Model must adhere to the principle of not interfering with the correct administration of justice, refraining from applying, or having applied, pressure on witnesses; where they are aware of third parties' intentions in this direction, they must take action to try to dissuade such behavior.

The principle specified above applies to all Recipients.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, constitute, directly or indirectly, the types of crimes included among those considered above.

The Company promotes compliance with the Code of Ethics and the truth and transparency of the documentation used, in all circumstances.

## **4. Specific procedures**

Disputes before the Judicial Authority must be traceable, and the responsibility for their management must be identified.

With regard to the Sensitive Processes in question, the Recipients must observe, and ensure that the third parties involved observe, in addition to the general principles, the provisions of the KION Group Compliance Code.

## **5. ODV controls**

### **5.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

## **5.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Ninth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART TEN**

- ***Environmental crimes***  
**(art. 25- *undecies* Legislative Decree no. 231/2001)**

## **1. The types of Predicate Offences attributable to the typology of environmental offences considered to be of significant risk (art. 25- undecies Legislative Decree 8 June 2001 n. 231)**

### **1.1. Discharges of industrial waste water, without authorization (art. 137 Legislative Decree 3 April 2006, n. 152)**

The crime is committed against anyone who opens or in any way carries out new discharges of industrial waste water, without authorization, or continues to carry out or maintain said discharges after the authorization has been suspended or revoked. The penalty provided for is arrest from two months to two years or a fine from € 1,500.00 to € 10,000.00 ( <sup>74</sup>).

Failure to comply with the discharge prohibitions set forth in Articles 103 and 104 is punishable by imprisonment of up to three years.

### **1.2. Discharges to the ground (art. 103 Legislative Decree 3 April 2006, n. 152)**

The law prohibits the discharge on the ground or in the superficial layers of the subsoil, except in some particular cases ( <sup>75</sup>).

Outside of the cases provided for above, existing discharges onto the ground must be conveyed into surface water bodies, into sewer systems or destined for reuse in accordance with the provisions established by the decree referred to in Article 99, paragraph 1. In the event of failure to comply with the obligations indicated, the discharge authorization is considered revoked for all purposes.

The discharges referred to in letter c) of paragraph 1 must comply with the limits of Table 4 of Annex 5 to Part Three of this Decree. In any case, the prohibition on discharging onto the ground the substances indicated in point 2.1 of Annex 5 to Part Three of this Decree remains in force.

### **1.3. Discharges into the subsoil and underground water (art. 104 Legislative Decree**

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( <sup>74</sup>) More serious penalties are foreseen when the conduct described above concerns :

- discharges of industrial waste water containing hazardous substances included in the families and groups of substances indicated in tables 5 and 3/A of Annex 5 to Part Three of Decree No. 152/2006 (arrest from three months to three years);
- the discharge of industrial waste water containing hazardous substances included in the families and groups of substances indicated in tables 5 and 3/A of Annex 5 to Part Three of this Decree without observing the requirements of the authorization, or the other requirements of the competent authority (arrest up to two years);
- the discharge of industrial waste water which, in relation to the substances indicated in table 5 of Annex 5 to Part Three of Decree No. 152/2006, exceeds the limit values set in Table 3 or, in the case of discharge onto the ground, in Table 4 of Annex 5 to Part Three of the same Decree, or the more restrictive limits set by the regions or autonomous provinces or by the competent Authority pursuant to Article 107, paragraph 1 (arrest of up to two years and a fine of between €3,000.00 and €30,000.00; if the limit values set for the substances contained in Table 3/A of the same Annex 5 are also exceeded, arrest of between six months and three years and a fine of between €6,000.00 and €120,000.00).

( <sup>75</sup>) The exceptions are:

- a) the cases provided for in Article 100, paragraph 3;
- b) the flood dischargers serving the sewerage networks;
- c) discharges of urban and industrial waste water for which it is proven that it is technically impossible or excessively costly, given the environmental benefits that can be achieved, to discharge into surface water bodies, provided that they comply with the criteria and emission limit values set for this purpose by the regions pursuant to Article 101, paragraph 2. Until new regional regulations are issued, the emission limit values in Table 4 of Annex 5 to Part Three of this Decree shall apply;
- d) discharges of water from the processing of natural rocks as well as from mineral washing plants, provided that the related sludge consists exclusively of water and natural aggregates and does not cause damage to the aquifers or soil instability;
- e) rainwater discharges channelled into separate sewer systems;
- f) water resulting from the overflow of water reservoirs, from maintenance operations on drinking water networks and from the maintenance of aqueduct wells.

### 3 April 2006 n. 152)

The law prohibits direct discharge into groundwater and subsoil ( <sup>76</sup>).

Except for certain cases ( <sup>77</sup>), existing and duly authorised discharges into the subsoil and underground waters must be channelled into surface water bodies or, where possible, destined for recycling, reuse or agronomic use. In the event of failure to comply with the indicated obligations, the discharge authorisation is revoked.

#### 1.4. Discharges into sewer systems (art. 107 Legislative Decree 3 April 2006, n. 152)

Without prejudice to the mandatory nature of the emission limit values ( <sup>78</sup>), discharges of industrial waste water that flow into sewer systems are subject to the technical standards, regulatory provisions and limit values adopted by the competent Authority on the basis of the characteristics of the plant, and in such a way as to ensure the protection of the receiving body of water as well as compliance with the regulations on discharges of urban waste water defined pursuant to Article 101, paragraphs 1 and 2.

#### 1.5. Authorization for emissions into the atmosphere (art. 269 Legislative Decree 3 April 2006, n. 152) and related sanctions (art. 279 of the same decree)

The need for authorization for emissions into the atmosphere is established by art. 269 of the consolidated environmental law, which states that - without prejudice to the provisions of article 267, paragraph 3, paragraphs 14 and 16 of this article and article 272, paragraph 5 - "for all plants that produce emissions, an authorization must be requested pursuant to part five of this decree".

To this end, "*The operator who intends to install a new system or transfer a system from one place to another shall submit an application for authorisation to the competent authority, accompanied by:*

*a) the plant design describing the specific activity for which the plant is intended, the techniques adopted to limit emissions and the quantity and quality of such emissions, the operating methods and the quantity, type and product characteristics of the fuels that are expected to be used, as well as, for plants subject to this condition, the technical minimum defined by the plant parameters that characterise it, and*

*b) a technical report describing the overall production cycle in which the specific activity for which the plant is intended is included and indicating the expected period between the commissioning and the start-up of the plant .»*

Article 279 punishes anyone who, in the operation of an establishment, violates the emission limit values or the requirements established by the authorization, by Annexes I,

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( <sup>76</sup>) By way of derogation from the prohibition, the competent authority, after a preliminary investigation, may authorise the discharge into the same aquifer of water used for geothermal purposes, of infiltration water from mines or quarries or of water pumped during certain civil engineering works, including that from heat exchange systems.

In derogation from the prohibition, the competent authority, after a preliminary investigation also aimed at verifying the absence of foreign substances, may authorize discharges into the same aquifer of the water used for washing and processing the aggregates, provided that the related sludge consists exclusively of water and natural aggregates and their discharge does not cause damage to the aquifer. To this end, the Regional Agency for Environmental Protection (ARPA) competent for the territory, at the expense of the person requesting the authorization, verifies the quantitative and qualitative characteristics of the sludge and the absence of possible damage to the aquifer, expressing a binding opinion on the request for authorization to discharge.

( <sup>77</sup>) Provided for by paragraphs 2, 3, 5 and 7 of art. 104 of Legislative Decree 3 April 2006, n. 152,

( <sup>78</sup>) Referred to in table 3/A of Annex 5 to part three of Legislative Decree no. 152 of 3 April 2006 (limited to the parameters referred to in note 2 of Table 5 of the same Annex 5, in Table 3).

II, III or V to Part Five of this decree, by the plans and programs or by the legislation referred to in Article 271 or the requirements otherwise imposed by the competent authority.

**1.6. Discharges of hazardous substances (art. 108 Legislative Decree 3 April 2006, n. 152)**

For the substances listed in Table 3/A of Annex 5 to Part Three of Decree No. 52/2006, deriving from the production cycles indicated in the same table, the authorizations also establish the maximum quantity of the substance expressed in units of weight per unit of characteristic element of the polluting activity and that is per raw material or per unit of product, in accordance with what is indicated in the same Table. Discharges containing the dangerous substances referred to in paragraph 1 are subject to the provisions set out in point 1.2.3. of Annex 5 to Part Three of the aforementioned decree.

**1.7. Unauthorized waste management activity (art. 256 Legislative Decree 3 April 2006, n. 152)**

The crime occurs when an activity of collection, transport, recovery, disposal, trade and intermediation of waste is carried out in the absence of the required authorisation, registration or communication referred to in Articles 208, 209, 210, 211, 212, 214, 215 and 216.

The crime is punishable by imprisonment from three months to one year or by a fine from €2,600.00 to €26,000.00 if the waste is non-hazardous; by imprisonment from six months to two years and a fine from €2,600.00 to €26,000.00 if the waste is hazardous.

The penalties apply to business owners and managers of entities who abandon or deposit waste in an uncontrolled manner or release it into surface or underground water in violation of the prohibition set forth in Article 192, paragraphs 1 and 2.

It is prohibited to build or manage unauthorized landfills.

It is forbidden to carry out unauthorised waste mixing activities.

**1.8. Prohibition of waste abandonment (art. 192 Legislative Decree 3 April 2006, n. 152)**

The uncontrolled abandonment and deposit of waste on and in the ground is prohibited.

It is also prohibited to dump waste of any kind, whether solid or liquid, into surface or underground water.

**1.9. Site remediation (art. 257 Legislative Decree 3 April 2006, n. 152)**

The crime is committed by anyone who causes pollution of the soil, subsoil, surface water or underground water by exceeding the risk threshold concentrations.

**1.10. Violation of the obligations of communication, maintenance of mandatory registers and forms (art. 258 Legislative Decree 3 April 2006, n. 152)**

The provision punishes companies that collect and transport their own non-hazardous waste as per Article 212, paragraph 8, that do not adhere to the waste traceability control system and transport waste without the form referred to in Article 193 or indicate incomplete or inaccurate data in the form itself.

**1.11. Illicit waste trafficking (art. 259 Legislative Decree 3 April 2006, n. 152)**

The provision punishes anyone who carries out a shipment of waste constituting illicit trafficking pursuant to Article 26 of Regulation (EEC) No. 259 of 1 February 1993, or carries out a shipment of waste listed in Annex II of the aforementioned regulation in violation of Article 1, paragraph 3, letters a), b), c) and d), of the regulation itself ( <sup>79</sup>).

#### **1.12. Activities organised for the illicit trafficking of waste (art. 452-*quaterdecies* of the criminal code) ( <sup>80</sup>)**

The provision punishes anyone who, in order to obtain an unjust profit, with multiple operations and through the setting up of organised continuous means and activities, sells, receives, transports, exports, imports, or in any case illegally manages large quantities of waste ( <sup>81</sup>).

#### **1.13. Penalties for violation of emission limits (art. 279 Legislative Decree 3 April 2006, n. 152)**

The provision punishes anyone who, in the operation of an establishment, violates the emission limit values or the requirements established by the authorization, by Annexes I, II, III or V to Part Five of this decree, by the plans and programs or by the legislation referred

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( <sup>79</sup>) Article 26 of Council Regulation (EEC) No 259/93 of 1 February 1993 on the supervision and control of shipments of waste within, into and out of the European Community provides that any shipment of waste constitutes illicit trafficking:

- a) carried out without notification having been sent to all the competent authorities concerned in accordance with this Regulation, or
- b) carried out without the consent of the competent authorities concerned, pursuant to this Regulation, or
- c) carried out with the consent of the competent authorities concerned obtained through forgery, misrepresentation or fraud, or
- d) not specifically specified in the accompanying document, or
- e) which involves disposal or recovery in violation of Community or international rules, or contrary to the provisions of Articles 14, 16, 19 and 2.

( <sup>80</sup>) The crime was originally contemplated by art. 260 of Legislative Decree no. 152 of 3 April 2006 (Regulations on environmental matters), repealed by Legislative Decree no. 21 of 1 March 2018 (art. 7), and was transferred by the latter without amendments to the new article of the criminal code indicated above (based on the principle of the so-called "code reserve" in criminal matters ). The text of the provision is reported below:

«Penal Code art. 452- *quaterdecies*

Organized activities for the illegal trafficking of waste

Anyone who, in order to obtain an unjust profit, with multiple operations and through the setting up of organised continuous means and activities, sells, receives, transports, exports, imports, or in any case illegally manages large quantities of waste shall be punished with imprisonment from one to six years.

omitted».

The transfer of the criminal offence to the new law also entails the modification of Article 25- *undecies* of Legislative Decree 231/2001 (Environmental crimes), paragraph 8, which now states: «If the entity or one of its organizational units are permanently used for the sole or prevalent purpose of allowing or facilitating the commission of the crimes referred to in Article 452- *quaterdecies* of the Criminal Code [editor's note: instead of the repealed Article 260] and Article 8 of Legislative Decree No. 202 of 6 November 2007, the sanction of permanent disqualification from carrying out the activity shall apply pursuant to Article 16, paragraph 3, of Legislative Decree No. 231 of 8 June 2001».

( <sup>81</sup>) The crime was originally contemplated by art. 260 of Legislative Decree no. 152 of 3 April 2006 (Regulations on environmental matters), repealed by Legislative Decree no. 21 of 1 March 2018 (art. 7), and was transferred by the latter without amendments to the new article of the criminal code indicated above (based on the principle of the so-called "code reserve" in criminal matters ). The text of the provision is reported below:

« *Criminal Code art. 452- *quaterdecies**

*Organized activities for the illegal trafficking of waste*

*Anyone who, in order to obtain an unjust profit, with multiple operations and through the setting up of organised continuous means and activities, sells, receives, transports, exports, imports, or in any case illegally manages large quantities of waste shall be punished with imprisonment from one to six years.*

*omitted ».*

The transfer of the criminal offence to the new law also entails the modification of article 25- *undecies* of Legislative Decree 231/2001 (Environmental crimes), paragraph 8, which now states: « *If the entity or one of its organizational units are permanently used for the sole or prevalent purpose of allowing or facilitating the commission of the crimes referred to in art. 452- *quaterdecies* of the criminal code [editor's note: instead of the repealed art. 260] and article 8 of the legislative decree of 6 November 2007, n. 202, the sanction of permanent disqualification from carrying out the activity pursuant to art. 16, paragraph 3, of the legislative decree of 8 June 2001 n. 231 applies* ».



to in Article 271 or the requirements otherwise imposed by the competent authority.

#### **1.14. Cessation and reduction of the use of harmful substances - Measures to protect stratospheric ozone and the environment (art. 3 Law 28 December 1993, n. 549)**

The provision establishes that the production, consumption, import, export, possession and marketing of the harmful substances listed in Table A attached to the law are regulated by the provisions of Regulation (EC) No. 3093/94 (*of the Council, of 15 December 1994, on substances that deplete the ozone layer*) .

#### **1.15. Law 22 May 2015, n. 68, containing "Provisions on crimes against the environment"**

Law no. 68 of 22 May 2015, containing "Provisions on crimes against the environment" (which came into force on 29 May 2015) has included in the "catalogue of crimes" pursuant to Legislative Decree 231(2001) the crimes specified below, the risk of commission of which has however been deemed by the Company to be substantially non-existent with reference to the activity carried out:

- 1.15.1. crime of environmental pollution (art. 452- *bis* cp)
- 1.15.2. crime of environmental disaster (art. 452-quater cp)
- 1.15.3. negligent crimes against the environment (art. 452-quinquies, in reference to art. 452-bis and quater, cp)
- 1.15.4. associative crimes aggravated by being aimed (even concurrently) at the commission of the crimes listed in Title VI bis of the Criminal Code (art. 452-octies of the Criminal Code)
- 1.15.5. of trafficking and abandonment of highly radioactive material (art. 452- *sexies* cp)

## **2. Sensitive Processes**

The Company, through the analysis carried out, has identified several Sensitive Processes in the context of environmental crimes, verifying the existence of procedures that regulate them or detecting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where appropriate, appropriate integration with new procedures or with the updating of existing ones.

### **2.1. Sensitive processes of a general nature**

Linde has identified the following business processes as relevant - both with reference to the headquarters and with reference to the branches:

- a) discharges into water
- b) emissions into the atmosphere
- c) waste management (collection, transport, recovery, disposal)
- d) waste management in office activities
- e) Prevention of soil pollution
- f) Transport in ADR

## **2.2. Waste management and disposal**

- a) identification , characterization and classification of waste;
- b) management of waste collection, transport, recovery, disposal, trade and intermediation activities, including the disposal of inks (toners) and electronic equipment;
- c) management of temporary waste storage;
- d) outsourcing of waste management activities and checks on the correct performance of the related task, including verification of the necessary authorisations;
- e) management of loading activities, waste transportation, control and use of transport documentation.

## **2.3. Management of atmospheric emissions**

- a) applications for granting and renewal of administrative authorisations for emissions into the atmosphere;
- b) measurement and monitoring for the purposes of checking compliance with the limits and requirements set out in current legislation and specific authorisations.

## **2.4. Wastewater management**

- a) applications for the granting and renewal of administrative authorisations for industrial wastewater discharges;
- b) measurement and monitoring to control compliance with the limits and requirements set by current legislation and by provisions of the relevant authorities;

## **2.5. Management of potentially contaminating events**

- a) compliance with obligations (including reporting to the authorities) relating to incidental events that are potentially capable of contaminating the soil, subsoil, surface water and/or groundwater;
- b) monitoring the execution of any remediation activities in compliance .

the risk of soil or water well pollution due to the percolation of oily or ferrous substances from trolleys and cylinders stored in the yards ( <sup>82</sup>). A theoretical risk can also be identified in washing activities. There is also the risk of electrolyte leakage from batteries.

## **2.6. Management of equipment and systems containing ozone-depleting substances**

Contracting out inspection and maintenance activities for equipment containing ozone-depleting substances and checks on the correct performance of the related task.

## **2.7. Other sensitive processes**

- a) management of applicable legislation and obligations related to the management of F-Gas;

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( <sup>82</sup>) Machines destined for scrapping as well as those not CE marked or CE marked but in poor condition can remain in the yard outside the Branch.

- b) the management of the applicable legislation in the field of noise.
- c) The transport in ADR of lead and lithium ion batteries and of certain categories of waste .

### **3. General principles of conduct**

#### **3.1. Environmental protection**

The Company, in consideration of the activity it carries out, attributes particular and primary importance to the protection of the environment. In this perspective, the regulations and provisions of the authorities must be observed in the matter of:

- a) discharges into water and emissions into the atmosphere;
- b) possible use of polluting substances;
- c) collection, transport, recovery, waste disposal.

#### **3.2. Company organization**

In general, the Company's organizational system must comply with the fundamental requirements of formalization and clarity, segregation of functions and roles in such a way that a single individual cannot follow an entire Sensitive Process alone (also with regard to the request and possibility of handling financial resources), in particular with regard to the attribution of representation, responsibility, definition of hierarchical lines and operational activities.

Members of corporate bodies and those with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

The main recipients of the rules of conduct and procedures are the subjects with powers and delegations in the matter. The recipients are also the corporate bodies and all employees and collaborators, including non-employees, of Linde, as well as service providers.

#### **3.3. Prohibitions**

All the subjects indicated must refrain from carrying out, contributing to or causing the carrying out of behaviors that may constitute the types of crime indicated above; they must also comply with the behavioral principles and prohibitions set forth in the Company's Code of Ethics and in general by the provisions of the Model.

In particular, it is prohibited to:

- a) pursue the goal of saving costs and time at the expense of environmental protection;
- b) adopt behaviors aimed at unduly influencing the judgment of the authorities and supervisory bodies.

#### **3.4. Duties**

- 3.4.1. The procedures established to monitor Sensitive Processes must be observed, with particular reference to those on the assessment of environmental aspects, on water discharges and underground tanks, on waste management, on the storage

and movement of chemical products and on the spillage or loss of substances (<sup>83</sup>).

- 3.4.2. The provisions of the KION Group Compliance Code must be observed.
- 3.4.3. Those responsible for environmental *compliance* are required to make known and enforce, in addition to the rules set out in the Model, the regulations and instructions of the competent authorities regarding environmental protection.
- 3.4.4. The Company undertakes, within its budgets, to adhere to the best available technologies and to refrain from making environmental decisions referring exclusively to a policy of cutting costs and investments.

### 3.5. Traceability

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## 4. Specific procedures

### 4.1. Integrated quality-safety-environment management system

The Company has adopted an Integrated Quality, Safety and Environment System Manual , in relation to which the information reported on the matter in the Sixth Special Part is fully referred to.

The management of activities is based on consolidated practices defined in the procedures aimed at preventing the risk of crimes and therefore the company processes are under control.

### 4.2. Construction of drains

The Company must not discharge into water or the atmosphere without first obtaining the necessary authorizations. Investments that involve discharges of the type in question must be approved by the Chief Executive Officer with the relevant delegation or a person delegated by him.

### 4.3. Industrial activities

The person responsible for industrial activities or a person delegated by him must ensure periodic monitoring of the limits indicated in the authorisations held by the Company.

### 4.4. Waste management

Group policies and procedures regulating the methods of collection, transport, recovery, disposal, trade and intermediation of special waste and hazardous waste must be observed, even when these are Company assets held by third parties (<sup>84</sup>). Disposal must be entrusted to specialized suppliers with the required authorizations.

It is prohibited to:

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(<sup>83</sup>) The complete and updated list of procedures in the Company in relation to environmental crimes is reported in a separate document which will be constantly updated and made available to the ODV

(<sup>84</sup>) For example, for trolleys at the customer's premises, waste is disposed of according to the appropriate procedure.

- a) submit or prepare false waste analysis certificates;
- b) exceeding the time and/or quantity limits permitted for the temporary storage of waste;

In the event of waste transport by the Company itself, the Company must comply with all procedures established to monitor Sensitive Processes and must use authorised vans.

Legal and regulatory obligations regarding waste traceability must be respected, including obligations arising from membership of the Electronic Waste Traceability System (reporting obligations, keeping mandatory registers and forms).

#### **4.5. Exhausted batteries**

The provisions of the procedures for the replacement or disposal of used batteries must be observed. The disposal of used batteries by battery dealers must be prohibited if they do not have the required authorizations.

#### **4.6. Waste water**

Waste water must be disposed of in a tank; machine tool emulsions, used oils and painting waste must be conveyed to special collection basins, and collected from these by external third-party companies, after checking that the required authorisation is held by the latter.

### **5. Use of third-party services or supplies**

The contents of the Fourteenth Special Part are recalled in full.

### **6. ODV controls**

#### **6.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

#### **6.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body shall independently carry out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Tenth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model. The Supervisory Body shall report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART ELEVEN**

- ***Employment of third-country nationals whose stay is irregular***  
**(art. 25- duodecies Legislative Decree no. 231/2001)**
- ***intermediation and exploitation of labour***  
**( art . 25-quinquies Legislative Decree no. 231/2001 )**

**1. There types of crimes based on the employment of workers in violation of specific provisions of law (art. 25- *duodecies* and art. 25- *quinquies* Legislative Decree 231/2001 ) deemed to be of significant risk**

**1.1. Employment of foreign workers whose stay is irregular ( Article 22, paragraphs 12 and 12- *bis* , Legislative Decree 25 July 1998, n. 286)**

The crime occurs when the employer employs foreign workers who do not have a residence permit, or whose permit has expired - and whose renewal has not been requested within the terms of the law -, revoked or cancelled.

In order for the entity to be punishable, one of the following aggravating circumstances must exist, which entail an increase in punishment: *(i)* that the number of employed workers is greater than three; *(ii)* that one or more of the recruited individuals are minors of non-working age; *(iii)* that the employed workers are subjected to particularly exploitative working conditions (as per the third paragraph of article 603- *bis* of the penal code, as replaced by Law 29 October 2016, n. 199). The conditions of particular exploitation are, in addition to those reported above in points *(i)* and *(ii)* , having committed the act by exposing the intermediary workers to situations of serious danger, taking into account the characteristics of the tasks to be performed and the working conditions.

**1.2. Illicit intermediation and exploitation of labor (art. 603- *bis* cp)**

The crime is committed against anyone who:

- 1) recruits workers for the purpose of assigning them to work for third parties in exploitative conditions, taking advantage of the workers' state of need;
- 2) uses, hires or employs labour, including through the intermediation activity referred to in point 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

For the purposes of the existence of the crime, the existence of one or more of the following conditions constitutes an indication of exploitation:

- a) the repeated payment of wages in a manner that is clearly different from the national or territorial collective agreements stipulated by the most representative trade union organisations at national level, or in any case disproportionate to the quantity and quality of the work performed;
- b) repeated violation of the regulations relating to working hours, rest periods, weekly rest, compulsory leave, holidays;
- c) the existence of violations of the regulations on safety and hygiene in the workplace;
- d) the subjection of the worker to degrading working conditions, methods of surveillance or housing situations ( <sup>85</sup>).

*The following constitute a specific aggravating circumstance and lead to an increase in the penalty by one third to one half: (i) the fact that the number of workers employed is greater*

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( <sup>85</sup> ) The penalty is one to six years of imprisonment and a fine of 500 to 1,000 Euro for each worker recruited, unless the act constitutes a more serious crime.

If the acts are committed through violence or threats, the penalty is five to eight years of imprisonment and a fine of 1,000 to 2,000 euros for each worker recruited.



than three; (ii) the fact that one or more of the recruited subjects are minors of non-working age; (iii) having committed the act *exposing exploited workers to situations of serious danger, taking into account the characteristics of the tasks to be performed and the working conditions*.

## 2. Processes Sensitive

Linde, through the analysis carried out, has identified some Sensitive Processes in the context of the crimes described above, verifying the existence of procedures that regulate them or detecting the need to provide for their integration with new protocols. The procedures in question, already existing or newly issued, will in any case be subject to continuous verification and, where necessary, appropriate updating.

The Sensitive Processes identified on the basis of the documentation relating to the risk assessment process mainly refer to the use of service procurement contracts as well as the services of temporary employment agencies or cooperative societies whose services the Company uses .

The interviewees believe that the occurrence of the crime in question in the event of direct hiring by the Company is essentially impossible.

## 3. principles of conduct

### 3.1. Company organization

Generally speaking, the company's organizational system must respect the fundamental requirements of formalization and clarity, of segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources).

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

### 3.2. Duties and prohibitions

Recipients must comply with the regulations regarding (i) the hiring of personnel, (ii) the employment of third-country nationals.

They must also comply with the General Principles and Rules contained in the General Part of the Model, or referred to therein, such as the management manuals and the system documentation underlying the certifications, the Code of Ethics, and specific procedures, both in Italy and abroad.

It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, directly or indirectly constitute the types of crimes included among those considered above; it is also forbidden to carry out behaviours which conflict with the legislation and/or the Model.

### 3.3. Transparency

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting

documentation available to the ODV.

## **4. Specific procedures**

### **4.1. General rule**

The use (intended as the effectiveness of the work performance) of manpower, either directly by the Company, or through the use of employment agencies, or through the use of temporary employment agencies or cooperative societies, must:

- a) occur without resorting to the so-called "gangmaster" or similar practices, which as they are illegal are rejected by the Company,
- b) concern, in the case of citizens of third countries, workers in possession of a residence permit, or whose residence permit has been requested for renewal within the terms of the law; or whose residence permit has not been revoked or cancelled.
- c) concern, where the personnel employed by third parties are concerned, workers who are in a situation of regular contributions and for whom the employer companies deliver the DURC at the start of employment with the Company and, subsequently, upon simple request by the Company.

The Company is required to verify, on a periodic basis, both the regularity of the residence permits and the regularity of the DURC.

### **4.2. Prohibition of discrimination**

In carrying out personnel research and selection activities, the Company rejects any discrimination based on race, language, sex, religion, political belief and social condition and guarantees principles of transparency and impartiality.

### **4.3. Contracts with temporary employment agencies or cooperatives**

Contracts with temporary employment agencies or cooperatives must contain specific guarantees.

In particular, the aforementioned contracts must contain a specific declaration by the contracting parties:

- a) to be aware of the legislation referred to in Legislative Decree 231/2001 and its implications for the Company;
- b) to be aware of the legislation referred to in Legislative Decree 25 July 1998, n. 286, with particular reference to art. 22;
- c) to be aware of art. 603- *bis* of the Criminal Code as amended by Law no. 199 of 29 October 2016 ;
- d) of commitment to comply with the provisions of this Special Part;
- e) of commitment to deliver to the Company, upon simple request, a copy of the residence permits and the DURC,
- f) (i) never having been definitively convicted (and not having resorted to plea bargaining) for one of the predicate crimes contemplated in Legislative Decree 231/2001 of any nature (even if not covered in the Model) , (ii) that he/she is not

currently a defendant or under investigation in criminal proceedings relating to the underlying crimes, and (iii) that he/she is not subject to anti-mafia measures or warnings or to restrictive public safety provisions. In the case of a company in the form of an association or a corporation, the above declarations must be made, in addition to those concerning the Provider, also with respect to the legal representatives of the company or the company in the form of an association, their spouses and relatives within the fourth degree or in-laws within the second degree, as well as the persons who will be responsible for the execution of the contract (whose names must be communicated to the Company).

In the event of a conviction or ongoing proceedings, and provided that the agreement is deemed indispensable and preferable to a contract with other parties, particular precautions must be adopted;

- g) of commitment to refrain from carrying out activities that may constitute any of the Predicate Offences or which in any case conflict with the legislation and/or with the Model and/or with the Company's Code of Ethics.
- h) that he is not in bankruptcy proceedings or in any other of the procedures provided for by the insolvency code, and that no application has been made against him for his subjection to one of these procedures;
- i) of not having been guilty of serious professional misconduct, such as to cast doubt on his integrity or reliability, pursuant to art. 95 paragraph 1 letter e) of Legislative Decree no. 36/2023 (New Procurement Code);
- j) of not having committed serious violations, definitively ascertained, of the obligations relating to the payment of taxes and duties and social security contributions, indicated in art. 94, paragraph 6, and 95, paragraph 2, of Legislative Decree no. 36/2023 (New Procurement Code); .
- k) of not having committed any duly ascertained serious infringements of the rules on health and safety at work as well as of the obligations set out in art. 95, paragraph 1, letter a), of Legislative Decree no. 36/2023 (New Procurement Code);

Consultants and suppliers must be committed to complying with Linde's Model and Code of Ethics, or, in the case of entities, must have adopted their own similar Model and Code of Ethics that regulate the prevention of the crimes contemplated in Linde's Model and Code of Ethics.

Contracts with consultants and suppliers must contain a specific clause regulating the consequences of their violation of the provisions of Legislative Decree 231/2001 (such as express termination clauses, penalties); for existing contracts, in the most significant cases, a specific *addendum must be drawn up* .

The functions involved in the staff hiring process, in the event that non-EU staff are hired, must carry out appropriate checks and verifications regarding the documentation certifying the residence permit.

## 5. ODV controls

### 5.1. Reports to the Supervisory Body

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

## **5.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Eleventh Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART TWELFTH**

- ***Crimes against industry and commerce***  
**(art. 25- bis . 1 Legislative Decree no. 231/2001)**

## 1. The Predicate Offence of "sale of industrial products with false markings" (art. 517 of the Criminal Code) (art. 25- bis 1 of Legislative Decree 231/2001 )

### 1.1. Sale of industrial products with false markings (art. 517 cp)

Article 517 of the Criminal Code punishes " *anyone who puts on sale or otherwise puts into circulation works of the mind or industrial products, with national or foreign names, trademarks or distinctive signs, capable of deceiving the buyer as to the origin, provenance or quality of the work or product* " ( <sup>86</sup> ) ( <sup>87</sup> ).

The use or imitation of a trademark of another entrepreneur (a trademark which is not necessarily counterfeit ( <sup>88</sup> ), nor registered or recognised) which is capable of misleading the consumer regarding the quality of the product and its origin or provenance from a specific producer, regardless of an actual sale and delivery of the product to the final consumer, is sufficient to constitute criminal conduct.

"Putting up for sale" means any activity of offering to the public.

By "putting into circulation" we mean the actual potential availability for buyers, with no relevance to the mere possession by the seller, even with a view to marketing.

By "origin and origin of the goods" we mean not the origin of the goods from a given place of manufacture, but rather their origin from a specific entrepreneur who assumes the legal, economic and technical responsibility for production, guaranteeing the quality of the product towards the buyers ( Cass., Sect. III, 27.1-24.5.2012, n. 19650 ).

In the case of supplies from abroad, the moment of consummation of the crime has been identified in the simple presentation of the products to customs for placing on the market (art. 4 paragraph 49 law no. 350/2003, «financial law 2004») (Cass. Pen. Sez. III, 21/10/2004, no. 3352).

From a subjective point of view, the crime is punishable as a generic intent: therefore, the awareness and the will to display for sale or put into circulation products with misleading signs (i.e. products in relation to which one is aware of the misleading and deceptive nature of the sign used) is sufficient.

The crime is common, since it is not necessary for the subject to have the status of entrepreneur. There are no obstacles to recognizing the responsibility not only of the

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( <sup>86</sup> ) The crime, if the act is not foreseen as a crime by another provision of law, is punishable by imprisonment of up to two years and by a fine of up to twenty thousand euros.

( <sup>87</sup> ) Similar infringements are contemplated by art. 4 of Law 350/2003, respectively in paragraph 49 and paragraph 49-bis, which respectively provide for a hypothesis of a crime and a hypothesis of a mere administrative offence.

Article 49 provides for a criminal offence, punishable under the aforementioned Article 517 of the Criminal Code, consisting in the "... import and export for marketing purposes , or in the marketing , of products bearing false or misleading information. indications of origin ...". In this regard « It constitutes a false indication "made in Italy" stamping on non-originating products and goods from Italy in accordance with European legislation on origin; constitutes a misleading indication, even if the origin is indicated and the foreign origin of the products or goods, the use of signs, figures, or anything else that may lead the consumer to believe that the product or goods are of Italian origin. The cases are orders from the moment the products or goods are presented to customs for release for consumption or free circulation and until sale at retail. The false indication of goods can be remedied on an administrative level with the removal at the care and expense of the violator of the signs or figures or anything else that induces believe that it is a product of Italian origin. The false indication of the origin or provenance of products or goods can be remedied at an administrative level by indicating the origin precisely or by removing the "made in Italy" stamp.»

Article 4, paragraph 49- bis provides for an administrative offence which occurs when, due to insufficient or imprecise, but not misleading, indications of provenance, the consumer is misled as to the actual origin of the products (for example, the failure to indicate the country of manufacture – e.g. China – may constitute a case of misleading indication which may generate uncertainty as to the foreign origin or provenance of the product).

( <sup>88</sup> ) For the crime to exist, the counterfeiting and alteration of trademarks and distinctive signs is not necessary, which is separately sanctioned by articles 473 and following of the penal code.

entrepreneur, but also of his collaborators, both as a participant in the crime if they contribute to the realization of the typical fact, or as an autonomous participant, if they carry out the conduct on their own exclusive initiative.

The interest protected by the law is identified in the protection of the generality of consumers through the prevention of deception, that is to say in the pursuit of honesty in commercial exchanges against the danger of fraud in the circulation of goods.

## 2. Sensitive Processes

STILL SpA, through the analysis of the case that led to the decision to update the Model, believes that the only sensitive process in question could be that of purchasing finished products for the purpose of resale or rental to customers.

This is a hypothesis constituting an exception to normal operations and in any case absolutely remote.

## 3. General principles of conduct

### 3.1. Company organization

In general, the company's organizational system must respect the fundamental requirements of formalization and clarity, of segregation of functions and roles so that no individual can manage an entire process alone (also with regard to the possibility of managing financial resources), in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.

Members of corporate bodies and employees with external powers must act within the limits of the powers granted to them. Employees without external powers must request the intervention of those with appropriate powers.

### 3.2. Duties

The recipients of the Model will have to

- a) ensure that the "origin and origin of the goods" is indicated and clearly shows that they come from a specific entrepreneur who assumes legal, economic and technical responsibility for production, guaranteeing the quality of the product to buyers, and not that they come from a specific place of manufacture;
- b) refrain from using names, brands or distinctive signs in general of products for which you do not have title to availability;
- c) refrain from selling or otherwise putting into circulation industrial products bearing names, trademarks or distinctive signs, whether national or foreign, capable of misleading the buyer as to the origin, provenance (in the sense indicated above) or quality of the work or product;
- d) take the most appropriate precautions and affix the necessary information to the products so that the consumer is not misled as to the actual origin and provenance (in the sense indicated above) of the products due to insufficient or imprecise information (even if not misleading);



- e) comply with the General Principles and Rules contained in the General Part of the Model, the Code of Ethics, and the specific procedures, both in Italy and abroad.

### 3.3. Prohibitions

- 3.3.1. The general prohibitions specified below apply both to employees and members of the corporate bodies of STILL SpA, directly, and to *service companies*, consultants, suppliers and partners of various kinds, pursuant to specific contractual clauses.
- 3.3.2. It is forbidden to carry out, collaborate or cause the carrying out of behaviours which, taken individually or collectively, directly or indirectly constitute the types of crimes included among those considered above; it is also forbidden to carry out behaviours in violation of the principles and company procedures set out in the Model.

### 3.4. Transparency

The Company must follow, attributing appropriate evidence, specific procedures that guarantee traceability and transparency of the choices made, keeping all supporting documentation available to the ODV.

## 4. Specific procedures

**4.1.** Persons with purchasing powers, in addition to complying with the purchasing procedures adopted by the Company, must ensure that the purchase contracts/orders - both towards Italian and foreign suppliers - of products intended for resale or rental contain:

- a) the supplier's commitment that for the products supplied, the "origin and provenance of the goods" is always clearly indicated in the sense specified in paragraph 2.3.2 letter a) above, as well as, if deemed necessary or appropriate in order not to mislead the buyer, the name of the manufacturer and/or the place of production,
- b) the prohibition for the supplier to remove, modify or in any way alter trademarks, or distinctive signs in general, originally present on the products,
- c) the supplier's guarantee that the brands (and any other distinctive signs present on the products) are not such as to be able to mislead the reseller (dealer or concessionaire) and/or the end users regarding the quality of the product and/or its origin or provenance (in the sense indicated) from a specific manufacturer,
- d) the prohibition for the supplier, without prejudice to the above, to affix trademarks of the Company or of the KION Group without prior agreement with the Company.

**4.2.** Any supplies of products coming from abroad without the above indications must be rejected at customs.

**4.3.** The provisions of the KION Group *Compliance Code* must be observed.

## 5. ODV controls

### 5.1. Reports to the Supervisory Body

The Company will report to the Supervisory Body any critical issues that it may detect

during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

## **5.2. Activities of the Supervisory Body**

Without prejudice to the provisions of the General Part, the Supervisory Body independently carries out specific checks and, periodically, sample checks on the company activities carried out within the scope of the Sensitive Processes and on compliance with the Protocols referred to in this Thirteenth Special Part, aimed at verifying their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART THIRTEEN**

- ***Tax crimes pursuant to Legislative Decree 10 March 2000, no. 74 "New rules on crimes relating to income and value added taxes, pursuant to Article 9 of Law 25 June 1999, no. 205" .***  
**(art. 25- quinquiesdecies )**
- ***Smuggling***  
**(art. 25-sexiesdecies)**

## 1. **Definitions**

For a proper reading and understanding of the legal provisions set out below, it should be noted that, for the purposes of the tax legislation referred to in the aforementioned Legislative Decree no. 74/2000, the following general definitions apply to all Predicate Tax Offences:

- a) "invoices or other documents for non-existent transactions" means invoices or other documents having similar evidentiary value under tax law, (i) issued in relation to transactions not actually carried out in whole or in part or (ii) which indicate the consideration or the value added tax in a higher amount than the actual amount, or (iii) which refer the transaction to subjects other than the actual ones;
- b) "active or passive elements" means (i) the components, expressed in figures, which contribute, in a positive or negative sense, to the determination of the income or of the taxable bases relevant for the purposes of applying income taxes or value added taxes and (ii) the components which affect the determination of the tax due;
- c) "declarations" also include declarations submitted in the capacity of director, liquidator or representative of companies, entities or natural persons or as tax substitute, in the cases provided for by law;
- d) the "purpose of evading taxes" and the "purpose of allowing third parties to evade taxes" are understood to include, respectively, also (i) the purpose of obtaining an undue refund or the recognition of a non-existent tax credit, and (ii) the purpose of allowing third parties to do so;
- e) with regard to acts committed by those acting as administrator, liquidator or representative of companies, entities or natural persons, the "purpose of evading taxes" and the "purpose of avoiding payment" are understood to refer to the company, entity or natural person on whose behalf they are acting;
- f) "evaded tax" means the difference between the tax actually due and that indicated in the declaration, or the entire tax due in the event of failure to declare, net of the sums paid by the taxpayer or by third parties as an advance, withholding or in any case in payment of said tax before the presentation of the declaration or the expiry of the relevant deadline; the theoretical and not actually due tax connected to a reduction adjustment of losses for the financial year or of previous losses due and usable is not considered evaded tax;
- g) the punishability thresholds relating to the evaded tax are intended to also be extended to the amount of the undue refund requested or of the non-existent tax credit shown in the declaration;
- h) "objectively or subjectively simulated transactions" means (i) apparent transactions, other than those governed by Article 10- *bis* of Law No. 212 of 27 July 2000, carried out with the intention of not carrying them out in whole or in part or (ii) transactions relating to fictitiously interposed subjects;
- i) "fraudulent means" means active artificial conduct as well as omissions carried out in violation of a specific legal obligation, which determine a false representation of reality.

## 2. **Types of Predicate Tax Offences deemed to be of significant risk (art. 25-**

## ***quinquiesdecies* ) ( <sup>89</sup>)**

### **2.1. Fraudulent declaration through the use of invoices or other documents for non-existent transactions** (Art. 2, paragraph 1 and paragraph 2- *bis* , Legislative Decree 10 March 2000, n. 74)

The crime is committed by those who, in order to evade income or value added taxes, indicate, in one of the declarations relating to said taxes, fictitious passive elements, using invoices or other documents for non-existent transactions ( <sup>90</sup>).

The act is considered to have been committed by using invoices or other documents for non-existent transactions when such invoices or documents are recorded in the mandatory accounting records, or are held for evidence against the financial administration.

### **2.2. Fraudulent declaration by means of other devices** (art. 3 Legislative Decree 10 March 2000, n. 74)

The offence is committed when, outside the cases provided for in Article 2 (above), in order to evade income or value added taxes, the person committing the offence - *(i)* by carrying out objectively or subjectively simulated transactions or *(ii)* by using false documents or other fraudulent means capable of hindering the assessment and misleading the tax authorities - indicates in one of the declarations relating to said taxes *(i)* assets for an amount lower than the actual amount or *(ii)* fictitious liabilities or *(iii)* fictitious credits and withholdings, when, jointly:

- a) the evaded tax is higher, with reference to some of the individual taxes, than thirty thousand euros;
- b) the overall amount of the active elements subtracted from taxation, even through the indication of fictitious passive elements, *(i)* is greater than five percent of the overall amount of the active elements indicated in the declaration, or in any case, *(ii)* is greater than one million five hundred thousand euros, or *(iii)* if the overall amount of the fictitious credits and withholdings in reduction of the tax is greater than five percent of the amount of the tax itself or in any case thirty thousand euros. ( <sup>91</sup>)

The act is considered to have been committed using false documents when such documents are recorded in the mandatory accounting records or are held for evidence against the financial administration.

For the purposes of applying the rule, the mere violation of the obligations of invoicing and recording of active elements in the accounting records or the mere indication in the invoices

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( <sup>89</sup>) The Predicate Tax Offences do not exhaust the category of offences in this area. A first group of tax offences was introduced into the catalogue of predicate offences by inserting art. 25- *quinquiesdecies* (Tax offences) into Decree 231, which attributes direct responsibility to the entity/company for the commission, in the interest or to the advantage of the entity/company itself, of certain tax offences contemplated in Legislative Decree 10 March 2000, no. 74 "New regulation of offences relating to income and value added taxes, pursuant to article 9 of Law 25 June 1999, no. 205". Art. 25- *quinquiesdecies* was subsequently integrated with the addition of further tax offences by Legislative Decree no. n.75 of 14.07.2020 ("Implementation of EU Directive 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law", known as the PIF Directive).

( <sup>90</sup>) The entity is punished with a pecuniary sanction of up to 500 shares. The person who committed the crime is punished with imprisonment from four to eight years (paragraph 1 of the aforementioned art. 2 of Legislative Decree no. 74/2000)  
If the amount of the fictitious liabilities is less than one hundred thousand euros, the entity is punished with a fine of up to 400 shares and the natural person is punished with imprisonment from one year and six months to six years (paragraph 2- *bis* of the aforementioned art. 2 of Legislative Decree no. 74/2000).

( <sup>91</sup>) The entity is punished with a fine of up to 500 shares. The natural person who committed the crime is punished with imprisonment from three to eight years.

or in the records of active elements lower than the real ones do not constitute fraudulent means.

Article 2 of Legislative Decree no. 75/2020 ( <sup>92</sup>) introduced the punishability as an attempt when the acts aimed at committing the crimes are also carried out in the territory of another Member State of the European Union in order to evade VAT for a total value of no less than 10 million euros, unless the act already constitutes the crime of issuing invoices for non-existent transactions.

The offence is subject to the non-punishability grounds set forth in art. 13, paragraph 2, Legislative Decree no. 74/2000 (voluntary disclosure), as specified *below* .

### **2.3. Issuing invoices or other documents for non-existent transactions** (Art. 8, paragraph 1 and paragraph 2- *bis* , Legislative Decree 10 March 2000, n. 74)

The crime occurs when a person , in order to allow third parties to evade income or value added taxes, issues or releases invoices or other documents for non-existent transactions ( <sup>93</sup>).

For the purposes of the above, the issuing or issuing of multiple invoices or documents for non-existent transactions during the same tax period is considered as a single crime.

### **2.4. Concealment or destruction of accounting documents** (Art. 10 Legislative Decree 10 March 2000, n. 74)

The crime occurs when a person , (i) in order to evade income or value added taxes, or (ii) to allow third parties to do so, hides or destroys, in whole or in part, accounting records or documents which must be kept, in such a way as to prevent the reconstruction of income or turnover ( <sup>94</sup>).

### **2.5. Fraudulent evasion of tax payment** (Art. 11 Legislative Decree 10 March 2000, n. 74)

The crime occurs:

- a) when a person - (i) in order to avoid paying income or value added taxes or (ii) interests or administrative penalties relating to said taxes for a total amount exceeding fifty thousand euros - simulatedly sells or carries out other fraudulent acts on his own or other people's assets capable of rendering the forced collection procedure ineffective in whole or in part ( <sup>95</sup>).
- b) when a subject - in order to obtain for himself or for others a partial payment of taxes and related accessories - indicates in the documentation presented for the purposes of the tax transaction procedure (i) active elements for an amount lower than the actual amount or (ii) fictitious passive elements for a total amount greater than fifty

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( <sup>92</sup>) Implementation of EU Directive 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law" (so-called PIF Directive).

( <sup>93</sup>) The entity is punished with a fine of up to 500 quotas. The natural person who committed the crime is punished with imprisonment from four to eight years. If the amount indicated in the invoices or documents is less than one hundred thousand euros for the tax period, the entity is punished with a fine of up to four hundred quotas and the natural person who committed the crime is punished with imprisonment from one year and six months to six years.

( <sup>94</sup>) The entity is punished with a fine of up to 400 shares. The natural person who committed the crime is punished with imprisonment from three to seven years.

( <sup>95</sup>) The entity is punished with a fine of up to 400 shares. The natural person who committed the crime is punished with imprisonment from six months to four years, while if the amount of taxes, sanctions and interests is greater than two hundred thousand euros, imprisonment from one year to six years is applied.

thousand euros. If the amount referred to in the previous period is greater than two hundred thousand euros, imprisonment from one year to six years applies ( <sup>96</sup>).

Legislative Decree no. 75 of 14 July 2020 "Implementation of EU Directive 2017/1371 on the fight against fraud to the financial interests of the Union by means of criminal law" (so-called PIF Directive) introduced the following additional VAT-related crimes into the catalogue of offences giving rise to corporate liability.

## **2.6. Inaccurate declaration (art. 4 Legislative Decree no. 74/2000), if the VAT fraud is of a transactional nature and the evasion is not less than 10 million euros**

Anyone who, in order to evade income or value added taxes ( <sup>97</sup>), indicates in one of the annual declarations relating to these taxes assets for an amount lower than the actual amount or non-existent liabilities, commits the crime of "false declaration" (paragraph 1 of the provision in question), when jointly: 1) the evaded tax is greater than 100,000 euros; 2) the total amount of assets subtracted from taxation, even through the indication of non-existent liabilities, is greater than 10% of the total amount of assets indicated in the declaration or is greater than 2 million euros. Both of these parameters must refer to each individual tax and the integration of the offence in question occurs when the two conditions described occur jointly. The moment in which the offence is committed coincides with the annual income or VAT declaration ( <sup>98</sup>).

Article 2 of Legislative Decree no. 75/2020 introduced the punishability as an attempt when the acts aimed at committing the crimes are also carried out in the territory of another Member State of the European Union in order to evade VAT for a total value of no less than 10 million euros, unless the act already constitutes the crime of issuing invoices for non-existent transactions.

The offence is subject to the non-punishability grounds set forth in art. 13, paragraph 2, Legislative Decree no. 74/2000 (voluntary disclosure), as specified *below* .

## **2.7. Failure to declare (art. 5 Legislative Decree 74/2000) if the VAT fraud is of a transactional nature and the evasion is not less than 10 million euros ;**

The crime, punishable by imprisonment from two to five years, occurs when a person, in order to evade income or value added taxes, fails to submit, when required, one of the declarations relating to said taxes, when the evaded tax is greater, with reference to one of the individual taxes, than fifty thousand euros. A declaration submitted within ninety days of the deadline or not signed or not drawn up on a form conforming to the prescribed model is not considered omitted.

The offence is subject to the non-punishability grounds set forth in art. 13, paragraph 2,

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( <sup>96</sup>) The entity is punished with a fine of up to 400 shares. The natural person who committed the crime is punished with imprisonment from six months to four years, while if the amount of taxes, sanctions and interests is greater than two hundred thousand euros, imprisonment from one year to six years is applied.

( <sup>97</sup>) Even without a fraudulent system, but knowingly and voluntarily.

( <sup>98</sup>) Paragraphs 1-bis and 1-ter of the article in question respectively provide for circumstances which should not be taken into account in the application of the rule and situations of non-punishability. The provisions are reported below.

Paragraph 1-bis. For the purposes of applying the provision of paragraph 1, no account shall be taken of the correct classification, the evaluation of objectively existing active or passive elements, with respect to which the criteria actually applied have been indicated in the balance sheet or in other documentation relevant for tax purposes, the violation of the criteria for determining the financial year of competence, the non-relevance, the non-deductibility of real passive elements.

Paragraph 1-ter. Outside the cases referred to in paragraph 1-bis, assessments which, considered as a whole, differ by less than 10 percent from the correct ones do not give rise to punishable acts. The amounts included in this percentage are not taken into account in the verification of the exceeding of the punishability thresholds provided for in paragraph 1, letters a) and b).



Legislative Decree no. 74/2000 ( voluntary disclosure ), as specified *below* .

## **2.8. Undue compensation (art. 10-quater Legislative Decree 74/2000) if the VAT fraud is transactional and the evasion is not less than 10 million euros**

The crime occurs when a person fails to pay the sums due, using as compensation non-due credits, for an annual amount exceeding fifty thousand euros, or non-existent credits, for an annual amount exceeding fifty thousand euros.

## **2.9. Amendments to the transposition of the PIF Directive**

Legislative Decree no. 156/2022, amending the Legislative Decree implementing the PIF Directive, specified that the application of pecuniary sanctions for the crimes of false declaration, failure to declare and undue compensation is subject to the condition that such crimes are committed for the purpose of evading VAT within cross-border fraudulent systems, connected to the territory of at least one other Member State of the European Union, from which an overall damage equal to or greater than 10 million euros results or may result.

## **2.10. Voluntary repentance (cause of non-punishability) for crimes concerning “declarations”**

The offences of Fraudulent Declaration through the use of invoices or other documents for non-existent transactions, Fraudulent Declaration through other devices, Inaccurate Declaration and Omitted Declaration are subject to the non-punishability grounds set out in art. 13, paragraph 2, Legislative Decree no. 74/2000, consisting in the fact that the taxpayer settles the tax debt, including interest and penalties, through voluntary disclosure, before having formal knowledge of accesses, inspections, checks or the start of any administrative assessment activity or criminal proceedings.

## **2.11. Increases in fines for the entity/company**

Again in general terms, it should also be noted that the pecuniary sanctions indicated above are increased by a third if, following the commission of the crimes in question (indicated in paragraph 1 of art. 25- *quinquiesdecies* and considered in detail above), the entity has obtained a profit of significant size.

## **2.12. Interdictory sanctions**

In the cases provided for in paragraphs 1 and 2 of art. 25- *quinquiesdecies* , the prohibitive sanctions referred to in article 9, paragraph 2, letters c), d) and e) shall apply.

# **3. Sensitive Processes**

The Sensitive Processes that present the risk of commission of the Predicate Offences in question concern the following activities: (i) issuing of documentation relating to accounting; (ii) receiving documentation relating to accounting; (iii) preparing declarations and communications relating to tax matters; (iv) submitting declarations and communications relating to tax matters; (v) paying taxes.

# **4. Rules of conduct**

## **4.1. Recipients**

The following rules of conduct apply to Recipients who, in any capacity, are involved in the Sensitive Processes mentioned above.

#### **4.2. Compliance with the relevant legislation and requirements**

The above Recipients, each within their respective areas of competence, must know and respect and in any case, with regard to the corporate bodies, make known and ensure compliance with: *(i)* the legislation and the instructions of the competent authorities in tax matters; *(ii)* the rules set out in the Model; *(iii)* the Code of Ethics; *(iv)* the procedures.

The company organization must ensure compliance with the relevant regulations.

#### **4.3. Organization and powers**

- 4.3.1. In general, the organizational system for the management of the subject matter must respect the fundamental requirements of formalization and clarity, and segregation of functions and roles, so that no individual can manage an entire process alone, in particular with regard to the attribution of responsibilities, representation, definition of hierarchical lines and operational activities.
- 4.3.2. Members of corporate bodies and employees who maintain relationships with the Revenue Agency and tax authorities on behalf of the Company must be granted formal power in this regard. Persons with external powers must act within the limits of the powers granted to them. Persons without external powers must request the intervention of persons with appropriate powers.
- 4.3.3. Any critical issues or conflicts of interest that may arise in the context of the relationship with the tax authorities must also be communicated, in writing, to the ODV.

#### **4.4. General obligations and prohibitions**

- 4.4.1. The Recipients must not pursue the purpose of evading income or value added taxes, or other taxes in general, either in the interest or benefit of the Company or in the interest or benefit of third parties.
- 4.4.2. The Recipients, in the declarations relating to said taxes, and in their preparation, must not introduce fictitious passive elements by using invoices or other documents for non-existent transactions. In this regard:
  - (i)* they must check that the invoices and accounting documents refer to services actually performed by the issuer of the invoices/documents and actually received by the Company;
  - (ii)* they must not record in the mandatory accounting records, nor hold for evidence against the tax authorities, invoices or other documents for non-existent transactions;
  - (iii)* must verify the correct application of the value added tax.
- 4.4.3. The Recipients must refrain from *(i)* carrying out objectively or subjectively simulated operations as well as *(ii)* using false documents or other fraudulent means capable of hindering the investigation and misleading the financial administration.
- 4.4.4. Recipients must refrain from indicating in declarations relating to income or value added taxes: *(i)* assets for an amount lower than the actual amount or *(ii)* fictitious liabilities or *(iii)* fictitious credits and withholdings.

- 4.4.5. Recipients must refrain from issuing or releasing invoices or other documents for non-existent transactions in order to allow third parties to evade income or value added taxes.
- 4.4.6. The Recipients must refrain from concealing or destroying, in whole or in part, the accounting records or documents which must be kept, in such a way as to prevent the reconstruction of income or turnover, with the aim of evading income or value added taxes, or of allowing evasion by third parties.
- 4.4.7. The Recipients must refrain from making a simulated sale or from carrying out other fraudulent acts on their own or other people's assets capable of rendering the forced collection procedure by the financial administration ineffective in whole or in part, with the aim of avoiding the payment of income or value added taxes or of interests or administrative penalties relating to said taxes.

The Recipients must also refrain from indicating in the documentation submitted for the purposes of the tax transaction procedure *(i)* active elements for an amount lower than the actual amount or *(ii)* fictitious passive elements for a total amount exceeding fifty thousand euros, with the aim of obtaining for themselves or for others a partial payment of the taxes and related accessories.

#### **4.5. Approval by the top manager of accounting and tax management**

Income tax or value added tax returns and communications must not be filed without the prior approval and consent of the Chief Financial Officer.

#### **4.6. Traceability**

There The Company must follow rules that guarantee compliance with the relevant legislation as well as the traceability and transparency of the choices made, keeping all supporting documentation available to the Supervisory Body.

### **5. Use of third-party services**

The contents of the Fourteenth Special Part are recalled in full.

In the event that the preparation of declarations and communications relating to income or value added taxes is entrusted to third parties external to the Company, the third parties themselves must be contractually bound to comply with the obligations and prohibitions set out in paragraph 4.4 above.

### **6. Procedure**

The procedures relating to accounting and tax management, as well as the treasury procedure, must be observed.

### **7. Check**

Those who perform a control and supervisory function on obligations connected to the Sensitive Processes in question must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

## 8. Types of the Predicate Offences of Smuggling (art. 25-sexiesdecies) ( <sup>99</sup> )

### 8.1. Definition of smuggling and list of crimes

Smuggling can be defined as the crime committed by those who, with intent, steal (or attempt to steal) foreign goods to the control system established for the assessment and collection of customs duties and, in particular, border duties, as well as anything that is equated to them for sanctioning purposes.

Article 25-sexiesdecies entitled "smuggling", as amended by Legislative Decree no. 141 of 26 September 2024, states:

*" In relation at the commission of the crimes expected from national provisions complementary to the Union Customs Code, referred to in the legislative decree issued pursuant to Articles 11 and 20, paragraphs 2 and 3, of Law No. 111 of 9 August 2023, and by the consolidated text of the legislative provisions concerning taxes on production and consumption and related criminal and administrative sanctions, referred to in Legislative Decree No. 504 of 26 October 1995, apply to the institution there sanction pecuniary until to two-hundred quotes.*

*When the taxes or rights Of confine due they overcome one hundred thousand euro Yes apply to the institution there sanction pecuniary until to four hundred quotes.*

*In the cases expected come on commas 1 And 2 Yes they apply to the institution the sanctions interdictory expected from the article 9, comma 2, letters c), d) and e) and, only in the case provided for in paragraph 2, also the interdictory sanctions provided for in Article 9, paragraph 2, letters a) and b)' "*

The relevant criminal offences pursuant to the new art. 25- sexiesdecies of Legislative Decree no. 231/2001 are those provided for by Legislative Decree no. 504 of 26 October 1995 (Consolidated Law on Legislative Provisions Concerning Taxes on Production and Consumption and Related Criminal and Administrative Sanctions) and by Legislative Decree no. 141 of 26 September 2024 (National Provisions Complementary to the Union Customs Code and Review of the Sanctions System in the Field of Excise Duties and Other Indirect Taxes on Production and Consumption). reports, here Of followed, the list of the crimes called back a n d y e s Please refer to Annex 1 of the Model for a detailed description of each case:

- smuggling due to failure to declare (art. 78 Legislative Decree no. 141/2024) ;
- smuggling due to false declaration (art. 79 Legislative Decree no. 141/2024) ;
- smuggling in the movement of goods by sea, air and in border lakes (art. 80, Legislative Decree 141/2024) ;
- smuggling through improper use of imported goods with total or partial reduction of duties (art. 81, Legislative Decree 141/2024) ;
- smuggling in the export of goods eligible for refund of rights (art. 82, Legislative

( <sup>99</sup> ) Smuggling offences were introduced into the catalogue of predicate offences by Legislative Decree 14 July 2020 n. 75 "Implementation of EU Directive 2017/1371 on the fight against fraud to the financial interests of the Union by means of criminal law" (so-called PIF Directive).

Decree 141/2024) ;

- smuggling in temporary export and in special use and refinement regimes (art. 83, Legislative Decree 141/2024) ;
- smuggling of manufactured tobacco (art. 84, Legislative Decree 141/2024) ;
- aggravating circumstances of the crime of smuggling of manufactured tobacco (art. 85, Legislative Decree 141/2024) ;
- criminal association aimed at the smuggling of manufactured tobacco (art. 86, Legislative Decree 141/2024) ;
- equivalence of attempted crime to completed crime (art. 87, Legislative Decree 141/2024) ;
- aggravating circumstances of smuggling (art. 88, Legislative Decree 141/2024) ;
- evasion of assessment or payment of excise duty on energy products (art. 40, Legislative Decree 504/1995) ;
- evasion of assessment or payment of excise duty on manufactured tobacco (art. 40-bis, Legislative Decree 504/1995) ;
- clandestine manufacturing of alcohol and alcoholic beverages (art. 41, Legislative Decree 504/1995) ;
- association for the purpose of clandestine manufacturing of alcohol and alcoholic beverages (art. 42, Legislative Decree 504/1995) ;
- evasion of the assessment and payment of excise duty on alcohol and alcoholic beverages (art. 43, Legislative Decree 504/1995) ;
- aggravating circumstances (art. 45, Legislative Decree 504/1995) ;
- alteration of devices, fingerprints and markings (art. 46, Legislative Decree 504/1995) .

Given the general principle stated above, it is deemed appropriate to omit a detailed description of the individual cases here.

## **8.2. Sensitive Processes, Rules of Conduct and Procedures.**

The Sensitive Processes relating to smuggling crimes concern all purchase operations from abroad and the payment of taxes related to said purchases.

The rules of conduct are dictated in the Presidential Decree 23/01/1973, n. 43 "Consolidated text of legislative provisions on customs matters" and by Legislative Decree 141/2024, "National provisions complementary to the Union Customs Code and revision of the sanction system on excise duties and other indirect taxes on production and consumption" (so-called Customs Forma Decree).

Compliance with the regulations must be checked before collecting the goods at customs.

## **9. The Supervisory Body's controls**



### **9.1. Reports to the Supervisory Body**

The Company will report to the Supervisory Body any critical issues that it may detect during the first level controls.

The Company will provide the ODV with the information and documentation requested by the latter.

The ODV is guaranteed free access to all relevant company documentation.

### **9.2. Activities of the Supervisory Body**

The ODV carries out specific checks in full autonomy and, periodically, sample checks on the activities connected to the Sensitive Processes and on compliance with the Protocols referred to in this Special Part, aimed at verify their correct implementation in relation to the provisions of the Model.

The ODV will report to the Company's management any anomalies or critical issues that it may detect.



## **SPECIAL PART FOURTEEN**

- ***Contractual relationships***
  - a) Recourse to contracts or provision of services or work by third parties***
  - b) Relationships with marketing partners***



## 1. Recourse to contracts or provision of services or work by third parties

### 1.1. Selection of contractors and consultants

Should the Company decide to outsource the management of certain activities or to resort to the provision of services or work by a third-party supplier (the "**Provider**"), the choice of the Provider must prioritise reliability and the ability to correctly fulfil the obligations undertaken, in addition to the quality/price ratio of the goods or services offered.

Providers must be selected using transparent methods that allow for the traceability of the choices made in assigning tasks.

In the case of assignments to companies, these must be consistent with the corporate purpose of the company itself.

The scope of the assignment and delegation to the Provider must be consistent with the organizational structure of the company and with the powers of attorney granted. Any spending powers on behalf of the Company must be approved in advance by the CEO of the Company or by a person delegated by him.

### 1.2. Declarations and contractual commitments

The contract - in addition to what may be specified in the individual special parts - must include contractual provisions concerning:

#### 1.2.1. Lender's Commitments

- a) commitment of the Provider to comply, and to ensure that its employees and collaborators comply, with the regulations and provisions applicable to the subject matter of the contract or the requested service (such as, for example, health and safety at work, environmental protection, tax, etc.) ;
- b) commitment of the Provider to comply, and to ensure that its employees and collaborators comply, with the provisions of the General Part and the Special Parts of Model 231 as they relate to the subject matter of the contract or the requested service, as well as the Code of Ethics/Conduct and any other internal regulations of the Company;
- c) where applicable, the Supplier's commitment to comply with the KION Group Supplier Code of Conduct ;
- d) Provider's commitment to comply with the KION Compliance Principles for Independent Partners in the KION Sales & Service organization
- e) the Lender's commitment to comply with any other internal regulations of the Company;
- f) commitment of the Lender to observe the principles of conduct established in the various relevant Special Parts;
- g) commitment of the Provider to adapt the service to any requests from the Company based on the need to comply with the prevention of *Presupposed Offences*, the risk of which can be identified in the subject matter of the contract or service;
- h) commitment of the Lender to comply with any provisions in this regard from

the relevant authorities.

#### 1.2.2. Lender's Declarations

- a) declaration by the Lender of being aware of the legislation referred to in Legislative Decree 231/2001 and its implications for the Company;
- b) declaration by the Provider ( where applicable) of having adopted a similar Model and/or a Code of Ethics which regulate the prevention of the crimes contemplated in the Model and in the Code of Ethics of the Company;
- c) declaration by the Lender (s) that towards him no definitive sentence has been pronounced (and no plea bargaining has been resorted to) for one of the predicate crimes contemplated in Legislative Decree 231/2001 of any nature (even if not covered in the Model) , (ii) not to be currently accused or investigated in criminal proceedings relating to the underlying crimes, and (iii) not to be subject to anti-mafia measures or warnings or restrictive public safety provisions. In the event of a conviction or ongoing proceedings, and provided that the agreement is deemed indispensable and preferable to a contract with other parties, special precautions must be taken.
- d) declaration by the Lender that it is not in bankruptcy proceedings or in any other of the procedures provided for by the insolvency code nor has an application been submitted to it for its subjection to one of such procedures;
- e) declaration by the Provider that he has not been guilty of serious professional misconduct, such as to cast doubt on his integrity or reliability, pursuant to art. 95 paragraph 1 letter e) of Legislative Decree no. 36/2023 (New Procurement Code);
- f) declaration by the Provider that he has not committed serious violations, definitively ascertained, of the obligations relating to the payment of taxes and duties and social security contributions, indicated in art. 80 paragraph 4 of Legislative Decree 50/2016.
- g) declaration by the Provider that he has not committed any duly ascertained serious infringements of the regulations on health and safety at work as well as of the obligations set out in art. 30, paragraph 3 of Legislative Decree no. 50/2016;

#### 1.2.3. Contracts already in place

For existing contracts, in the most significant cases, a specific *addendum will have to be completed* .

### 1.3. **Lender which is a company or a business in the form of an association**

In the case of a company in the form of an association or a corporation, the declarations referred to in paragraph 1.2.2 above must be made, in addition to those concerning the Provider, also with respect to the legal representatives of the company or the company in the form of an association, their spouses and relatives within the fourth degree or relatives by marriage within the second degree, as well as the persons who will be responsible for the execution of the contract (whose names must be communicated to the Company).

### 1.4. **Termination clause**

The contract must provide that, in the event that a circumstance arises that renders any one or more of the declarations made by the Provider untrue, the Company will have the right to terminate the contract pursuant to art. 1546 of the civil code, and in any case to withdraw with immediate effect, without being held in any case to any compensation for damages or indemnity.

The contract must also regulate the consequences (such as express termination clauses, penalties) of any failure by the Provider to comply with the obligations undertaken, or of the violation of the provisions set forth in Legislative Decree 231/2001.

### **1.5. Critical issues reporting**

Any critical issues or conflicts of interest that may arise in the execution of contracts must be communicated, in writing, not only to the company management but also to the ODV.

Those who perform a control and supervisory function on obligations connected to the contracts in question must pay particular attention to the implementation of the obligations themselves and immediately report any situations of irregularity or anomalies.

The instructions for reporting to the Supervisory Body must generally be observed.

### **1.6. Special clauses for certain areas of services**

In the above contracts relating to the matters indicated below, in addition to the general contents indicated above (paragraphs 1.2 - 1.3 - 1.4), the following contents must be added.

#### **1.6.1. Public Administration**

Any delegations to consultants and suppliers to deal with the PA must be expressly specified.

#### **1.6.2. Occupational health/safety and environmental services**

Suppliers of services or goods of any kind, as well as installers of systems, machinery or other technical means, must be required, in relation to the nature of the goods supplied or the service provided, to guarantee compliance with the regulations on health/safety at work and on the environment.

Before the assignment is made, possession of the required authorisations must be ascertained.

The scope of the assignment and delegation to the service provider, as well as any spending powers to be attributed to the same, and their concrete exercise, must be approved in advance by the CEO of the Company or a person designated by him.

#### **1.6.3. Informatics**

The supplier must be bound to respect (i) the Code of Ethics and the truth and transparency of the documentation used, in all circumstances; (ii) the legislation on data processing dictated by the European Regulation that came into force in May 2018 (GDPR) and the related Decree for its implementation in Italy; (iii) the ownership and ownership of other people's IT systems; (iv) the minimum security measures adopted by the Company, (v) maximum diligence in the processing of IT documentation.



### **1.7. Non-exhaustiveness**

The above indications are not exhaustive and must be integrated from time to time according to the needs of the Company.

## **2. Relationships with marketing partners**

The provisions of paragraphs 1.1 - 1.2 - 1.3 - 1.4 also apply to contracts with business partners, in particular *dealers* and agents.

Recipients are required to enforce the KION Compliance Principles for Independent Partners in the KION Sales & Service organization.

For the Board of Directors



## **ATTACHMENTS**

### Annex "A"

- KION Group Code of Compliance