ANTI-CORRUPTION POLICY

MARCEGAGLIA

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INTRODUCTION

The Marcegaglia Group has adopted this policy with a view to continuously improving its activities aimed at preventing the risks of corruption and, more generally, to safeguarding transparency. This policy is based on the best existing national and international standards (e.g. ISO 37001:2016).

This policy reinforces and supplements, but does not replace, the Code of Ethics and all the procedures and operational practices adopted by the companies forming part of the Group, with a view to preventing any possible instances of corruption.

SECTION I: DEFINITIONS

- **To outsource (verb)**: To enter into an agreement whereby an external organisation performs part of an organisation's function or process.
- **Senior management**: A person or group of people who, at the highest level, direct and control an organisation.
- **Audit**: a systematic, independent and documented process for obtaining evidence and evaluating it objectively in order to determine the extent to which the *audit* criteria have been met.
- **Perpetrator of the offence**: one or more persons covered by this anti-corruption policy who, holding a specific position within the Company, or otherwise acting on its behalf, commit one of the offences falling within the scope of corruption.
- **Corrective action**: Action aimed at eliminating the cause of non-compliance and preventing its recurrence.
- **C.C.N.L.**: national collective labour agreement applied by each of the companies in the Marcegaglia Group.
- **Code of Ethics**: a document setting out the moral rights and duties of those acting on behalf of each of the companies within the Marcegaglia Group. The document defines the ethical and social responsibilities of all those who participate, in any capacity, in the company's activities.

- **Staff**: individuals employed by each of the companies within the Marcegaglia Group on a temporary basis or for a limited period.
- **Competence**: the ability to apply knowledge and skills to achieve the expected results.
- **Conflict of interest**: A situation in which commercial, financial, family, political or personal interests could influence an individual's judgement whilst carrying out their duties for the organisation.
- **Compliance**: the fulfilment of a requirement.
- **Consultants**: external professionals acting in the name and/or on behalf of one of the Marcegaglia Group companies on the basis of a mandate or other collaborative arrangement, as well as those individuals outside the company who provide consultancy and assistance of any kind in the company's interest.
- **Corporate Service Contract**: a supply contract relating to the Services, under which the Service Provider undertakes to provide the Services to the Beneficiary, and which also contains clauses relating to the application of the Model adopted by the Service Provider to the aforementioned provision of Services.
- **Corporate Human Resources & Organisation**: the person responsible for human resources who acts as the head of human resources.
- **Corruption**: Offering, promising, providing, accepting or requesting an undue advantage of any value (whether financial or non-financial), directly or indirectly, and regardless of location, in breach of applicable law, as an incentive or reward for a person to act or refrain from acting in connection with the performance of that person's duties. The concept of corruption applies to both the public and private sectors.
- Legislative Decree **24/2023**: Legislative Decree No. 24 of 10 March 2023, concerning the protection of persons reporting breaches of EU law and setting out provisions regarding the protection of persons reporting breaches of national regulatory provisions;

- **Intended audience**: those to whom this anti-corruption policy applies.
- **Employees**: all employees of the Marcegaglia Group, including managers and non-casual staff.
- **Due diligence**: an internal process designed to further assess the nature and extent of the risk of corruption associated with a specific initiative or operation, aimed at helping the organisation make decisions regarding transactions, projects, activities, and the selection of specific partners, collaborators and staff.
- **Effectiveness**: the ability of planned activities to achieve the results the organisation aims to attain.
- **Suppliers:** parties that have supply relationships for goods or services with one of the companies of the Marcegaglia Group.
- **Compliance function for the prevention of corruption**: the person or persons with the responsibility and authority for the operation of the management system for the prevention of corruption.
- **Marcegaglia Group**: a group of companies headed by the financial *holding* company Marcegaglia Holding S.r.l.
- **Holding company**: Marcegaglia Holding S.r.l., a company within the Marcegaglia Group which provides *corporate* services under the current corporate services agreement.
- **Documented information**: information that must be controlled and retained by an organisation, including the medium on which it is stored.
- **Continuous improvement**: a recurring activity aimed at improving performance.
- **Measurement**: a process designed to determine a value.
- **Model or Organisational Model**: the Organisation, Management and Control Model provided for by Legislative Decree 231/2001.
- **Monitoring**: the assessment of the status of a system, process or activity.
- **Non-conformity**: failure to meet a requirement.
- **Objective**: a result to be achieved.

- **Corporate bodies**: the members of the Board of Directors and the Board of Statutory Auditors of each of the companies in the Marcegaglia Group.
- **Supervisory Body or SB**: a body appointed within the companies of the Marcegaglia Group and responsible for supervising the functioning of and compliance with the Model adopted pursuant to Legislative Decree 231/2001, and for ensuring that it is kept up to date.
- **Organisation**: a person or group of people with specific functions, responsibilities, authority and relationships designed to achieve their objectives.
- **Governing body**: a group or body that holds ultimate responsibility and authority for the organisation's activities, administration and policies, to which senior management reports, and which oversees the responsibilities of senior management.
- Public Administration (**P.A.**): all legal entities or companies controlled by public bodies, whether economic or otherwise, which are defined as Public Administration in accordance with the provisions of current legislation.
- **Payment**: the payment of bribes or kickbacks, as well as gifts of items of value or the granting of any other material or immaterial benefit (e.g. presents, entertainment, travel expenses, donations to charities, contributions to political organisations, the recruitment of relatives or other persons). It is irrelevant whether the payment or benefit is provided directly or to a third party, or whether it is given in advance or as a reward.
- **General Section**: The General Section of the Organisational Model setting out its general principles and the functioning of the Supervisory Body.
- **Special Section**: The special section of the Model setting out the risk analysis methodology adopted for Sensitive Processes and the related procedures adopted to effectively prevent such risks.
- **Stakeholder**: a person or organisation that can influence, be influenced by, or perceive itself as being influenced by a decision or activity.
- **Third party**: a person or entity independent of the organisation.
- **Partner**: contractual counterparties, such as, for example, suppliers, consultants, agents and customers – whether natural or legal persons – with whom the company enters into any form of stable collaboration (temporary business association – ATI,

joint ventures, consortia, *etc.*).

- **Staff**: managers, officers, employees, staff, temporary workers and volunteers of the organisation.
- **Plants**: factories or individual production units with sufficient managerial and financial autonomy.
- **Policy**: the guidelines and principles of an organisation formally set out by its senior management or governing body.
- **Anti-corruption policy**: a document drawn up by the Marcegaglia Group to prevent corruption in the course of business activities, through the establishment of preventive principles and procedures.
- **Performance**: measurable results.
- **Process**: a set of related or interacting activities that transform inputs into *outputs*.
- **Sensitive processes**: a set of activities carried out by each of the companies within the Marcegaglia Group in which there is a potential risk of offences being committed that are relevant under Legislative Decree 231/2001.
- **Representatives:** persons acting on behalf of the Marcegaglia Group or one of its companies in any capacity.
- **Third-party representatives: agents, intermediaries or other** persons who, for a specified period of time and/or for the performance of a specific activity, act on behalf of the Marcegaglia Group or one of its companies.
- **Requirement**: an explicit and mandatory requirement.
- **Risk**: the effect of uncertainty on objectives.
- **Head of function**: a person responsible for a functional area identified as significant following the risk analysis, identified on the basis of the organisational chart of each of the Marcegaglia Group companies.
- **Risk assessment**: the process of identifying individual areas of risk relating to each activity carried out by the Marcegaglia Group, with a view to subsequently identifying the specific risks associated with individual offences.

- **Service Provider**: the holding company, parent company of the Marcegaglia Group, which provides Services to the Beneficiary under a specific Corporate Services Agreement.
- **Services**: activities provided by the Service Provider to the Beneficiary, specifically in the areas of administration and taxation, communications, finance, human resources and organisation, IT, legal affairs, procurement and the coordination of overseas companies.
- **Management system**: a set of interrelated or interacting elements within an organisation designed to establish policies, objectives and processes for achieving those objectives.
- **Company**: companies belonging to the Marcegaglia Group.
- **Whistleblower**: a person who raises a concern, makes a report, or discloses a breach of this Code, the Internal Regulations or the potential commission of offences. The companies of the Marcegaglia Group implement procedures governing the handling of reports and the protection of whistleblowers in full compliance with Legislative Decree 24/2023.

SECTION II DISSEMINATION OF THE POLICY AND STAFF TRAINING

1 Measures taken by the Marcegaglia Group to disseminate the anti-corruption policy

The methods used to communicate the policy must be such as to ensure its full dissemination, so as to guarantee that the Addressees are aware of the procedures to be followed for the proper performance of their duties.

In accordance with the provisions of the UNI ISO 37001 standard, information must be comprehensive, timely, accurate, accessible and ongoing.

The Marcegaglia Group, as well as its individual companies, is therefore committed to disseminating the principles and provisions contained in this anti-corruption policy as widely as possible.

To ensure staff are properly informed and the adopted principles are disseminated, this policy will be available on the Marcegaglia Group's official website.

A dedicated training programme will also be put in place, managed by the Corporate Human Resources & Organisation Department, aimed at all relevant personnel, delivered via *e-learning* or face-to-face sessions.

The training programme is coordinated with that relating to the Organisational Model drawn up by each company in accordance with Legislative Decree 231/2001, to which reference should be made for further details.

Particular importance is attached to the Supervisory Body, a body established within each company with the task of verifying the suitability of the Organisational Model adopted.

In particular, the Supervisory Body, as with the Code of Ethics and the aforementioned Organisational Model, is tasked with ensuring that this Anti-Corruption Policy is brought to the attention of all Addressees – whether they be Employees, Representatives, Consultants or Partners – through a training programme.

Furthermore, the Supervisory Board must ensure that each company, in its dealings with its counterparties, includes a specific clause requiring compliance with this policy or, in any event, with the Organisational and Management Model adopted by the Company.

Finally, it shall be the responsibility of the *corporate* legal department to ensure that this Anti-Corruption Policy is published on the Marcegaglia Group's website.

SECTION III: RULES OF CONDUCT

1. General principles regarding the fight against corruption

The Marcegaglia Group attaches particular importance to the prevention of corruption, in compliance not only with Italian legislation but also with that of the international community.

Corruption prevents organisations, as well as individuals, from realising their full potential, hindering their economic and social development. Furthermore, it undermines the rule of law and the proper functioning of the free market.

This Anti-Corruption Policy applies to all Employees, including officers and directors of all companies within the Marcegaglia Group, and to all those acting on behalf of and in the interests of the Company (Representatives), including external distributors, Consultants, Suppliers, Contractors, *Joint Venture* Partners, companies bound by *service* contracts and those with which a *cash pooling* agreement has been entered into.

Set out below are the key principles and basic rules of conduct which all Addressees are required to observe, without any exceptions or derogations.

In transactions carried out in the interest of or on behalf of any company, Employees and Representatives must not, either directly or indirectly, pay, offer or promise to pay, or authorise payments to public or private entities within the country or abroad, in order to secure unlawful advantages, to induce such individuals to act contrary to their duties, or to influence them with a view to securing or retaining contracts or obtaining business advantages; nor may they accept or solicit such payments or advantages.

Employees or Representatives of each company are prohibited from giving gifts and/or *benefits* to existing or potential customers, Suppliers, Public Officials, members of political parties or other persons in similar positions, or from accepting such gifts from them.

The offering or acceptance of money (including items of equivalent value to money, such as bonds or shares), personal loans, discounts or other gifts or favours that could be considered bribes or kickbacks, or other unlawful or unethical payments, is strictly prohibited. Furthermore, all Employees are prohibited from soliciting gifts, favours or invitations to lunch or entertainment from persons with whom the company has (or is negotiating) business dealings. Under no circumstances may company funds be unlawfully used for political contributions of any kind.

All Employees must avoid any conduct that even appears to be improper in this regard.

Any Employee who receives a gift or an offer of a gift in breach of this Anti-Corruption Policy must politely decline the offer or return the gift.

Employees and Representatives of each company are required to comply with both the letter and the spirit of this Anti-Corruption Policy.

Employees and Representatives found to have engaged in conduct prohibited by this Policy shall be liable to disciplinary action, including, where the legal conditions are met and the conduct is of a serious nature, dismissal or termination of contract, as further specified below.

No employee or representative of any company shall suffer any adverse consequences whatsoever for reporting such conduct or for refusing to engage in the conduct described above, even if this results in the loss of business opportunities. On the contrary, the Marcegaglia Group requires employees and representatives of each company to immediately report any conduct which they believe, in good faith, to be a breach of this Anti-Corruption Policy. Such reports will, in fact, enable the necessary corrective measures to be taken promptly. In order to encourage the identification and reporting of any unlawful conduct, including that of a corrupt nature, the Group has implemented *whistleblowing* channels, as described in more detail in Section VIII of this policy.

In this regard, each company within the Marcegaglia Group ensures compliance with Legislative Decree 24/2023 on *whistleblowing*, by establishing means and procedures in accordance with the provisions of the relevant legislation, including through IT and telecommunications tools; for a detailed description of these, please refer to the provisions of the Organisational Model drawn up for each company forming part of the Group.

You may contact the Head of the *Corporate* Legal Department to obtain answers to queries regarding the appropriateness of a particular course of action in relation to this policy.

2. Specific operational principles for combating corruption

2.1. Donations to Charities

Donations to charities must never result in any personal benefit, whether direct or indirect, for public officials or private individuals.

To this end, no donations must be made to public officials or private individuals with a view to obtaining favourable treatment.

Should a public official or private individual promise benefits or threaten reprisals in connection with requests for charitable contributions, such requests must be rejected. Further instructions are set out in the attached Protocol on Charitable Contributions.

2.2 Transparency of transactions and the obligation to maintain accurate accounting records

Transparency reduces the risk of corruption and money laundering. To this end, Marcegaglia requires that written contracts entered into with counterparties must clearly and accurately set out the economic criteria on which they are based.

All companies within the Marcegaglia Group have specific procedures in place to prevent the handling of stolen goods, money laundering, self-laundering and the use of money, assets or other benefits of unlawful origin; these are described in detail in the specific section of the Organisational Model adopted by each company.

This Anti-Corruption Policy requires compliance with the aforementioned procedures, referring in full to their content as described in the special section of the Organisational Model of each Marcegaglia Group company.

Records of payments and other remuneration to third parties entered in the company books, registers and accounts of each Marcegaglia Group company must be accurate, timely and reasonably detailed. Under no circumstances may secret or unrecorded accounting entries be created. False, misleading, incomplete, inaccurate or contrived entries in the books, registers or accounts of any Group company are strictly prohibited. Personal funds may not be used to achieve purposes prohibited by this Anti-Corruption Policy or by other regulations.

2.3. Gifts

All Employees and/or Representatives of each company must not give gifts to third parties, even those of modest value.

The following are also strictly prohibited: cash gifts, loans, gift cards and vouchers.

2.4. Travel

In exceptional cases, it may be necessary to cover the travel and accommodation costs of individuals who, for business reasons, visit one of the Marcegaglia Group's facilities.

In such cases, the following guidelines and restrictions must be observed:

- all travel arrangements and expenses must be authorised in accordance with the procedures governing procurement;
- where travel is organised, the relevant company, if required to cover the travel expenses of the private visitor, shall pay the relevant costs directly to the service providers (airlines, hotels and/or travel agencies responsible for organising the trips);
- under no circumstances will cash be handed over to the individuals concerned to organise their own travel;
- all aspects of the trip must serve a legitimate purpose (for example, a visit to the premises of the various companies or to enable the Company to promote, demonstrate or illustrate its products and services, etc.) and sightseeing must be kept to a minimum;
- all expenses, such as airfares, accommodation, meals and entertainment, must be reasonable in view of the circumstances, customs and current practice;
- all expenses must be recorded accurately and in detail;
- it is strictly forbidden for any company within the Marcegaglia Group to cover the travel or accommodation expenses of a Public Official.

2.5. Entertainment

All entertainment activities, including business lunches, must be directly related to the conduct of the Marcegaglia Group's commercial operations and must comply with the following minimum requirements: (a) costs must be reasonable, taking into account the circumstances, customs and current practices; (b) not be exchanged for benefits or unlawful agreements, nor intended to influence Public Officials in order to secure or retain contracts or advantages in the conduct of business; (c) they must be permitted under the Code of Ethics, the rules and the laws governing the conduct of both the host and the guest; and (d) an Employee or Representative of a Marcegaglia Group company must be present at the event.

Employees and Representatives must choose carefully and with discretion the entertainment shared with clients and *partners* on occasions relating to work activities, so as not to damage the reputation of any of the companies belonging to the Marcegaglia Group.

2.6. Prohibition on favouring Public Officials or clients through the recruitment of staff

Although there is no absolute ban on hiring people put forward by Public Officials or clients, such requests must be handled with extreme caution. Even where a public official or client does not directly promise benefits or threaten reprisals in connection with such requests, hiring a person they have put forward may create the perception of a *quid pro quo* – that is, that a Marcegaglia Group company's decision to hire that person is based on personal connections rather than merit. This risk increases if the public official or client has the power to decide on the award of a contract to the Group. Therefore, when dealing with requests from public officials or clients, the following rules and procedures must be followed:

- if the public official or client promises benefits to the Group in the event of the recruitment of a person put forward for that purpose, or if the official or client threatens to hinder the Group's business should the person not be recruited, that person must not be recruited under any circumstances;
- positions must not be created for the sole purpose of enabling the recruitment of a relative or friend of a public official or a client at their request;

- any candidate put forward by a Public Official or a client may only be hired by following the recruitment procedure normally used for the post in question. In most cases, this means that the recruitment procedure must follow the standard process established by the *Corporate* Human Resources & Organisation Department;
- any candidate put forward by a public official or a client must be assessed using the same criteria as those applied to other candidates for the same post;
- Employees of each of the Marcegaglia Group companies must not ask for or demand as a favour from Representatives the recruitment of persons put forward by public officials or clients, in order to circumvent this principle;
- Employees must not discuss employment or consultancy opportunities with a public official whilst the latter continues to hold public office. Employees must also not raise with a public official the possibility of future employment or consultancy work should they leave public office. Once the public official has left office, employment or consultancy opportunities may be discussed with them.

2.7. External agents and intermediaries

The Marcegaglia Group may engage external agents and intermediaries – who may be treated in the same way as sales representatives – only if, on the basis of sound commercial assessments, it is deemed necessary and appropriate to supplement its internal sales resources. They must be selected and assessed in accordance with the following procedures for engaging third-party representatives:

- careful selection and assessment prior to engagement, with the final choice based solely on merit. In this context, candidates must be thoroughly vetted to ascertain the integrity of their reputation;
- external agents or intermediaries may not be engaged to carry out acts prohibited by the Company's internal rules;
- no contracts or

verbal agreements may not be entered into with external agents or intermediaries; only written agreements are permitted. The contract must contain a clause requiring compliance with this Anti-Corruption Policy. This clause prohibits such parties from engaging in any act of corruption in the public or private sphere and requires them to comply with all applicable anti-corruption laws, both nationally and internationally, whilst also requiring that the rights of each company within the Marcegaglia Group regarding audits and the termination of contracts be recognised;

- unless there are legitimate commercial reasons to the contrary, commissions or other remuneration paid to external agents or intermediaries must be in local currency and of an amount that is customary and reasonable in relation to the services provided. Commissions, expenses and other payments must be correctly recorded in the accounts, books and financial statements of each of the Marcegaglia Group companies and may not be split or disguised in any way;
- no commission or other remuneration may be paid in cash to third parties or credited by bank transfer to bank accounts not held in the name of the agents or external intermediaries, nor, unless there are legitimate commercial reasons to the contrary, to accounts held in countries other than that in which the services are provided or in which such parties primarily carry out their commercial activities.

2.8. How to act in the event of a request for a bribe

If, in connection with the business of any of the Marcegaglia Group companies, a request is made for the payment of a bribe, such a request must be refused and the person receiving the request must immediately report the incident to their line manager or to the *Corporate* Legal Department of the company concerned, which will decide what measures to take to protect the company.

2.9. Sanctions

Any employee who breaches this policy will be subject to disciplinary action in accordance with the applicable National Collective Labour Agreement. The disciplinary measure imposed will be proportionate to the seriousness of the breach committed.

SECTION IV: IMPLEMENTATION OF THE ANTI-CORRUPTION POLICY

CHAPTER I: PROTOCOL FOR RELATIONS WITH THIRD-PARTY REPRESENTATIVES

Third-party representatives of each of the Marcegaglia Group companies, who have the authority to represent the companies during meetings or negotiations with customers or public officials, may incur liability (civil, criminal or reputational) that could potentially also be attributed to the companies themselves. Therefore, the conduct of the Company's Representatives must adhere to the strictest ethical standards and be guided by the utmost respect for all applicable laws.

1. Appropriate selection of third-party representatives

Given the occasional nature of the services required of third-party representatives, their selection must be carried out with the utmost caution, in order to avoid entering into business relationships with parties who do not comply with the law, particularly in relation to anti-corruption matters.

To minimise the risk of entering into business relationships with corrupt third-party representatives, each company within the Marcegaglia Group must carry out a thorough preliminary analysis – due diligence – in relation to this risk, to ensure that the selected parties are of good repute.

2. *Due Diligence*

Due diligence, to be carried out before engaging natural or legal persons designated as third-party representatives of any Marcegaglia Group company, must focus on potential risk situations and need not necessarily cover every single individual. Before engaging a third-party representative, the *Corporate* Legal Department must always be notified; it will provide assistance and guidance on the most appropriate *due diligence* to undertake.

3. 'Red flags' regarding third-party representatives

The following "red flags" must always be reported in accordance with the reporting procedures set out in this manual:

- a public official recommends engaging a specific individual or company as a third-party representative of a Marcegaglia Group company;
- without plausible justification, a consultant requests fees significantly higher than current market rates for similar assignments;
- a consultant proposes to be paid on a performance-related basis or subject to conditions, for example, that a contract be awarded or that legislation be amended in their favour;
- a potential representative refuses to confirm officially that not to take any action to facilitate unlawful payments;
- a prospective representative is known to pay bribes;
- a potential Representative asks to be paid in cash;
- a potential Representative asks for a payment to be made to, or via, a third party, or into a bank account in a third country, or proposes unusual financial arrangements without plausible explanations;
- the company associated with a potential Representative does not appear in the usual industry directories, or is unknown to those familiar with its sector;
- a background check on the directors of a potential Representative's company reveals evidence or reports of suspicious activity or past breaches of applicable rules and regulations;
- during negotiations, a counterparty shows little interest in the price to be paid for the products of one of the Marcegaglia Group companies, or, in any case, their behaviour does not appear to be profit-driven;
- the services provided by the Representative do not appear to be commensurate with the fees charged;
- a Representative refuses to provide or itemise a receipt for their services;
- it is impossible to identify the beneficial owner of the Representative of one of the Group companies.

CHAPTER II: PROTOCOL ON CHARITABLE DONATIONS

Charitable contributions are often lawful, but all donations must comply with ethical standards and observe all applicable laws.

In this regard, the Marcegaglia Group does not intend to leave anything to chance, regulating every possible charitable activity.

Guidance is provided here for two different types of charitable contributions:
(A) donations made by the Marcegaglia Group; and (B) donations made independently by individual employees.

A. Contributions made by the Marcegaglia Group to charitable organisations

Under no circumstances must contributions be made to Public Officials.

Contributions must never be such as to confer personal benefits on any private individual, nor must any action be taken that would enable a public official to derive an indirect personal benefit from such activity.

Donations must not, under any circumstances, form the subject of exchange agreements aimed at obtaining favourable treatment from public officials or private citizens, even if the recipient organisation is genuinely a charitable organisation.

Any request for contributions must be rejected if a public official or private individual promises benefits or reprisals in connection with such a request.

The making of donations by any company within the Marcegaglia Group to charitable organisations must be carefully assessed to ascertain whether a donation might result in a personal benefit for a public official or a private individual.

All requests for donations must be submitted in writing, and each Marcegaglia Group company must verify that the beneficiary is indeed a charitable organisation not involved in any unlawful activities.

Each company within the Marcegaglia Group must obtain a receipt for every contribution made.

B. Personal donations by employees

Each employee is free to make personal donations to charitable organisations.

However, it is expressly forbidden to use personal donations to circumvent this Anti-Corruption Policy.

In the event of a breach of this prohibition, the sanctions set out in Section III, paragraph 2.9, shall apply.

CHAPTER III: ANTI-CORRUPTION CONTRACTUAL CLAUSE

Every contract entered into by any of the Marcegaglia Group companies with any person who may be classified as a 'Recipient' must include a specific contractual clause regarding the knowledge, approval and compliance with this Anti-Corruption Policy or, in any event, with the Company's Organisational Model pursuant to Legislative Decree 231/01.

The aforementioned clause may, for example, read as follows: *"In any work carried out for the Marcegaglia Group, I undertake to strictly comply with all anti-corruption laws, always conducting myself lawfully and in a manner that does not constitute any offence of corruption.*

I declare and warrant that I shall comply, both now and in the future, with all anti-corruption laws in force in all countries in which the Marcegaglia Group carries out its business activities, and that I have read and undertake to comply with all the provisions of the adopted Anti-Corruption Policy".

SECTION V: RELEVANT OFFENCES IN ITALY

CHAPTER I: Offences against the Public Administration

The following describes the potentially most significant types of conduct that may broadly fall within the concept of corruption, such that they are subject to specific prevention measures.

This category of offences is analysed in relation to those areas of activity – such as, for example, investigations, audits and/or inspections by public authorities – in which employees or persons associated with the Company may come into contact with the public administration.

First and foremost, this Anti-Corruption *Policy* should set out and describe these to all its addressees.

Before moving on to an analysis of the individual types of offence, it is necessary to clarify what is meant by ‘Public Official’ and ‘Public Service Employee’ as defined by the current Criminal Code.

Most of the offences falling within this category, in fact, are classified as ‘specific’ offences, meaning they can only be committed by persons holding the status of ‘Public Official’ and/or ‘Public Service Employee’.

Public Official

For the purposes of criminal law (Article 357 of the Criminal Code), a Public Official is any person who exercises a legislative, judicial or administrative public function, thereby forming or contributing to the formation of the sovereign will of the State or of another public body within which they are called upon to perform authoritative duties (deliberative, advisory or executive).

Public Service Employee

On the other hand, a person who, in any capacity, performs a public service is to be regarded as a person entrusted with a public service (Article 358 of the Criminal Code).

‘Public service’ is to be understood as an activity governed by the same rules as a public office, but characterised by the absence of the powers typical of the latter, excluding the performance of simple duties of order and the provision of purely manual labour.

In this regard, well-established case law has clarified that, for the purposes of determining the status of a Public Official or a Person Entrusted with a Public Service, it is necessary to ascertain whether the relevant activity is governed by rules of public law and is specifically aimed at pursuing collective interests, whilst the classification and formal structure of the body for which the person carries out their work are irrelevant.

In other words, the status of public official or public service employee may be attributed not only to representatives of public bodies in the strict sense, but also to those of bodies governed by private law which, in practice, carry out activities or provide services in the public interest.

The following sets out the types of offences falling within the general category of corruption offences in relation to dealings with the public administration:

a) Article 317 of the Criminal Code: Extortion

This offence occurs when a public official or a person entrusted with a public service, by abusing their position or powers, compels another person to give or promise them, or a third party, money or other benefits.

This offence involves the perpetrator using coercive behaviour towards the private individual, who is therefore the victim of the offence in question.

Originally, this offence applied only to public officials. Today, following the introduction of Law No. 69 of 27 May 2015, the offence of extortion may also be committed by a person entrusted with a public service role.

b) Articles 318 and 319 of the Criminal Code: Bribery in connection with the performance of official duties or for an act contrary to official duties; Article 320 of the Criminal Code: Bribery of a person entrusted with a public service

These offences arise where a public official, in the exercise of their functions or powers, receives, for themselves or for others, money or other benefits, or accepts a promise thereof, in order to perform, omit or delay acts within the scope of their office.

The public official's conduct may take the form either of an act that is in any event required of them (for example: expediting a procedure for which they are responsible) or of an act contrary to their duties (for example: a public official accepting money to ensure the award of a contract).

This offence differs from extortion in that there is an agreement between the bribed party and the briber aimed at achieving a mutual advantage, whereas in extortion by coercion, the private individual is subjected to the conduct of the public official or public service employee.

c) Article 319-ter of the Criminal Code: Bribery in judicial proceedings

This provision relates to the conduct referred to in the preceding articles (Articles 318 and 319 of the Criminal Code) where the unlawful conduct is committed to favour or prejudice a party in civil, criminal or administrative proceedings.

d) Section 319 quater of the Criminal Code: Undue inducement to give or promise a benefit

Unless the act constitutes a more serious offence, a public official or a person entrusted with a public service who, by abusing their position or powers, induces another person to unduly give or promise money or other benefits to them or to a third party shall be punished. In the cases provided for, anyone who gives or promises money or benefits shall be punished as an accomplice to the public official or public service employee.

Following the amendments introduced by Law 190/2012 to Title II of Book II of the Criminal Code, with regard to the offences of extortion and bribery and, in particular, to the relationship between the offences referred to in Articles 317 and *319-quater* of the Criminal Code, the scope of liability appears to have been broadened, with specific reference to the offence of extortion by inducement referred to in Article 319-*quater* of the Criminal Code.

Whilst in the provision set out in Article 317 of the Criminal Code (extortion by coercion), the private individual is the victim of extortion, the 'unbundling' of the offence of extortion under Article 317 of the Criminal Code leads to the introduction of a second form of extortion or, according to another and different theory, a new form of corruption mitigated by inducement, in which the private individual acts in concert with the public official or the person entrusted with a public service in the commission of the offence. From this perspective, a company within which this offence is committed is no longer the victim of the offence but acts as an accomplice to the public official in committing it.

The defining characteristics that distinguish the new form of extortion from extortion by coercion appear to be:

A) a milder form of psychological pressure compared to the coercive variant, thus leaving the private individual free to determine their own course of action;

B) a failure on the part of the perpetrator of the predicate offence to resist, with the aim of obtaining an unjust advantage.

The current legislation set out in Article *319-quater* of the Criminal Code, which characterises the private individual as an accomplice in the offence of extortion by inducement, is more unfavourable than the legal provisions prior to Law 190/2012 – under which the private individual could only be a victim of the offence of extortion – and therefore cannot be applied retrospectively *pursuant to* Article 2 of the Criminal Code.

e) Article 322 of the Criminal Code: Incitement to corruption

This offence is committed where, in the presence of conduct aimed at corruption, the public official or public service employee refuses the offer made unlawfully.

In such cases, the private individual who attempted to bribe the person holding public office is nevertheless held liable.

f) Article *322-bis* of the Italian Criminal Code: Embezzlement, extortion, undue inducement to give or promise benefits, corruption and incitement to corruption, abuse of office by members of international courts or bodies of the European Communities or of international parliamentary assemblies or international organisations, and by officials of the European Communities and foreign states

Article *322-bis* of the Italian Criminal Code has extended the scope of criminal liability to acts of embezzlement, extortion, bribery and incitement to bribery committed in dealings with officials of the European Communities or public officials or public service employees of foreign states.

The considerations set out above, and the related examples of conduct that could give rise to liability on the part of the company and its employees and representatives, apply in exactly the same way to cases where the public entity does not belong to the Italian public administration, but rather to the European public administration or that of a foreign state.

g) Article *346-bis* of the Italian Criminal Code: Trafficking in unlawful influence

Any person, except in cases of complicity in the offences referred to in Articles 318, 319, *319-ter* and the offences of corruption referred to in Article *322-bis*, by exploiting or claiming to have existing or alleged connections with a public official, a person entrusted with a public service or one of the other persons referred to in Article *322-bis*, who unduly causes or secures a promise, for themselves or for others, money or other benefits, as payment for their unlawful mediation with a public official or a person entrusted with a public service or one of the other persons referred to in Article *322-bis*, or to remunerate that person in connection with the exercise of their functions or powers, shall be punished with imprisonment for a term of between one year and four years and six months.

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

The penalty is increased if the person who unduly causes money or other benefits to be given or promised, to themselves or to others, holds the position of a public official or a public service employee.

The penalties are also increased if the offences are committed in connection with the exercise of or to remunerate the public official or person entrusted with a public service, or one of the other persons referred to in Article 322-bis, in connection with the performance of an act contrary to their official duties or the omission or delay of an act within their official capacity.

If the offences are of a particularly minor nature, the penalty shall be reduced.

CHAPTER II: Corruption between private individuals

Acts involving relationships between private individuals may also fall within the scope of corruption. In this regard, *specific* criminal offences may be found in the Civil Code, which are examined below:

a) Article 2635 of the Civil Code: Bribery between private individuals

This offence was amended by Legislative Decree No. 38 of 15 March 2017 (Implementation of Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector).

Under the original wording, the offence was committed where directors, general managers, managers responsible for drawing up the company's financial statements, statutory auditors and liquidators, following the giving or promising of money or other benefits, for themselves or for others, performed or omitted to perform acts, in breach of the duties inherent in their office or their duties of loyalty, thereby causing harm to the organisation. Such persons were punishable by imprisonment for up to three years. The penalty, however, was imprisonment for up to one year and six months if the offence was committed by persons under the management or supervision of one of the persons referred to in the first paragraph.

Through the aforementioned reform, the offence in question has undergone several significant changes. Firstly, unlawful bribery of a corrupt nature is now punishable even where it is carried out through an intermediary. Thus:

a) the first paragraph has been replaced by the following: *"Unless the act constitutes a more serious offence, directors, managing directors, managers responsible for drawing up company accounts, statutory auditors and liquidators of companies or private bodies who, even through an intermediary, solicit or receive, for themselves or for others, money or other benefits to which they are not entitled, or accept a promise thereof, in order to perform or omit an act in breach of the duties inherent in their office or of their duties of loyalty, shall be punished with imprisonment for a term of between one and three years. The same penalty shall apply if the offence is committed* *by a person who, within the organisational structure of the company or private body, exercises managerial functions other than those specific to the persons referred to in the preceding* sentence";

b) the third paragraph has been replaced by the following: *'Any person who, even through an intermediary, offers, promises or gives undue money or other benefits to the persons referred to in the first and second paragraphs, shall be punished with the penalties provided for* therein';

Finally, the sixth paragraph of the provision in question has been amended as follows:

c) the words: "benefits given or promised" are replaced by the following: "benefits given, promised or offered".

With regard to the types of conduct, the first paragraph of Article 2635 now includes – alongside the acts of receiving and accepting a promise – the act of soliciting a corrupt act. Similarly, the third paragraph now also includes the act of offering money or other undue benefits.

Example: the sales manager of an organisation hands over money to the head of the procurement department of a third party, a client, in order to secure the conclusion of new procurement contracts.

b) Article 2635-*bis* of the Civil Code: Incitement to corruption

The provision in question constitutes a further criminal offence, the objective elements of which mirror those set out in Article 2635 of the Civil Code and apply in cases of 'unsuccessful solicitation' and 'unaccepted offer'. That is to say, where the perpetrator has been the instigator of a corrupt agreement that did not come to fruition.

c) Article 2635 *ter* of the Civil Code: Additional penalties

Legislative Decree No. 38/2017 also introduced an article relating to additional penalties, which is set out below:

"A conviction for the offence referred to in Article 2635, first paragraph, shall in all cases entail temporary disqualification from holding management positions in legal persons and undertakings referred to in Article 32-bis of the Criminal Code for anyone who has already been convicted of the same offence or of the offence referred to in Article 2635-bis, second paragraph".

A conviction for the offence referred to in Article 2635, first paragraph, shall in all cases entail temporary disqualification from holding managerial positions in legal persons and undertakings referred to in Article *32-bis* of the Criminal Code for anyone who has already been convicted of the same offence or of the offence referred to in Article *2635-bis*, second paragraph.

SECTION VI: INTERNATIONAL CORRUPTION

The Marcegaglia Group requires compliance not only with the anti-corruption legislation in force in Italy but also with local legislation in the countries where Group companies operate.

Furthermore, the Marcegaglia Group requires compliance with specific anti-corruption regulations issued by other countries or at international level.

By way of example, each of the Addressees of this Policy is required to comply with such foreign regulations, where necessary:

- *Bribery Act*: A law enacted in the United Kingdom on 8 April 2010 which imposes criminal penalties for acts of corruption committed within a ‘commercial organisation’, requiring, as a preventive measure, the adoption of specific anti-corruption controls to be applied to anyone working with the organisation;
- *Sapin II*: French legislation enacted on 10 December 2016 which requires all companies with more than 500 employees and a turnover exceeding €100,000,000.00 to adopt a programme for the prevention of specific offences, including corruption, which must include a code of conduct to be imposed on all staff and provide for an internal system enabling employees to report incidents of corruption. Companies required to operate in collaboration with partners or counterparties governed by French law are also required to examine the recommendations issued by the AFA (French Anti-Corruption Agency);
- *Organic Law* 1/2015 and Article 31 *bis* of the Spanish Criminal Code, legislation which requires the adoption in Spain of appropriate organisational models designed to prevent the offences set out in the national Criminal Code, including those relating to corruption.

Furthermore, the Marcegaglia Group bases its activities on the principles enshrined in the OECD Convention of 17 December 1997.

SECTION VII: THE PROCESSES AND PROCEDURES SET OUT IN THE ORGANISATIONAL MODEL ADOPTED BY EACH COMPANY

Each company within the Marcegaglia Group has adopted an Organisational Model in accordance with Legislative Decree 231/2001.

Based on the operational and organisational characteristics of each company, areas at risk of corruption offences have therefore been identified, and specific protocols have consequently been established to prevent corrupt practices both between private individuals and to the detriment of the public administration.

These protocols, in line with this policy, are hereby incorporated in full.

SECTION VIII: REPORTING INCIDENTS OF CORRUPTION

Reports of acts of corruption must be made via the internal channels designated for this purpose in accordance with Legislative Decree 24/2023, as further described in the Organisational Model of each Group company.

In all cases, the reporting mechanisms guarantee the utmost protection of the whistleblower's confidentiality. Internal procedures provide for ongoing communication between those responsible for investigating the report and the person who made it. The whistleblower is entitled to all the protections provided for by law; therefore, any acts of retaliation against them are prohibited, and any conduct to their detriment shall have no legal effect.

Each Group company undertakes to adopt the procedures put in place and to provide adequate information and training to staff so that those entitled to do so have the necessary guidance to make a report and are fully aware of their rights and the legal mechanisms designed to protect them.

In any event, the Supervisory Body monitors whether each individual company adequately fulfils the obligations arising from Legislative Decree 24/2023. It is required that those responsible for reporting share with the Supervisory Body any report relevant under Legislative Decree 231/01; consequently, reports concerning possible acts of corruption will be promptly shared with the Supervisory Body and examined by it.