

# Organization, Management and Control Model

In accordance with Italian Legislative Decree no. 231/2001 – Schaeffler Italia S.r.l. (rev. 13/2024)





## Contents

<b>1. Introduction</b>	5
<b>2. The Regulation</b>	7
2.1 Types of relevant crime pursuant to Legislative Decree no. 231/2001	8
2.2 Exemption condition	16
2.3 The Confindustria Guidelines	16
2.3.1 Areas of the Company concerned and areas of responsibility – Internal control systems	17
2.4 Adoption of the Organizational Model as a crime prevention tool	30
<b>3. Schaeffler Italia S.r.l. Structure</b>	32
3.1 Principles and elements on which the Model is based	33
3.2 System for the assignment of responsibilities, delegations and powers of attorney (Omissis)	33
3.3 The cash flow management and financial process control system	33
3.4 Safety organization	33
3.5 Environmental protection organization	34
<b>4. Structure of the Model in Accordance with Legislative Decree no. 231/2001</b>	36
4.1 Sensitive activities and the corporate functions involved	37
4.2 Mapping results	37
4.3 General rules of conduct	37
4.4 Amendment and supplementing procedures: reporting to the Supervisory Body	39
<b>5. The Supervisory Body</b>	40
5.1 Supervisory Body characteristics, qualification, appointment and term in office	41
5.2 Supervisory Body requirements, powers and duties	41
5.3 Information flows to the Supervisory Body	42
5.4 Supervisory Body reporting to the Corporate bodies	44
5.5 Control system and periodic inspections	44
5.6 Compensation for Supervisory Body members (Omissis)	45
5.7 Regulation of the Supervisory Body (Omissis)	45
5.8 Withdrawal of one or more members of the Supervisory Body (Omissis)	45
<b>6. Bonus System and Penalty System</b>	46
6.1 Bonuses and incentives	47
6.2 The penalty system	47
6.3 Measures against Directors, Managers and Statutory Auditors	48
6.4 Measures against Managers, Employees and Workers	48
6.5 Measures against Suppliers, Consultants and Partners	48
<b>7. Employee Selection and Dissemination of the Model</b>	49
7.1 Employee selection (Omissis)	50
7.2 Employee training (Omissis)	50
7.3 Selection of Contract staff, Suppliers and Partners (Omissis)	50
7.4 Information for Contract staff, Suppliers and Partners	50
7.5 Dissemination of the Model	50
<b>8. Data Processing</b>	51
<b>9. References</b>	51

## Annexes

A	Code of Conduct – Code of Ethics
B	Business structure (Omissis)
C	Risk assessment method (Omissis)
D	Supervisory Body Regulation (Omissis)
E	Form for reporting violations to the Supervisory Bod

## **1. Introduction**

## 1. Introduction

The “liability of entities for administrative offences resulting from a crime” was introduced into Italian law on June 8, 2001 with the Italian Legislative Decree no. 231 (hereinafter, “Legislative Decree no. 231/2001”).

What is generically referred to as “entities” includes corporations (S.p.A., S.r.l., etc.), which can be deemed liable, and as a result can be subject to pecuniary and/or criminal sanctions, for certain crimes committed or attempted in Italy or abroad in the interest or to the advantage of the Company, by the following parties set forth in article 5, paragraph 1 of Legislative Decree no. 231/2001:

- a) people responsible for the representation, administration or management of the entity or of one of its business units that has financial and operational autonomy, as well as by people who manage and control the entity, also *de facto* (called parties in top positions or “top management”);
- b) people managed or supervised by one of the parties pursuant to letter a) (called parties subject to management by others).

A pecuniary penalty is always applied for offences committed, while for the most serious cases, there are also interdiction measures such as the suspension or revocation of licenses and concessions, the prohibition against negotiating with the Public Administration, disqualification from conducting the Company’s business, exclusion from or revocation of loans and contributions and the prohibition against advertising goods and services.

The first paragraph of article 6 of the Legislative Decree no. 231/2001 states “If the crime was committed by the parties set forth in article 5, paragraph 1, letter a), the entity is not liable if it proves that:

- a) before the crime was committed, the management body had adopted and effectively implemented Organization and Management Models suitable to prevent crimes of the type committed;
- b) the task of supervising the functioning and observance of these Models, as well as of ensuring that they are updated, has been entrusted to one of the entity bodies which has independent powers of initiative and control;
- c) the parties committed the crime by fraudulently evading the Organization and Management Models;
- d) there was no lack of or insufficient supervision by the body as per letter b).

With respect to the above, considering the content of the Confindustria (Confederation of Italian Industries) guidelines and considering that since the introduction of Legislative Decree no. 231/2001, subsequent legal measures have significantly expanded the range of liable offences, at its meeting on October 26, 2012, the Schaeffler Italia S.r.l. Board of Directors approved the Organization, Management and Control Model (hereinafter also called the “Model”) required by Legislative Decree no. 231/2001 and appointed the Supervisory Body, conferring upon him the autonomous powers of initiative and control set forth in the Decree.

The Supervisory Body keeps a document identifying “Sensitive Activities and Specific Control Standards of Model 231” and distributes it to the relevant corporate departments. Those specific control standards are incorporated within the applicable Company procedures.

The current version of the Model incorporates the organizational and regulatory changes made until March 2024.

The Organization, Management and Control Model is based on the “general principles” introduced and disseminated in the Company through:

- The Schaeffler Group Corporate Code of Conduct - Code of Ethics
- Supplier Code of Conduct
- Quality & Continuous Improvement Policy
- Human Rights Compliance Policy
- Human Resources Policy
- Environmental, Social & Governance Policy
- Energy Policy.

Similarly, the reference *Directives, Guidelines, Procedures and Work Instructions* existing in the Company are part of the Organization, Management and Control Model, that arose from the risk analysis in relation to the tasks carried out in the offices / departments of the Company and which are constantly updated according to the changes introduced over time and based on the working experience. They are specifically indicated in point 9. of the Model.

## **2. The Regulation**

The Legislative Decree no. 231 of June 8, 2001 (hereinafter also referred to as Decree), containing the “Regulation on the administrative liability of legal entities, companies and associations with or without legal personality” - also called “entities”, introduced for the first time in Italy the liability of entities in front of criminal courts for certain crimes committed in their interest or to their advantage by people responsible for representing, directing or managing the entity (called top management) or one of its business units that has financial and operational autonomy, as well as by people who manage and control, also *de facto*, the same, and finally, by people subject to the management or supervision of one of the aforementioned parties. This liability applies in addition to the liability of the natural person who carried out the action.

However, the entity will not be held liable if the crimes were committed in the exclusive interest of the natural person who committed them.

Subsequent to the issue of this Decree, the legislature extended the list of crimes for which the entity can be held liable several times, in a continuous regulatory development which increasingly expands the Decree’s scope of application.

## 2.1 Types of relevant crime pursuant to Legislative Decree no. 231/2001

### Offences against the Public Administration and the European Union (Articles 24 Legislative Decree No. 231/2001)

- embezzlement to the detriment of the State (article 316-*bis*, Criminal Code);
- illicit receipt of funds to the detriment of the State (article 316-*ter*, 353 e 353-*bis*, Criminal Code);
- fraud to the detriment of the State, another Public Entity or the European Union (article 640, 2nd paragraph, no. 1, Criminal Code);
- aggravated fraud to obtain public funds (article 640-*bis*, Criminal Code);
- computer fraud (article 640-*ter*, Criminal Code);
- fraud in public supplies.

### Computer crimes and unlawful data processing (Article 24-bis Legislative Decree No. 231/2001)

- falsehoods in digital documents (article 491-*bis*, Criminal Code);
- illegally accessing a computer or electronic system (article 615-*ter*, Criminal Code);
- illegally holding and disclosing access codes for computer or electronic systems (article 615-*quater*, Criminal Code);
- distributing equipment, devices or computer programs aimed at damaging or interrupting a computer or an electronic system (article 615-*quinqies*, Criminal Code);
- illegally intercepting, preventing or interrupting computer or electronic communications (article 617-*quater*, Criminal Code);
- installing equipment aimed at intercepting, preventing or interrupting computer or electronic communications (article 617-*quinqies*, Criminal Code);
- damaging information, data and computer programs (article 635-*bis*, Criminal Code);
- damaging information, data and computer programs used by the State or by another Public Entity or in any case of public utility (article 635-*ter*, Criminal Code);
- damaging computer or electronic systems (article 635-*quater* Criminal Code);
- damaging computer or electronic systems of public service (article 635-*quinqies*, Criminal Code);



- computer fraud with theft or improper use of digital identity to the detriment of one or more subjects (article 640, paragraph 3, Criminal Code);
- computer fraud of the party which provides electronic signature certification services (article 640-*quinqüies*, Criminal Code);
- improper use, falsification, alteration and handling of stolen credit or payment cards ex-article 55, paragraph 9, Legislative Decree no. 231 of June 22, 2007, now article 493-ter Criminal Code);
- some crimes relating to Privacy violations according to Legislative Decree n. 196 of June 30, 2003: unlawful processing of data (article 167), falsity in statements or notifications to the Privacy Authority (article 168), failure to observe the provisions of the Privacy Authority (article 170);
- provisions regarding cybernetic national security perimeter - Legislative Decree no. 105 of September 21, 2019 converted into Law n.133 of November 11, 2019.

#### **Organized crime offences (Article 24-ter Legislative Decree No. 231/2001)**

- criminal association aimed at committing crimes against individual liberty and crimes of illegal immigration (article 416, paragraph 6, Criminal Code);
- mafia-type criminal associations, including foreign mafia conspiracy (article 416-*bis*, Criminal Code);
- mafia related political election exchange (article 416-ter, Criminal Code);
- kidnapping for purposes of robbery or extortion (article 630, Criminal Code);
- other crimes that occur under the conditions of article 416-bis of the Criminal Code or aiming at facilitating mafia conspiracies;
- criminal conspiracy for illegal trafficking of narcotics and psychotropic substances (article 74 of Italian Presidential Decree No. 309/1990);
- crimes relating to weapons (article 407, paragraph 2, subparagraph a) No. 5 of the Code of Criminal Procedure.

#### **Embezzlement, extortion, induction to give or promise utility and bribery offences and abuse of office (Article 25 of Legislative Decree no. 231/2001)**

- bribery for the exercise of a function (article 318, Criminal Code);
- punishments for the briber (article 321, Criminal Code);
- incitement to bribery (article 322, Criminal Code);
- bribery to carry out an act contrary to official duties and aggravating circumstances (article 319, and art. 319-*bis* Criminal Code);
- bribery in judicial documents (article 319-*ter*, Criminal Code);
- extortion (article 317, Criminal Code);
- embezzlement, induction to give or promise utility (article 319-*quater* Criminal Code);
- bribery of a person in charge of a public service (article 320, Criminal Code);
- extortion, bribery and incitement to bribery of members of European Community bodies and officials of the European Community and of foreign countries (article 322-*bis*, Criminal Code).
- trafficking in illegal influences (article 346-*bis*, Criminal Code);
- embezzlement made against financial interests of the European Union (article 314 Criminal Code);
- embezzlement through taking advantage of the error of others against financial interests of the European Union (Article 316 Criminal Code);

- bribery against financial interests of the European Union (article 323 Criminal Code).

#### **Crimes relating to counterfeit currency, legal tender and stamp duty (Article 25-bis Legislative Decree No. 231/2001)**

- counterfeiting of money, spending and introduction of counterfeited money into the Italian State after agreement (article 453, Criminal Code);
- alteration of money (article 454, Criminal Code);
- counterfeiting watermarked paper in use to manufacture public credit cards or revenue stamps (article 460, Criminal Code);
- manufacture or possession of watermarks or equipment intended to manufacture currency, revenue stamps or watermarked paper (article 461, Criminal Code);
- spending and non-complicit introduction of counterfeit money into the national domain (article 455, Criminal Code);
- spending counterfeit money received in good faith (article 457, Criminal Code);
- using counterfeit or altered revenue stamps (article 464, Criminal Code);
- falsification of revenue stamps, introduction into the national domain, purchase, possession or distribution of counterfeit revenue stamps (article 459, Criminal Code);
- counterfeiting, alteration or use of trademarks, distinctive signs or patents, models or drawings (article 473, Criminal Code);
- introduction into the national domain and trading of products with fake signs (article 474, Criminal Code).

#### **Crimes against industry and commerce (Article 25-bis 1 Legislative Decree No. 231/2001)**

- disturbed freedom of industry or commerce (article 513, Criminal Code);
- fraud in the exercise of trade (article 515, Criminal Code);
- sale of non-genuine foodstuffs as genuine (article 516, Criminal Code);
- sale of industrial products with false signs (article 517, Criminal Code);
- manufacture and trade of goods carried out by misappropriating industrial property rights (article 517-ter, Criminal Code);
- infringement of geographical indications or designations of origin for agri-food products (article 517-quater, Criminal Code);
- unlawful competition with threats or violence (article 513-bis, Criminal Code);
- fraud against national industries (article 514, Criminal Code).

#### **Corporate crimes and bribery among private individuals (Article 25-ter and 25-ter, c.1, s-bis Legislative Decree No. 231/2001)**

- false corporate communications (article 2621, Civil Code);
- false corporate communications with non serious facts (article 2621-bis, Civil Code);
- false corporate communications within listed companies (article 2622, Civil Code);
- falsehoods in auditing firm reports or communications (ex-article 2624, Civil Code);
- obstruction of audits (article 2625, Civil Code);

- fictitiously paid-up capital stock (article 2632, Civil Code);
- illegal restitution of contributions (article 2626, Civil Code);
- illegal allocation of profits and reserves (article 2627, Civil Code);
- illegal operations on shares or capital stock of the parent Company (article 2628, Civil Code);
- operations to the detriment of creditors (article 2629-bis, Civil Code);
- illegal allocation of Company assets by liquidators (article 2633, Civil Code);
- illicit influence on the general shareholders' meeting (article 2636, Civil Code);
- market rigging (article 2637, Civil Code);
- failure to report conflicts of interest (article 2629, Civil Code);
- obstruction of the work of public supervisory authorities (article 2638, Civil Code);
- bribery among private individuals (article 2635, 2635-Bis and 2635-Ter Civil Code) as modified by Legislative Decree No. 38/2017 came into force on April 14, 2017, concerning: directors, general managers, executives responsible for the preparation of corporate accounting documents, statutory auditors and liquidators, as well as who performs directives for making or issuing a violation of office and loyalty obligations.

**Crimes for the purposes of terrorism or subversion of the democratic system (Article 25-quarter Legislative Decree No. 231/2001)**

- crimes committed for the purpose of terrorism and subversion of the democratic system, set forth in the Criminal Code and in special laws.

**Practices involving the mutilation of female genitals (Article 25-quater 1 Legislative Decree No. 231/2001)**

- practices involving the mutilation of female genitals (Article 583-bis Criminal Code).

**Crimes against the individual (Article 25-quinquies Legislative Decree No. 231/2001)**

- reduction to or maintenance in slavery or servitude (article 600, Criminal Code);
- child prostitution and pornography, possession of pornographic materials (articles 600-bis, 600-ter, 600-quarter and 600-quarter 1 Criminal Code);
- tourism initiatives aimed at exploiting child prostitution (article 600-quinquies, Criminal Code);
- human trafficking, purchase or sale of slaves (articles 601 and 602, Criminal Code);
- illicit brokering and exploitation of work (article 603-bis of the Italian Criminal Code);
- solicitation of children (article 609-undecies of the Criminal Code).

**Market abuse (Article 25-sexies Legislative Decree No. 231/2001)**

- crime of abusing privileged information – insider trading (Article 184 Legislative Decree No. 58/1998 as amended by l. 238/2021);
- market manipulation (Article 185 Legislative Decree No. 58/1998 as amended by l. 238/2021);

**Manslaughter and serious or very serious injuries committed by breaching occupational health and safety regulations (Article 25-septies Legislative Decree No. 231/2001)**

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

- manslaughter (Article 589 Criminal Code);
- serious or very serious injuries (Articles 590, Criminal Code);
- aggravating circumstances (article 583 of the Criminal Code).

**Receiving stolen goods, money laundering and use of ill-gotten money, goods or benefits (Article 25-octies Legislative Decree No. 231/2001)**

- receiving stolen goods (Article 648 Criminal Code);
- money-laundering (Article 648-*bis* Criminal Code);
- handling money, goods or utilities of illegal origin (Article 648-*ter* Criminal Code);
- self-laundering (Article 648-*ter* 1 Criminal Code).

**Offences related to payment instruments other than cash (Article 25-octies Legislative Decree No. 231/2001)**

- improper use and falsification of credit and payment cards;
- possession and diffusion of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash
- anyone who procures for himself or others an unfair profit with others damage, altering the functioning of an IT or telematic system or intervening without right in any way on data, information or programs contained in a computer or telematic system or pertinent to it, is punished with imprisonment from six months to three years and with a fine from Euro 51 to Euro 1,032 (article 640-*ter* of the Criminal Code);

In cases of conviction for one of the crimes indicated in the previous points, the disqualification sanctions provided for in Article 9 paragraph 2 - bis in relation to the commission of the crime referred to in article 512-bis of the Penal Code, a pecuniary sanction of between 250 and 600 quotas is applied to the Entity.

**Offences relating to breach of copyright (Article 25-novies Legislative Decree No. 231/2001)**

- protection of copyright and other rights associated with its operation (Article 171, Paragraph 1 Law No. 633/1941);
- protection of computer programs or of devices applied for protecting computer programs (Article 171-bis Law No. 633/1941);
- protection of works covered by copyright (Article 171-*ter* Law No. 633/1941);
- protection of support media (Article 171-*septies* Law No. 633/1941);
- protection of audio-visual transmissions subject to conditional access (Article 171-*octies* Law No. 633/1941).

**Crime of inducing others not to issue statements or to issue untrue statements to the judicial authorities (Article 25-decies Legislative Decree No. 231/2001)**

- inducing others not to issue statements or to issue untrue statements to the judicial authorities (Article 377-bis Criminal Code).

**Environmental crimes (Article 25-undecies Legislative Decree No. 231/2001)**

- environmental pollution (Article 452-bis Criminal Code);

- environmental disaster (Article 452-quarter Criminal Code);
- culpable crimes against the environment (Article 452-quinquies Criminal Code);
- traffic and abandonment of high-level radioactive material (Article 452-sexies Criminal Code);
- aggravating circumstances (Article 452-octies Criminal Code);
- killing, destroying, catching, taking possession of specimens of protected wild fauna and flora species (Article 727-bis Criminal Code);
- destroying or damaging habitats within a protected site (Article 733-bis Criminal Code);
- import, export, possession, use for profit, purchase, sale, expound or possession for sale or for commercial purposes of protected species (Law No.150 / 1992, Article 1, paragraph 1, Article 2, paragraphs 1 and 2, Article 3 bis paragraph 1 and Article 6, paragraph 4);
- discharge industrial wastewater containing hazardous substances; release on soil, subsoil and groundwater; dumping ships or aircrafts into seas (Legislative Decree n.152 / 2006, Article 137);
- management of unauthorized waste activities (Legislative Decree n.152 / 2006, Article 256);
- contamination of soil, subsoil, surface- or groundwater (Legislative Decree n. 152/2006, Article 257);
- illegal waste trafficking (Legislative Decree n.152 / 2006, Article 259);
- violation of the disclosure obligations, breaches of keeping the mandatory registers and forms (Legislative Decree n.152 / 2006, Article 258);
- organized activities for illegal traffic of waste (Legislative Decree n.152 / 2006, ex-Article 260);
- false information on the nature, composition and the physio-chemical characteristics of the waste in the preparation of an analysis certificate; entry in SISTRI of a false certificate of analysis of the waste; omission or fraudulent alteration of the printed copy of the SISTRI form (Legislative Decree n.152/2006, Article 260 bis);
- fraudulent pollution caused by ships (Legislative Decree no. 202/2007, Article 8);
- culpable pollution caused by ships (Legislative Decree no. 202/2007, Article 9);
- cessation and reducing the use of ozone-depleting substances (Law no. 549/1993 Article 3).

**Employment of citizens from third-party countries who are illegal immigrants (Article 25-duodecies Legislative Decree No. 231/2001)**

- crimes of clandestine immigration (Legislative Decree, No. 286/1998 “Single text of the provisions concerning the regulations pertaining to immigration and regulations on the condition of foreigners”);
- sanctions against employers who take on foreign citizens who are without a residence permit or whose residence permit is expired (article 22 Legislative Decree, No. 286/1998 as introduced by Legislative Decree No. 109/2012).

With the Law n. 161 of October 17, 2017, article 30), entered into force on November 19, 2017, in article n. 25-duodecies of Legislative Decree no. 231/2001, the following paragraphs have been added after the first paragraph:

1-bis. In relation to the commission of crimes referred to in article 12), paragraphs 3), 3-bis) and 3-ter), of the consolidated text as per legislative decree 25.07.1998, n. 286, and subsequent modifications, the pecuniary sanction from four hundred to one thousand shares is applied to the entity.

1-ter. In relation to the commission of crimes referred to in article 12), paragraph 5), of the consolidated text as per legislative decree no. 286 of July 25, 1998, and subsequent modifications, the pecuniary sanction from one hundred to two hundred shares is applied to the entity.

1-quater. In cases of conviction for the crimes referred to in paragraphs 1-bis) and 1-ter) of this article, the disqualification sanctions provided for in Article 9), paragraph 2), for a duration of not less than one year shall be applied.

The liability of the Company lies in the direct employment of foreign nationals as well as in their indirect employment through temporary work contracts as well as towards supplier companies who employ immigrated workforce. The Company will have to make sure, by requiring the suitable documentation, that the immigrated workforce legally holds a permit to stay for reasons of work and not of tourism.

The resulting contracts for these people will have to take into account a maximum expiry date corresponding to the expiry date of the permit to stay for reasons of work, monitoring in time any possible granting of extending or renewing the permit to stay for reasons of work.

### **Racism and xenophobia (Article 25-terdecies Legislative Decree No. 231/2001)**

Crime of incitement to racism and xenophobia.

In relation to the commission of crimes pursuant to art. 3, paragraph 3-bis of the law no.654 of October 13, 1975, (reference to be understood as referred to Art. 64-bis of the Penal Code pursuant to Art. 7 of the Legislative Decree March 1, 2018 n.21) pecuniary sanctions are applied (from two hundred to eight hundred quotas) and interdiction sanctions are not less than one year. If the institution or an organizational entity is permanently used for the sole and prevalent purpose of allowing or facilitating the commission of such crimes, the definitive disqualification from the exercise of the activity is applied.

Modifications introduced to the Penal Code by the Legislative Decree no. 21 of March 1, 2018, published in the Official Gazette no. 68 of March 22, 2018 entered into force on April 6, 2018, implementing the delegation principle of the "reserve of code in criminal matters" pursuant to Article 1, paragraph 85, letter q, of Law no. 103 of June 23, 2017.

### **Fraud in sports competitions, abusive gambling or betting and games of chance carried out using prohibited devices (Article 25-quaterdecies Legislative Decree No. 231/2001)**

- fraud in sport competitions (Article 1 Law No. 401 of December 13, 1989);
- abusive practice of gambling or betting activities (Article 4 Law No. 401 of December 13, 1989).

### **Tax offences (Article 25-quinquiesdecies Legislative Decree No. 231/2001)**

Law no. 157 of December 19, 2019 conversion of the Legislative Decree no. 124 of October 26, 2019.

1. In relation to the commission of the crimes provided for by Legislative Decree no. 74 of March 10, 2000, the following financial penalties applies to the entity:

- for the crime of fraudulent declarations through the use of invoices or other documents for non-existent operations (Article 2, paragraphs 1 and 2-bis);
- for the crime of fraudulent declaration through other devices (Article 3);
- for the crime of issuing invoices or other documents for non-existent operations (Article 8, paragraphs 1 and 2-bis);

- for the crime of concealment or destruction of accounting documents (Article 10);
- for the crime of fraudulent abduction from the payment of taxes (Article 11).

1-bis. In relation to the commission of the crimes provided for by Legislative Decree no. 74 of March 10, 2000, if committed in the context of cross-border fraudulent systems and with the aim of evading the value added tax for a total amount of not less than ten million euros, the following financial penalties apply to the entity:

- a) for the offence of unfaithful statement (Article 4) the pecuniary sanction of up to three hundred shares;
- b) for the offence of omitted declaration (Article 5) the pecuniary sanction of up to four hundred shares;
- c) for the offence of undue compensation (Article 10-quater) the pecuniary sanction of up to four hundred shares.

2. If, as a result of the crimes indicated in paragraph 1 and 1-bis, the entity has attained a significant profit, the pecuniary sanction is increased by a third;

3. In the cases described at paragraph 1, 1-bis and 2, disqualification sanctions as in Article 9, paragraph 2, letters c), d) and e) applies.

#### **Smuggling (Article 25 sexiesdecies Legislative Decree No. 231/2001)**

1. In relation to the commission of the crimes provided for by Decree of the President of the Republic no. 43 of January 23, 1973 the pecuniary sanction of up to two hundred shares applies to the entity.

2. When the border rights due exceed one hundred thousand euros the pecuniary sanction of up to four hundred shares applies to the entity.

3. in the cases provided for in paragraphs 1 and 2 the disqualification sanctions provided for by Article 9, paragraph 9 letters c, d and e apply to the entity.

#### **Crimes against cultural heritage (Article 25-septiesdecies Legislative Decree No. 231/2001)**

- violations relating to the alienation of cultural goods (Article n. 518-novies, Criminal Code);
- illicit import of cultural goods (Article no. 518-decies, Criminal Code);
- illicit exit or export of cultural goods (Article no. 518-undecies, Criminal Code);
- misappropriation of cultural goods (Article no. 518-ter, Criminal Code);
- destruction, dispersion, deterioration, disfigurement, soiling and illicit use of cultural or landscape assets (Article no. 518-duodecies, Criminal Code);
- counterfeiting of works of art (Article no. 518-quardecies, Criminal Code);
- theft of cultural goods (Article no. 518-bis, Criminal Code);
- receipt of cultural goods (Article no. 518-quater, Criminal Code);
- forgery in private writing relating to cultural goods (Article n. 518-octies, Criminal Code).

#### **Recycling of cultural assets and destruction and looting of cultural and landscape assets (Article 25-duodevicies Legislative Decree n. 231/2001).**

- recycling of cultural goods (Article 518-sexies, Criminal Code);
- destruction and looting of cultural and landscape assets (Article 518-terdecies, Criminal Code).

#### **Transnational offences (article 10 Law 146/2006 “ratification and execution of the United Nations Convention and its Protocols against transnational organized crime)**

- criminal association (article 416, Criminal Code);
- mafia-style associations (article 416-*bis*, Criminal Code);
- criminal association to smuggle manufactured and foreign tobaccos (article 291-*quater*, Presidential Decree 43/1973);
- association for the illegal trafficking of drugs or psychoactive drugs (article 74, Presidential Decree 309/1990);
- money laundering (article 648-*bis*, Criminal Code);
- use of ill-gotten money, goods or benefits (article 648-*ter*, Criminal Code);
- actions carried out for the purpose of entering the country in violation of provisions concerning immigration law and regulations on the status of foreign nationals (article 12 paragraphs 3, 3-*bis*, 3-*ter* and 5 of Legislative Decree no. 286/1998);
- incitement to not make statements, or to make false statements, to the judicial authority (art. 377-*bis*, Criminal Code);
- aiding and abetting (article 378, Criminal Code).

## 2.2 Exemption condition

Pursuant to article 6 of the Decree, the entity can take advantage of a form of exemption from its liability if, during the criminal proceedings for one of the crimes considered, it demonstrates that, before the act was committed, it adopted and effectively implemented Organization, Management and Control Models that were suitable for preventing those criminal offences (hereinafter also referred to as Model).

This system requires that a control Body, called the Supervisory Body, be established within the entity, with the duty of supervising the functioning and updating of the Model.

For that Model to effectively work as an exemption, it must also establish an adequate disciplinary system which penalizes the failure to comply with the Model.

## 2.3 The Confindustria Guidelines

This Model was drawn up on the basis of the “Guidelines for Creating Organization, Management and Control Models pursuant to Legislative Decree no. 231/2001” (edition updated to June 2021), issued by Confindustria which can be summarized and outlined as follows:

- identification of risk areas in order to verify in which Company areas the detrimental events set forth in the Decree may occur;
- preparation of a control system able to prevent the risks, the most significant parts of which are:
  - › Code of Conduct - Code of Ethics;
  - › organizational system;
  - › manual and computerized procedures;
  - › powers of authorization and signature;
  - › control and management systems;
  - › staff communications and training.

The control system components must comply with the following principles:

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024



- each operation must be verifiable, documented, consistent and coherent;
- separation of duties (no one should independently manage an entire process);
- documentation of controls;
- establishment of a suitable penalty system for the violation of the Code of Conduct and the procedures set forth in the Model;
- identification of Supervisory Body requirements, which can be summarized as follows:
  - autonomy and independence;
  - professionalism;
  - continuity of action.

### 2.3.1 Areas of the Company concerned - Areas of responsibility – Internal control systems

#### Article 24 Legislative Decree 231/2001

The crime of fraud to the detriment of State, other Public Authority or the European Union may arise in all the areas of the Company that presume the establishment of relationships with Public Authorities or the European Union;

The crime of computer fraud involves the administrative liability of the Company only when it is committed to the detriment of Public Administration;

The administrative liability of the Company may also arise in relation to the crimes of illicit receipt of funds to the detriment of State and aggravated fraud to obtain public funds.

#### **Areas of the Company concerned**

- participation in public calls for tender conducted by the Public Administration;
- request to the Public Administration in order to obtain administrative acts or other measures in the interest of the Company (e.g. license, authorization) or false declarations;
- accessing information systems of the Public Administration or of companies within the Public Administration in order to:
  - participate in public calls for tender;
  - make computerized requests or submit documentation to the Public Administration in order to obtain administrative acts or other measures;
  - relationships with subjects of the Public Administration competent in welfare and fiscal matters.

#### **Areas of responsibility**

- financial activities;
- environmental or production investments;
- Issuing of environmental, safety and fire prevention authorizations;
- commercial and sales management;
- human resources management;
- training;
- Center of Competence.

#### **Internal control systems**

- control and programming processes of the corporate system;

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

- system of delegation and authorization;
- precise and continuous activities of hierarchical control;
- adequate monitoring of the passwords to access the systems of the Public Administration;
- specific controls of the observance of the implemented measures;
- specific provisions of the Code of Conduct – Code of Ethics;
- functional separation of responsibilities in each process among operators, controllers and decision-makers;
- specific prohibition of using cash money.

#### **Article 24-bis Legislative Decree 231/2001**

Computer crimes committed using specifically prepared software or hardware, falsehoods in digital documents.

New provisions on cybernetic security perimeter introduced by Legislative Decree n. 105 of September 21, 2019 converted into Law no. 133 of November 11, 2019.

#### **Areas of the Company concerned**

- holders of password who access information systems of the Public Administration;
- responsible persons for the storage of electronic documents in substitution of paper documents;
- users of electronic signature.

#### **Areas of responsibility**

- financial management;
- information technology management;
- human resources management;
- prevention and environmental protection management.

#### **Internal control systems**

- company's manual of the responsible for the substitutive electronic storage;
- implementation of validation procedures of credentials with sufficient complexity and provision of periodic changes;
- procedure of removal of access rights at the end of the employment relationship;
- regular updating of the established informative systems;
- enabling and access-control procedures;
- traceability of accesses and of critical activities;
- processes relating to controls concerning:
  - corporate network and information in transit;
  - network routing to assure the respect of the security policies;
  - installation and use of software.
- establishment of protective measures for digitalized documents and information.

#### **Article 24-ter Legislative Decree 231/2001**

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

Fight against international organized crime.

Illegal waste trafficking.

Mafia-type criminal association.

Money laundering and the use of money, assets or profits of illicit origin at an international level.

### **Concerned areas of the Company**

- personnel recruitment and selection;
- selection of suppliers of goods and services;
- handling of financial flows;
- investments.

### **Areas of responsibility**

- human resources;
- purchase of goods and services;
- legal management and contracts;
- financial management.

### **Internal control systems**

- whenever possible, consultation of the “anti-mafia” lists handled by the Prefectures;
- requesting suppliers of goods and services statements certifying their compliance with tax-benefit and administrative regulations for employees and collaborators;
- contractual provision of a termination clause in the case of suppliers receiving an interdictory sanction pursuant to anti-mafia legislation or failing to comply with the rules of the Legislative Decree n. 231/2001;
- formal and substantial controls of the financial flows of the Company.

### **Article 25 Legislative Decree 231/2001**

Offences against the Public Administration or companies belonging to the Public Administration.

Offences against the European Union and its financial interests.

Extortion, bribery, bribery in judicial acts.

Embezzlement, induction to give or promise utility.

Embezzlement and abuse of office.

Trafficking in illicit influences.

### **Areas of the Company concerned**

- participation in tender or direct negotiation procedures for the sale of goods and services to the Public Administration or to companies belonging to the Public Administration;
- relationships with any authority in charge of surveillance or with any other independent authority and other bodies governed by public law;
- relationships with public officials and persons charged with performing a public service in connection with fiscal, tax and social security obligations;

- relationships with the judicial authority, public officials and persons charged with performing a public service in the context of judicial disputes concerning criminal law, civil law, labor law, administrative law and fiscal law;
- participation in procedures to obtain licenses, administrative measures and authorizations from the Public Administration;
- participation in procedures to obtain disbursements, contributions or funding from Italian public bodies or of the European Union and their direct use;
- sponsoring, consultancies, advertising, leasing expenses;
- selection and recruitment of personnel;
- financial management and of financial derivative instruments;
- **Management of the Center of Competence regarding tenders for allocations of public funds.**

#### **Areas of responsibility**

- commercial management and sales;
- marketing and advertising;
- purchase of goods and services;
- human resources;
- financial management;
- investment management;
- prevention and environmental protection service management;
- Governing Board and Directorate General.

#### **Internal control systems**

- guidelines for corporate finance;
- processes within the corporate system of programming and control;
- system of delegations, authorizations and signature powers;
- precise and continuous activities of hierarchical control;
- functional separation of responsibilities in each process among operators, controllers and possessors of signature powers;
- specific prohibition of using cash money;
- traceability of all Company operations of commercial and financial nature;
- organizational procedures for purchases, consulting services, sponsoring, personnel recruitment, representation expenses;
- training and information.

#### **Article 25-bis Legislative Decree 231/2001**

Counterfeiting of money, spending and introduction of counterfeited money into the Italian State.

Counterfeiting, manufacture or possession of watermarks or equipment intended to manufacture currency.

Using counterfeited or altered revenue stamps.

Counterfeiting, alteration, use and introduction into the Italian State of trademarks, distinctive signs, patents, models and drawings.

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

Schaeffler Italia S.r.l. - Via Dr. Georg Schaeffler, 7 – 28015 Momo (Novara) – Subject to the management and coordination of Schaeffler Technologies AG & Co. KG  
Pag. 20/54

PUBLIC

### **Areas of the Company concerned**

- use of cash money and revenue stamps;
- commercial use of trademarks, patents and distinctive signs.

### **Areas of responsibility**

- financial management;
- legal management and contracts;
- commercial management.

### **Internal control systems**

- guidelines for corporate finance;
- specific provisions of the Code of Conduct – Code of Ethics;
- specific prohibition of using cash money;
- processes and rules for the use of intellectual property rights, trademarks and distinctive signs;
- processes regarding the verification of the products purchased or returned by clients.

### **Article 25-bis 1 Legislative Decree 231/2001**

Crimes against industry and commerce.

### **Areas of the Company concerned**

- contracts of purchase and sale of products;
- specific behavior on the market of employees and agents.

### **Areas of responsibility**

- Board of Directors and General Management;
- management of purchases of products and services;
- management of sales of products and services;
- legal management.

### **Internal control systems**

- Processes in the corporate system of programming and control;
- Functional separation of responsibilities;
- Continuous activities of hierarchical control;
- Legal management guidelines.

### **Article 25-ter Legislative Decree 231/2001**

False corporate communications with non-serious facts.

False corporate communications within listed companies.

Obstructions of audits, illegal restitution of contributions, illegal allocation of profits and reserves, illegal operations on Company shares.

Operations to the detriment of creditors, fictitiously paid-up capital stock.

Bribery among private individuals, illicit influence on the general shareholder's meeting, market rigging, obstruction of the work of public supervisory authorities.

False corporate communications, falsehood in auditing firms reports or communications.

Bribery among private individuals as from the changes introduced by Legislative Decree No.38/2017 entered into force on April 14, 2017.

#### **Areas of the Company concerned**

- managerial positions;
- drafting of information about the management of the Company according to the Italian Civil Code;
- formulation of balance-sheets of the Company and disclosure to the shareholders;
- meetings of the Board of Directors and relationships with the Supervisory Body.

#### **Areas of responsibility**

- directors, general managers and subordinates;
- financial management;
- legal management.

#### **Internal control systems**

- specific procedure for the preparation of balance sheet taking into account the rules of the Italian Civil Code as well as the accepted accounting standards;
- clearness and completeness of the information provided;
- accuracy of data and their processing;
- training of all the function managers;
- meetings of the Supervisory Body with the Board of Directors and with the Board of Auditors;
- immediate informative to the Supervisory Body about changes in the corporate structure at any level.

#### **Article 25-quater Legislative Decree 231/2001**

Crimes for the purposes of terrorism and subversion of the democratic order.

#### **Areas of the Company concerned**

- financial management and traceability of financial flows.

#### **Areas of responsibility**

- financial sector.

#### **Internal control systems**

- program of periodic training and information of the heads of the departments and their subordinates in the risk-areas;

- control of corporate and financial flows and traceability;
- control of corporate documents.

#### **Article 25-quater 1 Legislative Decree 231/2001**

Practices of mutilation of female genitals.

##### **Areas of the Company concerned**

- personnel recruitment and selection.

##### **Areas of responsibility**

- human resources management.

##### **Internal control systems**

- specific provisions of the Code of Conduct – Code of Ethics.

#### **Article 25-quinquies Legislative Decree 231/2001**

Crimes against the individual.

Reduction to or maintenance in slavery or servitude, child prostitution and pornography, possession of pornographic materials, tourism initiatives aimed at exploiting child prostitution, human trafficking, purchase or sale of slaves, contrast illicit work phenomena and exploitation of the workforce.

##### **Areas of the Company concerned**

- personnel recruitment and selection;
- internet use;
- corporate travels.

##### **Areas of responsibility**

- Human Resources management;
- information technology management.

##### **Internal control systems**

- training and information of managers and their subordinates;
- specific provisions of the Code of Conduct – Code of Ethics;
- use of electronic tools by the employees regulated by a formal unmistakable written provision;
- computer software that prevents receiving or accessing child-pornography material.

#### **Article 25-sexies Legislative Decree 231/2001**

Crime of abusing privileged information.

Market manipulation. Spreading of false or misleading information.

### **Areas of the Company concerned**

- activities of managers and General Directors;
- treasury and financial activities.

### **Areas of responsibility**

- corporate bodies;
- financial management;
- legal management.

### **Internal control systems**

- specific warnings through the guidelines;
- training and information of managers and their subordinates.

### **Article 25-septies Legislative Decree 231/2001**

Manslaughter and serious or very serious injuries committed by breaching occupational health and safety regulations pursuant to Decree No. 81/2008.

### **Areas of the Company concerned**

- all the areas of management.

### **Areas of responsibility**

- employer;
- subjects' holders of delegation powers;
- managers;
- employees;
- workers.

### **Internal control systems**

- evaluation of risks, their reduction and minimization. Continuous update;
- management, implementation and verification of the ISO 45001 certified safety management system. Continuous update;
- periodical system of control of the implementation of the procedures who are adopted;
- system of detecting violations and subsequent application of sanctions;
- training and information;
- relations with third parties who supply products and services. Implementation of the security measures which are adopted and control of the documentation assessing the possession as well as the updating of the qualifications laid down by Decree No. 81/2008;



- adoption, in the cases contemplated by law, of the D.U.V.R.I. (Documento Unico per la Valutazione Rischi da Interferenze), signed by the parties.

#### **Article 25- octies Legislative Decree 231/2001**

Receiving of stolen goods, money laundering and use of ill-gotten money, goods and benefits.

#### **Areas of the Company concerned**

- management of financial flows;
- contracts with goods and services providers;
- management of complaints and returning goods from customers;
- marketing campaigns and sponsoring.

#### **Areas of responsibility**

- financial management;
- legal management;
- purchasing management;
- sales management;
- marketing management.

#### **Internal control systems**

- corporate process of acquisition and periodical monitoring of suppliers;
- monitoring of third-party companies using also the Anti-mafia lists handled by the Prefectures;
- analysis of the contracts by the Head of the Legal Department;
- functional separation of responsibilities among operators, controllers and possessors of signature powers;
- specific prohibition of using cash money;
- formal and substantial controls of the financial flows of the Company, payment documents, other documentation and their traceability;
- monitoring of incoming goods from suppliers and returning goods from customers;
- monitoring of the economic suitability of the purchasing prices of the products compared to the average market values.

#### **Article 25- octies.1 Legislative Decree 231/2001**

Offenses related to payment instruments other than cash

#### **Areas of the Company concerned**

- Finance and Accounting Office;

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

- Human Resources Department;
- Purchasing Department.

#### **Areas of responsibility**

- financial and accounting management;
- purchasing management;
- personnel management.

#### **Internal control systems**

- verification of contracts with suppliers;
- business processes relating to payments to suppliers;
- information and training of managers and their department.

#### **Article 25- novies Legislative Decree 231/2001**

Offences relating to breach of copyright.

#### **Areas of the Company concerned**

- management of suppliers and incoming goods;
- management of sales and returning goods from customers;
- management and cataloguing of software.

#### **Areas of responsibility**

- purchasing management;
- quality control of incoming goods;
- monitoring of returning goods from clients;
- information technology management.

#### **Internal control systems**

- control of contracts;
- corporate procedures to identify incoming goods;
- training and information of managers and their subordinates;
- cataloguing of the software licenses managed by the Company together with their expiration.

#### **Article 25- decies Legislative Decree 231/2001**

Crime of inducing others not to issue untrue statements to the judicial authorities.

#### **Areas of the Company concerned**

- all the areas potentially exposed to criminal, civil or tax litigation.

#### **Areas of responsibility**

- all the areas are considered potentially involved.

### **Internal control systems**

- specific procedure detailing the line of conduct to follow in the event of an employee summoned as a witness before a judicial court;
- absolute prohibition to influence a witness during judicial proceedings.

### **Article 25- undecies Legislative Decree 231/2001**

Environmental crimes pursuant to Legislative Decree n. 152/2006 (Environmental Code) and law no. 68 of May 22, 2015.

### **Areas of the Company concerned**

- management of water drains of any kind;
- management of emissions in the atmosphere;
- construction, management and maintenance of infrastructures in relation to their possible impacts on biodiversity;
- management of any kind of waste.

### **Areas of responsibility**

- corporate bodies and employer;
- subjects' holders of delegated powers;
- managers;
- employees;
- workers.

### **Internal control systems**

- system of risk-assessment and mapping, introduction of the related processes and procedures and frequent updating;
- regular monitoring of the implementation of written instructions;
- introduction of compulsory registers, regular updating and reporting;
- system of detection of violations and subsequent application of sanctions;
- periodical monitoring of emission values.

### **Article 25- duodecies Legislative Decree 231/2001**

Crimes regarding the foreign national workforce.

### **Areas of the Company concerned**

- conclusion of subordinate employment contracts;
- transfer of workers;
- staff leasing contracts;

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

- procurements;
- contracts for work;
- Center of Competence.

#### **Areas of responsibility**

- human resources management;
- purchasing management;
- management of the prevention, protection, environment and facilities service (procurement and work contracts);
- legal management.

#### **Internal control systems**

- corporate process for hiring foreign individuals using a specific control list;
- system of delegation and authorizations regarding the recruitment of workers;
- monitoring system – schedule of expiring and renewal of residence permits;
- corporate process for the conclusion of staff-leasing contracts, procurement and contract work;
- system of delegation and authorizations for the conclusion of staff-leasing and procurement contracts and contracts for work;
- monitoring of commercial partners using also the anti-mafia lists handled by the Prefectures.

#### **Article 25-terdecies Legislative Decree 231/2001**

Crime of incitement to racism and xenophobia.

#### **Areas of the Company concerned**

- personnel recruitment and selection;
- managers;
- employees;
- workers.

#### **Areas of responsibility**

- human resources management.

#### **Internal control systems**

- Specific provisions of the Code of Conduct – Code of Ethics.

#### **Article 25-quaterdecies Legislative Decree 231/2001**

Fraud in sports competitions.

### **Areas of the Company concerned**

- By statute, the company does not deal with sporting competitions, gambling or betting.

### **Areas of responsibility**

- By statute, the company does not deal with sporting competitions, gambling or betting.

### **Internal control systems**

- By statute, the company does not deal with sporting competitions, gambling or betting.

### **Article 25-quinquiesdecies Legislative Decree 231/2001**

Fraudulent statements by using invoices or other documents for non-existent operations.

Fraudulent statements by other artifices.

Release of invoices or other documents for non-existent operations.

Concealment or destruction of accounting documents.

Fraudulent subtraction from the payment of taxes.

### **Areas of the Company concerned**

- active cycle concerning invoices for the sale of products. Passive cycle relating to purchase invoices;
- accounting records of active and passive documents;
- formulation of the corporate balance sheet;
- taxation and payment of the relative values within the established deadlines;
- unchanged preservation of the originals of the company documentation.

### **Areas of responsibility**

- Accounting & Finance;
- Human Resources Management.

### **Internal control systems**

- use of accounting registration systems;
- prohibition for the members to use cash even for petty cash;
- audit and certification of the balance sheet by auditing firms;
- verification by the Sole Auditor;
- specific provisions of the Code of Conduct - Code of Ethics;
- provisions in the Business Code of Conduct for Schaeffler Group suppliers;
- internal procedures and work instructions specific to the company areas of responsibility.

### **Article 25-sexiesdecies Legislative Decree 231/2001**

Offences related to the non-compliance with customs legislation (Decree of the President of the Republic no. 43 of January 23, 1973).

### **Areas of the Company concerned**

Organization, Management and Control Model – in accordance with Legislative Decree no. 231/2001 – Rev. 13/2024

- Customer service;
- Goods in- and outbound;
- Export Control;
- active cycle concerning invoices for the sale of products. Passive cycle relating to purchase invoices;
- accounting records of active and passive documents;
- formulation of the corporate balance sheet;
- taxation and payment of the relative values within the established deadlines;
- unchanged preservation of the originals of the company documentation.

#### **Areas of responsibility**

- Accounting & Finance;
- Human Resources Management.

#### **Internal control systems**

- use of accounting registration systems;
- audit and certification of the corporate balance sheet by auditing firms;
- verification by the Sole Auditor;
- specific provisions of the Code of Conduct - Code of Ethics;
- provisions in the Business Code of Conduct for Schaeffler Group suppliers;
- internal procedures and work instructions specific to the company areas of responsibility;
- specific provisions of the procedures on export control;
- verification of the correct management of the master data.

The Confindustria Guidelines are general and not absolute, but they are not binding, since this Organizational Model was created based on the operating circumstances of the Schaeffler Group in Italy. Therefore, it could be different from the Guidelines used as a reference in other Schaeffler locations.

#### **2.4 Adoption of the Organizational Model as a crime prevention tool**

Schaeffler Italia S.r.l. is aware of the importance of preventing the crimes set forth above and has adopted this Organizational Model in order to make it a useful internal control tool to prevent its directors, employees and representatives from committing those crimes.

The rules of conduct contained in this Model are consistent with those of the Company “Code of Conduct” adopted by the Schaeffler Group (Annex A), although this Model has specific objectives in compliance with Legislative Decree no. 231/01 and will be implemented in line with the provisions of the Regulation EU 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and aimed at ensuring the development of fair and correct processing by the organizations acting as controller or processor.

Schaeffler Italia S.r.l. aligns itself with the standards set forth in this Model and in the Code of Conduct and may identify additional specific measures related to the distinct characteristics of its operating circumstances.

Consistent with this arrangement, this Model is adopted by Schaeffler Italia S.r.l. which shall adapt the annexes to its specific requirements.

Its continuous application will make it possible to eliminate, or at least decrease to a minimum, the risk that the crimes set forth will be committed and will also make it possible to benefit from an “exemption” in line with the provisions of the Regulation EU 679/2016.

### **3. Schaeffler Italia S.r.l. Structure**



### **3.1 Principles and elements on which the Model is based**

The Schaeffler Group is focused on carefully managing governance and control instruments at the international level. (Omissis)

The principles, rules and procedures set forth in the instruments listed above will not be reported in detail in this Model, but they are part of the broader organization and control system which it intends to supplement.

Aside from the above, the key principles which inform the Model are the Confindustria Guidelines, used as the basis for mapping Sensitive Processes.

### **3.2 System for the assignment of responsibilities, delegations and powers of attorney (Omissis)**

### **3.3 The cash flow management and financial process control system**

The proper controls are put into place to ensure that cash flows are always managed correctly and that the decisions made respond to the criteria of transparency and traceability, in order to prevent all crimes considered above.

The financial management area is particularly significant in this context, where procedural controls rely on instruments such as joint signatures based on the values in question (see the Schaeffler Group signatures directive) and the separation of tasks (example: decision to purchase and responsibility for negotiations).

The management control system is therefore responsible for promptly reporting the existence and occurrence of general and/or specific critical situations, also by calculating the appropriate indicators and establishing an authorization system which requires powers of signature assigned in line with organizational and management responsibilities, in order to concretely enact the separation of duties mentioned above.

The central Treasury, Financial Statements and Controlling department managers periodically check and authorize cash flows based on Schaeffler Group guidelines.

The Schaeffler Group has implemented and regularly updates a set of administrative and accounting procedures which ensure that the financial reporting internal control system is highly reliable. (Omissis)

### **3.4 Safety organization**

The crimes of negligent homicide or serious or very serious negligent injury, committed by violating health and safety rules, could be committed in all areas of Schaeffler Italia S.r.l.'s business and could involve all Company employees.

Therefore, in this context, the analysis of the possible ways in which said crimes could be committed corresponds to the risk assessment carried out according to the criteria set forth in current health and safety regulations, set forth in Legislative Decree no. 81/2001.

In compliance with article 30 of the same Decree, Schaeffler Italia has “adopted and effectively implemented” an Organization and Management Model designed to protect it from the administrative liability of legal entities, companies and associations, including those without legal personality.

Furthermore, in order to further cultivate a work culture characterized by safety, in compliance with the measures introduced by current health and safety regulations (article 30, paragraph 5, Legislative Decree no. 81/2008), the Safety Management System implemented at all Schaeffler Group production facilities, and therefore also in Momo, has been certified according to the ISO 45001 standard.

All the aforementioned activities and registration procedures are described in detail in the annexed protocols.

With a view to preventing these crimes from being committed, an organizational structure with health and safety duties and responsibilities, defined in full compliance with the Company's organizational and functional structure, has been established for some time.

The structure is headed up by the employer, who has the non-delegable duty of assessing risks and adopting the resulting required documents, as well as designating the Prevention and Protection Service Manager.

He assigns the Safety Officer the powers of organization, management and control needed to adopt and train others on the most effective safety measures and prevention means for employee protection, as well as health supervision and control measures.

For this purpose, this Officer has decision-making autonomy and the authority to incur expenses needed to fulfill this fundamental duty, without which the delegation would lack effectiveness.

This type of organization divides the various obligations among the employer, Officer, managers and supervisors: they are all required, within the scope of their assignments and responsibilities, to observe and apply the health and safety provisions.

This division of accident prevention duties begins from the Officer's obligation to prepare means and structures, it continues along the "corporate line" making the manager responsible for organizing the structures and means provided by the Officer in an adequately safe manner, and it reaches the workers through the fundamental figures of the supervisors, who are required by law to supervise workers to ensure that they accurately comply with the safety measures and procedures prepared by the applicable Company areas.

Finally, those same workers are directly responsible for their own safety and that of others located in the workplace, in line with the training, instructions and means provided to them.

This "structure" is supported by the Company doctor and the Prevention and Protection Service, which assist the employer, the Officer, the managers and the supervisors in preparing and applying an accurate and effective accident prevention policy.

### 3.5 Environmental protection organization

In light of the introduction of environmental crimes into the text of 231, an Organization which has an environmental management system according to ISO 14001 and/or EMAS is at an advantage, since it continuously and systematically monitors and controls significant environmental aspects, thereby decreasing the possibility that the related crimes will be committed.

The extension of the administrative liability of Entities/Companies set forth in Legislative Decree no. 231/01 to environmental offences, introduced by Legislative Decree of July 7, 2011, has a significant impact on the 231 Organizational Models adopted by Companies whose business activities could, even indirectly and as a result of negligence, damage or harm the environment and health. In fact, this requires the Company to conduct a careful analysis of the risks to which it is exposed and to identify measures aimed at preventing episodes which could entail administrative liability, which could have serious impacts on the business and on the corporate reputation.

In that sense, the **ISO 14001 Certification** and the **EMAS Registration** are effective instruments that a company can use to show that it keeps the environmental aspects of its activities under control, and that it is committed to systematically improving them, as well as to being assessed by a third-party certification authority which periodically checks the Company's compliance with environmental regulations.

Although the law did not set forth criteria for the implementation of Organizational Models which can result in exemption, or define the minimum adequacy requirements of Organizational Models in accordance with the UNI EN ISO 14001 standard or the EMAS Regulation (unlike what was set forth concerning Occupational Safety with reference to the UNI-INAIL SGLS guidelines and to the ISO 45001 standard), it is still evident that the adoption of a Company environmental management system ensures that all regulatory obligations and local ordinances concerning the environment are fulfilled, since this is the minimum requirement to respect the applicable standards.

That respect for the law implicit in the environmental certification, and necessarily also useful to prevent and keep under control the main environmental crime risks, is concretely enacted through:

1. Analysis of potential direct and indirect environmental impacts (including risks in anomalous and emergency situations, their significance and the necessary measures for limiting them).
2. Issue of work procedures and instructions, or adaptation and adjustment of existing ones based on the measures adopted following the aforementioned analyses.

3. Employee information and training.
4. Supervision of workers' compliance with work procedures and instructions;
5. Analysis and assessment of regulatory compliance and periodic monitoring.
6. Periodic review of environmental analyses and the consistency of work procedures and instructions.

Other "guarantee" elements present in a certified Environmental Management System, in view of 231, are:

1. Formalization of roles and responsibilities, as well as of the related management responsibilities.
2. Extension of "operating control" to people who "work on behalf" of the organization.
3. Performance reporting, to provide feedback to the Management and to the Supervisory Body, such as: indicators, NC, audits, etc.
4. Recording in the system, in order to ensure that responsibilities, operations executed, and actions carried out are traceable and documented.

The Momo site has been certified according to the ISO 14001 standard, has been registered with EMAS and according to the ISO 45001 standard.

#### **4. Structure of the Model in Accordance with Legislative Decree No. 231/2001**

#### 4.1 Sensitive activities and the corporate functions involved

Various activities are carried out within Schaeffler Italia, some of which can be considered at risk in terms of the crimes listed.

In order to identify the activities most exposed to these crimes, aside from those concerning safety, a careful analysis was conducted on business processes, risks which could have significant effects with regard to the crimes set forth in Legislative Decree no. 231/2011 were identified and assessed, and they were assessed within a risk assessment process which involved all business areas and the relative managers, therefore making it possible to “map” strategic, operational, financial and legal risks.

A gross risk level was established along with the likelihood that the risk will be realized, the countermeasures implemented to reduce the risk, and the resulting net risk, and consequently procedures or actions will be developed to prevent and counter these residual risks.

*Sensitive activities* are those activities in which it is deemed that the relevant crimes according to the Decree may be committed, in the interest or to the advantage of Schaeffler Italia.

Those areas were further assessed based on the following evaluation criteria:

- Probability (PR)
- Control effectiveness (E)
- Seriousness of the impact (G)

The assessment method can be found in annex C.

#### 4.2 Mapping results

Based on the results of the mapping described above, it can be affirmed that the sensitive activities within the Schaeffler Group’s business in Italy are:

- relations with the public administration for the issue of concessions, authorizations, agreements, etc.;
- requests for public financing;
- the drafting of the financial statements, reports, accounts and corporate communications required by law;
- relations with Tax Police Officials and Public Safety Officials;
- the hiring of personnel;
- access to and presence and working in workplaces by employees, suppliers, consultants, partners and visitors, as well as the related control activities.

Considering the areas of Schaeffler Italia’s activities, it is deemed that the risk of committing the crimes set forth in the Decree that are not contemplated in the risk map have a remote likelihood of occurring in relation to Schaeffler’s business, and that in any event, the effective enactment of the principles of the Code of Conduct - Code of Ethics, of the Internal Procedures and Directives, as well as of the internal and external work instructions and audits of the systems, constitute is an adequate tool to prevent those crimes from being committed.

#### 4.3 General rules of conduct

In order to prevent the crimes, the conduct of all Schaeffler Italia staff, consultants, partners, suppliers and all parties interacting with the Company for any reason whatsoever must comply with the provisions of Company regulations, this Model and the Code of Conduct (Annex A).

The organization of the Company must respect the fundamental requirements of clarity, separation of roles, responsibility, representation and written hierarchical lines.

The internal procedures must be characterized, if possible, as follows:

- separation of roles within any process between whom defines it, whom carries it out and whom controls it;
- traceability of the different steps of the process;
- simple but effective formalization.

It is forbidden, directly to the employees and to the Corporate Bodies of Schaeffler Italia S.r.l. and indirectly to the companies providing services, to the Advisors and to the Partners, by virtue of specific contractual clauses, to:

- adopt or put into effect single or collective behaviours, which directly or indirectly represent the types of offences within the scope of the Legislative Decree 231/2001;
- violate the principles and the Company procedures provided for in the Company, partially mentioned in the present Model;

In particular, as far as the relationship with the Public Administration is concerned it is forbidden to:

- give money to Italian or foreign civil servants, both directly by Italian companies or by their employees, and by other individuals who act in name of such companies both in Italy and abroad;
- grant advantages of any nature in favour of representatives of the Public Administration;
- influence the decisions of the public servants during any negotiation with the Public Administration;
- render services or recognize a compensation in favour of companies providing services, of advisors and partners, which are not adequately justified in the context of the contractual relationship established with them;
- present untrue declaration to Italian or EU public bodies aiming at obtaining appropriations or government grants.

The Supervisory Body must be informed in writing about any critical situation or conflict of interest which may arise concerning the relationships with the Public Administration.

**In the information technology management, it is compulsory to:**

comply with the Company and Group rules concerning the use of the systems, the data treatment, the rules of use of the workspace, of internet and the management of passwords.

**In the management of the occupational safety and environment:**

the Company implements, maintains and efficiently puts into practice the integrated environment and safety management system, aimed at reaching fixed goals, according to the ISO 45001 standard, to EMAS and to ISO 14001 standards, which ensures and guarantees compliance with all the legal obligations concerning the two aspects.

**In the relationship with contractors:**

the Company keeps and constantly updates a register, also available in the electronic form, of the contractors who operate within its plants by means of a contract. These contracts have to be put in writing and have to include, among the different points, references to the compliances with the internal Procedure P IRM EHS 008.

**In the management of the financial activity:**

the Company introduces processes so that the Corporate Bodies, the employees, the advisors and the partners, in the execution of their activities, do not incur in committing crimes pursuant to Legislative Decree 231/2001 (Omissis).

#### **4.4 Amendment and supplementing procedures: reporting to the Supervisory Body**

It may be necessary to update this document when new regulations are issued (amending and/or supplementing the Decree) or when organizational changes are made within Schaeffler Italia. The Supervisory Body, following the procedures described below, is responsible for organizing all information received and to suggest the most appropriate changes and updates.

## **5. The Supervisory Body**



### 5.1 Supervisory Body characteristics, qualification, appointment and term in office

Pursuant to Article 6 of the Decree, it is necessary to identify an internal body which has autonomous powers of initiative and control, with the duties of supervising the functioning and observance of the Model and updating it.

Schaeffler Italia S.r.l., aware of its business and in compliance with the provisions of the By-laws (annex E), has appointed a Supervisory Body which remains in office for three years or until removal by the Company's Administrative Body.

The regulation does not provide specific instructions concerning the composition and nature of this Body; however, they can be found in the Confindustria Guidelines.

### 5.2 Supervisory Body requirements, powers and duties

The members of the Supervisory Body, or the single member, must be suitably qualified so that the Body can adequately conduct supervisory activities and update the Model with professionalism, competence and continuity of action, in compliance with the independence and autonomy requirements laid down by the regulation.

If the Supervisory Body is appointed with a sole member, the single representative must be chosen from among parties that have specific and proven professionalism, skills and experience relating to the business and inspection activities, and cannot be linked to the Company by employment or significant economic interest (e.g., shareholdings).

The single representative of the Supervisory Body also cannot be a member of the Company's Board of Directors.

Besides the specific professional skills, the single representative and the members of the Supervisory Body must have:

- Autonomy
- Independence
- Integrity
- Professionalism
- Experience in inspections and corporate audits.

In order to satisfy the requirements of integrity and independence, the single representative must not have any conflicts of interest and/or connections with the Company's personnel and/or related parties (including Companies belonging to the same Group), which could hypothetically preclude or limit the objectivity of his or her assessments or his or her independent and autonomous judgment and action when exercising supervisory functions.

The occurrence of one of the following is cause for the removal and/or ineligibility of Supervisory Body members:

- a) one of the circumstances described in article 2382 of the Civil Code;
- b) situations in which the autonomy and independence of the Supervisory Body's single member could be seriously compromised;
- c) the launch of investigations of a Supervisory Body member for crimes punishable under Legislative Decree no. 231/2001;
- d) a conviction (or plea bargain), also not definitive, for having committed, also jointly with third parties, one of the crimes punishable under Legislative Decree no. 231/2001 or the application of a penalty, even temporary, prohibiting him or her from holding public offices or executive offices in legal entities.

Besides the above-mentioned cases, the mandate conferred upon the single representative or one or more members of the Supervisory Body may be withdrawn in the following situations:

- › if the single representative or member of the Supervisory Body no longer satisfies the requirements of integrity;
- › if circumstances occur which could cause the single representative or member of the Supervisory Body to no longer satisfy the requirements of autonomy and independence;
- › if the single representative or member of the Supervisory Body is subject to an interdiction or disqualification, or an illness which would make him or her unable to perform his or her supervisory functions for more than two months;
- › if the single representative or member of the Supervisory Body commits a serious breach of his or her duties as defined in the Model.

The Supervisory Body is assigned the authority to inspect and control the functioning and observance of the Model as a whole. Therefore, the Supervisory Body may conduct audits and controls at any time.

Specifically, to effectively fulfill its duties, the Supervisory Body may:

- have free access to all documents and all information within all departments of the Schaeffler Group companies in Italy, deemed necessary to carry out its required duties;
- rely on the assistance of all employees of the Schaeffler Group companies in Italy, or external consultants, which will work under its supervision and responsibility.

As concerns operations, in accordance with articles 6 and 7 of the Decree, the Supervisory Body is responsible for:

- periodically checking the sensitive area map in order to adjust it based on changes in the activities and/or organization of the Schaeffler Group companies in Italy;
- periodically checking for compliance with the elements set forth in the Model and documenting that activity;
- checking the Model's adequacy and effectiveness at preventing the crimes set forth in the Decree and making sure that it is updated.

Furthermore, in terms of health and safety, the Supervisory Body continuously communicates with the Prevention and Protection Service Manager (RSPP), who has in its regard the same "consulting function" as he or she has in relation to the Employer. Therefore, the RSPP can be qualified as a first level technical/operating control, while the Supervisory Body will be responsible for checking the efficiency and effectiveness of the relevant procedures pursuant to the Decree, or second level control.

### 5.3 Information Flows to the Supervisory Body

The Supervisory Body is the recipient of all information, documentation and/or communications, also from third parties, regarding the implementation of the Model which could influence Schaeffler Italia's organization and this Model, or in any case inherent to the activities it carries out.

The Supervisory Body must be informed by parties required to observe the Legislative Decree no.231/2001 Organizational Model concerning events that could give rise to Schaeffler Italia S.r.l.'s liability, pursuant to Legislative Decree no. 231/2001.

Each manager or employee must report behavior that is not in line with the principles and content of the Organizational Model by contacting the Supervisory Body.

Anyone who becomes aware of information and/or news, also informal, regarding the commission of crimes set forth in the Document, or in any case regarding possible violations of the Model, must:

- contact his or her manager, who will report directly to the Supervisory Body;

- contact the Supervisory Body directly if, for circumstantial reasons, it is not possible to contact the Manager.

Those reporting in good faith are protected from any type of reprisal, discrimination or penalties, and in any case the confidentiality of the reporter's identity shall be ensured, without prejudice to legal obligations and the protection of the rights of companies or people accused in bad faith.

All concepts within Organization, Management and Control Model of Schaeffler Italia S.r.l., already contemplated since its first approval (October 26, 2012), are now ratified by the following legislative provision:

Article 2) entitled "Protection of the employee or collaborator who reports offences in the private sector" of the Law n. 179 of November 30, 2017, entered into force on December 29, 2017, provides as follows.

- **2-bis.** The Models referred to in letter a) of paragraph 1) provide for:
  - a) one or more channels that allow the persons indicated in article 5), paragraph 1), letters a) and b), to present, in order to protect the integrity of the institution, detailed reports of illicit conduct, relevant under this decree and based on precise and concordant factual elements, or violations of the Organization and Management Model of the institution, of which they have come to know due to the functions performed; these channels guarantee the confidentiality of the identity of the reporting person in the management of the report;
  - b) at least one alternative reporting channel suitable for guaranteeing, in informatics manner, the confidentiality of the identity of the reporting person;
  - c) the prohibition of acts of retaliation or discriminatory, direct or indirect, against the reporting person for reasons connected directly or indirectly to the report;
  - d) in the disciplinary system adopted pursuant to subsection 2), letter e), sanctions against those who violate the protection measures of the reporting person, as well as those who carry out with malice or gross negligence reports that prove to be unfounded.
- **2-ter.** The discriminatory measures adopted against the reporting person referred to in paragraph 2-bis) may be reported to the National Labour Inspectorate, for the measures under its jurisdiction, as well as by the reporting officer or the trade union organization indicated by him.
- **2-quater.** The retaliation or discriminatory dismissal of the reporting party is null. So are the change of duties pursuant to article 2103 of the Civil Code, as well as any other retaliation or discriminatory measure adopted against the reporting person also. In case of disputes related to the application of disciplinary sanctions, or demotions, layoffs, transfers, or other organizational measure having negative effects, direct or indirect, on working conditions of the reporting party subsequent to the report, it is the burden of the Employer to demonstrate that these measures are based on reasons not related to the report itself.

Law n. 179 of November 30, 2017, in article 3) entitled "Integration of the discipline of the obligation of professional secrecy, business, professional, scientific and industrial", establishes also:

1. The pursuit of interest in the integrity of public and private administrations, as well as the prevention and repression of embezzlement, are just cause for disclosure of information covered by obligation of secrecy (as in articles n. 326, n. 622 and n. 623 of the Criminal Code and article no. 2105 of the Civil Code) in case of reporting or complaint in forms and within the limits provided for by article 54-bis of Legislative Decree no. 165 of March 30, 2001, and in article no. 6) of the Legislative Decree no. 231 of June 6, 2001.
2. The provision referred to in paragraph 1) does not apply if the duty of professional secrecy is serious for anyone who has become aware of the news due to a relationship of professional advice or assistance with the institution, the Company or the person concerned.

If the reported information / documents are subject to Company, professional or official secrecy, their revelation in ways that exceed the purpose of eliminating the offense, especially disclosure outside the communication channel specifically prepared for this purpose constitutes a violation of the obligation of secrecy.

Dedicated informational channels have been established to facilitate the flow of communications and information (Annex E). Specifically, all information is addressed to

**Schaeffler Italia S.r.l. Supervisory Body**

**Via Dr. Georg Schaeffler, 7**

**28015 Momo (Novara)**

or

**[odv@schaeffler.com](mailto:odv@schaeffler.com)**

and / or through the BKMS system used by the Schaeffler group at the following link:

**<https://www.bkms-system.net/schaeffler>**

#### **5.4 Supervisory Body reporting to the corporate bodies**

The Supervisory Body reports on the implementation of the Organizational Model, the emergence of any critical aspects and the outcome of activities carried out in fulfilling its assigned duties. The lines of reporting are as follows:

(I) continuous reporting to the Managing Director, who informs the Board of Directors in the disclosure on the exercise of assigned delegations;

(II) quarterly reporting to the Board of Directors and the single Statutory Auditor; for this purpose, it prepares a quarterly report on the activity carried out, and indicates the outcome of its inspections and the legislative innovations concerning the administrative liability of entities; at that time, dedicated meetings are organized with the Board of Directors and the single Statutory Auditor.

(III) immediate reporting to the single Statutory Auditor, after informing the Chairman and the Managing Director, if particularly material or significant events are verified.

The report must also highlight any gaps found in the Model and indicate the corrective actions to be implemented; updating requirements and procedures must also be mentioned.

#### **5.5 Control system and periodic inspections**

On an annual basis, the Supervisory Body prepares a plan of its activities, which also defines the frequency of the inspections to be completed pursuant to the Decree, in line with the principles of the Model.

The business areas to be examined are chosen based on the sensitive activities identified in the relative risk assessment.

The Supervisory Body conducts controls on the Model, and for that purpose may take advantage of the assistance of the applicable Schaeffler Italia personnel from the various areas.

Those inspections may also be carried out by personnel from outside the Company to ensure greater impartiality should circumstances so require.

The Supervisory Body conducts its inspections both periodically, according to a calendar defined each year during the activity planning phase, and randomly at its own discretion, to ensure greater attention for compliance with the Model's provisions.

The results of this control are included in the Supervisory Body's obligatory quarterly report and will form the basis for the decision on whether it is necessary to update or amend the Model.

If a Supervisory Body inspection brings to light a violation of the Model or, worse, the commission of one of the crimes set forth in the Decree, the perpetrator shall be sent to the Human Resources Department, which will decide on any disciplinary measures.

#### **5.6 Compensation for Supervisory Body members (Omissis)**

#### **5.7 Regulation of the Supervisory Body (Omissis)**

#### **5.8 Withdrawal of one or more members of the Supervisory Body (Omissis)**

## **6. Bonus System and Penalty System**

## 6.1 Bonuses and incentives

Based on the legal and contractual provisions, the collective and individual agreements and contracts stipulated, and in accordance with the central Schaeffler Group directives, Schaeffler Italia S.r.l. can decide to provide bonuses to its employees and Managers.

Therefore, in the procedures for defining those bonuses, it is highlighted that earning them is linked to both reaching the required objective and compliance with the Model and the Code of Conduct – Code of Ethics.

Like bonuses, any incentives will also be distributed following the same criteria.

## 6.2 The penalty system

The establishment of penalties in proportion to the violation and applicable in the event of violation of the Legislative Decree 231/2001 Organizational Model is meant to contribute:

1. to the effectiveness of the Model;
2. to the effectiveness of the Supervisory Body's control actions.

The following are violations of the Legislative Decree 231/2001 Organizational Model:

- a) the implementation of actions or behaviors that are not compliant with the requirements of the Organizational Model and/or of the Code of Conduct - Code of Ethics, or the failure to carry out actions or behaviors required by the Organizational Model and/or of the Code of Conduct - Code of Ethics, when carrying out sensitive activities;
- b) the implementation of actions or behaviors that are not compliant with the requirements of the Organizational Model and/or of the Code of Conduct - Code of Ethics, or the failure to carry out actions or behaviors required by the Organizational Model and/or of the Code of Conduct - Code of Ethics, when carrying out activities related to Sensitive Activities and/or in management processes, or not complying with the obligations of disclosure to the Supervisory Body set forth in the Organizational Model, which:
  - exposes the Company to an objective risk that one of the crimes set forth in Legislative Decree 231/2001 may be committed

and/or

- is unambiguously aimed at committing one or more of the crimes set forth in Legislative Decree no. 231/2001 and/or such as to result in the application of the penalties set forth in Legislative Decree no. 231/2001 to the Company.

Please note that the failure to observe applicable Company processes when carrying out Sensitive Activities constitutes a violation of the Legislative Decree no.231/2001 Organizational Model.

If an Employee, Manager or any other party linked in any manner to Schaeffler in Italy violates the Model, the Supervisory Body shall initiate an investigation.

If this investigation confirms that the Model has been violated, the Supervisory Body, as the legitimate party responsible for verifying violations, shall refer the violator to the Human Resources Department, which will decide on whether to apply a disciplinary penalty.

That penalty shall apply regardless of the initiation of any criminal proceeding or civil litigation in relation to the same facts that are the object of the disciplinary measure, since this Model has been adopted by Schaeffler Italia pursuant to and for the purposes of the provisions of Legislative Decree no. 231/2001 and its subsequent modifications and integrations regardless of any tort or crime the conduct of the subjects obliged to comply may result in.

As concerns the type of penalties that can be applied, it is first specified that, if the party is an employee, any adopted disciplinary measure shall comply with the provisions set forth in article 7 of the Statute of Workers' Rights and in the applicable National Collective Labor Agreements.

In the event that a Company of the Schaeffler Group is held liable under criminal or tort law as a result of a violation of the Organizational Model, the conditions for the lawful dismissal pursuant to the applicable provisions of the National Collective Labor Agreements of the author of the conduct that is considered relevant under criminal or tort law could be met.

### **6.3 Measures against Directors, Managers and Statutory Auditors**

The Supervisory Body shall report to the single Statutory Auditor if Directors and Managers violate, or enact behavior which is not compliant with, the procedures set forth in the Model, and shall inform the Administrative Body if such behavior is adopted by one or more of the single Statutory Auditor, so that the appropriate measures may be taken.

### **6.4 Measures against Managers, Employees and Workers**

Employee conduct in violation of the rules and procedures of this Model is defined as a disciplinary offense, therefore the disciplinary measures that can be adopted by the Human Resources Department are those set forth and applied by the National Collective Labor Agreements in force.

The penalties will be in proportion to the seriousness, and any repetition, of the violation, by applying the principle of proportionality, or:

- of the deliberateness of the behavior or the level of negligence, imprudence or lack of skill, also about the predictability of the event;
- of the worker's overall behavior, particularly regarding whether he or she has been subject to previous disciplinary measures;
- the worker's tasks;
- the functional position of the people involved in the events constituting the shortcoming;
- the other specific circumstances of the disciplinary violation.

The disciplinary penalties envisaged by the applied collective contracts are:

- verbal reprimand;
- written warning;
- suspension from work and compensation for up to a maximum of 3 (three) days;
- dismissal for justified reason.

The Human Resources Department shall notify the Supervisory Body of the application of that penalty or the measures for closing the case, along with the relative reasons. All legal and contractual requirements regarding the application of the disciplinary penalty shall be respected.

### **6.5 Measures against Suppliers, Consultants and Partners**

Any violation of the rules pursuant to this Model or the commission of the relevant crimes pursuant to the Decree by Suppliers, Consultants and Partners shall result in the consequences set forth in the specific clauses of their contracts.



## **7. Employee Selection and Dissemination of the Model**

## 7.1 Employee selection (Omissis)

## 7.2 Employee training (Omissis)

## 7.3 Selection of Contract staff, Suppliers and Partners (Omissis)

### 7.4 Information for Contract staff, Suppliers and Partners

A full disclosure of the principles and content of the Legislative Decree no.231/2001 Organizational Model is provided within and outside of Schaeffler Italia S.r.l.

The Schaeffler Italia S.r.l. Supervisory Body monitors the Legislative Decree no.231/2001 Organizational Model communication and training initiatives.

The Company's Code of Conduct – Code of Ethics, as well as an excerpt from the Legislative Decree no.231/2001 Organizational Model, are provided to all external users on the Schaeffler Italia S.r.l. website.

Contract staff, Suppliers and Partners also receive a disclosure on this Model as an integral part of their contracts with the Company and commit to complying with the organization and management principles set forth in the Code of Conduct – Code of Ethics.

### 7.5 Dissemination of the Model

The principles and content of the Legislative Decree no.231/2001 Organizational Model are addressed to the members of the Company bodies, to the management and to the employees of Schaeffler Italia S.r.l., as well as to all parties who work to achieve Schaeffler Italia S.r.l.'s objectives.

Employee communications and training are important requirements for the implementation of the Organizational Model. Schaeffler Italia S.r.l. commits to facilitating and promoting management and employee awareness of the Legislative Decree no.231/2001 Organizational Model, with varying levels of detail based on the position and role, and their constructive contribution to gaining a detailed understanding of its principles and content.

Each member of the Company bodies is formally notified of the Legislative Decree no.231/2001 Organizational Model.

All managers and office heads are formally notified of the Organizational Model.

The principles and content of Legislative Decree 231/2001 and of the Organizational Model are also disclosed through training courses. Participation in the courses is mandatory. The Supervisory Body approves the structure of training courses based on the proposal of the applicable Company departments.

The Legislative Decree 231/2001 Organizational Model is posted near Company Info-Points. Targeted information initiatives for middle managers, employees and workers are also defined.

The Legislative Decree 231/2001 Organizational Model is provided to all employees on the Company intranet.

All employees must be made aware of this Model for it to be effectively suitable to prevent the crimes set forth in the Decree from being committed.

The Supervisory Body ensures that the following are carried out for Schaeffler's executives:

- an initial training course, possibly provided electronically;
- email updates;
- periodic meetings and specific training courses.

It also checks that the following are carried out for employees whose jobs involve sensitive activities:

- initial training course, especially geared toward the awareness and application of the procedures set forth in the Model;
- continuous updating on regulatory and procedural developments through internal notifications;
- periodic meetings and specific training courses.

## 8. Data Processing

All information, communications and reports required by the Organizational Model are kept by the Supervisory Body in a dedicated hard copy and/or adequately protected electronic archive.

Without prejudice to legitimate orders from the Authorities, the data and information kept in the archive is owned by the Company and therefore subject to the protections established by the current legislation on data protection, where applicable.

## 9. References

Schaeffler Group Guiding documents and policies (Management Handbook): (Omissis)

Control Methods (Procedures and Instructions as in Management Handbook): (Omissis)

Internal Procedures References - Protocols: (Omissis)

### Regulatory and legislative references

- Legislative Decree no. 231/2001.
- Legislative Decree no. 81 of April 9, 2008 “Implementation of article 1 of Law no. 123 of August 3, 2007, concerning occupational health and safety protection”, as amended.
- Ex Ministerial Decree of March 10, 1998 - “General safety criteria for workplace fire prevention and emergency management”.
- Ministerial Decree of September 1, 2021- General criteria for the control and maintenance of installations, equipment and other fire safety systems, pursuant to article 46, paragraph 3, letter a), point 3, of the Legislative Decree no. 81 of April 9, 2008
- Ministerial Decree of September 2, 2021 - Criteria for the management of workplaces in operation and in emergency and characteristics of the specific fire prevention and protection service, pursuant to article 46, paragraph 3, letter a), point 4 and letter b) of the Legislative Decree n. 81 of April 9, 2008
- Ministerial Decree of September 3, 2021 - General criteria for the design, implementation and exercise of fire safety for workplaces, pursuant to article 46, paragraph 3, letter a), points 1 and 2, of legislative decree no. 81 of April 9, 2008
- Ministerial Decree no. 388 of July 15, 2003 “Regulation containing provisions on Company first aid”, in implementation of article 15, paragraph 3 of Legislative Decree no. 626 of September 19, 1994, and subsequent amendments and additions
- Legislative Decree no. 151 of March 26, 2001 “Consolidated text of legislative provisions on the protection and support of maternity and paternity, pursuant to article 15 of the law of 8 March 2000, n. 53”.

- Legislative Decree no. 152 of April 3, 2006 “Environmental regulations”.
- Law no. 447 of October 26, 1995 “Framework law on noise pollution”.
- Prime Ministerial Decree of March 1, 1991 “Maximum noise exposure limits in inhabited areas and the external environment”.
- Decree of the Ministry of Infrastructure and Transport of January 3, 2011. Enactment of directive 2010/61/EU of the Commission of September 2, 2010, which adapts for the first time the annexes to directive 2008/68/EC of the European Parliament and of the Council on the inland transport of dangerous goods to scientific and technical progress and subsequent amendments and additions.
- Legislative Decree no. 109 of July 26, 2012
- Law no. 190 of November 11, 2012
- Law 68 of May 22, 2015 on "Measures with regard to crimes against the environment" (Official Gazette, General Series 122 of May 28, 2015)
- Law no. 69 of May 27, 2015
- Law no. 199 of October 29, 2016
- Law no. 38 of March 15, 2017
- Law no. 161 of October 17, 2017
- Law no. 179 of November 30, 2017
- EEC Regulation 1221/09 (EMAS III)
- UNI EN ISO 14001: 2004
- UNI ISO 45001: 2018 "Management systems for health and safety at work".
- Civil Code
- Criminal Code
- applicable National Collective Labor Agreement
- Law no. 300 of May 20, 1970
- Legislative Decree no. 21 of March 1, 2018
- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons regarding the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
- Law no. 3 of January 9, 2019
- Law no. 39 of May 3, 2019
- Law no. 117 of October 4, 2019
- Law no. 133 of November 18, 2019 conversion of the Legislative Decree no. 105 of September 21, 2019
- Law no. 157 of December 19, 2019 conversion of the Legislative Decree no. 124 of October 26, 2019
- Legislative Decree no. 74 of March 10, 2000
- Legislative Decree no. 75 of July 14, 2020
- Law no. 4 of January 15, 2021, Convention of the International Labor Organization n. 190 on the elimination of violence and harassment in the workplace, adopted in Geneva on June 21, 2019
- Legislative Decree no. 184 of November 8, 2021
- Legislative Decree no. 195 of November 8, 2021
- Law no. 22 of March 9, 2022

- Law no.122 of August 4, 2022 (simplification of communication for workers who adhere to smart working) - Measures for the flexible articulation in times and places of subordinate work (smart working) - Safety at work and compulsory insurance against accidents and occupational diseases
- Ministerial Decree of October 14, 2022 - Fire reaction classes for construction products to be used in works for which the requirement of safety in the event of fire is prescribed
- Ministerial Decree of October 14, 2022 - Approval of technical standards for fire prevention, pursuant to article 15 of Legislative Decree no. 139 of March 8, 2006 (New Fire Prevention Code)
- Legislative Decree no. 24 of March 10, 2023
- Legislative Decree no. 105 del 10.08.2023
- Law no. 27 of October 9, 2023
- Ministerial Decree of 16 March 2023, “Establishment of the criteria and modalities for the installation of semiautomatic and automatic external defibrillators, pursuant to law no. 116 of 4 August 2021”
- Ministerial Decree of 18 May 2023, “Adoption of the protocol on «Instructions to be followed, pending the arrival of emergency vehicles, for basic cardiopulmonary resuscitation maneuvers and for the use of the semiautomatic and automatic external defibrillator (AED) as well as - where possible - directions for locating the AED closest to the place where the emergency occurred»”
- Regulation (EU) no. 2023/1230, “New regulation on machinery in force since 19 July 2023 and fully applicable as from 20 January 2027 (42 months after its entry into force)” [replacing Directive on machinery]
- Regulation (EU) no. 2020/1149, “Restriction of Chemicals as regards diisocyanates as such or mixtures containing them”
- Govern Legislative Decree no. 18 of 23 February 2023, “Actuation of the Directive (EU) of the European Parliament and of the Council of 16 December 2020, on the quality of water intended for human consumption”
- Law no. 84 of 8 June 2023, “Ratification and implementation of the Occupational Safety and Health Convention (Geneva, 22 June 1981) and Promotional Framework for Occupational Safety and Health Convention (Geneva, 15 June 2006)”
- Directive CEE/CEEA/CE no. 2464 of 14 December 2022 (Corporate Sustainability Reporting Directive), “Corporate sustainability reporting through data disclosure on the impact of one’s business on people and on the environment and the possible exposure to sustainability risks”.

# SCHAEFFLER



Schaeffler Italia S.r.l.  
Via Dr. Georg Schaeffler, 7  
28015 Momo (Novara)  
Tel.: 0321-929211

Capital stock €181.000,00 fully paid-in  
Novara Business Registry – Tax ID and VAT no. 00115190035  
Novara Economic and Administrative Index no. 91571

Company subject to the management and coordination of Schaeffler Technologies AG & Co. KG

PUBLIC