

## LEGISLATIVE DECREE NO. 231/2001 AND THE NEW BOUNDARIES OF BUSINESS RISK

### Legislative Decree no. 231/2001: SCOPE AND PURPOSE

Legislative Decree no. 231 of June 8, 2001 – "Regulation of the administrative liability of legal entities, companies and associations with or without legal personality" – is a set of rules, which sets forth the liability of a body when a person holding a high-ranking position or an employee commits a crime in the interest or to the benefit of said body.

While still in continuous evolution, the types of crimes considered by said regulations are to date: misappropriation of funds, fraud against the State, and computer fraud against the State; computer crimes and unlawful processing of data; organized crime; extortion in office and corruption; forgery of coinage, banknotes, duty stamps and means or signs of identification; crimes against industry and trade; corporate crimes; crimes of terrorism; practice of female genital mutilation; crimes against fundamental rights of freedom; market abuse; manslaughter and negligent serious personal injuries committed in violation of workplace health and safety legislation; crimes concerning the receiving, recycling and use of money or goods of unlawful origin; offenses related to infringements of copyright; induction not to make statements or to make false statements to the judicial authorities; environmental crimes.

The penalties that can be imposed on legal entities are: **fines; disqualification penalties** (ban from business activity, suspension or withdrawal of licenses and permits functional to the perpetration of the offense; prohibition to contract with State or government agencies; exclusion from benefits, funding, grants or subsidies, with the possibility of revocation of those already granted; prohibition to advertise goods or services); confiscation of money or profits from the offense; publication of the sentence.

The legal entity is liable: if it wanted or otherwise endorsed and embraced the offense committed by the person

acting on its behalf; if it has not done anything as required by said Decree no. 231 to prevent the offense from being committed by persons acting on its behalf. Liability of the legal entity is excluded if two conditions subsist: the adoption and effective implementation, prior to when an act is committed, of an organization and management model capable of preventing the perpetration of crimes; assignment of the task of assessing operation of and compliance with said model to a Supervisory Body having independent powers of initiative and oversight.

### Legislative Decree no. 231 and the NEW BOUNDARIES OF BUSINESS RISK

The entry into force of Legislative Decree no. 231 has made it mandatory for Vetagro to adopt a series of measures to avoid the risks, essentially economic in nature, that may result from the perpetration of crimes in the course of business. In this framework, the Company has adopted the Model - which is made available to all employees and must be known by all those concerned - and appointed a SUPERVISORY BODY, whose task is not to monitor the company's employees, but to assess the implementation of the Model in the interest of the Company and hence, indirectly, of all its employees.

## The ORGANIZATION and MANAGEMENT MODEL

### Purpose:

Implementation of a system of monitoring procedures and activities (both preventive and a posteriori), to counter the risk of crimes being committed by identifying and regulating so-called risk activities;

Awareness-raising among high-ranking figures (and all those who report to them) to ensure that they are aware that, in case of conduct that does not comply with the provisions of the Model and the law, there can be adverse consequences also for the Company, resulting in fines and/or disqualification penalties.

### Content/characteristics:

Identification of RISK AREAS, i.e., activities in which offenses may be committed;

Provision of specific protocols for adopting decisions and behaviors by the legal entity relating to the conduct of the business, with respect to crime prevention;

Definition of appropriate procedures to manage financial resources in order to prevent crimes;

Provision of obligations to inform the Supervisory Body responsible for monitoring the operation of and compliance with the models;

Adoption of a disciplinary system for sanctioning the failure to comply with the measures set forth by the Model.

### Persons concerned:

All members of Company: shareholders, directors and members of other company bodies;

Freelance professionals and consultants and any and all commercial and/or industrial partners.

## SUPERVISORY BODY

### Purpose:

The Supervisory Body is responsible for:

- periodically checking that the provisions of the Model are complied with by directors, shareholders and any other person for whom compliance with the Model is mandatory;
- constantly and continuously assessing the adequacy of the risk map and provisions of the Model;
- submitting proposals to the Board of Directors for the adoption of any and all changes and improvements deemed necessary.

### Composition:

The Supervisory Body:

- is monocratic;
- is not a part of the Company;
- is autonomous and independent.