

HDI ASSICURAZIONI

ORGANISATIONAL MODEL

PURSUANT TO

LEGISLATIVE DECREE No. 231/2001

Approved by the BoD on 21.11.2023

Year 2023

HDI ASSICURAZIONI

Legal Headquarters in Rom, Piazza Guglielmo Marconi, 25

TABLE OF CONTENTS

- 1. FOREWORD**
 - 1.1 LEGISLATIVE DECREE NO. 231/2001 AND THE ADMINISTRATIVE LIABILITY OF ENTITIES
IN CONNECTION WITH CRIMES.
 - 1.1.1. Reference framework
 - 1.1.2 Offences provided for under the Decree
 - 1.1.3. Exclusion of the company's administrative liability
 - 1.2 THE MODEL'S GOALS
 - 1.3 THE ACTIVITIES CARRIED OUT TO INTRODUCE THE MODEL
 - 1.3.1 Analysis of the general framework
 - 1.3.2 Analysis of company processes
 - 1.3.3 Identifying sensitive activities
 - 1.3.4 Preparation of documentation
- 2. MODEL STRUCTURE**
 - 2.1 CORPORATE BUSINESS AND COMPANY DESCRIPTION
 - 2.1.1 Business
 - 2.1.2 Background
 - 2.1.3 Subsidiaries
 - 2.2 THE ENVIRONMENT IN WHICH THE COMPANY OPERATES
 - 2.2.1 Target market
 - 2.2.2 Sales network
 - 2.2.3 Claim settlement network
 - 2.2.4 Collaborators and professionals
- 3. GOVERNANCE, THE ORGANISATIONAL STRUCTURE AND THE INTERNAL CONTROL AND RISK
MANAGEMENT SYSTEM**
 - 3.1 CORPORATE GOVERNANCE
 - 3.1.1 Shareholders' meeting
 - 3.1.2 Board of Directors
 - 3.1.3 Board of Auditors

-
- 3.2 ASSIGNMENT OF POWERS
 - 3.3 ORGANISATIONAL STRUCTURE
 - 3.4 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM
- 4. THE SUPERVISORY BODY PURSUANT TO LEGISLATIVE DECREE NO. 231/2001**
- 4.1 IDENTIFICATION
 - 4.2 CAUSES FOR INELIGIBILITY AND INCOMPATIBILITY
 - 4.3 TERMINATION OF OFFICE
 - 4.4 DUTIES AND POWERS
 - 4.5 VALIDITY OF RESOLUTIONS
 - 4.6 INFORMATION FLOWS
- 5. DISCIPLINARY AND SANCTION SYSTEM**
- 5.1 EMPLOYEES
 - 5.2 MEASURES AGAINST MANAGERS
- 6. SANCTION SYSTEM FOR INDEPENDENT CONTRACTORS AND DIRECTORS**
- 6.1 MEASURES AGAINST EXTERNAL WORKERS
 - 6.2 MEASURES AGAINST DIRECTORS
- 7. DISCIPLINARY SANCTIONS AGAINST THOSE FOUND TO BE RESPONSIBLE FOR VIOLATING THE OBLIGATION OF CONFIDENTIALITY IN THE MANAGEMENT OF THE REPORT**
- 8. PROTOCOLS**
- 9. DIVULGENCE AND TRAINING**
- APPENDIX NO. 1 (see Italian version)
- 10 A DESCRIPTION OF THE OFFENCES

- 10.1 Article 24 Legislative Decree 8 June 2001, no. 231
- 10.2 Article 25 Legislative Decree 8 June 2001, no. 231
- 10.3 Article 24-bis Legislative Decree 8 June 2001, no. 231
- 10.4 Article 24-ter Legislative Decree 8 June 2001, no. 231
- 10.5 Article 25-bis Legislative Decree 8 June 2001, no. 231
- 10.6 Article 25-bis 1 Legislative Decree 8 June 2001, no. 231
- 10.7 Article 25-ter Legislative Decree 8 June 2001, no. 231
- 10.8 Article 25-quater Legislative Decree 8 June 2001, no. 231
- 10.9 Article 25-quater 1 Legislative Decree 8 June 2001, no. 231
- 10.10 Article 25-quinquies Legislative Decree 8 June 2001, no. 231
- 10.11 Article 25-sexies Legislative Decree 8 June 2001, no. 231
- 10.12 Article 25-septies Legislative Decree 8 June 2001, no. 231
- 10.13 Article 25-octies Legislative Decree 8 June 2001, no. 231
- 10.14 Article 25-octies 1 Legislative Decree 8 June 2001, n. 231
- 10.15 Article 25-novies Legislative Decree 8 June 2001, no. 231
- 10.16 Article 25-decies Legislative Decree 8 June 2001, no. 231
- 10.17 Article 25-undecies Legislative Decree 8 June 2001, no. 231
- 10.18 Article 25-duodecies Legislative Decree 8 June 2001, no. 231
- 10.19 Article 25-terdecies Legislative Decree 8 June 2001, no. 231
- 10.20 Article 25-quaterdecies, Legislative Decree no. 231/2001
- 10.21 Article 25-quinquedecies, Legislative Decree no. 231/2001
- 10.22 Article 25-sexiedecies, Legislative Decree no. 231/2001
- 10.23 Article 25-septiesdecies, Legislative Decree no. 231/2001
- 10.24 Article 25-duodevicies, Legislative Decree no. 231/2001
- 10.25 Transnational Crimes (L. no. 146/2006)

APPENDIX NO. 2 (see Italian version)

- 11 A DEFINITION OF A PUBLIC ENTITY
 - 11.1 Public Entity
 - 11.2 Entity governed by public law

-
- 11.3 Public enterprise
 - 11.4 "Contracting authority"
 - 11.5 Public Official
 - 11.6 Public service representative
 - 11.7 Some general deciding criteria for identifying public officials
 - 11.8 Public service contract
 - 12. SPECIFIC EXAMPLES OF PUBLIC ENTITIES (PUBLIC OFFICIALS, PUBLIC SERVICE REPRESENTATIVES, CONCESSIONAIRES)
 - 12.1 Constitutional bodies and those with constitutional significance
 - 12.2 Armed forces and police
 - 12.3 Parliament-appointed guarantor bodies
 - 12.4 Authorities, Committees, Commissions
 - 12.5 Other institutions, public bodies
 - 12.6 Other Institutions
 - 12.7 Public service concessionaires
 - 12.8 Foreign public administrations

1. FOREWORD

1.1. LEGISLATIVE DECREE NO. 231/2001 AND THE ADMINISTRATIVE LIABILITY OF ENTITIES IN CONNECTION WITH CRIMES.

1.1.1. REFERENCE FRAMEWORK

THE LIABILITY OF ENTITIES

Legislative Decree no. 231/2000 ("the Decree") introduced into the Italian regulatory system the direct liability of companies (and more generally of entities) for offences perpetrated by persons who act in a representative, director or management capacity, so-called top persons, or by persons directed or supervised by such top persons.

Moreover, the company's liability is autonomous and disconnected from the events involving the perpetrator. In particular, the company is liable for its capital, even though:

- the offence perpetrator has not been identified yet;
- the offence perpetrator cannot be convicted;
- the charges against the perpetrator have been dropped for reasons other than amnesty (statute of limitations, death of the perpetrator prior to sentence, etc.).

The criminal prosecutor not only oversees the proceedings against the natural person who allegedly perpetrated the offence, but also the proceedings against the company that benefited from this offence.

For the company to be held liable, the offence must have been committed in the interest or to the benefit of the company.

Therefore, the company is liable whether the perpetrator committed the offence with the intention of pursuing an exclusive or concurrent interest of the company or the offence is in any event advantageous for the company.

In this latter case, however, irrespective of the advantage obtained, the liability of the company is excluded if it emerges that the perpetrator acted to pursue his or her own exclusive interest or an interest that is different from that of the company.

The company may be liable in Italy for offences committed abroad if the State where the offence was committed does not autonomously bring action.

APPLICABLE SANCTIONS

The sanctions applicable to the company in the event of an offence committed by a person linked to the company and to which the provisions of the Decree are applicable are monetary or interdictory, and involve seizure and publication of the ruling

Monetary sanctions are always applied by way of a quota system whose amount is established by the prosecutor based on certain parameters, including the seriousness of the offence and the degree of liability of the company.

Interdictory sanctions entail:

- interdiction from carrying out company activities;
- suspension or revocation of the authorisations, licenses or permits used to commit the offence;
- prohibition to deal with the Government Authorities, except to obtain a public service;
- exclusion from facilities, grants, contributions or subsidies and the cancellation of any that might already have been provided;
- prohibition to advertise goods or services.

The prosecutor has the right to apply these sanctions, even as a precautionary measure and upon the request of the Public Ministry, if there is serious evidence of the company's liability and there is a real danger that the offence may be repeated.

The prosecutor may also, on a cautionary basis, order a preventive seizure of the goods susceptible to confiscation and a conservative seizure if there is a danger of losing the guarantees for any of the State's receivables (legal expenses, monetary sanctions).

1.1.2. OFFENCES PROVIDED FOR UNDER THE DECREE

The company may be deemed liable only for the offences expressly referred to under Legislative Decree no. 231/2001 if committed, as already mentioned, in the company's interest or to its advantage.

The offences currently envisaged in the Decree are set out below:

- **Crimes against the Government Authorities:** and in particular embezzlement (Article 314 par. 1 of the Italian Criminal Code), embezzlement through profiting from the errors of others (Article 316 of the Italian Criminal Code), embezzlement of public funds (Article 316-bis of the Italian Criminal Code), undue collection of public payments (Article 316-ter of the Italian Criminal Code), bribe receiving (Article 317 of the Italian Criminal Code), bribery for official acts (Article 318 of the Italian Criminal Code), bribery for acts against official duties (Article 319 of the Italian Criminal Code), bribery in judicial acts (Article 319-ter of the Italian Criminal Code), improper solicitation to give or promise consideration (Article 319-quater of the Italian Criminal Code), instigation to bribery (Article 322 of the Italian Criminal Code), bribery of a person in charge of a public service (art. 320, Criminal Code), penalties for the briber (art. 321, Criminal Code), embezzlement, bribe receiving, bribe giving and instigation to bribery of EC bodies and EC and foreign officials (Article 322-bis of the Italian Criminal Code), trafficking in unlawful influence (Article

346-bis of the Criminal Code), abuse of office (Article 323 of the Italian Criminal Code) fraud against the State or other public entity or European Communities (Article 640, paragraph 2, no. 1 of the Italian Criminal Code), aggravated fraud for the obtainment of public funds (Article 640-bis of the Italian Criminal Code), computer fraud against the State or other public entity (Article 640-ter of the Italian Criminal Code), fraud in public supplies (Article 356 of the Italian Criminal Code), fraud against the European Agricultural Guarantee Fund and the European Agricultural Fund Article 2 Law 898/1986), disturbance of freedom of tenders (art. 353 Criminal Code), disturbance of freedom of the procedure for choosing a contractor (art. 353-bis) (Articles 24 and 25 of Legislative Decree no. 231/01).

- **Computer crimes and unlawful processing of data:** unlawful access to a computer or electronic system (Article 615-ter Italian Criminal Code), unlawful possession, dissemination and installation of equipment, codes and other means of access to computer or telematic systems (Article 615-quater of the Criminal Code), unlawful possession, dissemination and installation of computer equipment, devices or programs aimed at damaging or interrupting a computer or telematic system (Article 615-quinquies of the Criminal Code),, unlawful interception, impediment or interruption of computer or electronic communication (Article 617-quater of the Italian Criminal Code), unauthorized possession, dissemination and installation of equipment and other means of intercepting, preventing or interrupting computer or telematic communications (Article 617-quinquies of the Criminal Code), causing damage to information, data and computer programmes (Article 635-bis of the Italian Criminal Code), causing damage to information, data and computer programmes used by the State or any other public entity or for public use (Article 635-ter of the Italian Criminal Code), causing damage to computer or electronic systems (Article 635-quater of the Italian Criminal Code), causing damage to computer or electronic systems for public use (Article 635-

quinquies of the Italian Criminal Code), fraud of computer documents (Article 491-bis of the Italian Criminal Code), computer fraud of the electronic signature certifier (Article 640-quinquies of the Italian Criminal Code), violation of the regulations on the Perimeter of National Cybersecurity (Article 1, paragraph 11, Law Decree No. 105 of September 21, 2019) (Article 24-bis of Legislative Decree no. 231/01).

- **Organised crime offences pursuant to Law 94 of 2009, Article 2:** Criminal association (Article 416 of the Italian Criminal Code), mafia-style associations, including foreign associations (Article 416-bis of the Italian Criminal Code), electoral exchange between politicians and organised criminals (Article 630 of the Italian Criminal Code), association aimed at the unlawful trafficking of narcotic or psychotropic substances (Article 74 of Presidential Decree 309 of 9 October 1990), the illegal manufacture, introduction into the country, marketing, sale, possession or carrying in a public place or place open to the public of weapons of war or parts thereof, explosives, clandestine weapons and more common firearms, to the exclusion of those envisaged in Article 2, paragraph three, of Italian Law 110 of 18/04/1975 (Article 407, paragraph 2, letter a, number 5, of the Italian Code of Criminal Procedure), all crimes if committed by taking advantage of the conditions provided for in Article 416-bis of the Criminal Code in order to facilitate the activity of the associations provided for in the same article (Law 203/91) (Article 24-ter of Legislative Decree 231/01).
- **Fraud of monies, public credit documents, revenue stamps and means or signs of identification** (as recently envisaged by Law 99 of 2009, Article 15) (Article 453 et seq. of the Italian Criminal Code), to which the application of Legislative Decree no. 231/01 was extended with Law Decree no. 350/01 converted into Law no. 409/01 and Law 99/2009, as amended by Legislative Decree 125/2016 (Article 25-bis of Legislative Decree no. 231/01).

- **Offences against industry and commerce envisaged in Law 99 of 2009, Article 15:** disturbance of the freedom of industry and commerce (Article 513 of the Italian Criminal Code), fraud in the conduct of commerce (Article 515 of the Italian Criminal Code), the sale of non-genuine foodstuffs as genuine (Article 516 of the Italian Criminal Code), the sale of industrial products with untruthful signs (Article 517 of the Italian Criminal Code), the manufacture and commerce of goods produced while infringing industrial property rights (Article 517-ter of the Italian Criminal Code), the counterfeiting of geographical indications or names of the origin of agricultural and food products (Article 517-quater of the Italian Criminal Code), unlawful competition through threats and violence (Article 513-bis of the Italian Criminal Code) and fraud against national industries (Article 514 of the Italian Criminal Code) (Article 25-bis of Legislative Decree 231/01).
- **Corporate crimes:** false company communications (Article 2621 of the Italian Civil Code), false company communications (Article 2622 of the Italian Civil Code), obstruction of control (Article 2625 of the Italian Civil Code), undue allocation of rewards (Article 2626 of the Italian Civil Code), unlawful profits or reserves distribution (Article 2627 of the Italian Civil Code), unlawful transactions on company or parent company shares or quotas (Article 2628 of the Italian Civil Code), transactions prejudicing creditors (Article 2629 of the Italian Civil Code), failure to communicate a conflict of interest (Article 2629-bis of the Italian Civil Code), fictitious capital formation (Article 2632 of the Italian Civil Code), undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code), bribery between private individuals (Article 2635 of the Italian Civil Code), Instigation to corruption among private individuals (Article 2635-bis Italian Civil Code); Additional Sanctions (Article 2635-ter Italian Civil Code) unlawful influence on the shareholders' meeting (Article 2636 of the Italian Civil Code), Insider trading (Article 2637 of the

Italian Civil Code), obstruction of the functioning of the public supervisory authorities (Article 2638 of the Italian Civil Code), false or omitted statements for the issuance of the preliminary certificate (Art. 54 Legislative Decree 19/2023) (Article 25-ter of Legislative Decree no. 231/01).

- **Crimes with the aim of terrorism or subversion of democratic order:** governed by the Criminal Code or special laws, pursuant to Law no. 7/03 entitled "Ratification and execution of the international Convention for the suppression of financing of terrorism, entered into in New York on 19 December 1999, and the regulations for adjustment of domestic legislation" (Article 25-quater of Legislative Decree no. 231/01).
- **Crimes relating to female genital mutilation practices (Article 583-bis of the Italian Criminal Code)** as envisaged under Law no. 7/06 (Article 25-quater 1 of Legislative Decree no. 231/01).
- **Crimes against individuals governed by the Criminal Code:** Reducing or holding in slavery or servitude (art. 600 Italian Criminal Code), children prostitution (art. 600-bis Criminal Code), children pornography (Art. 600-ter Criminal Code), possession of or access to pornographic material (art. 600 Criminal Code) virtual pornography (art. 600 quater 1 Criminal Code), tourist initiatives aimed at exploiting children prostitution (art. 600-quinquies Criminal Code), purchase and sale of slaves (art. 602 Criminal Code), illicit brokering and exploitation of labour (article 603-bis Criminal Code, introduced by Law no. 199/2016) solicitation of minors (art. 609 undecies Criminal Code), trafficking in persons (Art. 601 Criminal Code) (Art. 25 quinquies of Legislative Decree no. 231/01);
- **Crimes relating to market abuse:** pursuant to Articles 184 and 185 of Legislative Decree no. 58/98 (Article 25-sexies of Legislative Decree no.

231/01), as provided for under Law no. 62/05 and pursuant to Art. 187-quinquies TUF.

- **Crimes of murder and negligent serious or very serious injury:** (Articles 589 and 590, paragraph 3, of the Italian Criminal Code) committed in violation of regulations on industrial accidents and protection of health and safety in the workplace, as provided for under Law no. 123/07 (Article 25-septies of Legislative Decree no. 231/01).
- **Crimes of receiving stolen goods and money laundering as well as self-laundering:** Receiving stolen goods (Article 648 of the Italian Criminal Code), money-laundering (Article 648-bis of the Italian Criminal Code) and use of money, goods or other utilities obtained from an illegal activity (Article 648-ter of the Italian Criminal Code), self money-laundering (Article 648-ter 1 of the Italian Criminal Code) as set forth in Legislative Decree no. 231/01 (Article 25-octies of Legislative Decree no. 231/01).
- Crimes relating to non-cash payment instruments (and fraudulent transfer of valuables) provided for by Legislative Decree 184/2021 and amended by Law No. 137/2023:
misuse and forgery of non-cash payment instruments (Article 493-ter of the Criminal Code), detention and dissemination of computer equipment, devices or programs aimed at committing crimes concerning non-cash payment instruments (Article 493-quater of the Criminal Code), computer fraud aggravated by the carrying out of a transfer of money, monetary value or virtual currency (Article 640-ter of the Criminal Code), fraudulent transfer of values (Art. 512-bis), other cases, (Art. 25-octies.1, and Art. 25-octies.1, paragraph 2 of Legislative Decree No. 231/2001).
- **Crimes relating to the infringement of intellectual property rights pursuant to Law 633 of 22/04/1941,** to which the application of Legislative Decree no.

231/01 was extended by Law 99 of 2009 (Article 25-novies of Legislative Decree no. 231/01).

- **Crimes relating to incitement to withhold statements or subornation of perjury before the judicial authorities** (Article 377-bis of the Italian Criminal Code) as envisaged under Law no. 116 of 2009, Article 4 (Article 25 decies of Legislative Decree no. 231/01).
- **Environmental crimes, introduced by Legislative Decree no. 121 of 7 July 2011 and by Law no. 68/2015** amended by L.D. no. 21/2018 and amended by Law no. 137/2023 (Article 25-undecies of Legislative Decree no. 231/01).
- **The crime of the employment of citizens of third countries with irregular immigration status** (Article 22, paragraph 12-bis, of Legislative Decree no. 286 of 25 July 1998), introduced by Legislative Decree no. 109 of 16 July 2012 amended by Law no. 161 of October 17, 2017 and Law Decree no. 20/2023 (Article 25-duodecies of Legislative Decree no. 231/01).
- **The crime of Racism and Xenophobia** introduced by Law 167/2017 amended by LD no 21/2018 (Article 25-terdecies Legislative Decree 231/01).
- **Fraud in sports competitions, illegal gambling or betting and gambling carried out by means of prohibited devices** introduced by Law no. 39/2019 (Article 25-quaterdecies, Legislative Decree No. 231/2001)
- **Transnational crimes:** governed by the Criminal Code and special laws, as identified under Article 10 of Law no. 146/06 entitled "Ratification and execution of the UN Convention and Protocols against organised transnational crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001."

- **Tax crimes:** introduced by Law no. 157 of 19 December 2019: fraudulent declaration through the use of invoices or other documents for non-existent transactions that results in a fictitious liability (Article 2 par. 1 and 2-bis of Legislative Decree 74/2000); Fraudulent declaration through other devices (Article 3 of Legislative Decree 74/2000); Unfaithful declaration (Article 4 of Legislative Decree no. 74/2000); Failure to submit a declaration (Article 5 of Legislative Decree no. 74/2000); Issuing of invoices or other documents for non-existent transactions (Article 8, paragraph 1 and 2-bis of Legislative Decree 74/2000); Concealment or distribution of accounting documents (Article 10 of Legislative Decree 74/2000); Undue compensation (Article 10-quater of Legislative Decree no. 74/2000); Fraudulent subtraction from the payment of taxes (Article 11 of Legislative Decree 74/2000) (Article 25-quinquiesdecies of Legislative Decree 231/01);
- **The crime of smuggling items added by Legislative Decree 14 July 2020, no. 75, of "Implementation of Directive (EU) 2017/1371, relating to the fight against fraud affecting the financial interests of the Union through criminal law" (Article 25-sexiesdecies of Legislative Decree no. 231/2001)**
- **Liability of entities for administrative offenses resulting from a crime (Article 12, Law no. 9/2013), rules on combating fraud, in the context of the virgin olive oil supply chain.**
- **Crimes against cultural heritage: introduced by Law no. 22/2022**
Theft of cultural property (Article 518-bis of the Criminal Code), misappropriation of cultural property (Article 518-ter of the Criminal Code), receiving stolen cultural property (Article 518-quater of the Criminal Code), forgery in private writing relating to cultural property (Article 518-octies of the Criminal Code), violations in the area of alienation of cultural property (Article 518-novies of the Criminal Code), illicit import of cultural property (art. 518-decies, Criminal Code), illicit exit or export of cultural property (art. 518-

undecies, Criminal Code.), destruction, dispersion, deterioration, defacement and illegal use of cultural or landscape goods (art. 518-duodecies Criminal Code), counterfeiting of artworks (art. 518-quaterdecies Criminal Code) (Art. 25-septiesdecies, Legislative Decree no. 231/2001).

- **Recycling of cultural property and devastation and looting of cultural and scenic property** introduced by Law no. 22/2022;
Laundering of cultural property (Article 518-sexies of the Criminal Code), devastation and looting of cultural and scenic property (Article 518-terdecies of the Criminal Code) (Art. 25-duodevicies, Legislative Decree No. 231/2001).

1.1.3. EXCLUSION OF THE COMPANY'S ADMINISTRATIVE LIABILITY

Article 6 of the Decree provides for situations in which the company is not held liable.

In the case of an offence, the company is not liable if it can prove that:

- a) the executive body approved, and effectively implemented an organisation Model and management adequate to prevent offences such as those that occurred;
- b) the duty to supervise the functioning of and compliance with the Model and its updating has been entrusted to a specific Supervisory Body vested with autonomous powers to initiate action and carry out control activities;
- c) the perpetrators acted by fraudulently circumventing the Model;
- d) the foregoing committee conducted constantly and unfailingly its control activities.

Under law, the Model has been effectively enforced if:

- periodical controls and any modifications have been made when significant violations are discovered or when changes take place in the organisational structure or activities;
- a disciplinary system has been put into place to punish non-compliance with the measures set forth in the Model.

Article 6, paragraph 3 of the Decree sets out that the models may be adopted based on behaviour codes drawn up by associations representing authorities.

Based on this provision, all the main trade associations have approved and published their behaviour codes.

In particular, ANIA (Italian Association for Insurance Companies) issued guidelines for the adoption of organisational models and Confindustria (the Confederation of Italian Industry) issued an updated version of its "Guidelines for creating organisational, management and control models."

The Company's Organisation, Management and Control Model was drafted and updated considering:

- the ANIA Guidelines "Operational Suggestions for Insurance Companies on Operational Responsibility pursuant to Legislative Decree no. 231/01";
- where applicable, the latest version of the Guidelines issued by Confindustria (Confederation of Italian Industry) in June 2021, in consideration of their broadly representative nature;
- where applicable, the "Guidelines on the protection of persons who report violations of Union law and protection of persons who report violations of national laws" issued by the National Anticorruption Authority (hereinafter also ANAC).

1.2. THE MODEL'S GOALS

Although adopting the Model is not stated as an obligation in the Decree, HDI Insurance S.p.A. (the "Company") has deemed it consistent with corporate policies to:

1. define a control system designed to prevent types of conduct that might give rise to administrative liabilities for the Company under the Decree;
2. adopt the requirements expressly prescribed under Article 6 of the Decree, so as to exclude any liability of the Company;
3. improve effectiveness and transparency in managing Company operations.

The adoption of the Model described in this document is therefore aimed at (i) accurately identifying the areas of company operation in the context of which criminal conduct may theoretically occur and (ii) planning a control system aimed at reducing the risk of commission of offences.

In view of these goals, the Company:

- approved the Code of Ethics, making it known to the corporate bodies, employees (even those under temporary employment), agents, contractors and partners, requesting that they uphold the principles contained therein for their relations with the Company and third parties;
- planned a control system aimed at preventing offences and generally inspired by the following principles:
 - o the presence of a regulatory system that is formalised and clear in terms of the attribution of liability, hierarchical structures, description of duties and existing controls with the aim of: (i) monitoring sensitive activity; and (ii) informing potential perpetrators that committing an offence goes against the principles and interests of the Company;
 - o adequate record-keeping and traceability of important operations (e.g., minutes, requests for evidence, resolutions on access to financing) so that each operation, transaction and action can be verified;

- formalised separation of functions and joint signatures (e.g., purchase request function different from the payment function) to avoid the concentration of an entire process into the hands of one person;
- compliance with the Code of Ethics (e.g., behavioural rules on relations with the Government Authorities);
- the appointment of a Supervisory Body with adequate independence, autonomy, professionalism and continuity of action requirements;
- obligation to periodically provide the Supervisory Body with information emerging from the single corporate functions in order to ensure that the management control system provides timely notification of general or specific critical situations;
- documentation obligation for the controls carried out (e.g., drawing up reports)¹;
- sanction application for violation of Code of Ethics and the rules contained in the Organisational, Management and Control Model.

In compliance with the Decree, as stated above, the Company has identified a Supervisory Body charged with the duty of ensuring that the Model is correctly applied, monitoring the activities and defining the information flows from sensitive areas.

The Committee and senior management have been vested with duties and powers such as to guarantee effective supervision of the application and suitability of the Organisational, Management and Control Model, even for the purposes of identifying dispensing circumstances.

A disciplinary system has also been put in place in the case of violation of the Organisational, Management and Control Model and the Code of Ethics, raising

¹ With specific reference to health and safety in the workplace, as also indicated in the guidelines of Confindustria, the control principles enforced by the Company include establishing the activities and processes to be implemented to obtain the desired results; implementing the activities and processes planned; overseeing the activities and processes implemented to verify that they are being correctly implemented and that the desired results are achieved; taking the action needed after controls have been conducted to improve the activities and processes.

awareness and providing training at all company levels on the procedures and compliance with the behavioural rules provided for in the Model and Code of Ethics.

The preparation and updating of the Model has led to the operational process described in the following section.

1.3. THE ACTIVITIES CARRIED OUT TO INTRODUCE THE MODEL

The methodology adopted to prepare the Model was mostly aimed at identifying the “sensitive areas” or “risk areas”, i.e., company processes and activities that could pose a risk of one of the offences expressly contemplated by the Decree of being committed. This approach takes into account court rulings requiring that risk areas be identified through an organisational and control vision of the corporate activities together with a juridical analysis of the case at hand.

Within this context, both during the initial adoption of the Model and subsequent periodic updates, the Company has put in place a programme of activities aimed at defining, preparing and consequently updating an Organisational, Management and Control Model that, based on the operational activities of the company and the actual methods for committing offences, can become effectively and efficiently functional.

1.3.1 Analysis of the general framework

An analysis on current legislation was conducted, evaluating the personnel’s level of sensitivity with respect to the law and the impact the law has on the Company’s operational activities.

Subsequently, the Company’s control structure was analyzed as well as the main organisational aspects by examining the following elements:

- the Company by-laws;
- the Company’s organisation and function chart;
- the activities, duties and responsibilities of all the main functions;
- the allocation of duties;
- the method for attributing mandates and powers;
- the method for formulating and divulging internal rules;

- the ability to trace and verify *ex-post* the process activities through suitable support documentation and information.

1.3.2 Analysis of company processes

Upon the conclusion of the review of the scenario of reference, an analysis was performed of the Company's operational activities, through an examination of processes and internal regulations in effect from time to time, in order to pinpoint the main areas of activity and identify the persons responsible for the control processes and mechanisms in place.

Consequently, interviews were organised to gather additional information on the state of the controls, in this way ascertaining whether controls are in place to prevent offences from being committed and identifying any necessary integrations.

1.3.3 Identifying sensitive activity

The preliminary analysis of the crimes contemplated by Legislative Decree no. 231/01, examining the context of reference and mapping the company processes made it possible to identify and periodically update:

- the so-called "sensitive areas (or activities)", in other words those activities or areas of activities within which it is abstractly possible to commit the offences provided for under the Decree;
- the effective conduct through which, within a business context, criminal situations may arise.

The analysis initially regarded areas sensitive to the commission of the offences set forth in Articles 24 and 25 of the Decree (known as crimes against the Government Authorities).

In accordance with legal developments, which saw a gradual increase in the number and type of predicate offences, the analysis then extended to the risks of commission of the offences punished under Article 25-bis (currency counterfeiting, supplemented by Law no. 409/2001, Law no. 99/2009 and Legislative Decree 125/2016), Article 25-ter (corporate offences², no. 38/2017 and Law no. 3/2019), Article 25-quater (terrorism and subversion of the democratic order), Article 25-quinquies (offences against individual personality, supplemented by Law no 199/2016), Article 25-sexies (offences involving the market abuse supplemented by LD no. 107/2018), the offences punished under Article 25-septies of the Decree (offences against the person, supplemented by Law no. 3/2018), the offences punished under Article 25-octies (receipt of stolen property, money laundering and self-money laundering as amended by Law No. 186/2014 and Legislative Decree No. 195/2021, by Article 24-bis (information technology offences, as amended by LD no. 7 and 8/2016 and LD no. 105/2019)), by Articles 24-ter and 25-decies (organised crime and obstruction of justice, as amended by Law 69/2015), the offences punished under Article 25-bis 1 and 25-novies (offences against industry and commerce), by Article 25-undecies (environmental offences, as amended by L. no. 68/2015, Legislative Decree no. 21/2018 and L. no. 137/2023), and the offences punished under Article 25-duodecies (the employment of citizens of third countries with irregular immigration status, as amended by Law no. 161 of October 17, 2017 and Law Decree no. 20/2023),

by Art. 25-quinquies, (so-called crimes against the individual, in particular of crimes such as illegal brokering and exploitation of labour (Art. 603-bis of the Criminal Code), introduced among the predicate offenses by Law 199/2016), by Article 25-terdecies (so-called Racism and Xenophobia introduced by Law 167/2017 and amended by LD no. 21/2018), by Art. 25-quaterdecies, (fraud in sports competitions, added by Law no. 39/2019), by Article 25 quinquiesdecies (so-called tax crimes supplemented by LD no. 75/2020) and other crimes in the context of the relationship with the Public

² Article 25-ter has been progressively amended by Law no. 190/2012, Law no. 69/2015, Legislative Decree no. 38/2017 and finally most recently by Legislative Decree no. 19/2023

Administration and in the context of smuggling, introduced in implementation of Directive (EU) 2017/1371 (so-called 'PIF Directive').

Lastly, the analysis concerned the risks related to the commission of the newly introduced crimes such as the crimes under Art. 25-octies.1 (so-called crimes regarding non-cash payment instruments and fraudulent transfer of values) and the crimes under Art. 25-septiesdecies and Art. 25-duodevicies (so-called crimes against cultural heritage and money laundering and devastation and looting of cultural and landscape assets). While periodically updating the analysis of offence risks, in consideration of legal developments and while taking account of the peculiarities of its business, as well as the development of its organisational and internal control structure, HDI Assicurazioni has identified the following sensitive areas:

1. the signing of policies and dealings with the network;
2. the settlement of claims and portfolio management;
3. dispute management;
4. management of financial resources;
5. personnel department and relationships with social security agencies;
6. leasing and property management dealings;
7. general bookkeeping, custody of corporate records and insurance registers and preparation of financial statements;
8. management of dealings with corporate bodies, independent auditors, the market, group companies and institutions;
9. relationships with the Supervisory Body and other authorities;
10. management of the sale and purchase of goods and services;
11. management of compliance with accident prevention obligations and safeguard of health and safety in the workplace;
12. management of IT systems and data;
13. respect for and protection of the environment.

For a description of sensitive areas and the potentially associated offence risks, refer to Appendix no. 3 to the Model (see Italian version).

1.3.4 Preparation of documentation

Having identified the risk areas as previously described, the Company's documentation relating to HDI's Organisational, Management and Control Model was prepared and gradually updated pursuant to Legislative Decree no. 231/2001.

The following documents were prepared and constantly updated:

- the Organisational Model: the document describing the system of controls put in place to prevent offences from being committed;
- the Code of Ethics: the document that sets out the ethical and behavioural principles that the Company intends to uphold when carrying out its activity;
- The Protocols: the set of safeguards of an organisational and managerial nature aimed at reducing the risk of the commission of the offences.

With the approval of the Organisational Model by the Board of Directors, the Company's Supervisory Body was established, the regulations for the functioning of the SB were approved and the mandatory information flows toward the same were defined. For further details on those matters, please refer to section 4 below.

2. MODEL STRUCTURE

The Model is described along the following lines:

Company description

Company's business, shareholders, and subsidiaries;

The environment in which the company operates

The target market, the sales network, claim settlements;

Governance and the internal control system

Corporate governance and allocation of powers, internal procedures and policies, instructions to agency network and other third parties, departments in charge of the internal control system and relevant monitoring activity;

Supervisory Body pursuant to Legislative Decree no. 231/01

Identification, functions and powers, information flows;

Disciplinary and sanction system

Methodology and criteria for applying sanctions;

Protocols and risk and control sheets

Description of the elements that comprise the control system safeguarding against the commission of the offences.

2.1 CORPORATE BUSINESS AND COMPANY DESCRIPTION

2.1.1 BUSINESS

The Company is a licensed provider of non-life and life insurance and reinsurance, in addition to a distributor of pension funds.

2.1.2 BACKGROUND

The Company belongs to the Talanx Group, a global insurance group headquartered in Hannover. The direct parent company, Talanx International AG, is a company incorporated under German law.

2.1.3 SUBSIDIARIES

The Company directly controls the following subsidiaries:

- ;
- HDI IMMOBILIARE S.r.l., the company to which the real estate assets were contributed;
- IN LINEA S.p.A., a company operating in the distribution of insurance products and included in the credit brokers' register;
- IN CHIARO Life DAC, an insurance company regulated by Irish law.

2.2. THE ENVIRONMENT IN WHICH THE COMPANY OPERATES

2.2.1 TARGET MARKET

The Company engages in the coverage of personal risk. Traditionally, its target market is that of the employees of the Italian State Railroad (employees and their families, retirees and former employees, etc.) with respect to the life and non-life sectors within which it operates.

2.2.2 SALES NETWORK

The sales network consists of agencies/banks located throughout the national territory. In addition, cooperation ties have been established with brokers.

2.2.3 CLAIM SETTLEMENT NETWORK

The Company has its own claim settlement structure and to that end uses a network of external claim adjusters located throughout Italy and coordinated by its own staff.

2.2.4 COLLABORATORS AND PROFESSIONALS

For certain activities, the Company avails itself of external collaborators and professionals.

3. GOVERNANCE, THE ORGANISATIONAL STRUCTURE AND THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

3.1 CORPORATE GOVERNANCE

The effectiveness of the Model rests on corporate governance, as within this context powers and responsibilities are allocated among the different governance components (Shareholders, Board of Directors, Board of Auditors) and departments.

3.1.1 SHAREHOLDERS' MEETING

The shareholders' meeting is the body that expresses the Company's interest through its deliberations. Resolutions passed in accordance with the law and Articles of Association bind all shareholders, including those who are absent or dissent.

The shareholders' meeting may meet in ordinary and extraordinary form and is chaired by the Chairman of the Board of Directors or a person acting in the Chairman's stead, and, in their absence, a person delegated by the attendees.

The methods of convening and conducting the business of the shareholders' meeting and the methods of exercising the rights to which shareholders are entitled are governed by the law and the Company's Articles of Association.

3.1.2 BOARD OF DIRECTORS

Based on the bylaws, the number of members in the Board of Directors may vary from seven to fifteen.

The Board of Directors (The "Board" or "BoD") includes members that represent minority shareholders.

According to the bylaws, the Board of Directors is vested with the broadest management powers, except for powers specifically provided by law or bylaws to the Shareholders' Meeting. The Board of Directors:

- approves the draft financial statements to be submitted to the Shareholder meeting. Moreover, it approves the semi-annual accounts and defines strategies, development and investment plans, the organisation structure in broad-brush terms and the yearly budget.
- examines and approves transactions of particular significance from the standpoint of earnings or financial position, especially where undertaken with related parties or characterised by a potential conflict of interest, and reports in a timely manner, in some cases through the Executive Committee, Chairman or Managing Director, to the Board of Auditors on the activity performed and on the transactions concerned.

The Board of Directors appoints a Chairman and a Deputy Chairman, unless elected by the Shareholder Meeting.

3.1.3 BOARD OF AUDITORS

The Board of Auditors is the body of the Company charged with control of compliance with the law and Articles of Association, observance of the principles of sound management and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company.

The Board of Auditors consists of three regular members and two alternates appointed by the shareholders' meeting, who remain in office for three financial years. They may be re-elected at the end of their terms of office.

In order to be appointed, auditors must meet the professionalism and integrity requirements imposed by special applicable legislation.

The Board of Auditors is entrusted with all duties and powers envisaged in the Italian Civil Code and special laws, including those necessary to comply with the provisions of Article 190, paragraph 3, of Legislative Decree no. 209/05.

3.2 ASSIGNMENT OF POWERS

The Board may delegate part of its powers, except such powers as may not be delegated by law, to the Chairman or to one or more of its members and may appoint an Executive Committee.

The Board of Directors may appoint one or more General Managers, delegating specific powers to them, as well as to the Company's managers and middle managers.

The Chairman represents the Company in law, while the General Managers, the managers and the middle managers represent the company before third parties in relation to operational requirements.

Powers are assigned in accordance with the individual tasks and responsibilities to be fulfilled within the company. Such powers are summarised and brought to the staff's attention, also through a detailed organisation chart, as updated from time to time. Furthermore, top management disseminates an organisation chart by function, defining in greater detail the activities associated with each function.

The powers to create financial commitments for the Company are assigned taking into account the specific corporate tasks attributed. They are separate from the powers to manage financial resources, which are attributed to a limited number of managers and middle managers, in addition to the General Managers and the Managing Director.

The powers to commit and manage financial resources are commensurate with the responsibilities attributed; moreover, amounts above a certain limit and in special circumstances require a joint signature.

3.3 ORGANISATIONAL STRUCTURE

The organisational structure is approved and formalised through an organisational chart and a functional chart, documents that detail organisational units, operational responsibilities and hierarchical reporting lines.

The corporate organisational structure, reflected in the organisational chart and functional chart, is based on the principle of the separation of incompatible functions and provides a clear identification, including in lexical terms, of the role of each organisational unit in the overall company process.

This approach facilitates the selective assignment of roles, tasks and objectives and aids in their understanding by employees and third parties who interact with the Company.

All employees are made aware of the organisational chart and functional chart. Adequate, timely notice is provided of all updates.

The Company defines internal regulatory aspects through a system aimed at governing company processes and disseminating rules of conduct to all levels of the organisation. The company's system of rules and procedures is formalised, documented and disseminated by means of:

- business process analysis IT tools;
- print documents (procedures, organisational bulletins, internal bulletins and circulars).

3.4 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Company has defined an internal control and risk management system in accordance with the regulations issued by IVASS and best practices in the field of company organisation and internal control.

As part of its strategic and organisational steering tasks, the Board of Directors has ultimate responsibility for the internal control system and monitoring its completeness, functionality and effectiveness.

The Board must also ensure that the risk management system allows the identification, evaluation and control of the most significant risks.

In compliance with the guidelines provided by the Board of Directors, the responsibility for implementing, maintaining and monitoring the internal control and risk management system lies with the Senior Management, consisting of the Managing Director, the General Managers, as well as all Senior Executives with supervisory roles.

Second- and third-level control functions perform the monitoring and control activities for which they are responsible in a coordinated manner:

- the Risk Management Department identifies, assesses and conducts organic, ongoing monitoring of company risks;
- the Actuarial function coordinates the calculation of technical provisions, evaluates the adequacy of the methodologies, models and assumptions on which this calculation is based and assesses the sufficiency and quality of the data used;
- the Compliance Department is responsible for ongoing identification of applicable legislation and assessment of the suitability and efficiency of the organisational measures adopted for the prevention of compliance risk;
- the Anti-Money Laundering Division is responsible for ongoing identification of legislation combating money laundering and financing for terrorism.

The Company has appointed a Data Protection Officer, who reports to the Board of Directors. The Data Protection Officer provides opinions and advice on personal data protection, monitors compliance with data protection regulations by assessing the adequacy and effectiveness of organizational measures taken, and verifies the adherence of behaviour to policies, plans, procedures, laws and regulations.

As envisaged in supervisory provisions, the Internal Audit Department monitors and assesses the efficacy and efficiency of the internal control system in its entirety, the reliability and integrity of data and information, the compliance of conduct with policies, plans, procedures, laws and regulations and reports any dysfunctions in a timely manner.

The Risk Management Department, Actuarial Function, Compliance Department, Internal Audit Department and Anti-Money-Laundering are headed by the Board of Directors.

The Company's Statutory Auditors shall periodically verify the efficiency and effectiveness of the internal control system, also reviewing the results of the work carried out by the Independent Auditor; report to the Board of Directors any anomalies or weaknesses of the organisational structure and internal control system, indicating and requesting appropriate corrective measures; entertains adequate communications with the control function and in particular with the Internal Audit function; provides for timely exchange of useful data and information with the Independent Auditor.

The Independent Auditor, which is retained to certify the financial statements and to audit the accounts on a quarterly basis, carries out its control procedures in accordance with the auditing principles of reference. At the end of the audit, the firm provides its opinion on the accounts and, if deemed necessary, writes a comment on the procedures that need to be improved. The auditing firm's opinion on the financial

statements and on the procedures are brought to the knowledge of, and discussed with, the Board of Auditors and the Internal Audit function.

4. THE SUPERVISORY BODY PURSUANT TO LEGISLATIVE DECREE NO. 231/2001

4.1. IDENTIFICATION

The Company has identified the Supervisory Body ("SB") as a body composed of three members, of which two are internal to the organisation and one is external; the Committee shall report to the Board of Directors; thus constituting a model meeting the requirements under Legislative Decree no. 231/01 and the relevant instructions provided by the trade associations.

The members of the Supervisory Body own expertise in inspections, consulting, or have knowledge of specific techniques, which ensure the effectiveness of the powers of control and the power of proposal assigned to them.

Under Article 6, paragraph 1, letter b) of Legislative Decree no. 231/01 the duty to supervise over the functioning and observance of the Organisational, Management and Control Model and update is assigned to a corporate body vested with autonomous powers of initiative and control.

The Body entrusted with supervising the functioning and observance of the Organisational, Management and Control Model drawn up by the Company fulfils the requirements of:

- **autonomy and independence** as it reports directly to Senior Management; it has no operational tasks, which, when held, could undermine the objectivity of judgment.
- **professionalism** given that its instruments and techniques enable it to efficiently carry out the activities assigned to it. These special techniques are particular to those bodies that perform investigatory and consultancy activities;
- **continuity of action** since this structure was created ad hoc, is dedicated to supervisory activity over the Model and has no operational duties that can lead it to make decisions with economic-financial implications.

The Founding Regulation governing the requirements, duties and powers of the SB has been approved and updated in 2023 by the Board of Directors.

4.2 CAUSES FOR INELIGIBILITY AND INCOMPATIBILITY

With reference to the causes for ineligibility and incompatibility, we point out the following:

- The members serving on the SB shall not have any family relationship with the Senior Management of the Company or be tied to the Company by means of economic interests or any situation that might generate a conflict of interest, with the exclusion of an employment relationship.
- Not anyone who has been sentenced – even non-definitively – for any of the offences envisioned by the Decree shall be appointed to serve on the SB.

If the Chairman or a member of the SB finds him or herself in one of the above conditions of incompatibility, the Board of Directors, having made the necessary assessments and heard the concerned party, shall establish a term of at least 30 days within which the situation of incompatibility must cease. If after said term the situation continues to exist, the Board of Directors shall revoke the mandate.

4.3 TERMINATION OF OFFICE

The task of revoking the Supervisory Body and each of its members shall be the exclusive responsibility of the Board of Directors.

Members of the SB may be revoked from office only in the case of just cause. Just cause for revocation shall be understood as such in the case of:

- interdiction or inability, or a serious illness that renders the SB member unsuitable for carrying out his or her supervisory functions, or an illness that in any event entails his or her absence from the workplace for more than six months;

- attribution to the SB of operational functions and responsibilities or the occurrence of events that are incompatible with the requirements of autonomy of initiative and control, independence and continuity of action, as reserved for the SB;
- a serious impediment to his or her duties as member of the SB;
- an irrevocable sentence imposed on the Company pursuant to the Decree, or a criminal proceeding concluded with the application of a punishment on the request of the parties, so-called "plea-bargaining", in which the SB's "omitted or insufficient supervision" as provided for by Article 6, paragraph 1, letter d) of the Decree emerges from the records of the proceedings;
- an irrevocable sentence against the members of the SB for having personally committed one of the offences specified in the Decree;
- an irrevocable sentence against an SB member that results in interdiction, even temporary, from public office or temporary interdiction from command bureaus of legal persons and enterprises.

In the aforementioned cases, in which a guilty sentence has been issued, the Board of Directors, awaiting the irrevocable sentence, may also suspend the powers of the SB member.

Any member of the SB may stand down from office at any time provided at least three months' notice is given.

4.4. DUTIES AND POWERS

The Board of Directors has assigned to the SB, on an autonomous basis, the duties and powers provided for by the Model, all of which are stated in the establishing rules, and specifically:

- evaluate the operation and actual suitability of the Model in preventing the crimes specified in Legislative Decree no. 231/01, and update such model

according, among others, to changes in laws and regulations and in the Company's organisation;

- set up a monitoring program, consistent with the principles contained in the Model, within the different business areas, ensuring and verifying its implementation;
- make sure that the employees, corporate bodies, and – limited to the activities carried out in the interest of the Company, the Agents and Consultants act in compliance with the Model;
- submit recommendations and remarks to the relevant function for the adoption of appropriate internal guidelines, procedures and protocols;
- maintain communications and ensure proper information flows to the Board of Directors and Statutory Auditors, as well as maintain communications with the Independent Auditor, the Internal Audit Department, Risk Management Department and Compliance Department;
- request and acquire information and documentation of all types to and from all levels and areas of the Company, conducting checks and inspections to ascertain any violations to the Model;
- ensure the preparation of reports on the results of actions undertaken;
- define and promote initiatives to disseminate the knowledge and understanding of the Model, as well as to enhance personnel training and awareness on compliance with the principles set forth in the Model;
- set up an effective internal communication system to allow the transmission and collection of information related to Legislative Decree no. 231/01;
- estimate the costs required to carry out its activities;
- start the appropriate disciplinary proceedings, if any, and support the relevant function also in evaluating the nature and extent of the penalties or measures to be adopted.

In addition to the aforementioned tasks and in compliance with the art. 4 of Legislative Decree 24/2023, the Supervisory Body has been formally designated by the Board of Directors, as an autonomous and independent body composed of specifically trained members, to formally receive the reports referred to in the aforementioned decree, to which it will follow up diligently in the times and ways foreseen by current legislation. The Supervisory Body, following its appointment, becomes the effective owner of the processing of the personal data of the whistleblower pursuant to art. 13 of the aforementioned Decree.

4.5 VALIDITY OF THE RESOLUTIONS

The resolutions of the SB are valid if the majority³ of its members in office are present. For resolutions regarding sensitive matters or particularly significant problems or problems concerning the Senior Managers of the Company, all the members in office must be present.

The resolutions of the SB are taken with an absolute majority of those present. Each member of the SB is entitled to one vote. The Chairman's vote shall prevail in the event of a tie.

Unless otherwise established by the SB, the votes are cast through an open vote.

4.6 INFORMATION FLOWS

TO GOVERNANCE BODIES FROM THE SUPERVISORY BODY

The Supervisory Body reports its findings to the Board of Directors.

In particular, the Supervisory Body:

- submits an annual written report to the Board of Directors on its supervisory activity and maintenance and updating of the Organisational, Management

³ Half plus one of the members in office.

and Control Model, also providing a copy of the report to the Board of Statutory Auditors;

- reports immediately to the Board of Directors and sends a communication to the Chairman and CEO at the occurrence of extraordinary situations (for example violations of the principles contained in the Model, etc.) and in case of reports received also in the field of whistleblowing or other cases of an urgent nature;
- presents the Board of Directors with proposals for amendments and/or integrations to the Organisational, Management and Control Model, taking also into account any critical findings for the Model's subsequent approval.

The Supervisory Body may be called upon by the Board of Directors and/or Board of Statutory Auditors.

TOWARD THE SUPERVISORY BODY

The supervision of the efficiency of the Organisational, Management and Control Model and assessment of any violations of the Model and the Code of Ethics, as well as the management of reports regarding offenses pursuant to Legislative Decree 24/2023, are made easier by regular information that each corporate function must provide to the Supervisory Body, as referred to under Article 6, paragraph 2, letter d) of Legislative Decree no. 231/01.

This obligation must be fulfilled by the corporate functions running an offence risk and concerns the periodical results of the functions' activities as well as the anomalies found within the ambit of the information available.

In addition, the Supervisory Body must receive all information containing significant elements regarding the supervisory activity, such as, but not limited to:

- decisions concerning requests, granting and use of public financing;

- rulings and/or notices from the judicial police or any other authority from which it emerges that investigations are underway, even against persons unknown, for the offences as per the Decree;
- requests for legal assistance forwarded by employees and/or managers against which the Magistrate is taking action for one of the offences referred to under the Decree;
- inquiry or internal report committees from which responsibilities emerge for the offenses referred to in decree 231;
- all significant changes to the Risk Assessment Document drafted by the Head of the Prevention and Protection Service and a copy of the periodic reports concerning workplace health and safety (for example, the compliance level checklist, a copy of the minutes of periodic meetings held by the Head of the Prevention and Protection Service with the workers' representative and competent physician and the periodic report concerning training events held regarding workplace safety);
- the outcome of any internal reports from which liability for alleged crimes as per the Decree emerge;
- all significant changes to the Company's organisational structure (for example, the system of delegated powers, the organisational chart and the institution of new offices or departments);
- information on the effective implementation at all corporate levels of the Organisational, Management and Control Model, with evidence of any disciplinary proceedings or sanctions or archiving of such proceedings and related reasons.
- the results of checks - preventive and subsequent - which were made during the reporting period, on assignments to market participants, following calls at national and European level, or private negotiation;
- the results of the monitoring and control already carried out during the reporting period, on contracts awarded by public authorities or by persons performing public utility;

- reports of irregularities by the appointed bodies (Revenue Agency) in relation to the tax area (by way of example, payment orders or notices of irregularities relating to VAT and corporate income tax returns of significant amounts).

The Supervisory Body is responsible for requesting, if necessary, any additional information from the single corporate functions.

All employees who become aware of any behaviour in violation of the Organisational, Management and Control Model and the Code of Ethics of the Company shall be required to inform the Supervisory Body.

This obligation has also been strengthened by the Legislative Decree. 24/2023 implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 concerning the protection of persons reporting breaches of Union law and laying down provisions concerning the protection of persons reporting breaches of national regulatory provisions; following that, the Board of Directors has appointed the SB as the corporate body responsible for receiving and handling any offenses.

In this regard, it should be noted that employees and managers of the Company are obliged to report to the Supervisory Body any news of violation of the Model and any of its constituent elements, even if committed by persons not belonging to the Company and any other potentially relevant fact for the purpose of the application of the Decree. The violation of this obligation may result in the application of a disciplinary sanction.

Non-compliance with the information obligations towards the Supervisory Body is also considered a violation of the Model, including failure to observe the measures for the protection of the whistleblower as well as the sending of a report, with willful misconduct or gross negligence, which turns out to be unfounded and instrumental to the pursuit of defamatory purposes towards individuals or the Company. These violations are subject to the provisions of the "Disciplinary and sanction system" (see Section 5).

The obligation to inform the Supervisory Body concerns also every corporate office and, in the specific, the structures, which are exposed to the risk of commission of crimes, referred to the risk areas included in the Model.

Reports pursuant to Legislative Decree 24/2023 reach the SB in written form, via a platform established for this purpose since 17 July 2023 on the Company portal, which all employees and third parties can access, which absolutely guarantees the confidentiality of the reported facts. Alternatively, the report can be made in oral form, as provided for in the aforementioned Decree, requesting a meeting with the SB.

In compliance with the requirements of Legislative Decree 24/2023 the Company:

- acts to guarantee that the reporters do not incur any kind of retaliation, due to their report;
- guarantees through the actions of SB adequate confidentiality of the identity of those who report information or make reports, without prejudice to legal obligations and the protection of company rights;
- may also propose the adoption of deterrent measures against information that turnout to be false.

Without prejudice to the specific limitations of liability provided for by the legislator, the protection provided in the event of retaliation does not apply in the event of a finding of criminal liability for the crimes of slander or defamation or in any case for the same crimes committed with the report, or civil liability, for having reported false information intentionally reported with malice or negligence.

In cases where said responsibilities are ascertained, a disciplinary sanction is also applied to the reporting person, as provided for by the Company's Disciplinary Code, to which reference is made.

The technical characteristics and operating processes of the HDI Whistleblowing system are defined within the Procedure for Reports to the Supervisory Body, to which reference should be made, as well as in the Organizational Regulations of the SB itself. The information received by the Supervisory Body will be used for the purpose of improving the planning of the control activity and does not require a systematic

verification of all the reported facts, as the decision to take action is left to the discretion and responsibility of the Supervisory Body following any reports.

5. DISCIPLINARY AND SANCTION SYSTEM

5.1 EMPLOYEES

- A key feature of the effectiveness of the Organisational Model under Legislative Decree 231/2001 is to set up a suitable sanction system for the violation of both the rules of conduct issued to prevent the offences referred to by the Decree and, in general, and the internal procedures laid down by the Model.
- The application of disciplinary sanctions is independent of the outcome of any penal proceedings, as the rules of conduct set by the Model are adopted autonomously by the Company, regardless of the violations committed because of the offending conduct.
- The procedures whose violation entails a sanction (contained in the Model) are expressly included in the Company's disciplinary code, formally declared binding on all employees (internal memo to all employees, letter to each employee) and posted in an area accessible to all.
- The new rules, regardless of the source (employer or agreement) will be subject to the procedural safeguards provided for by Law no. 300/1970 ("Workers' Statute") and the specific provisions of labour agreements.

Sanctions

Workers' violation of the rules of conduct outlined in the Organisational Model are defined as disciplinary infractions.

Such workers are punishable as provided for by the company's disciplinary code, in accordance with the procedures laid down by article 7 of Law no. 300 dated May 20, 1970 (Workers' Statute) and by the Labour Agreement for workers in insurance

companies (Labour Agreement). The Organisational Model refers to the categories of violations, subject to the existing sanction system, i.e. the provisions of the Labour Agreement.

These categories describe violations according to the importance of each, and the actual sanctions contemplated, depending on how serious they are.

In particular, the Labour Agreement (article 25) sets forth:

- 1) a VERBAL REPROACH for workers who violate the internal procedures laid down by the Organisational Model (e.g. failure to comply with prescribed procedures, omission to informabout specific circumstances, omission to perform controls, etc.) or who, in carrying out activities in "sensitive" areas, adopt a conduct which is not consistent with the rules prescribed by the Organisational Model. In fact, such types of conduct reflect a failure to comply with the instructions brought to the staff's knowledge through memos or other suitable means.

- 2) a WRITTEN REPROACH for workers who violate repeatedly the internal procedures laid down by the Organisational Model or who, in carrying out activities in "sensitive" areas, adopt repeatedly a conduct which is not consistent with the rules prescribed by the Organisational Model, before such violations are individually ascertained and brought to the violator's attention. In fact, such types of conduct reflect the repeated failure to comply with the instructions brought to the staff's knowledge through memos or other suitable means.

- 3) the SUSPENSION FROM EMPLOYMENT AND OF SALARY PAYMENT FOR A PERIOD OF UP TO 10 DAYS for workers who, in violating the internal procedures laid down by the Organisational Model or in adopting a conduct

which is not consistent with the rules prescribed by the Organisational Model in carrying out activities in areas at risk, or in performing acts against its interest inflict damage to the Company or puts its assets in jeopardy. In fact, such types of conduct reflect a damage inflicted or the creation of a dangerous situation for the Company's assets or the performance of acts against its interest arising from the failure to comply with instructions brought to the staff's knowledge through memos and other suitable means.

- 4) DISMISSAL WITH PAY IN LIEU OF NOTICE for workers who, in carrying out activities in areas at risk, adopt a conduct which is not consistent with the rules prescribed by the Organisational Model and is unequivocally intended to commit an offence sanctioned by Legislative Decree 231/2001. In fact, such type of conduct reflects a substantial loss or the creation of a very dangerous situation.
- 5) DISMISSAL WITHOUT NOTICE for workers who, in carrying out activities in areas at risk, adopt a conduct in grave violation of the rules prescribed by the organisational Model and that is such as to entail the right of application of the measure by the Company.

The above sanctions will be applied in accordance with the type and extent permitted by the Company's existing disciplinary code, in relation to:

- a) wilfulness of the act or degree of negligence, imprudence or malpractice, with respect also to the predictability of the event;
- b) the worker's overall conduct, with special emphasis on the existence of previous violations, or lack thereof, in accordance with the law;
- c) the worker's responsibilities;
- d) the functions performed by the workers in the events leading up to the violation;
- e) the other particular circumstances in which the violation occurred.

5.2 MEASURES AGAINST MANAGERS

If, in performing activities in areas at risk, a manager violates the internal procedures laid down by the Organisational Model, the most suitable measures to be adopted against such manager will be in accordance with the provisions of the Labour Agreement for managers of insurance companies.

The top management should be informed of violations in order to take the necessary decisions.

6 SANCTION SYSTEM FOR EXTERNAL WORKERS AND DIRECTORS

6.1 MEASURES AGAINST EXTERNAL WORKERS

Every agreement/engagement with independent workers (temporary workers, agents, contract workers, sub-contractors, etc.) includes a termination clause in case the Model is violated.

6.2 MEASURES AGAINST DIRECTORS

In case the Model is violated by a director, the Supervisory Body will be required to notify the Board of Directors and the Board of Auditors, which will take the most appropriate action in accordance with the Italian Civil Code.

7 DISCIPLINARY SANCTIONS AGAINST THOSE FOUND TO BE RESPONSIBLE FOR VIOLATING THE OBLIGATION OF CONFIDENTIALITY IN THE MANAGEMENT OF THE REPORTS

In case of violation of the obligation of confidentiality of the identity of the whistleblower and of other subjects, whose identity must be protected, the Company has provided for specific forms of disciplinary responsibility for the subjects competent to manage the confidentiality of reports.

Regarding the sanctions applicable in this case, please refer to the Disciplinary Code of the Company.

8 PROTOCOLS

As prescribed by Legislative Decree no. 231/01, Article 6, paragraph 2, letter b) in reference to the definition of "*specific protocols aimed at planning the reaching and implementation of the entity's decisions in respect of the offences to be prevented,*" the Company has organised and gradually updated and supplemented a system of organisational and managerial protocols geared towards forming a specific control system oriented towards preventing the commission of the offences.

In particular, for the adoption and subsequent updating of the Model, the Company has periodically:

- analysed the control system safeguarding the methods of implementation of potentially attributable unlawful conduct;
- assessed the adequacy of the control system, as well as surveyed and identified possible areas for improvement.

This activity (i) initially resulted in the preparation of specific application procedures aimed at governing the sensitive areas and then (ii) gave rise to a process of gradual extension and supplementation of the system for preventing the offences in the context of the broader overall system for controlling and managing company risks.

Upon the conclusion of that process, HDI Assicurazioni, in accordance with the Decree's requirements, supplemented its system for preventing the 231 offences in the context of its risk control and management system, by identifying, within that system, the set of safeguards of an organisational/managerial nature and the control mechanisms that permit adequate prevention of the commission of offences in the context of the sensitive areas.

9 DIVULGENCE AND TRAINING

The Company ensures the divulgence of the contents and principles of the Model both inside and outside of the Company.

Divulgence and training activities are based on principles of completeness, clarity, accessibility and continuity in order to enable the various recipients to gain full knowledge of the company rules they are required to abide by and the ethical rules that must inspire their behaviour.

Divulgence and training activity is coordinated by the Supervisory Body.

With specific reference to training on safety in the workplace, we refer to the activities carried out towards that end by the designated company functions, reporting that the company considers training in that area as an essential component of the Model and that performing duties that may influence health and safety in the workplace requires a suitable degree of competence, to be verified and nurtured through training. In this way training ensures that all personnel, at all levels, are aware of the importance of aligning their actions with the Organizational Model and of the possible consequences arising in the case of behaviour that is not consistent with the rules contained in the Model.

Each employee must be adequately trained, with particular reference to his or her own function and duties. Training must be provided at the moment of hiring, transfer or change of duties or when introducing new work equipment, technology or substances, etc.

The Company must provide training based on periodically-assessed needs.

APPENDIX 1
DESCRIPTION OF THE CRIMES

(see Italian version)

APPENDIX 2
DEFINITION OF PUBLIC BODY

(see Italian version)