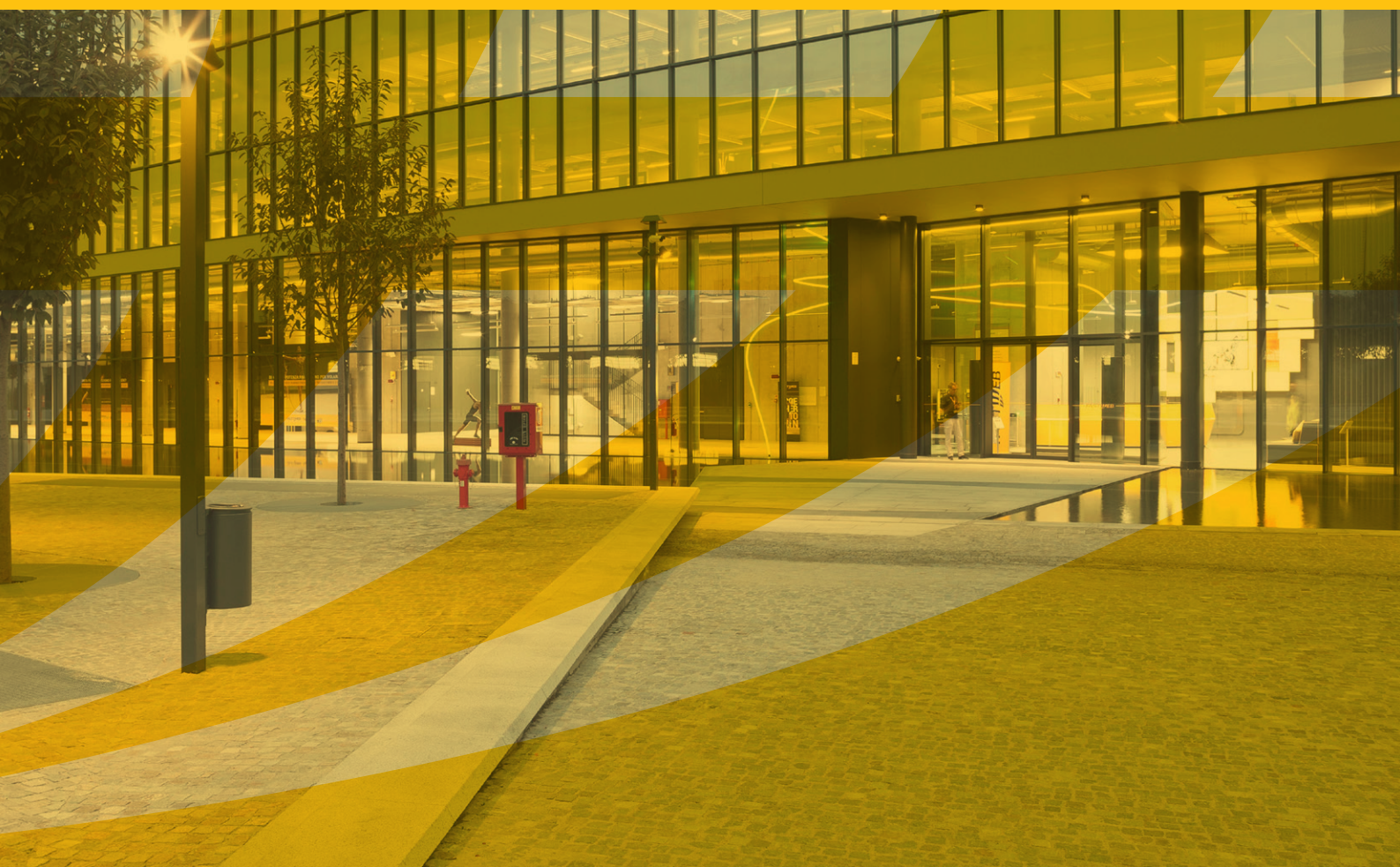




ORGANISATIONAL, MANAGEMENT and CONTROL MODEL FASTWEB S.P.A.

"ADMINISTRATIVE LIABILITY FOR COMPANIES" (Legislative Decree 231/2001)
Approved by the Board of Directors of Fastweb S.p.A. on March the 5th 2021



FASTWEB

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GENERAL SECTION

Definitions

- **"Recipients"**: members of the corporate bodies, those who perform management, administration, direction or control functions in the Company or in one of its organisational units with financial and functional autonomy, managers, employees of the Company and, in general, all those who work under the direction and/or supervision of the aforementioned persons;
- **"Independent Control Committee" or "ICC"**: Independent Control Committee set up by Fastweb S.p.A.;
- **"NCLD"**: National Collective Labour Contract (CCNL - Contratto Collettivo Nazionale di Lavoro) currently in force and applied by Fastweb S.p.A.;
- **"Consultants"**: those who work in name and/or on behalf of Fastweb according to consulting assignments;
- **"OLO"**: Other Licensed Operators;
- **"Legislative Decree 231/2001" or "Decree"**: Legislative Decree No 231 of 8 June 2001 and subsequent amendments;
- **"Fastweb" or "the Company"**: Fastweb S.p.A.;
- **"Fastweb Group"**: Fastweb S.p.A. and its subsidiaries Fastweb Air S.r.l., 7Layers Group S.r.l. and 7 Layers S.r.l.;
- **"Anticorruption Guidelines"**: document that describes the anticorruption measures adopted and implemented by Fastweb;
- **"Confindustria Guidelines"**: Guidelines for creating organization, management and control models in accordance with Legislative Decree 231/2001 approved by the Confindustria on 7 March 2002 and subsequent amendments and integrations;
- **"Models" or "Model"**: that/those organization, management and control model/models set out in Legislative Decree 231/2001;
- **"Group Code of Ethics"**: the Code firstly adopted by Fastweb S.p.A. on 27th August 2004 and subsequently updated;
- **"the 231 procedures"**: internal procedures related to the sensitive processes for the committed crimes provided for by the Leg. Decree 231/2001;
- **"Supervisory Body" or "S.B."**: body in charge of supervising operation and observance of Model and relative update;
- **"Data Protection Officer" or "DPO"**: person in charge of processing personal data pursuant to the GDPR (General Data Protection Regulation);
- **"PA"**: Public Administration, including public officials and subjects in charge of public services;
- **"Partners" or "Commercial Partners"**: Fastweb's contract partners, such as for example suppliers, contractors and subcontractors, agents trade agencies, dealers, retailers, VAR (Value Added Reseller), buyers, advertising agencies and Media Centers, System Integrator, consultants, whether natural or corporate, with whom the company establishes a regulated working relationship (purchase and sale of goods and services, temporary association - ATI, joint ventures, consortiums etc.), in order to work with the company staff within Sensitive Processes;
- **"Sensitive Processes"**: Fastweb activities that involve the risk of committing Crimes;
- **"Offences/crimes"**: crimes provided by the Legislative Decree 231/2001 (the list should be possibly integrated in the future);
- **"Sustainability Report"**: reporting document through which Fastweb communicates to the Company's Stakeholders the social and environmental impacts of its activity.



Premise

Fastweb S.p.A. has proceeded to update its organizational, management and control model, as a result of the regulations governing administrative liabilities of companies for certain crimes, introduced by Italian Legislative Decree no. 231/2001.

This Organisational, Management and Control Model was approved by Fastweb Board of Directors' Resolution in their meeting on 1 December 2004 - in its initial version- and has been many times subsequently updated in accordance with changes introduced by Legislative Decree 231/2001, as well as those recommended by doctrine and case law.

In drawing up this Model, Fastweb, as a member of Confindustria, was inspired by the guidelines approved by the Confindustria on 7th March 2002 and updated on 23rd July 2014.

However, any differences noted compared to the content of the Guidelines in no way influences the validity hereof as the Model is adapted to the Company's reality and therefore may well differ from the Confindustria Guidelines - of a general nature – for specific prevention and protection needs.

Moreover, the rules of conduct contained herein are consistent with the Group Code of Ethics, firstly adopted by Fastweb on 27th August 2004 and subsequently revised, even though this Model aims to observe Legislative Decree 231/2001.

The Fastweb Model consists of:

- a) this General Part;
- b) the rules of conduct and organizational procedures already in force within Fastweb that aim to control relevant behaviour, facts or acts in accordance with Legislative Decree 231/2001 amongst which:
 - Company by-laws;
 - Internal delegation system (powers delegated by the Board of Directors and powers delegated with regards to the use of signatures);
 - Group Code of Ethics;
 - Company procedures, documents and provisions relating to the Fastweb organization and company hierarchical functional structure and management control system;
 - Rules governing Fastweb administrative, accounting, financial and reporting systems;
 - Staff communication and training rules;
 - National Collective Labour Contract for

Telecommunication services companies and relative disciplinary system;

- National Collective Employment Contract for managers of manufacturing and service companies;
- Internal circulars, procedures, guidelines, risk assessment activities and enforcement regulations organized into "Integrated Management System for "Quality, Environment, Security and Safety";
- Guidelines on Internal Fastweb Control system approved by the Independent Control Committee;
- Corporate Governance principles.

Even though the above-mentioned rules of conduct and procedures have not been issued explicitly in accordance with Legislative Decree 231/2001, they aim to control the overall conduct of those representing the Company or employed by the Company (the Recipients) and, therefore, contribute to preventing those crimes set out in Legislative Decree 231/2001.

Fastweb has also adopted the "Anticorruption Directive" and the "Anticorruption Directive, Invitations to events": these policies have been drawn up on the basis of the structure and contents of Swisscom Group similar documents and on the basis of the operational activities, business and laws applicable to Fastweb.

The principles, rules and procedures set out in the aforementioned instruments, are not detailed in this Model, but are part of the wider organisation and control system.

- c) the Special Parts, regarding the specific categories of crime relevant to Fastweb and relative applicable regulations.

Besides the Model, the Group Code of Ethics and the other corporate rules and procedures, Fastweb has decided to enhance its commitment to fight against any unlawful conduct, especially concerning corruption, by adopting the Anti-corruption Guidelines.

Fastweb has implemented the Antitrust Compliance Program in compliance with the fair competition principle provided by the Group Code of Ethics.

In order to improve its internal processes and develop a business culture based on transparency and accountability, Fastweb yearly communicates the results of its efforts through the publication of the Sustainability Report.



1. LEGISLATIVE DECREE 231/2001 – SUBJECTS, CRIMINAL OFFENCES AND SANCTIONS

1.1. Direct corporate liability for criminal offences

The administrative liability of companies, and organizations in general, was introduced by Italian Legislative Decree no. 231/2001 governing the "Discipline of administrative liability of legal persons, companies and associations, even if not legal persons", and is a result of certain criminal offences committed in the interests of or benefiting the hereinabove entities, individuals representing, managing or running said entities or financially

independent organisational units, as well as individuals involved in the management and control of said entities and, finally, individuals managed or supervised by the aforementioned entities.

Corporate liability is direct and in addition to that of the natural person that has committed the criminal offence.

1.2. Crimes

Criminal offences that could result in administrative liability are expressly stated in the Decree and successive regulatory measures which have broadened its scope. To date these are:

- Crimes against the Public Administration (Leg. Decree 231/2001 articles no. 24, modified by the Law 161/2017, and 25, recently amended by Legislative Decree no. 75 of 14 July 2020);
- Computer crimes and unlawful treatment of data (Article 24-*bis*, added by Law 48/2008 and amended by Law No. 133 of 18th November 2019);
- Organised crime offences set out by Law 94/2009 concerning provisions regarding public security and modified by Law 69/2015 (Leg. Decree 231/01 art. 24-*ter*);
- Embezzlement, extortion, undue induction to give or promise benefits, bribery and abuse of office (Article 25, amended by Law 190/2012 and last integrated by Legislative Decree no. 75 of 14th July 2020);
- Counterfeit money, credit card and revenue stamps crimes and other means introduced by D.L. 350/2001, converted in Law 409/2001 integrated later by law 99/2009 and recently modified by Leg. Decree 125/2016 (Leg. Decree 231/2001, art. 25 *bis*);
- Crimes against industry and trade introduced by Law 99/2009 (Leg. Decree 231/2001, art. 25 *bis*.1);
- Corporate crimes introduced by Leg Decree 61/2002 and updated by Law 190/2012, Law 69/2015 and Leg. Decree 38/2017, that modified private corruption provisions (art. 25 *ter*);
- Crimes for the purpose of terrorism and to subvert democratic order in accordance with Law 7/2003 (Leg. Decree 231/01, art. 25 *quater*);
- Crimes set out by Law 7/2006 concerning female genital mutilation (Leg. Decree 231/01 art.25 *quater*-1)
- Crimes against individuals as provided by Law 228/2003 and modified by Law 199/2016, which introduced the labour exploitation crime (Leg. Decree 231/2001 art. 25 *quinquies*);
- Market abuse crimes as stated in part V, title I-bis, paragraph II of the Consolidated Finance Act Leg. Decree 58/1998, introduced by Law 62/2005 (art. 25 *sexies*);
- Health and Safety offences at the workplace, as provided by Law 123/2007 and later updated by Leg. Decree 81/2008 (Leg. Decree 231/2001 art. 25 *septies*);
- Receiving of stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering (Leg. Decree 231/2001 art. 25 *octies*, introduced by Legislative Decree 231/2007 and amended by Law 186/2014);
- Copyright offences introduced by Law 99/2009 (Leg. Decree 231/2001 art. 25 *novies*);
- Crimes concerning the induction not to make declarations or to make false declarations to judicial authorities introduced by Law 116/2009 and amended by Legislative Decree No 121 of 7 July 2011, (Leg. Decree 231/2001 art. 25 *decies*);
- Environmental crimes (art. 25 *undecies* of Leg. Decree



- 231/2001, as introduced by Leg. Decree 121/2011 and modified by Law 68/2015 and Leg. Decree 21/2018)
- Employment of extra EU citizens without a legal permit as provided by Leg. Decree 109/2012 (art. 25-*duodecies* of Leg. Decree 231/2001) and recently modified by Law 161/2017, which added the provisions of art. 12, par. 3, 3 *bis*, 3 *ter* and 5 of Leg. Decree 286/1998;
- Racism and xenophobia crimes (art. 25 *terdecies*, introduced by Law 167/2017 e modified by Leg. Decree 21/2018);
- Fraud in sport competitions, abusive gaming or betting and gambling by means of prohibited devices (Article 25 *quaterdecies* provided for by Law No. 39 of 3rd May 2019);
- Tax offences (Article 25 *quinqüesdecies* added by Law no. 157 of 19th December 2019 and amended by Legislative Decree no. 75 of 14th July 2020);
- Smuggling offences (Article 25 *sexiesdecies* introduced by Legislative Decree no. 75 of 14 July 2020);
- Transnational crimes (Law 146/2006);
- Violation of the disqualification penalties, as provided by the paragraph no. 23 Leg. Decree 231/2001.

2. EXEMPTION FROM LIABILITY

The law (Articles 6 and 7 of Italian Legislative Decree no. 231/2001) states that companies are exempt from liability if they demonstrate that they have adopted and properly implemented the organizational, management and control models aimed at preventing the hereinabove corporate crimes, without prejudice to the personal liability of those who commit said crimes.

Adopting said Models is not compulsory, but a prerequisite for corporate liability exemption.

In adopting the Model, the Company has set up a Supervisory Body to monitor its operation, efficacy and observance as well as to make sure it is updated.

3. MODEL GUIDELINES

In March 2002 Confindustria was the first trade association to issue Model's basic Guidelines. These were later updated in May 2004 and then in July 2014 ("Guidelines").

Confindustria Guidelines form the basis for constructing the Model. According to these guidelines, the operative steps in order to implement a risk management system include the following fundamentals:

- **Inventory of company activities**, by identifying sensitive processes and risk areas, i.e. the corporate areas/sectors where there exists the abstract possibility that prejudicial events could occur as provided for by Leg. Decree 231/2001 (the so-called "Corporate risk map");
- **Potential risks analysis** and the potential ways that the crimes could be committed, the so-called "map of the potential ways of carrying out the crimes";

- **Assessment/construction/adjustments of the internal control system**, in order to prevent the 231 crimes from being committed, through the description of preventive controls put in place, detailing each system component and the necessary adjustments.

The more important components (the so-called "Protocols") of a preventive control system identified by Confindustria with reference to the malicious crimes are:

- Group Code of Ethics with reference to the mentioned crimes;
- Organizational structure;
- Manual and IT procedures;
- Authorisation and signature power;
- Management control system;
- Informing and training employees.



With reference to culpable crimes (e.g. crimes against health and safety in the workplace and some environmental crimes), the more significant components of a preventive control system identified by Confindustria are:

- Group Code of Ethics (with reference to the mentioned crimes);
- Organizational structure;
- Training;
- Informing and involving employees;
- Operating management;
- Safety monitoring system.

The control system components should be integrated into the corporate architecture, respecting the following principles:

- Each operation/transaction/action should be documented, verifiable, consistent and appropriate;
- Segregation of duties, whereby no single

person can manage an entire process nor have unlimited power. This is achieved by defining and communicating clearly the authorization and signature powers granted in accordance with the organizational responsibilities assigned

- Controls should be documented and supervised.

The control system should also include the adoption of ethical principles which could be relevant about 231 crimes, as documented in the Group Code of Ethics.

An appropriate disciplinary system should be defined in relation to the breach of the ethical principles and of the corporate protocols.

The above-mentioned Guidelines are subject to updates in order to keep them in line with changes in legislation due to the introduction of new criminal offences in the Decree.

4. FASTWEB MODEL

Fastweb, in accordance with the principles of ethics and governance on which its rules of conduct are based, has developed the Integrated Risk Assurance Approach, an integrated way to manage the compliance activities related to the Leg. Decree no. 231/2001, the Law no. 262/2005 ("market abuse"), the Law no. 190/2012 (anti-corruption), the Law no. 136/2010 (financial flows traceability), Leg. Decree no. 50/2016 (public tenders), Reg. no. (European) 2016/679 (GDPR) and the Antitrust Compliance Program according to the AGCM Guidelines dated on 25th September 2018.

Fastweb has deemed necessary the adoption of this Model through the Board of Directors' resolution referred to in the introductory paragraph above (in accordance with the provision set out in Article 6 paragraph 1, letter a) of Italian Legislative Decree no. 231/2001), and has set up a Supervisory Body (hereinafter also "S.B.").

This Model has been revised periodically as a result of internal organizational changes, changes in the law regarding the administrative liability of companies, as well as the monitoring and control activities carried out by

the S.B.: specifically, internal rules were reviewed in May 2008 and then they have been updated several times. In addition, during the last years several analysis of the risks have been carried out, such as that one aimed at taking into account the spin-off of the Wholesales business segment from Fastweb S.p.A. to Fastweb Wholesale S.r.l. and the following merger thereof.

The Model has not been adopted and implemented solely for the Company to benefit from corporate liability exemption, but is an integral part of the rules of Corporate Governance, strongly desired by the Company's Top Management.

Said Model shall also be subject to any changes or additions approved in the same way.

Fastweb's Board of Statutory Auditors has acknowledged the Model and is working with the Company on its implementation within its duties assigned to it by Law, in accordance with the provisions set out in the Model itself.

1. All the editions of the Confindustria Guidelines were then judged adequate by the Ministry of Justice (with reference to the 2002 Guidelines, see the "Note of the Ministry of Justice" of 4 December 2003, with reference to the 2004 and 2008 updates, see the "Note of the Ministry of Justice" of 28 June 2004 and the "Note of the Ministry of Justice" of 2 April 2008 and for the latest version on March 2014 see the "Note of the Ministry of Justice" of 21 July 2014).



5. FASTWEB SPA

5.1. Corporate history and development

In September of 1999 e.Biscom was founded in Milan, following the entrepreneurial project to develop a new generation of alternative transmission networks to the traditional ones. During the first months the corporate focus was to create a capillary fibre network in Milan. e.Biscom was the parent company of several companies, among which there was Fastweb, wholly-owned subsidiary, providing telecommunication services. In December 2004 Fastweb was merged into e.Biscom in accordance with a Board of Directors' resolution in April 2004. This merger represented the natural outcome of the rationalization process which began in 2002 in order to focus on its core business: broadband landline telecommunication services in Italy. The Company changed its name to Fastweb and continued to be quoted on the Milano Stock Exchange and be included in S&P Mib40. In March 2007 Swisscom, the Swiss ex-incumbent TLC operator, launched a total takeover bid to acquire Fastweb. Since May 2007 Swisscom controls Fastweb holding 82,1% of the share capital.

On the 24th March 2010 Fastweb Wholesale S.r.l., integrally owned by Fastweb, was set up; this company was focused on projecting, managing and selling telecommunication systems to companies and to OLO: on December 2014 Fastweb Wholesale S.r.l. was merged by Fastweb.

Fastweb completed the delisting's procedure in 2011, so the Fastweb's stocks are not listed any longer on the Stock Exchange and the whole shareholders' equity is now owned by Swisscom Italia S.r.l., whose stocks are not listed; in addition Fastweb is also no longer subject to Consob supervision or to Borsa Italiana regulation.

5.2. Fastweb S.p.A. corporate structure

On 7th August 2018, the new company Fastweb Air S.r.l. was established, fully owned by Fastweb into which the business unit acquired from Tiscali was merged on 16th November 2018. The Board of Directors of Fastweb Air S.r.l approved its own Organisation, Management and Control Model in March 2020.

Fastweb provides the subsidiaries with staff services pursuant to the intercompany agreements, making the internal control system effective in accordance with the

In 2011, Fastweb launched "Chili", the on demand web based TV, that now is a separate company owned by Fastweb (through e.Bismedia) and by other shareholders: the IPTV services has been provided by Fastweb until the 5th November 2012 and starting from the 1st of January 2013, this service is no longer available to the clients. In 2011, Fastweb reorganized the sales network, by adding to the resellers and to the large retailers, mono brand and franchising retailers.

During the 2012, Fastweb sold two of its branches: one of these affected the customer care activities carried out by the call centers of Milan and Catania (still operating the one of Bari); the other one concerned in particular networking (field and maintenance) activities, such as the activities of circuits' provisioning, network control centre's monitoring and sites' maintaining. Fastweb still keeps to run directly the activities of engineering and projecting the fiber network and of creating and developing new products and services.

In January 2017 Fastweb became a Full MVNO (Mobile Virtual Network Operator), providing the latest generation of mobile services, based on 4G and 4G plus technology, and carrying on its expansion strategy in order to implement 5G technology.

In November 2018 Fastweb made an agreement with Tiscali S.p.A. in order to buy the license for 40 Mhz in the 3.5 Ghz band and the Fixed Wireless Access (FWA) business unit, which allows Fastweb to participate in the 5G Italian Network deployment.

subsidiaries' independence.

Fastweb also holds two minority shareholdings in Flash Fiber (20%), founded in 2016 from a joint venture between TIM and Fastweb with the aim of building ultra-wideband infrastructure in certain metropolitan areas, and Open Hub Med (11%), a consortium representing Italy's first neutral hub for communications exchange in the Mediterranean area.



In 2020, changes were made to the corporate structure through the acquisition, directly and indirectly, of the companies Cutaway S.r.l. and Cutaway Solution S.r.l., respectively, specialized in Cloud and ICT projects. Both companies were merged into Fastweb S.p.A. on 1 December 2020. In September 2020, Fastweb S.p.A. acquired a 70% shareholding in 7Layers Group S.r.l. and 7 Layers S.r.l., leading companies in Cyber Security services.

The governance structure of the companies is characterized by the presence of a Board of Directors and a Statutory auditor who also acts as external auditor.

The Board of Directors of 7Layers adopted its own Code of Ethics in September 2019 as part of a project to improve governance aimed at reducing the risks of committing the offences set out in Legislative Decree 231/2001.

Fastweb is organized by business on the basis of customer type: Consumer & Small Business (customers and small enterprises), Enterprise (medium and large enterprises) and Wholesale, supported by Technology and Marketing Enterprise & Wholesale and Marketing Consumer.

6. THE DRAWING OF THE MODEL

6.1. Model Structure

The Model aims at ensuring that the Company's risk prevention and management system complies with the provisions of Legislative Decree no. 231.

Fastweb's model is updated according to the Decree's subsequent amendments, latest judicial cases, doctrinal opinions and best practices adopted by principal companies, as well as examples of self-regulation that set out guidelines and control standards for an internal organizational system.

Referring to environmental, information security, health and safety regulation, the Company has implemented an Integrated Management System for "Quality, Environment, Security and Safety", certified according to the voluntary standard ISO 14001:2004, ISO 27001:2013, OHSAS 18001:2007 and coherently with the requirements provided for by paragraph 30 of the Leg. Decree 81/2008 and further amendments in compliance with the Circular of the Trade and Social Politics Ministry of the 11th of July 2011.

Fastweb's specific attention at protecting the security and confidentiality of data transferred by digital means has let the Company to obtain the following certifications:

ISO 27018 regarding services provided via cloud, ISO 27017 regarding information security controls for suppliers of cloud services, ISO 27035 regarding the information security incident management.

Fastweb has implemented the provisions of the General Data Protection Regulation and the Leg. Decree 196/2003, lastly modified by Leg. Decree 101/2018, by adopting security measures and procedures and by appointing the DPO.

The Model consists of a "General Section" and four "Special Sections" that describe the internal controls aimed at minimizing the risk of committing the following crimes as defined by the Decree:

- Crimes committed against the Public Administration (as defined by articles 24 and 25 of Legislative Decree no. 231/2001);
- Corporate crimes (as defined by article 25-ter of Legislative Decree no. 231/2001);
- Crimes against individuals (as defined by art. 25-quinquies and art. 25 quater¹ of Legislative Decree no. 231/2001);
- Crimes in relation to health and safety in the work

- place (crimes contemplated by art. 25-*septies*);
- Money laundering crimes (those crimes contemplated by art. 25-*octies*);
- Computer crimes and unlawful treatment of data (as defined by art. 24-*bis*);
- Crimes for the purpose of terrorism and to subvert democratic order, Organized crime offences, Transnational crimes (as defined by art. 24-*quarter*, 24-*ter*; art.3, art.10 of L.16 march 2006, n°146);
- Crimes against Industry and Trade, Counterfeit money, credit card and stamp duty crimes (as defined by art. 25-*bis*.1 and art. 25-*bis*);
- Copyright Crimes (as defined by art. 25-*novies*);
- Environmental crimes (as defined by art. 25-*undecies*);
- Crimes of employment of extra EU citizen without legal permit (as defined by art.25-*duodecies*);
- Tax offences (as defined by art. 25-*quinquiesdecies*);
- Smuggling offences (as defined by art. 25-*sexiesdecies*).

The risk of committing the crime of female genital mutilation, set forth by paragraph 25-*quarter*.1 of the Decree and the risk of committing organized crimes for organ trafficking provided by artt. 416, par. 6 c.p. and 601 *bis* c.p., and the racism and xenophobia crimes referred to in Article 25 *terdecies* of the Decree, have not been considered, due to the fact that these crimes cannot affect conducts related to corporate activities in the interest or in the advantage of the Company.

The risk of committing the crime provided by art. 453 c.p., as modified by Leg. Decree 125/2016 (concerning excessive production of currency from an authorized person) has not been considered applicable.

The risk of committing the agricultural fraud offence provided for in Article 24 of the Decree was not considered applicable, since the company's object and activities cannot present opportunities for the conduct punished by this offence to be carried out.

The risk of committing the crime of inducing persons not to make declarations or to make false declarations to judicial authorities, as provided for by paragraph 25 *decies* of the Decree and by the Law 146/2010 for the transnational crimes, has been considered extremely low and already sufficiently avoided by the principles of the Group Code of Ethics and by the rules implemented by the Company in the sensitive areas of "Inspections management", "Disputes management" and "Relations to Authorities management".

The employment of extra EU citizens without a legal permit of stay is prevented by the checks on the documents required to the new employees at the moment of the hiring. In addition, further specific contractual provisions ban the cases of selling the contracts or subcontracting (save expressed authorization) and require that the suppliers use only regular workforce in compliance with the existing provisions of law.

The risk of committing the crime of facilitation of illegal immigration has been considered hypothetically (but remotely) existent with regard to the activities of suppliers selection carried out by Purchasing. However, the rules of the Group Code of Ethics and the ones provided for sensitive process no. 3 ("Purchasing of goods and services, including advice and marketing services") – sensitive areas "Selection and qualification of suppliers" and "Acquisition of services from suppliers to provide goods and services to clients" have been considered adequate; the risk of committing this crime has been considered also with regard to the "Human Resources Management" process.

The risk of committing the crime of labour exploitation has been considered hypothetically existent with regard to the sensitive areas "Selection and qualification of suppliers and trading partners", "Relationship with Agencies and commercial network", "Sales management for Enterprise clients", "Sales management for Consumer and Small Business", "Human Resources Management". The risk of bribery between private subjects has been identified with reference to the sensitive processes "Commercial relations for the purchase of goods/ services including consultancy and marketing services (so-called passive cycle)" and "Management of the sale of goods and services", as well as with reference to the so-called "instrumental" sensitive areas and activities, i.e. all those activities (such as, for example, the risk area "Management of payments") which could provide the money or other benefits required by Article 2635 of the Civil Code as the price of corruption between private individuals: in addition to the controls described in these parts of the Model, the Company has also adopted the Group's Code of Ethics, the Anti-Corruption Guidelines, the "Anti-Corruption Directive" and the "Anti-Corruption Directive, Invitations to Events", and promotes awareness among all employees as part of training and information initiatives.

The risk of committing the offence of fraud in sporting



competitions has been assessed as abstractly configurable with reference to sponsorships in favour of athletes envisaged in the sensitive activity "sponsorship management".

Within the provision of services to Fastweb Air S.r.l.

6.2. Model function and guiding principles

The purpose of this Model is to provide a structured, organic system of control procedures and activities (both preventive and ex-post) that aims to minimize the risk of committing crimes.

The principles and rules contained in the Model are intended to make subjects that operate in name of, and/or on behalf of, and/or in the interests of the Company (members of the company bodies, employees, partners, etc.), and whose activities could lead to criminal offences, aware that certain types of conduct are illegal, and that committing such offences is totally unacceptable, firmly condemned by, and contrary to the interests of Fastweb

according to specific intercompany contracts, Fastweb personnel operates by promoting the application of the internal control system in compliance with the peculiarities and management autonomy of the subsidiary.

even when it may appear that the Company would benefit from such actions. Moreover, it should be noted that committing such crimes will not only incur those sanctions provided by law, but also internal, disciplinary actions.

In addition, thanks to constant monitoring of corporate activities and the ability to react rapidly, Fastweb is in a position to prevent crimes and inflict any sanctions deemed necessary. Therefore, the role of the Supervisory Body described in this Model is of fundamental importance.

7. SENSITIVE PROCESSES WITHIN FASTWEB

A number of Sensitive Processes have been identified through mapping out the various activities and risks to assess Model compliance with the Company's organizational and working structure. This was carried out:

1. **identifying those crimes** envisaged by the Decree that could potentially be committed in carrying out Company business;
2. **mapping of corporate activities at risk**, indicating the relevant sensitive activities (so-called "Sensitive Processes");
3. **identifying the potential method of committing crimes** relevant for the Company;
4. **analysing**, for each sensitive area, **the adequacy of existing controls and procedures**;
5. **identifying any improvements** that can be made in the internal control system and the relating corrective actions to put in place (gap analysis), as well as defining a plan for their resolution;
6. **updating of the internal control system** in order to reduce the identified risks to an acceptable level.

7.1. Mapping of the sensitive areas

Identifying sensitive areas laid the basis for developing and updating the Model.

This activity was carried out taking into consideration and analysing the Company context, regarding both the operating and organizational structure, in order to identify in which areas/sectors of activity and in what ways prejudicial events could occur for the offences envisaged by the Decree.

In particular, from the analysis of the organisational structure

and operations of the Company it was possible to:

- a) **identify the offences** which may theoretically be committed and relevant for the Company;
- b) **revealed the areas** in which abstractly applicable crimes could occur, autonomously or together with third parties.

As a result of the aforesaid analysis, a list of sensitive processes has been drawn up; within the list, the areas/



activities to which the potential risk of commission of offences is directly or indirectly linked have been indicated, also with reference to the concerned Team or business functions.

It is appropriate to note that, according to Confindustria guidelines and jurisprudence tendencies, the analysis

7.2. Internal Control System analysis

Following the mapping of the sensitive processes and the identification of the ways in which the crimes could occur, interviews were conducted with the objective of identifying the main risk factors that could facilitate the committing of crimes. The current Internal Control System was then analysed in order to verify its adequacy. The identification and analysis of existing Company controls was performed (the so-called "As-is-analysis") in order to identify gaps, thus formulating recommendation and action plans (so-called "Gap Analysis").

The Internal Control System analysis was carried out to check:

- Existence of general behavioural rules for all the company activities;
- Existence and adequacy of company rules and procedures to regulate company activities and their

7.3. Internal Control System and Risk Management

Following sensitive activities mapping, risk identifying and Internal Control System analysis, for each Company activity, the related risks have been assessed and also the elements on which the Company's Internal Control System is based and the behavioural rules and the control and monitoring activities carried out have been described.

For all the Company activities not mentioned in this Model, the Company assessed the Group Code of Ethics and its application suitable for risk prevention, there being no indication of the need for further control activities considering that these activities represent a remote risk.

The Internal Control System analysis was conducted to verify that it was designed to respect the following control principles:

- **Existence of formalized procedures/guidelines:** existence of specific documents that regulate behavioural principles and operating procedures for carrying out activities, with clear and comprehensive

was conducted considering mainly the episodes which involved the Company's life (so-called "historical analysis").

As for the processes hypothetically involving the risk of committing 231 crimes, reference is to be made to the Model's specific Special Parts.

consequential respect of the principle of traceability of operations, decision making process practice and the presence of adequate presiding controls;

- Segregation of duties concept;
- Existence of an authorization process guaranteeing an adequate control of the decision-making process;
- Existence of control and monitoring activities of 231 sensitive activities.

The Internal Control System analysis and assessment were expressly carried out in compliance with the provisions of the 231 Decree and a description of the principal existing preventive controls within the Company was prepared taking into consideration the control standards recommended by the Confindustria Guidelines.

definitions of roles and responsibilities and which set out the methods of filing the relevant documentation appropriately;

- **Traceability and ex-post verifiability of transactions by way of adequate documental/IT system support:** verifiability, documentation, consistency and appropriateness of operations, transactions and actions, in order to guarantee adequate documental support allowing the performance of specific controls;
- **Segregation of duties:** the existence of a preventive and balanced distribution of the responsibilities and established adequate authorization levels, also within the same organization unit, which are suitable to prevent a mixture of roles which are potentially incompatible or excessively concentrate responsibilities and powers on individuals;
- **Existence of a delegation and proxy system, coherent with the assigned organizational responsibilities:** the granting of executive, authorization and signature powers which are consistent with the organizational and managerial responsibilities, in addition to being clearly defined and known within the Company.



8. THE SUPERVISORY BODY

8.1. Defining the S.B.

The S.B., in accordance with Article 6 (b) of the aforementioned decree, charged of overseeing the Model's efficacy, working, and compliance and of ensuring its updating, is a Collective Body composed of a member of the Independent Control Committee, the Chief Audit Executive and an external member expert in criminal law.

This Body is characterized by all the requirements indicated by the Confindustria's guidelines and in particular:

- Professionalism as the S.B. has multidisciplinary skills in relation to corporate governance and internal control: specifically, the members have detailed knowledge and consolidated experience in criminal law regarding corporate crimes, inspectoral activities and risk assessment;
- Continuity of action, as the Supervisory Body is composed by the Chief Audit Executive who promotes the effectiveness of the Model and tests its application while carrying out his activities. In particular, the S.B. relies on the Compliance and Risk Management Team, a dedicated function which cooperates on risk monitoring and prevention and also gives support for information and training activities, on a continuous basis as well as keeping an eye on and checking activities which are subject to risk. The function is also in charge to guarantee synergies with the Anti-corruption Guidelines provisions.
- Autonomy and independence, as the S.B. holds a high position in the Company's hierarchy, indeed it reports to the Managing Director, and does not report to any functions which carry out operating activities. Moreover, each member of the S.B. presents the characteristics of autonomy and objectivity of judgement as they have neither operating tasks nor do they take decisions in relation to the operating activities of the Company.

Moreover, in order to guarantee the greatest autonomy possible, in drawing up the Company budget,

management must approve sufficient financial resources, proposed by the Supervisory Body, in order to carry out its duties (e.g. specialist advice, travelling, etc.). Finally, appointment to become a member of the Supervisory Body is subject to the following ineligibility criteria:

- spouse or close relative, to the IV degree, of members of the Board of Directors, Company auditors and auditors assigned by the auditing company;
- even potential conflicts of interest with the Company such to prejudice the independence required by the Supervisory Body's role and duties;
- direct or indirect ownership of shares such to exercise a significant influence on the Company;
- occupying administrative functions – in the three years prior to being appointed a member of the Supervisory Body or establishing advisory/collaborative relationships with the Body – within companies subject to bankruptcy, compulsory winding up or other proceedings;
- employed by central or local administrations in the three years prior to being appointed a member of the Supervisory Body or establishing advisory/collaborative relationships with the Body;
- sentence, even if not final, applying penalty on request (so-called "plea bargaining"), in Italy and abroad, for those crimes set out in Decree Law 231/2001 or other crimes prejudicing professional morality;
- sentence, even if not final, however with order ascertaining liability, that involves disqualification from holding public office, even temporarily, that is temporary disqualification from the offices of corporate persons and companies.

Should one of the above mentioned criteria being applicable to a member of the S.B., this will cause the immediate loss of office.

The Board of Directors, with just cause and the prior the consent by the Board of Statutory Auditors, can demand any member to be removed in case of serious breach.

8.2. Term and replacing S.B. members

Supervisory Body members remain in office for the same period as those of the Board of Directors.

The Supervisory Body will inform the Board of Directors immediately of any members resigning, removed or losing their post so that they may see to their

8.3. Supervisory Body duties

The S.B. will oversee:

1. model efficacy and suitability with regard to corporate structures according to its ability to prevent those crimes specified in Legislative Decree 231/2001;
2. the observance of the Model by the Recipients;
3. Model updates, if deemed necessary as a result of changing conditions, such as changes to the company's internal structure and/or company activities and prescriptive amendments

From an operational point of view, the S.B. will also be responsible for the following tasks:

1. implementing those control procedures set out in the Model, however on the understanding that, control activities are to be the primary responsibility of management in general and are considered an integral part of all corporate processes ("line control");
2. identifying company activities to update mapping of those areas of activity at risk within the company;
3. working with other corporate functions to monitor activities in areas at risk carrying out periodic routine and random controls on sensitive company activities;
4. verifying the need to update the Model;
5. regularly checking operations or specific acts

The Board of Directors is responsible for determining remuneration for S.B. members.

replacement as soon as possible. All Supervisory Body members must inform the Board of Directors on a timely basis of any of the aforementioned hypotheses resulting in the need to replace a member.

implemented in areas of activity at risk;

6. collecting, processing and filing Model observance related information, as well as updating the list of information that must be transmitted or made available to the S.B.;
7. checking that documents required by the Model for the various types of criminal offences are present and filed and enforced correctly;
8. periodically reporting to those Fastweb's bodies listed in section 8.4 hereunder, as regards enforcement of the corporate policy supporting activities pursuant to Legislative Decree no. 231/2001.

The Control System monitoring each sensitive process pursuant to the Decree is verified by the S.B. on the basis of the control principles set out in paragraph 7.3.

Within the activity of coordination of the application of the Model by the subsidiaries, Fastweb's S.B. promotes that the S.B. of the subsidiaries/participated companies cooperate in order to create a coherent control system.

The Fastweb S.B. is entitled to acquire, without any intermediation and in compliance with the law in force, relevant documents and information and to carry out, individually or jointly with the S.B. of subsidiaries/shareholdings, periodical controls and checks focused on the single risky activities.



8.4. Activities and reporting of the Supervisory Body

S.B. activities involve two types of reporting:

- the first, continuous reports to the Managing Director;
- the second, at least six-monthly reports to the Independent Control Committee, Board of Directors and Board of Statutory Auditors.

The S.B., in carrying out its activities, holds periodic meetings with company management and controlling bodies. Minutes of these meetings will be drawn up, and a copy kept by the S.B. and the boards concerned.

The S.B. draws up at least twice a year a written report on its activities for the Independent Control Committee, the Board of Directors and the Board of Statutory Auditors, as well as a plan of activities planned for the following six months; updates on the progress of monitoring activities are given at each meeting of the Independent Control Committee.

The S.B. will work with the competent corporate functions involved in the various specific profiles and in particular, but not exclusively, Human Capital and Legal and Regulatory Affairs.

8.5. Reporting to the Supervisory Body

Fastweb's employees, managers and directors must inform the Supervisory Body of any information they may learn of as regards application, interpretation and breaches of the Model that may result in crimes being committed or attempts to commit crimes.

The type of information to be sent to the Supervisory Body and relative frequency are agreed between the Supervisory Body and those responsible for Sensitive Processes that will follow those methods and timescales agreed on. The Supervisory Body has set information flows with the DPO improving the cooperation without damaging their respective independence.

Communications may be carried out using the Supervisory Body's e-mail address (organo.vigilanza@fastweb.it) The Supervisory Body is not bound to bear in mind any anonymous reports that appear irrelevant, unfounded and not circumstantiated at first.

Failure to communicate relevant information may be sanctioned according to that set out herein.

Besides the above mentioned notifications, in relation to Crimes, the S.B. must be informed about:

- disciplinary measures and/or information relating to the existence of a criminal procedure, even towards unknown, related to facts of interest to the Company;
- applications for legal assistance sent to the Company by staff in case of criminal/civil procedures; reports prepared by heads of company functions in relation to their control activities where facts could emerge regarding respect of the Model.

In order to guarantee multiple communication channels and a continuous and transparent confrontation, based on the Group Code of Ethics trust and initiative values, the "Policy Whistleblowing: management of notifications" defines the methods of notification of:

- infringement of the corporate rules and procedures, such as the Model or the Group Code of Ethics;
- facts that might represent an hypothesis of crime to which the Leg. Decree no. 231/2001 applies.

The above said notifications, that must be detailed and based on precise and consistent facts, shall report conducts which are known because of the business activity carried out by the whistleblower.



8.6. Recurrent audits

Model controls will be carried out regularly, specifically analysing current procedures, corporate documents and the most significant contracts related to those areas at risk even on the request of the competent functions. The above mentioned controls can be delegated to

the Compliance & Risk Management function or to the Internal Audit, that will continuously report to the S.B. (also through specific documents) the results of the activity carried out.

8.7. Collecting and filing information

All information, recommendations or reports set out herein are kept by the Supervisory Body in an appropriate database (computerized or paper) for a period of at least 5 years.

Access to the database and to the S.B. mailbox is permitted exclusively to members of the Independent Control Committee and Board of Directors, Executive Directors and Compliance & Risk Management.

Since the Company's main objective is that of enforcing

the Model in the best way possible, everyone will work with the S.B. in respecting those timescales agreed on and making any useful suggestions as to how to improve Model efficacy to achieve its purpose.

The notifications received under the provisions of "Policy Whistleblowing: management of notifications" shall be managed while guaranteeing an enhanced level of confidentiality; for this reason, only Chief Audit Executive can know the aforesaid communications.

9. INFORMING AND TRAINING EMPLOYEES

9.1. Communication

In order to guarantee Model efficacy, Fastweb will ensure that both current employees and those who will be employed in the future are fully aware of the rules of conduct

contained herein according to the level of the employee's involvement in the Sensitive Processes.

9.2. Training

The information and training system is managed by Human Capital together with the S.B., as well as those in charge of all the other Functions/Team involved in the application of the Model.

Training activities aimed at disseminating knowledge of those regulations set out in Legislative Decree 231/2001 and subsequent amendments are differentiated in

content and implementation methods according to recipient qualifications, level of risk of the areas in which they work and whether or not they represent the company or have been assigned powers.

In particular, specific training programs are provided for:

- company management and controlling bodies;
- management;



- employees that work in specific areas at risk;
- all of the other newly-hired employees.

All training programs will have a minimum content in common consisting in the illustration of those principles set out in Legislative Decree 231/2001, those elements forming the Organizational, Management, and Control Model, those individual crimes set out in Legislative Decree 231/2001 and conduct deemed sensitive as regards the aforementioned crimes.

In addition to this common template each training program will be formulated in such a way as to provide participants with those tools necessary to observe that set out in the Decree as regards their field of work and relative duties.

Specifically, all the newly-hired employees will receive an e-mail which provides all the due information concerning the content of the Group Code of Ethics and of the Model; the employees will also have to attend the e-learning course "Leg. Decree 231/01 and 231 Model".

Training is provided according to the deadlines indicated in the schedule and in any case following regulatory changes to the liability regime of corporate entities and following significant updates of the contents of this Model.

Attending the aforementioned training programs is compulsory and the Supervisory Body is responsible for checking attendance.

10. RECIPIENTS AND IMPLEMENTATION FIELD

The Model include all the activities carried out by the Company; and the Recipients are identified as members of the corporate bodies or as managers, administrators, executives and directors of the Company (or of one of its units specifically provided with financial and functional autonomy) or even as the employees and, in general, as anybody working under the supervision and/or control of the above-mentioned persons (everybody, collectively, the "Recipients").

Any principle and control standard provided for by the

Model also refers - limited to the existing contract - to those who, although not being part of the Company, work by proxy for it or in its behalf or are anyway connected to the Company by juridical relevant relations. Such Recipients due to specific contractual clauses shall behave in the respect of the existing provisions of law and in any case in order to prevent the commission, even attempted, of the related crimes as punished by the Decree.

11. PROCEDURE FOR THE ADOPTION OF THE MODEL

Being the Model a Managing Body's act, pursuant to paragraph 6, comma 1, let. a) of the Decree, its further updates and amendments are responsibility of Fastweb Board of Directors or Managing Director, save further definitive ratification of the Board as depositary of the original power to manage it.

Any change and/or integration to the Model that does not require a previous risk assessment can be promoted by the Supervisory Body who will inform the Managing Director thereof. Then, the Managing Director will decide the approval expecting for the definitive ratification of the Board.

12. DISCIPLINARY SYSTEM

12.1. General principles

Model efficacy is also linked to the suitability of the disciplinary system in order to ensure the observance of the rules of conduct and, in general, of the internal procedures and regulations.

Applying disciplinary sanctions to breaches of the rules of conduct and failure to observe company regulations is independent of any criminal judgment, as these regulations have been freely adopted by the Company without regard for the nature of the offence.

Sanctions will be proportioned to the severity of the offence; recidivism is also taken into account in order to inflict the sanction of expulsion.

Incorrect interpretation of those principles and rules set out in the Model may only be justified in cases of conduct in good faith where the obligations imposed by the Model exceed those limits of understanding expected from a diligent person with reference to the specific task performed.

The Supervisory Body is notified of the opening of any disciplinary proceedings and of any dismissal and sanction measures relating to the proceedings referred to in this chapter. No disciplinary measure for violation of the provisions of the Model against any person may be adopted without previous discussion with the S.B. In order to promote and guarantee the efficiency of the whistleblowing system, Fastweb prohibits every discriminatory or retaliatory action towards the whistleblower, whenever these conducts are directly or indirectly linked to the subject of the notification; Fastweb also provides specific sanctions in case of breach of the aforesaid principle.

Nevertheless, Fastweb aims to a correct use of the whistleblowing system especially by avoiding any abuse that could undermine its credibility; for these reasons, Fastweb provides disciplinary measures for anyone who will intentionally submit an unsubstantiated notification.

12.2. Sanctions for employees covered by National Collective Labour Contracts (NCLC) employed by telecommunication services companies

In the case of employees, those sanctions defined in the NCLC (Italian CCNL – Contratti Collettivi Nazionali di Lavoro) for the category concerned shall be applied, in accordance with the procedures set out in Article 7 of the Workers' Statute.

When applying those regulations governing workers contained in the NCLC in force, disciplinary action may include:

1. verbal reprimand, warning, fine (not over 3 hours of basic salary), suspension from work and suspended pay (up to a maximum of 3 days) for workers breaching those internal procedures set out in the Model (e.g., failure to observe fixed procedures, failure to communicate required information to the S.B., failure to carry out controls, etc.) or do not behave in accordance with the provisions of the Model when performing Sensitive Process related activities; the same measures, including lawful dismissal for misconduct, will be applied in case of breach of the provisions aimed at protecting the whistle-blower; the severity of the sanction will be determined based on the gravity of the violation;
2. termination of employment for defaults (in accordance with art. 48 of applicable NCLC) for workers that, in carrying out Sensitive Processes: a) perform acts that are not in compliance with the provisions of the Model and in clear breach of the provisions of Legislative Decree 231/2001 deeming such behaviour so serious an infraction of discipline and official duties

as to render continuation of employment impossible, even temporarily, or, b) have been convicted of one of the criminal offences. The same sanction will be applied towards the employee who takes discriminatory or retaliatory actions against whoever submits a notification under "Policy Whistleblowing: management of notifications", for reasons which are connected, directly or indirectly, to the content of the notification itself;

3. the sanction of dismissal for misconduct (under art. 48 of the applicable national collective agreement) can be applied to the worker who intentionally submits ungrounded notifications under the "Policy Whistleblowing: management of notifications".

The relative charge shall be contested before adopting any disciplinary measures against workers hearing the latter's defence.

All notices shall be in writing, except for verbal reprimands, and disciplinary measures shall only be taken once 5 days have elapsed during which time workers may submit justification.

Measures shall be communicated in writing accompanied by the relative reasons.

Contesting breaches, disciplinary measures, and applying sanctions fall within the limits of those parties to whom the relative powers have been assigned by company management.

12.3. Measures taken against Management

The company shall apply those measures deemed most appropriate in accordance with the relative NCLC should any manager breach those procedures foreseen by the Model or set out in carrying out Sensitive Process related activities, thus not behaving in compliance with the provisions of the Model.

Managers who take discriminatory or retaliatory actions towards a person who has made a report under the

"Whistleblowing Policy: management of notifications", whenever these conducts are directly or indirectly linked to the subject of the notification, can be liable to dismissal.

The same sanction can be applied whenever Managers intentionally submit an unsubstantiated notification under the "Policy Whistleblowing: management of notifications".

12.4. Measures taken against Board Members

The S.B. shall immediately inform the Board of Directors and Auditors of any breaches of the Model committed by Board Members so that they may adopt the most appropriate measures within their respective areas of responsibility, including calling a shareholders' meeting to discuss removal of the party concerned. The relative communications shall be addressed directly to all members of the Board of Directors, to the Chairman of the Board of Statutory Auditors and to regular auditors. The S.B. shall also inform the Independent Control Committee.

Without prejudice to any other action to protect

Fastweb, the Board Member who takes discriminatory or retaliatory action towards anyone who has made a report in accordance with the "Whistleblowing Policy: management of notifications", whenever these conducts are directly or indirectly linked to the subject of the notification, can be liable to termination of the mandate. The same sanction can be applied to the Board Member who intentionally submits an unsubstantiated notification under the "Policy Whistleblowing: management of notifications".

12.5. Measures taken against Statutory Auditors

The S.B. shall immediately inform the Board of Directors and Board of Statutory Auditors of any breaches of the Model committed by the Board of Directors Members so that they may adopt the most appropriate measures within their respective areas of responsibility, including calling a shareholders meeting to discuss removal of the party concerned. The relative communications shall be addressed directly to all members of the Board of Directors and Board of Statutory Auditors (Chairman and regular auditors). The S.B. shall also inform the Independent Control Committee.

Without prejudice to any other action to protect Fastweb,

the Statutory Auditor who takes discriminatory or retaliatory action towards anyone who has made a report in accordance with the "Whistleblowing Policy: management of notifications", whenever these conducts are directly or indirectly linked to the subject of the notification can be liable to termination of the mandate.

The same sanction can be applied to the Statutory Auditor who intentionally submits an unsubstantiated notification under the "Policy Whistleblowing: management of notifications".

12.6. Measures taken against the S.B.

Supervisory Body members, Auditors or Directors will inform the Board of Statutory Auditors or Board of Directors immediately of any breaches hereof on the part of one or more Supervisory Body members: said bodies shall take, prior contesting said breach and allowing the appropriate defence, the appropriate measures amongst which, for example, dismissing the Supervisory Body member who has breached the Model and subsequent appointment of a new member or dismissing and re-appointing the entire Supervisory Body.

Without prejudice to any other action to protect

Fastweb, S.B. Member who takes discriminatory or retaliatory action towards anyone who has made a report in accordance with the "Whistleblowing Policy: management of notifications", whenever these conducts are directly or indirectly linked to the subject of the notification can be liable to termination of the mandate.

The same sanction can be applied to the S.B. Member who intentionally submits an unsubstantiated notification under the "Policy Whistleblowing: management of notifications".

12.7. Measures taken against Partners

In the event that Consultants or other Suppliers/Partners commit crimes defined by Legislative Decree 231/2001 or otherwise violate the rules of this Model, the corporate functions that have relations with the parties involved will

apply all those contractual provisions and applicable laws available to protect the rights of the company, including, if necessary, termination of the contract and compensation for damages.

13. DELEGATION AND PROXY SYSTEM

Corporate Management and Legal Affairs will inform S.B. of the proxy system adopted by the Company, all

subsequent modifications, as well as any proxy system audits carried out by the competent function.

14. RULES OF CONDUCT IN RELATIONSHIPS WITH EMPLOYEES AND EXTERNAL STAKEHOLDERS

In addition to rules provided by the Model, in performing corporate activities the Directors, Executives and Employees of Fastweb, as well as Partners limitedly to their contractual duties must know and comply with:

1. the applicable regulations;
2. Group Code of Ethics;
3. Anti-corruption Guidelines;
4. Antitrust Compliance Program;
5. the Internal Control System (ICS), procedures and guidelines adopted by Fastweb and the rules regarding the corporate organization and the management control system.

The general bans, as shown below, are directly applicable to Fastweb Directors, Executives and Employees and to Partners pursuant to specific clauses.

It is forbidden to keep behaviors that individually and collectively may be considered as the crimes provided by the Decree; it is also banned to act in breach of the procedural principles as defined in this General Section.

Fastweb, in adopting the rules of conduct carries out its mission developing relationships with stakeholders based

on respect of the principles of integrity and transparency.

As regards relationships with stakeholders that may be of particular importance for sensitive activities within the Organisational Model, Fastweb selects staff according to merit and profile of candidates compared to company expectations and needs: all activities are carried out in accordance with those principles set out in the rules of conduct and in particular impartiality and equal opportunities for all subjects involved.

In relationships with customers Fastweb's conduct is based on principles of honesty, understanding and respect, with a view to establishing a highly professional relationship.

Selection of potential customers and definition of terms and conditions of sale of company assets and/or services must be based on an objective assessment as to the reliability and quality of customers and other qualifying aspects and must be carried out in line with principles of impartiality and equal opportunities refuting any arbitrary discrimination.

Relationships with customers must be constantly monitored, respecting the principle of separating duties and responsibilities.

As regards relationships with suppliers purchase processes are based on the search for a legitimate competitive advantage for Fastweb, offering equal



opportunities to suppliers, loyalty and impartiality.

In particular, employees/collaborators must adopt objective and documentable criteria in selecting suppliers. The selection of suppliers and definition of terms and conditions of purchase must be based on an objective assessment of quality, price and the ability to supply and guarantee appropriate service levels.

In relationships with Public Administrations Fastweb follows those ethical principles set out in the rules of conduct and adopted by the organization respecting those procedures defined in relationships with Public Administrations, in particular in those operations with regards to: tenders for contract, contracts, authorizations, licenses, concessions, requests for and/or management and use of finance and contributions of public origin (national and community), order management, relationships with the Supervisory Authorities or other independent authorities, social security bodies, those in charge of collecting taxes, bankruptcy proceeding bodies, civil, criminal or administrative proceedings, bodies in charge of safety and preventing accidents and any other body belonging to the Public Administration.

Referring to the risk of committing the **crimes against the Public Administration**, it is forbidden:

- to give money to Italian or foreign officials;
 - give or receive gifts in violation of corporate rules (i.e. any kind of gift which exceeds the common business, social practices or courtesy or any kind of gift aimed at obtaining facilitations in running business activities; in particular, it is forbidden to give any kind of gift to public officials, both Italian and foreign, and to their relatives, which can influence their independence or provide any advantage to Fastweb. Only negligible gifts and the ones used to promote charities, cultural activities and the corporate image are permitted. All the gifts offered – except for the negligible ones –
- must have supporting documentation with adequate and suitable evidences to allow the Supervisory Body checks, as provided by the “Gift Policy”, the “Anti-corruption Directive” and the “Anti-corruption, Invitation to events”;
- to give or promise any kind of advantages to Public Administration representatives, both Italian and foreign, which may provoke the above mentioned effects (these rules and those provided by this paragraph refer to all the relations with public offices, Public Officials and persons in charge of a public service);
 - request a promotion with cut rates or reduced prices and give it to Public Administration representatives, to client companies, suppliers or partners employees as payment to obtain unfair facilitations in the interests of or benefiting Fastweb;
 - assign or delegate the use of business cars, both personal and car pool, to someone not authorized by Fastweb;
 - receive performances from Partners which do not have an adequate motivation in the contractual relationship;
 - give money to Partners which do not have an adequate motivation in the contractual relationship or in the local business practices;
 - submit false declarations to public offices, bodies or Authorities, both Italian and European, in order to obtain any kind of financing, grants or public funds;
 - use grants or public funds, issued by Italian or European public offices or bodies, for purposes not provided or not allowed;
 - abuse of the role of public official or manager of public service, forcing or inducing someone to



unlawfully give or promise money or other benefits. The Company's employees may be qualified as public service appointees for activities relating to the sale of goods and services to the community: the rules of conduct, fairness and transparency defined by the Group's Code of Ethics and the Model are also applied to these cases, although the qualification of public service appointee is not certain or clearly identifiable in the many situations in which the Company operates.

With reference to the risk of commission of **corporate crimes**, the following duties are stated:

1. keep a correct, transparent and collaborative conduct, in compliance with the law and internal company procedures, in all activities aimed at drawing up the financial statements and other company communications, in order to provide shareholders and third parties with true and correct information on the company's economic, equity and financial situation;
2. keep correct behaviour, in compliance with the law and internal company procedures, paying the utmost attention and accuracy in the acquisition, processing and illustration of accounting data, necessary to allow a clear representation of the company's patrimonial, economic and financial situation, even on the evolution of its activity;
3. strictly observe all the rules laid down by law to protect the integrity and effectiveness of the share capital, in order to avoid damaging the guarantees of creditors and third parties in general;
4. protect the proper functioning of the company and its corporate bodies by guaranteeing and facilitating all forms of internal control over the company's management provided for by law, as well as the free and correct development of the meeting's resolutions;
5. avoid to carry out simulated operations or to spread false information capable of causing a significant alteration in the price of the financial instruments of the companies which control Fastweb;
6. carry out all communications envisaged by the internal rules timely, correctly and in good faith in order to allow to report to the companies which control Fastweb;
7. keep a fair behaviour in commercial transactions and cooperation relations, avoiding to give or promise money or other benefits to induce the counterpart to perform and/or omit acts in violation of its obligations and with undue interest and/or advantage of Fastweb;
8. giving or promising money, goods or other benefits

unrelated to the contract scope during or as a result of ongoing business negotiations.

In the framework of the above-mentioned behaviour, it is forbidden to:

with reference to the previous point 1:

- a) report or forward false, incomplete or in any case untrue data on the economic and financial situation of the Company for the drafting and representation in financial statements, reports and prospectuses or other corporate communications;
- b) omit data and information required by law on the economic and financial situation of the Company;

with reference to the previous point 2:

- a) illustrate data and information in a way that misrepresents the company's true assessment of its patrimonial, economic and financial situation and the development of its activities;

with reference to the duty referred to in the previous point 3:

- a) to return contributions to shareholders or discharging them from the obligation to fulfil them, except in cases of lawful reduction of the share capital;
- b) to distribute gains or advances on gains which have not actually been earned or which are allocated to reserves by law;
- c) purchase or subscribe stocks of the company or of its subsidiaries outside the cases provided for by law, with damage to the integrity of the share capital;
- d) to reduce the share capital, to carry out mergers or demergers, in violation of the provisions of the law protecting creditors, causing them damage;
- e) to make fictitious constitution or increase of the share capital by allocating stocks for a value lower than their nominal value on the occasion of the share capital increase;

with reference to the previous point 4:

- a) adopting behaviours that obstruct materially, through the concealment of documents or the use of other fraudulent means, or that in any case hinder the performance of control and audit activities by the Board of Statutory Auditors or the audit company;
- b) determining or influencing the adoption of the assembly's resolutions, by carrying out simulated or fraudulent acts aimed at modifying the regular procedure of formation of the assembly's decision;



with reference to the previous point 5:

- a) publishing or disseminating fake news, or carrying out simulated transactions or other fraudulent or deceptive conduct concerning financial instruments of the companies that exercise control over Fastweb;

with reference to the previous point 6:

- a) omitting to make, with the appropriate completeness, accuracy and timeliness, the periodic communications required by the internal rules;
- b) disclose untrue facts in such communications, or conceal material facts concerning the company's economic, patrimonial or financial situation.

with reference to the previous point 7::

- a) ask for a company discount and/or goods at a reduced price in order to allocate it to public officials or representatives of customers', suppliers' or partners' companies as a reward to obtain undue favourable conditions or behaviour in the interest or to the advantage of Fastweb;
- b) allocate and delegate the use of company cars, both personal and pooled, to persons other than those expressly authorised by the Company.

With reference to the risk of committing **crimes against the individual**, the following duties are established:

- the Directors, Managers and in general the Employees apply organisational and contractual measures to verify the compliance of the Business Partners with the laws on child labour, women's labour and respect for workers in accordance with the legislation in force, as well as the hygiene and health rules in the workplace;
- the Business Partners comply with the regulations in force;
- Fastweb regulates the organisation of trips to foreign countries, signing contracts with qualified suppliers and avoiding conventions, award trips and other trips for employees that are in any way connected to destinations that are clearly known for sex tourism;
- Fastweb promotes and trains its employees in the correct use of the IT tools in their control through the dissemination of information activities and the document "Information Security Policy".

With reference to the risk of committing **crimes of**

receiving of stolen goods, money laundering and the so-called reinvestment of money or other benefits of unlawful origin and of self laundering, the following duties are established:

- not to maintain business relations with persons (physical or legal) known or suspected to belong to criminal organisations or in any case operating outside the law, such as, but not limited to, persons linked to money laundering, drug trafficking or usury;
- not to carry out financial and/or commercial transactions with counterparties that operate under unclear corporate structures and/or obstruct the correct identification of the corporate structure (ownership) and/or the real beneficiaries of the transaction;
- keep a correct, transparent and collaborative behaviour, in compliance with the law and internal company procedures, in all activities aimed at the data management of foreign suppliers/clients/partners;
- report to the Supervisory Body any operation that shows anomalous features, suspicious reasons or red flags listed below with regard to the lawful origin of the funds involved in the transaction or the reliability and transparency of the counterparty;
- comply with the general rules on means of payment laid down in Legislative Decree 231/2007 (e.g. rules on cheques, prohibition on holding bearer securities above certain thresholds and/or the prohibition on transferring cash over €3,000);
- do not accept cash payments and be careful with payments from foreign credit institutions, especially if they are based in tax havens;
- suspend/terminate a relationship with the customer where, after appropriate consultation with the manager (and the head of the Team involved, if any) and with Security & Real Estate, there is evidence that the customer's behaviour is not in line with the regulations, the laws and the control principles set out in this document. The reports, as well as any interruption of the relations must be made with the utmost timeliness;
- ensure the correct management of the tax strategy, also with regard to any transactions with the countries listed in the so-called "black list" defined by the Ministerial Decree of 21st November 2001 and with



those with a privileged tax regime set out in the Ministerial Decree of 23rd January 2002 and their subsequent amendments and additions, including the European blacklists;

- identify and implement specific internal control programmes with particular regard to the management of payments and treasury, agreements/joint ventures with other companies, intercompany relations, as well as relations with counterparts with registered offices and/or operative headquarters in countries with privileged taxation;
- implement a continuous training and information of company representatives on issues relating to the prevention of money laundering;
- give evidence of the activities and controls carried out.

Furthermore, in the process of client's acquisition, the competent functions must also assess the related "money laundering risk" profiles through the analysis of certain red flags such as, for example:

- the client's field of activity and business, as well as the corporate purpose (in case of a legal entity);
- transaction from foreign bank accounts;
- the customer's residence/registered office in "tax havens" or in "non-cooperative" countries referred to in the FATF lists;
- the payment of the operation is made by financing from a bank established in one of the countries mentioned above;
- the customer wants to settle the transaction with an amount of money exceeding € 3,000 in cash, or with bearer bank or postal passbooks or bearer securities (cheques, money orders, certificates of deposit, etc.) in Euros or foreign currency, or with instruments which are outside normal business practice;
- the customer carries out transactions of an amount just below the threshold of EUR 3,000;
- the customer intends to settle the transaction by means of cheques with progressive serial numbers or several cheques of the same amount with the same date;
- the customer pushes for the transaction to be closed quickly.

Besides the above-mentioned rules, particular attention must be paid to any atypical activities carried out by the Company, in respect of which it is necessary to perform a continuous monitoring aimed at avoiding the commission of money laundering offences: atypical activities are to be considered all those which do not fall within the scope of the sale of telephone services and the sale of data services.

The head of the relevant department must be informed before undertaking any operation pointing out one of the above-mentioned anomaly indicators.

With reference to the risk of commission of **crimes against industry and trade**, the following duties are established:

- anytime there is a risk of carrying out activities that could conflict with, and thus infringe, industrial property rights belonging to third parties (including the use of technology covered by a registered patent), a preliminary check must be carried out on previous patents and trademarks registered on behalf of third parties;
- include in contracts for the acquisition of products protected by industrial property rights specific clauses whereby the counterparty states:
 - to be the lawful owner of the rights of economic use of the trademarks, patents, distinctive symbols, designs or models subject to assignment or, in any case, to have obtained from the lawful owners the authorisation to license them for use by third parties;
 - that the trademarks, patents, distinctive symbols, designs or models assigned or licensed for use do not violate any industrial property rights held by third parties;
 - that undertakes to indemnify and keep unharmed Fastweb from any damage or prejudice due to the untruthfulness, inaccuracy or incompleteness of this declaration.

It is forbidden to:

- using other companies' business secrets;
- adopt behaviours aimed at obstructing the normal performance of the economic and commercial activities of Fastweb's competitors;
- carry out fraudulent acts capable of producing a diversion of the customers of others and damage to



the company's competitors;

- unlawfully reproducing, emulating, manipulating trademarks, distinctive symbols, patents, industrial designs or models held by third parties;
- using trademarks, distinctive symbols, patents, industrial designs or models counterfeited by third parties in the industrial and/or commercial field;
- introducing industrial products bearing trademarks or distinctive symbols counterfeited or corrupted by third parties into the territory of the State for trade, holding for sale or placing in circulation in any way.

With reference to the risk of committing **copyright infringement crimes**, the following prohibitions are established:

- illegally obtaining, storing, reproducing, disseminating, distributing and/or using in the Company's activities (e.g.: drafting documents for conventions, meetings, institutional events, production and promotion of video contents; etc.) of materials obtained in violation of copyright protection laws;
- obstruct or omit, even by artifice and misleading, the fulfilment of the duties arising from the legislation on copyright protection.

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