



PURCHASING SERVICES ITALY S.R.L. WITH SOLE
SHAREHOLDER

**ORGANISATION, MANAGEMENT
AND CONTROL SYSTEM
PURSUANT TO THE LEGISLATIVE
DECREE 8 JUNE, 2001 NO. 231**

APPROVED BY THE BOARD OF DIRECTORS ON 01/09/2015.

REVISION	DATE	OBJECT
REV.01	01.02.2017	UPDATING OF THE NEW CORPORATE ORGANIZATIONAL STRUCTURE AND RECEPTION OF THE NEW REGULATIONS NEEDED AFTER THE APPROVAL OF THE PREVIOUS MODEL VERSION OF 01/09/2015

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- GENERAL SECTION -

FIRST SECTION

1. THE LEGISLATIVE DECREE JUNE 8, 2001 No. 231

1.1. ADMINISTRATIVE LIABILITY OF ENTITIES

The Legislative Decree 8 June, 2001 no. 231, regulating the "*Administrative liability of legal entities, companies and associations with or without legal entity*" (hereinafter: the "**Legislative Decree 231/2001**" or simply the "**Decree**"), came into force on July 4, 2001 in implementation of art. 11 of the Delegated Law 29 September 2000 no. 300 and introduced in the Italian legal system, in accordance with the EU regulations, the administrative liability of entities, where "entities" means commercial companies, corporations and partnerships, as well as associations with or without legal entity.

This new form of liability, although it is defined as "administrative" by the legislator, has all the characters of the criminal liability, since the judgement of the crimes from which the said liability derives is responsibility of the criminal court. At the same time, the entity has the same guarantees of a criminal trial.

The administrative liability of the entity derives from the commission of crimes, specifically referred to in the Legislative Decree 231/2001, committed, *for the interest or benefit of the entity itself*, by physical persons with functions of representation, administration or management of the entity or one of its organisational unities with financial and functional autonomy or actually managing and controlling the entity (the so-called "*senior management*"), or individuals subject to the direction or supervision of any of the subjects indicated above (the "*managed staff*").

In addition to the existence of the above requirements, the Legislative Decree no. 231/2001 also requires the establishment of the guilt of the entity, in order to be able to claim responsibility. This requirement is due to a "*organization guilt*", to be understood as the failure to adopt, by the institution, appropriate preventive measures to prevent the commission of the offenses listed in the following paragraph, by the institutions specified in the Decree.

If the entity is able to demonstrate that it has adopted and effectively implemented an organization capable of preventing the commission of crimes, through the adoption of the organizational, management and control model pursuant to Legislative Decree no. 231/2001, it will not be liable on grounds of administrative responsibility.

The liability of the company can occur even if the alleged crime configured manifests itself in the form of an attempt (pursuant to art. 26 of the Legislative Decree no. 231/2001), that is to say when the agent unequivocally performs suitable acts to commit the crime and the action is not completed or the event does not occur.

1.2. OFFENSES PROVIDED FOR BY THE DECREE

The offenses, the completion of which is seen as deriving from the administrative liability, are those expressly and strictly referred to in the Legislative Decree no. 231/2001 and subsequent amendments and additions.

The offenses currently included in the scope of the Legislative Decree no. 231/2001 are listed below. Please refer to ANNEX 1 of this document for details of the individual cases included in each family:

1. Offenses against the Public Administration (articles 24 and 25);
2. Computer crime and illicit data processing introduced into the Decree by Italian Law 48/2008 (art. 24-bis) and amended by Italian Legislative Decree. 7/2016;
3. Organised crime introduced into the Decree by Italian Law 94/2009 (art. 24-ter) and amended by Italian Law 69/2015;
4. Crimes relating to counterfeit currency, public credit cards, revenue stamps and instruments or signs of recognition, introduced into the Decree by Italian Law 409/2001 and amended by Italian Law 99/2009 and Italian Legislative Decree no. 125/2016 (art. 25-bis);
5. Crimes against industry and trade, introduced by Law 99/2009 (art. 25 bis 1);

6. Corporate crimes, introduced by Italian Legislative Decree 61/2002 and amended by Italian Law 262/2005 (art. 25-ter) and by Italian Law 69/2015;
7. Crimes for purposes of terrorism or subversion of the democratic order, introduced by Law 7/2003 (art. 25 *quater*);
8. Practices of mutilation of female genital organs, introduced by Law 7/2006 (art. 25 *quater* 1);
9. Crimes against individual personality, introduced into the Decree by Italian Law 228/2003 and amended by Italian Law 38/2006 (art. 25-quinquies) and by Italian Law 199/2016;
10. Market abuse, introduced by Law 62/2005 and amended by Law 262/2005 (art. 25-*sexies*);
11. Transnational offenses, introduced by Law 146/2006;
12. Manslaughter, serious harm or very serious injuries committed with violation of the rules on the protection of health and safety at work, introduced by Italian Law 123/2007 (art. 25-septies) and amended by Italian Legislative Decree. 81/2008);
13. Crimes related to receiving stolen goods, money laundering and use of money of illegal origin and self-laundering (art. 25-octies) introduced by Italian Legislative Decree 231/2007 and amended by Italian Law 186/2014;
14. Offenses regarding the infringement of copyright, introduced by Law 99/2009 (art. 25-*novies*);
15. Inducing persons not to make statements or to make mendacious statements to the judicial authorities, introduced by Law 116/2009 (art. 25 *decies*);
16. Environmental Environmental crimes introduced by Italian Legislative Decree 121/2011 (art. 25-undecies) and amended by Italian Law 68/2015;
17. Offense of employment of third-country nationals who are illegally staying, introduced by Legislative Decree 109/2012 (art. 25 *duodecies*).

1.3. SANCTIONS PRESCRIBED BY THE DECREE

The system of sanctions described by the Legislative Decree 231/2001, for the offenses listed above, prescribes, according to the offenses committed, the application of the following administrative sanctions:

- pecuniary sanctions;
- prohibitory sanctions;
- confiscations;
- publication of the sentence.

The prohibitory sanctions, which can be applied only if expressly provided for and also for precautionary reasons, are the following:

- interdiction from the exercise of the activity;
- suspension or cancellation of authorizations, licenses or concessions related to the offense;
- prohibition of closing contracts with the Public Administration
- exclusion from facilitations, financing, contributions and subsidies, and/or cancellation of those already granted;
- prohibition of advertising goods or services.

In addition, in accordance with the Legislative Decree 231/200, if there are the conditions for the application of a prohibitory sanction which includes the interruption of the activity of the company, the judge, instead of applying the said sanction, can opt for the continuation of the activity by an administrative receiver (art. 15 Decree) appointed for a period equal to the duration of the period of prohibition that would be applied, if at least one of the following conditions occurs:

- the company performs a public service or a service of public necessity the interruption of which may cause serious harm to the community;
- the interruption of the activity might have important repercussions on employment taking into account the size of the company and economic conditions of the area in which it is situated.

1.4. CONDITION EXEMPTING FROM ADMINISTRATIVE LIABILITY

Art. 6 of the Legislative Decree 231/2001 provides that the corporate body shall not be liable on grounds of administrative responsibility, if it demonstrates that:

- the managing body adopted and effectively implemented, before the commission of the offense, appropriate models of organization, management and control for the prevention of the kind of offenses occurring;
- the task of supervising the functioning and observance of the models and their update was entrusted to an organism of the body endowed with autonomous powers of initiative and control (so-called Supervising Organism);
- the individuals committed the offense eluding fraudulently the organization, management and control models;
- there has not been failure to monitor or inadequate monitoring on the part of the Supervising Organism.

Therefore, the adoption of the organization, management and control model enables the corporate body to be released from the charge of administrative responsibility. The mere adoption of this document, deliberated by the administrative organ of the corporate body, is not, however, in itself sufficient to exclude said responsibility, as it is necessary for the model to be effectively and actually implemented.

With reference to the effectiveness of the organization, management and control model for the prevention of the offenses provided for by the Legislative Decree 231/2001, it is required that the said model:

- identifies the business activities in which the offenses may be committed;
- provides for specific protocols aimed at scheduling the formation and implementation of corporate body decisions in relation to the offenses to be prevented;
- identifies methods for managing the financial resources capable of preventing the commission of the offenses;
- provides for obligations to inform the organism delegated to the supervision of the functioning and observance of the models;
- introduces a disciplinary system able to sanction failure to respect the measures indicated in the organization, management and control model.

With reference to the actual application of the organization, management and control model, the Legislative Decree 231/2001 requires:

- a periodic verification, and, in the case in which significant violations of the prescriptions imposed by the model are discovered or changes in the organization or in the activities of the corporate body or legislative modifications occur, modification of the organization, management and control model;
- the imposition of sanctions in the case of violations of the prescriptions imposed by the organization, management and control model.

1.5. CRIMES COMMITTED ABROAD

Pursuant to article 4 of the Decree, the entity may be held liable in Italy for the commission of certain crimes abroad. In particular, the art. 4 of the Decree provides that the entities domiciled in the national territory are also liable for offenses committed abroad in the cases and conditions provided for in Articles 7, 8, 9 and 10 of the Penal Code, provided they are not prosecuted by the State of the place where the crime was committed.

Therefore, the corporate body shall be liable when:

- its head office is located in Italy and is the actual center where administrative and management activities are performed; it may also be different from the location of the offices of the company or of its registered office (corporate bodies with legal status), or from the place where the activities takes place on an ongoing basis (corporate bodies without status);
- the state of the place where the crime was committed is not proceeding against the corporate

body;

- the request of the Minister of Justice, which may be linked to the criminal liability, also refers to the same corporate body.

These rules apply to crimes committed entirely abroad by top management or subordinates. For a criminal conduct that has taken place even partially in Italy, the principle of territoriality pursuant to art. 6 of the Criminal Code will apply, which states that "the crime is considered committed on the territory of the State, when its commission or omission occurred entirely or partially there, or if the event as a consequence of this commission or omission occurred there."

1.6. THE "GUIDELINES" OF CONFINDUSTRIA

Art. 6 of the Legislative Decree 231/2001 expressly provides that the organization, management and control models can be adopted on the basis of codes of conduct drawn up by the representative associations of the corporate bodies.

The Guidelines of Confindustria (the Confederation of Italian Industry) were ratified by the Ministry of Justice with the Ministerial Decree of 4 December 2003. The subsequent revision, published by Confindustria on 24 May 2004, was ratified by the Ministry of Justice, which judged such Guidelines appropriate for the achievement of the aims of the Decree. The said Guidelines were revised by Confindustria on March 2014 and ratified by the Ministry of Justice on 21 July 2014.

In defining the organization, management and control model, the Guidelines of Confindustria provide for the following planning phases:

- identification of the risks, i.e. the analysis of the business context in order to highlight in which areas of activity and in which ways the offenses provided for by the Legislative Decree 231/2001 may occur;
- setting up an appropriate control system to prevent the risk of commission of the offenses identified in the preceding phase, through the evaluation of the existing corporate body control system and the extent to which it meets the requirements expressed by the Legislative Decree 231/2001.

The following are the most important components of the control system outlined in the Guidelines of Confindustria in order to ensure the effectiveness of the organization, management and control model:

- the establishment of ethical principles and rules of conduct within a Code of Conduct;
- a sufficiently formalized and clear organizational system, in particular with regard to the attribution of responsibilities, the hierarchical dependence lines and the task description with specific provisions for control principles;
- manual and/or computerized procedures that regulate the carrying out of activities, with the provision of appropriate controls;
- authorizing and signing powers coherent with the organizational and management responsibilities attributed to the corporate body, providing, where appropriate, for expenditure limits;
- management control systems, able to promptly detect all operational risks, able to provide a timely warning of general and/or particular critical situations;
- information and communication with the personnel, characterized by extensiveness, effectiveness, authority, clarity and an appropriate level of detail and frequency, with the addition of a program of staff training differentiated according to the roles of the recipients.

Moreover, the Guidelines of Confindustria establishes that the components of the control system described above must comply with a series of control principles, including:

- verifiability, traceability, coherence and adequacy of each operation, transaction and action;
- application of the principle of the separation of functions and segregation of tasks (no one can autonomously manage an entire process);

- institution, execution and documentation of the process control activities and activities at risk of offenses.

SECOND SECTION

1. THE ORGANISATION, MANAGEMENT AND CONTROL MODEL OF IKEA PURCHASING SERVICES ITALY SRL WITH SOLE SHAREHOLDER.

2.1. THE COMPANY: PROFILE, GOVERNANCE AND ORGANIZATIONAL STRUCTURE

IKEA Purchasing Services Italy Srl with sole shareholder (hereinafter also the "Company") provides food products, products for furniture and the home, and research services for suppliers on behalf of third parties in order to promote, both in Italy and abroad, the furniture trade of every type and kind.

The company also conducts research activities for transport operators in order to facilitate the activities described above.

The activities described above are accompanied by delivery and quality checks during the production phase, under the supervision and control of other Group companies that have full responsibility for the procurement process of IKEA products.

With regard to governance arrangements, the Company does not directly or indirectly control other companies, while it is wholly owned by IKEA Purchasing Services Holding AG, based in Switzerland.

IKEA Purchasing Services Italy Srl with Sole Shareholder adopts a collegial multi-personal administration system, whereby its corporate organs are represented by the Board of Directors and the Board of Statutory Auditors (in the form of the Sole Auditor); the audit is entrusted to an external auditing company.

2.2. PURPOSE OF THE MODEL

The Company, sensitive to the need of ensuring conditions of fairness and transparency in business and corporate activities, of protecting its image and reputation, the expectations of its stakeholders and the work of its employees, is also aware of the importance of adopting an Organizational, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter the "**Model**"), suitable for preventing the unlawful conduct of its directors, employees and collaborators subject to management or supervision of the Company.

Although the adoption of the Model is not a requirement imposed by the Decree, but an optional choice of each individual corporate body, for the reasons mentioned above the Company decided to comply with the provisions of the Decree and started a project of analysis of its organizational, management and control instruments, in order to check the correspondence between the principles of conduct and the control procedures already adopted in the Decree and to provide, if necessary, an integration of the system in force.

The Company therefore approved the present version by resolution of the Board of Directors of the Organisation, Management and Control Model for the purposes of Italian Legislative Decree no.231/2001, on the assumption that the same constitutes a valid tool to sensitise the recipients to adopting correct and transparent behaviour.

Through the adoption of the Model, the Company intends to pursue the following objectives:

- prohibition of behaviours that could fall within the types of offenses mentioned in the Decree;
- raising the awareness that the violation of the Decree, of the provisions of the Model and/or of the principles of the Code of Ethics may result in the application of sanctions (pecuniary or prohibitory) also against the Company;
- promotion of a business culture based on legality, as the Company expressly disapproves any conduct contrary to the law, to regulations, to internal rules and, in particular, to the provisions contained in this Model and in the ethics documentation;
- highlighting the existence of an effective organization structure which is consistent with the adopted operating model, with particular emphasis on a clear allocation of powers, on the passing of resolutions and their transparency and motivations, on preventive and subsequent controls of acts and activities, as well as on the accuracy and truthfulness of the internal and external information;
- allowing the Company, through a system of control tools and a constant monitoring on the proper implementation of this system, to promptly prevent and/or counter the commission of serious offenses provided for in the Decree.

2.3. RECIPIENTS

The provisions of this Model are binding for the directors and for all those who hold, at IKEA Purchasing Services Italy Srl with Sole Shareholder, positions of representation, administration and direction or management and control, and for employees (including executives), for collaborators subject to the direction or supervision of senior managers of the Company, as well as for all third parties that are contractual counterparts of IKEA Purchasing Services Italy Srl with Sole Shareholder, and in general for all those who work to achieve the objectives of the Company (hereinafter "Recipients").

2.4. FUNDAMENTAL ELEMENTS OF THE MODEL

The fundamental elements developed by the Company in the formulation of the Model can be summarized as follows:

- the mapping of the so-called "sensitive" activities, with examples of possible ways of committing crimes and of the management/instrumental processes that, in principle, may create the conditions and/or the means for the commission of the offenses included in the Decree;
- the provision of specific control systems (as explained in the next Special Section and the related Sections of detail) to support management/instrument processes deemed to be exposed to a potential risk of committing crimes under the Decree;
- the establishment of a Supervisory Board entrusted with specific supervisory tasks on the effective implementation and application of the Model;
- the adoption of a penalty system (as explained in Section Four of the General Section of this Model) to ensure the effective implementation of the Model and containing the disciplinary measures applicable to the infringements of the provisions hereby contained;
- carrying out information and training activities on the contents of this Model (as further explained in the dedicated section of this General Section).

2.5. ETHICS DOCUMENTATION AND MODEL

The Company, which is determined to conduct business in compliance with the law and the core values of the Company, adopted the Code of Conduct of Inter IKEA Group (hereafter referred to as the "Code of Conduct") which establishes a set of rules of "business ethics" that the Company recognizes as its own and which requires compliance by its governing bodies and its employees.

Moreover, in order to ensure the protection of its business activities, in 2000 every Company of the Group released the document "IWAY standard", acronym of "*IKEA WAY on purchasing products, materials and services*", which defines the minimum requirements to be met (taking into account the environment and the working and social conditions) while purchasing products, materials and services.

IWAY standard is a "Code of Conduct" that must be observed in order to do business with IKEA.

Furthermore, the Company formally adopts its own Code of Ethics ("Code of Ethics supplementary to the Code of Conduct of the Group"), locally defined as an integration and a further identification of the ethical and behavioural principles of reference for the Company, also with regard to specific risk areas pursuant to Legislative Decree 231/2001.

The Model, whose provisions are in any case coherent and consistent with the principles listed in the ethics documentation (Code of Conduct of the Group, Local Supplementary Code of Ethics and IWAY Standard) responds specifically to the needs expressed by the Decree and is therefore designed to prevent the commission of offenses included in the framework of the Legislative Decree 231/2001.

In any case, the ethics documentation states principles suitable for the prevention of the unlawful behaviours provided for in the Legislative Decree 231/2001, therefore gaining importance also for the purposes of the Model and being integrant part of the latter.

2.6 METHODOLOGICAL DEFINITION OF THE MODEL

The Legislative Decree 231/2001, in Art. 6, par. 2, lett. a), specifically provides that the Organizational, Management and Control Model of the entity shall identify the corporate activities in which the offenses included in the Decree may be potentially committed.

As a consequence, the Company primarily carried out a deep analysis of its corporate activities.

In the context of this activity, the Company firstly analysed its organization structure, as represented by the Company's organizational chart, which identifies its management units and business functions, highlighting their roles and chains of accountability.

Subsequently, the Company analysed its corporate activities on the basis of the information collected by the company representatives who, because of the position they hold, possess the broadest and most thorough knowledge of the operations in the company sector of relative competence and of the corporate regulatory framework (policies and procedure at a local and Group level).

The results of the abovementioned activity were collected in a document, a technical annex of this Model ("Analysis of the risk profile", also "Matrix of Crime Risk Activities"), which details the risk profiles of commission of the offenses listed in Legislative Decree 231/2001 in the context of the corporate activities of the Company. This analysis is structured by each alleged family of offenses and details, with reference to each potentially applicable offense, the corporate activities (the so-called "sensitive activities") which can be theoretically associated, the examples of possible methods and purposes in carrying out said offenses, as well as the "sensitive processes", that is the management process of sensitive activities and/or processes (the so-called "instrumental processes"), during which, again in principle, the possible conditions, instruments and/or means for committing these offenses may arise.

THIRD SECTION

SUPERVISORY BOARD

Article 6, paragraph 1, of the Legislative Decree 231/2001 requires, as a condition to benefit from the exemption from administrative liability, that the task of monitoring the compliance with and the implementation of the Model and its updates is entrusted to a Supervisory Board within the corporate body that has independent powers of initiative and control and that performs continuously the tasks entrusted to it.

The Decree requires the Supervisory Board to perform its functions outside the operating processes of the Company, reporting regularly to the Board of Directors and outside any hierarchical relationship with the Board and the individual directors.

In compliance with the requirements of Legislative Decree 231/2001, the Board of Directors of the Company established the Supervisory Board conferring it a collective structure of three components, functionally dependent on the Board.

In particular, the composition of the Supervisory Board was designed to ensure the following requirements:

- *Autonomy and Independence*: this requirement is ensured by the collective structure, by the presence of external members and by reporting directly to the Board of Directors.
- *Professionalism*: this requirement is guaranteed by the professional, technical and practical knowledge of the members of the Supervisory Board. In particular, the chosen composition ensures adequate knowledge of legal matters and of the principles and techniques of control and monitoring, as well as of the organization and the main processes of the Company.
- *Continuity of action*: as for this requirement, the Supervisory Board must constantly monitor, through its powers of inquiry, the compliance with the Model by the Recipients, its implementation and update, by representing a constant reference for all the personnel of the Company. In particular, this requirement is ensured by the presence of an employee of the Company in the Board.

3.1. TERM, EXPIRATION AND REMOVAL FROM OFFICE

The members of the Supervisory Board will remain in office for three years and can be re-elected in any case. They are chosen among individuals with an ethical and professional profile of unquestionable value and should not be married with or be relatives of the Directors.

The employees of the Company or external professionals may be appointed as members of the Supervisory Board. The latter must not have relations with the Company that could result in possible conflicts of interests.

The remuneration of the members of the Supervisory Board, both internal and external to the Company, is not considered as conflicts of interests.

Interdicted, bankrupted individuals and those who were convicted, also with a non-definitive sentence, to a punishment involving a disqualification, also temporary, from public offices or the inability to carry out management activities, or those who were convicted, also with a non-definitive sentence or a plea bargaining, for the commission of one of the offenses provided for in the Legislative Decree 231/2001 cannot be appointed as members of the Supervisory Board and, if they do, their office will be revoked.

The dissolution of the Board of Directors constitutes grounds for the dissolution of the entire Supervisory Board, subject to the authority given to new Board of Directors to confirm, wholly or partially, the composition of the Supervisory Board.

Those members who have an employment contract with the Company shall be automatically dismissed from their office, in the event of termination of that relationship and regardless of its reason of termination.

The Board of Directors may revoke, by a Board resolution and after consultation with the Board of Auditors, the members of the Board at any time but only for a just cause.

The proper grounds for the removal of members may be the following:

- establishment of a grave failure by the Supervisory Board in performing its duties;
- failure to notify the Board of Directors of a conflict of interests that prevents the component from continuing his/her role in the same Board;

- a sentence of condemnation of the Company, that became final or a plea bargain, if the records show the lack of or an insufficient supervision by the Supervisory Board;
- violation of the obligations of confidentiality regarding news and information acquired during the exercise of the functions of the Supervisory Board;
- if a component linked with the Company by an employment relationship is subject to a disciplinary proceeding for acts resulting in the penalty of dismissal.

If the removal occurs without just cause, the removed component is entitled to request his/her immediate reinstatement in office.

Each member may draw at any time from office with written notice of at least 30 days, notified to the Board of Directors with a registered letter with acknowledgment of receipt. The Board of Directors shall appoint a new member during the first meeting of the same Board, in any case within 60 days from the date of withdrawal of the member.

The Supervisory Board shall regulate independently the rules for its functioning in specific Rules of Functioning, in particular by defining the operation procedures for the functions assigned to it.

3.2. POWERS AND FUNCTIONS OF THE SUPERVISORY BOARD

The Supervisory Board shall perform the following tasks:

- overseeing the dissemination of the Model;
- supervision of the compliance of the Recipients with the Model;
- supervision of the validity and adequacy of the Model, with particular reference to the behaviors observed in the Company;
- supervision of the implementation and compliance with the Model in the area of activities at risk of crime;
- reporting to the Board of Directors of the Company the opportunity to update the Model, if it needs to be adapted in light of changed business conditions and/or regulations.

In performing these activities, the Body shall:

- coordinating and collaborating with the Company Departments (also through special meetings) for a better monitoring of the activities at risk of crime identified in the Model;
- ensuring the establishment and functioning of specific "dedicated" channels (i.e. e-mail address), designed to facilitate the following of reports and information to the Body;
- performing checks on certain operation or specific acts carried out in the areas of activity that are potentially at risk of crime;
- verify the effective development of information and training initiatives on the Model undertaken by the Company;
- using the assistance and support of the employees of the Company, as well as of the Employer and the structure he coordinates, for the themes of safety and hygiene in the workplace, or of any external consultant for issue of particular complexity or requiring specific expertise;
- performing or arranging checks on the accuracy and validity of the received information, to prepare a report on the carried out activities and propose to the Head of Human Resources the possible adoption of sanction referred to in the dedicated Section of this Model;
- immediately notifying the Board of Directors of any valid violation of the Model committed by the Directors of the Company or its executives; in the latter case, it must inform also the Chairman of the Board of Directors (as an entity responsible for the exercise of the disciplinary and penalty powers) if he/she is not directly involved in the report;
- immediately notifying the Board of Auditors of any valid violation of the Model committed by the entire Board of Directors or by one or more Directors.

For the purpose of carrying out its duties, the Body is endowed with the following powers:

- issuing provisions and service orders aimed at regulating its own activities and preparing an updated list of the information that will be received by the corporate Functions;
- accessing, without prior authorization, any document of the company relevant for the performance of its functions, as indicated in the Legislative Decree 231/2001;
- making sure that the heads of Company structures, and in any case all the Recipients, promptly provide the requested information, data and/or news to identify issues connected with the relevant company activities in compliance with the Model and to verify the effective implementation of the same by the Company;
- making inquiries about the received reports to verify if they constitute violations of the Code of Ethics and/or of the Model and to determine their validity, pointing out, at the end of the conducted investigations, to the specific Function or to the Board of Directors, depending on the business role of the infringer, the opportunity to initiate disciplinary proceedings or to take appropriate sanctions against the same infringer;
- obtaining information on the outcome of the disciplinary producers or of the sanctioning initiatives undertaken by the Company for proven violations of the Code of Ethics and/or of the Model and, in case of nolle prosequi, requesting its reasons;
- use external consultants with proven expertise, when necessary for the performance of verification and control activities or for the update of the Model.

For a better performance of its activities, the Body may delegate specific tasks to one or more of its members, who will perform them in the name and on behalf of the Body itself. As for the delegated tasks, the liability for their execution shall be of the Body as a whole.

The Board of Directors of the Company allocates to the Supervisory Board an annual expenditure budget for an amount proposed by the Body itself and, in any case, suitable for the assigned functions. The Body autonomously deliberates the costs to be incurred in respect of the powers of corporate signature and, in the case of expenditure beyond the budget, this should be authorized directly by the Board of Directors.

3.3. REPORTING TO THE SUPERVISORY BOARD

As already mentioned above, in order to guarantee its full autonomy and independence in carrying out its functions, the Supervisory Board communicates directly to the Board of Directors of the Company.

In particular, the Supervisory Board shall report to the Corporate Bodies the progress made in implementing the Model and the results of supervisory reporting through direct reporting and meetings (even video conferences) as follows:

- at least every six months, to the Board of Directors, through a written report, which should explain the monitoring activities performed by the same Body, the identified problems and any corrective action or improvement appropriate for the implementation of the Model. The Body shall also inform the Sole Auditor of the contents of the said written report.
- annually to the Sole Auditor, with regard to alleged violations committed by senior management or members of the Board of Directors, receiving from the Board of Auditors requests of information or clarification of the alleged violations.

The Supervisory Board may be convened at any time by both the Board of Directors and the Sole Auditor; in turn, the Body may request the convening of those entities for issues relating to the functioning and effective implementation of the Model, or in relation to specific situations. The Supervisory Board also interacts on a regular basis (at least annually) with the control bodies of the Audit Company and the Sole Auditor before the approval of the financial statements by the Board of Directors.

The above mentioned reporting activity will be documented through the minutes and kept on the records of the Company, in compliance with the principle of confidentiality of the data and information contained therein.

To ensure a smooth and efficient flow of information, as well as a full and proper exercise of its duties, the Body has also the right to request clarifications or information directly to the corporate subjects with operational responsibilities.

3.4. FLOWS OF INFORMATION TO THE SUPERVISORY BOARD

The Legislative Decree 231/2001 sets out, among the requirements that must be satisfied by the Model, the establishment of specific obligations of reporting to the Supervisory Board by the Functions of the Company, intended to allow the same Body to carry out its surveillance and verification activities.

In this regard, the following information must be reported to the Supervisory Board:

- on a periodic basis, the information, data, news and documents that constitute exemptions and/or exceptions from company procedures, previously identified by the Supervisory Board and formally requested by the individual Departments/Functions (the so-called flows of information), in the manner and terms defined by the same Body;
- as part of the verification activities of the Supervisory Board, any information, data, and document considered useful and/or necessary for the performance of such checks, previously identified by the Body and formally requested to the individual Departments/Functions;
- on an occasional basis, any other information, of any kind, concerning the implementation of the model and/or the Code of Ethics in the areas at risk of crime, as well as compliance with the provisions of the Decree, which could be useful to perform the duties of the Body (the so-called notifications).

The Recipients must report to the Supervisory Body any information relating to behaviours that might constitute a violation of the provisions of the Decree and/or of the Model and/or of the ethics documentation, as well as specific offenses.

To this end, the following dedicated channels of communication with the Supervisory Board were established:

- an e-mail address (dl.odv.purchasing.italy@ikea.com);
- a mail address for the communications on paper:
 - IKEA Purchasing Services Italy S.r.l - Organismo di Vigilanza
Centro Direzionale Milanofiori,
Strada 1 - Palazzo F4-F11
20090 Assago (MI),

They were made known to the company personnel, that may send any reports and their access is restricted to members of the Body. These methods of transmitting notifications were designed to ensure the maximum confidentiality of the reports and also to avoid retaliatory attitudes or any other form of discrimination or retribution against them.

The Supervisory Board will evaluate the received reports and may convene, if deemed appropriate, both the author of the report for more information and the alleged infringer, initiating all the inquiries and investigations that are necessary to ascertain the validity of the report.

After having ascertained the validity of the report regarding violations of the Model and/or of the Code of Ethics, the Body:

- if the violations were committed by employees, it shall promptly notify in writing the Head of Human Resources for starting the subsequent actions;
- if the violations were committed by the Directors of the Company, it shall promptly notify the Board of Directors and the Sole Auditor;
- if the violations were committed by the Executives of the Company, it shall promptly notify the Board of Directors and the Sole Auditor;

In addition to the information indicated above, the following data must be transmitted to the Supervisory Body:

- measures and/or information coming from the judicial police, or from any other authority, also administrative, regarding the Company or its executives and indicating investigations, also against unknown persons, for the offenses referred to in the Legislative Decree 231/2001, subject to the legally imposed requirements of confidentiality and secrecy;
- requests for legal assistance submitted by the executives and/or by the employees in the event of judicial proceedings for offenses included in the Legislative Decree 231/2001;
- changes in the system of delegations and proxies, as well as amendments of the articles of association or of the organizational chart of the Company;

- outcomes of any taken action through a written report of the Supervisory Board indicating a proven violation of the Model, as well as its order of dismissal and its reasons;
- reporting of serious accidents (manslaughter and serious or very serious bodily harm, in any case every injury with a prognosis of more than 40 days and whose duration exceeds 40 days) to employees, collaborators and, more generally, to all those who have access to the facilities of the Company;
- alleged violations of the ethics documentation.

In addition, the responsible departments inform the Body of the changes occurred in the processes and in the procedures, as well as of the planned improvement and remedial measures and their state of progress.

The Body, with the support of the Company, defines the methods of transmission of such information, by giving notice to the Departments of their obligation to send such information.

All information and documentation, including the reports provided for in the Model and the reports collected by the Supervisory Board - and received by the same - in the performance of its institutional duties should be kept by the Body in a special archive established at the headquarters of the Company.

FOURTH SECTION

SANCTIONING SYSTEM

The formulation of a sanctioning system, applicable in case of violation of the provisions of this Model, is a necessary condition for ensuring the effective implementation of the Model, as well as a prerequisite to enable the Company to benefit from the exemption from administrative liability.

The application of the disciplinary sanctions is separate from the start and the outcomes of legal proceedings initiated in cases where the violation constitutes a crime relevant under the Legislative Decree 231/2001.

The inflictible sanctions change according to the nature of the relationship between the offender and the Company, as well as to the importance and seriousness of the infringement and the role and responsibility of its author. More specifically, the sanctions are diversified taking into account the degree of carelessness, incompetence, negligence, fault or intent of the behaviour regarding the action/omission, also considering its possible recurrence, the work performed by the concerned person and its functional position, together with all the other particular circumstances that may have characterized the fact.

In general, violations can result from the following behaviours:

- a) behaviours that constitute a culpable failure to implement the provisions of the Model and/or of the ethics documentation, including directives, procedures or instructions;
- b) behaviours that constitute an intentional transgression of the provisions of the Model and/or of the ethics documentation, such as to jeopardize the relationship of trust between the infringer and the Company as preordained uniquely to commit the crime.

They are classified as follows:

- the violation, also committed through omissive conduct and together with others, of the provisions of the Model or of the procedures established for the implementation of the same and of the ethics documentation;
- drafting, also with other, altered or untrue documentation;
- assisting, through omissive conduct, of violations of the Model and of the ethics documentation and drafting by others of altered or untrue documentation;
- failure to draft the documentation required by the Model or by the procedures established for its implementation.

The sanctioning procedure is in any case remitted to the function and/or to the relevant corporate bodies.

4.1. SANCTIONS FOR THE EMPLOYEES

In relation to employees, the Company adheres to the limits of art. 7 of Law 300/1970 (Labour Code) and to the provisions contained in the applicable National Collective Bargaining Agreement¹, both in relation to the inflictible sanctions and to the exercise of the disciplinary power.

The failure of employees to comply with the provisions of the Model and/or of the ethics documentation, as well as all with the documents that are part of them, constitutes a breach of the obligations resulting from the employment relationship pursuant to art. 2104 of the Civil Code and a disciplinary offense.

More specifically, the adoption by an employee of the Company of a behaviour that can be qualified, according to what is stated in the preceding paragraph, as a disciplinary offense, constitutes also a breach of the obligation of the employee to perform with the utmost diligence the tasks given to him/her, following the directives of the Company and as required by the current applicable National Collective Bargaining Agreement.

After the notice of violation of the Model, a disciplinary action will be initiated to ascertain the violation. In particular, during the assessment the employee will be charged and will receive a reasonable period to reply. When

¹ The agreement currently adopted by the Company is the CCNL (National Collective Bargaining Agreement) for Trade (Concommercio).

the violation is ascertained, the author will receive a disciplinary sanction proportional to the seriousness of the committed violation.

The employees may be charged with the sanctions provided for in the applicable National Collective Bargaining Agreement and outlined below by way of example:

- i) verbal warning;
- ii) written warning;
- iii) a fine not exceeding the provided hours of pay;
- iv) suspension from work without pay;
- iv) disciplinary dismissal.

In order to highlight the correlation criteria between the violations and the disciplinary measures it is stated that:

- i) the employee will be subject to disciplinary action short of termination if:
 - he/she violates the provisions contained in the Model and in all documents that are part of it, or if he/she adopts, in carrying out activities in areas at risk, a behaviour that does not conform to the provisions of the Model itself, as the said behaviour would constitute a failure to perform the orders given by the Company;
- ii) on the other hand, the employee will be subject to a decisive disciplinary action if:
 - in carrying out activities in areas at risk, he/she adopts a behaviour that does not comply with the provisions contained in the Model, and the documentation that is part of it, as the said behaviour will constitute a lack of discipline and diligence in the fulfillment of the contractual obligations, so serious as to affect the confidence of the Company towards the employee himself/herself;
 - in carrying out activities in areas at risk, he/she adopts a behaviour that is clearly in contrast with the provisions contained in the Model and in the documentation that is part of it, such as to determine the concrete application by the Company of the measures provided for in the Legislative Decree 231/2001, as the said behaviour will constitute an act that causes a serious moral and material damage to the Company and that does not allow the continuation of the relationship, even temporarily.

The Company will not take any disciplinary action against the employee without complying with the procedures provided for in the applicable National Collective Bargaining Agreement for each individual case.

The principles of correlation and proportionality between the committed violation and the applied sanction are in compliance with the following criteria:

- seriousness of the violation;
- duties, role, responsibilities and autonomy of the employee;
- predictability of the event;
- intentionality of the behaviour or degree of negligence, imprudence or malpractice;
- overall conduct of the infringer, with regard to the existence of previous sanctions in the terms provided for in the National Collective Bargaining Agreement;
- other particular circumstances of the violation.

It is understood that all the provisions and guarantees provided for in the National Collective Bargaining Agreement will be followed in the field of disciplinary action; in particular, the following will be respected:

- the obligation – when applying disciplinary measures more serious than the verbal warning – of sending written notification of the charge to the employee stating the facts that constitute the violation and the term of receipt of the dispute within which the employee may present his/her justifications and of the hearing of the latter to pledge his/her defense;

- the obligation of not taking disciplinary action before the expiry of the time limit provided for by art. 7 of the Labour Code and the applied National Collective Bargaining Agreement, after written notification of the charge;
- the obligation to notify the adoption of disciplinary action in writing no later than the time limits set by the respective National Collective Bargaining Agreements starting from the termination of the deadline given to the employee to submit his/her explanations. Otherwise, these explanations shall be held accepted.

The existence of a sanctioning system concerning the failure to comply with the Model, and the documentation is part of it, has to be made known to the employees through the means deemed most suitable by the Company.

Moreover, the faculty of the Company to seek compensation for the damages resulting from a violation of the Model by an employee shall be without prejudice. The required compensation for any damage will vary according to:

- the level of responsibility and autonomy of the employee who has breached the disciplinary rules;
- the existence of any previous disciplinary action against the same;
- the degree of intentionality of his behavior
- to the seriousness of the same, meaning the level of risk which the company reasonably believes to be exposed to – pursuant to and for effects of the Decree – as a result of this conduct.

4.2. PENALTIES FOR THE EMPLOYEES WITH STATUS OF EXECUTIVES

Failure of the executives to comply with the provisions of the Model, and with all the documentation that is part of it, including the violation of disclosure requirements towards the Supervisory Board, determines the application of the sanctions referred to collective bargaining and other categories of employees pursuant to artts. 2106, 2118 and 2119 of the Civil Code as well as Art. 7 of Law 300/1970 and the specific provisions of the applicable National Collective Bargaining Agreement.

In general, the following sanctions may be imposed on the executives:

- i) fine;
- ii) suspension of work;
- iii) early termination of employment.

The ascertainment of any violations, as well as inadequate supervision and lack of timely information to the Supervisory Board, will result in the suspension on a precautionary basis of executives, provided that the executive will be entitled to his/her remuneration, always as a provisional and precautionary measure for a period not exceeding three months, or his/her assignment to different task in accordance with art. 2103 of the Civil Code.

In cases of serious violations, the Company may proceed to the early termination of the employment contract without notice pursuant to art. 2119 of the Civil Code.

4.3. PENALTIES FOR THE COLLABORATORS UNDER MANAGEMENT OR SUPERVISION

Failure of collaborators subject to the direction and supervision of Company management to comply with the provisions of the Model, including the violation of disclosure requirements towards the Supervisory Board, determines, in accordance with what is specifically disciplined in the contractual relationship, the dissolution of the contract, subject to the right of the Company to claim compensation for damages suffered as a result of such conduct, including damages caused by the application of the sanctions provided for in the Legislative Decree 231/2001.

4.4. MEASURES AGAINST MANAGERS

In case of an established violation of the provisions of the Model, including those included in the documentation that is part of it, by one or more directors, the Supervisory Board shall promptly inform the entire Board of Directors and the Sole Auditor, allowing them to take or promote the most appropriate and adequate initiatives, according to the gravity of the violation in question and in accordance with the powers of legislation in force and of the Articles of Association.

In case of an established violation of the provisions of the Model by the whole Board of Directors, the Supervisory Board shall promptly inform the Sole Auditor, allowing it to promote the necessary initiatives.

In particular, in case of violation of the provisions of the Model, including those contained in the documentation that is part of it, by one or more directors, the Board of Directors may proceed directly, depending on the extent and severity of the committed violation, to impose the sanction of the formal written warning or even a partial withdrawal of the commissions and proxies in the most serious cases, such as to affect the confidence of the Company in the responsible party.

In the event of violations of the provisions of the Model, including those of the documentation which forms part of this Model, by one or more directors, it is, unambiguously, directed to facilitate or instigate the commission of a relevant offense pursuant to Italian Legislative Decree no. 231/2001 or to commit it, the sanctioning measures (for example, temporary suspension from office and, in the most serious cases, revocation from the same) must be adopted by the Board of Directors or the Sole Auditor.

4.5. MEASURES AGAINST SENIOR MANAGERS

In any case, the violation of the specific obligation to monitor the subordinates imposed on senior management will also involve the application of the most appropriate sanctions by the Company, in relation to, on the one hand, the nature and seriousness of the infringement and, on the other, the qualification of the senior manager who committed said violation.

FIFTH SECTION

DIFFUSION OF THE MODEL

The Company is aware of the importance of training and information for ensuring a better prevention; for this reason, it has established a program of communication and training to ensure the dissemination of the main contents of the Decree and the obligations arising from the same, as well as the provisions of the Model, to the Recipients.

The activities of information and training of the personnel were organized by providing several levels of detail according to the different nature of involvement of the personnel in activities at risk of crime. In any case, the training activities aimed at raising awareness of the Legislative Decree 231/2001 and the provisions of the Model, are differentiated in contents and modes of disclosure according to the qualification of the Recipients, the risk level of the area in which they operate and whether they perform the representative and management functions of the Company.

The training involves the entire workforce, as well as all the resources that will be included in the future in the company organization. In this regard, the related training activities will be provided and concretely implemented both upon hiring and in the event of any changes in duties, as well as a result of updates and/or changes of the Model.

As for the dissemination of the Model within the company, the Company is committed to:

- send a communication to all staff concerning the successful adoption of this Model;
- publish the Model on the company intranet and/or on any other form of communication deemed appropriate;
- organize training activities aimed at raising awareness of the Legislative Decree 231/2001 and of the provisions of the Model, as well as plan training sessions for the staff on the occasion of updates and/or changes of the Model, in the manners deemed most appropriate.

The documentation of the information and training activities will be kept by the Head of Human Resources and will be available for consultation to the Supervisory Board and to anyone who is authorized to access it.

SIXTH SECTION

ADOPTION AND UPDATE OF THE MODEL

The adoption and effective implementation of the Model for express legislative provision is a responsibility left to the Board of Directors. It follows that the power to adopt any updates of the model is the responsibility, therefore, of the Board of Directors, which will exercise it by passing resolutions in the manner required for its adoption.

The updating, in the form of an addition or a modification, is aimed at ensuring the adequacy and suitability of the Model, evaluated in terms of the preventive function of commission of offenses provided for in the Legislative Decree 231/2001.

On the other hand, the actual verification of the need or opportunity to update the Model is the responsibility of the Supervisory Board, which shall notify such need to the Board of Directors. The Supervisory Board, under the powers vested in it pursuant to art. 6, paragraph 1 letter b) and art. 7, paragraph 4, letter a) of the Decree, is responsible for submitting proposals for the updating and adaptation of this Model to the Board of Directors.

In any case the Model must be promptly amended and integrated by the Board of Directors, also upon request and prior consultation of the Supervisory Board, in the following circumstances:

- variations and circumventions of the provisions contained therein that have highlighted its ineffectiveness or inconsistency for the prevention of crimes;
- significant changes of the internal structure of the Company and/or of the manners of carrying out business activities.
- legislative changes.

The Heads of the involved units draw up and change the operation procedures falling within their competence, if such changes result necessary for the effective implementation of the Model, or if they are ineffective for the correct implementation of the provisions of the Model. The relevant corporate functions shall also modify and integrate the necessary procedures to implement the revisions of this Model.

Any change, update or integration of the Model shall be always notified to the Supervisory Board.

- SPECIAL SECTION -

The Special Section of the Model details the general principles that must be followed by the Company in identifying the organization, management and control rules of the activities and in defining the corporate procedures to be followed to ensure the prevention of offenses referred to in the Decree.

In particular, the following nine sections were identified and determined in relation to the applicable families of crime in the risk profile analysis:

1. Offenses against the Public Administration (artts. 24 and 25);
2. Cyber crimes (art. 24 *bis*);
3. Corporate offenses (art. 25 *ter*);
4. Manslaughter, serious harm or very serious injuries committed with violation of the rules on the protection of health and safety at work, introduced by Italian Law 123/2007 (art. 25-septies);
5. Offenses regarding handling stolen goods, money-laundering and self money-laundering (art. 25 *octies*);
6. Offenses regarding the infringement of copyright (art. 25 *novies*);
7. Offense of inducement not to make statements or to make false statements to the judicial authorities (art. 25 *decies*);
8. Environmental offenses (art. 25 *undecies*);
9. Employment of third-country nationals who are illegally staying (art. 25 *duodecies*).

In each section the following were analysed:

- offenses potentially applicable to the Company in relation to the specific family of offenses
- the sensitive activities, in which a risk of potential commission of the offenses provided for in the Legislative Decree 231/2001 was detected
- the behavioural principles and the general rules for the organization, performance and management of the operations carried out in the context of the sensitive activities.

In addition to the abovementioned behavioural principles and general rules, the operational control systems (paragraph 10) are explained at the bottom of the document and are classified according to their instrumental process and to the analysis of the risk profile.

In fact, for each identified crime risk activity the so-called “management/instrumental” processes were detected, i.e. all those business processes which, in principle, could create the conditions and/or the means for the commission of the relevant offenses provided for in the Decree. These processes are summarized below:

- 1) Purchases of goods and services and expert advice
- 2) Selection, recruitment and management of staff (including expense accounts)
- 3) Management of financial and cash flows
- 4) Management of relationships and obligations with Public Bodies and Independent Administrative Authorities, also during inspections
- 5) Compliance with health and safety regulations pursuant to the Legislative Decree 81/2008
- 6) Management of public funds
- 7) Management of the balance sheet and relationship with the Supervisory Bodies
- 8) Management of information systems
- 9) Management of the environmental impact generated by the specific activities

10) Management of relationships with Business Suppliers

11) Management of gifts, sponsorships and donations

After having identified the Crime Risk Activities and their instrumental processes, IKEA Purchasing Services Italy S.r.l. with sole shareholder, which is sensitive to the needs of ensuring fairness and transparency in the conduct of business and social activities and, in particular, of preventing the commission of relevant unlawful behaviors pursuant to the Decree, has decided to adopt operational protocols of behavior in defense of the identified risk processes.

Said protocols contain the procedures considered as most suitable for governing the types of risk identified and draw up a series of rules derived from a detailed analysis of each single company activity and of the relative control system.

In order to enable ex ante control as well as ex post reconstruction of each corporate decision-making process and its relative phases, the Protocols contemplate specific, homogeneous principles whose compliance shall be guaranteed when carrying out the company activities, and they notably are:

- Principles of legality;
- Principles of objectivity, coherence and completeness;
- Principles of separation of duties;
- Principles of accountability, traceability and verifiability.

By way of connection to the overall system of internal control and to the procedural corpus at a group/local level, the Protocols may contain applicable references to corporate procedures related to the specific scope they rule, in which the most detailed operative procedures are explained.

The Company has prepared the following protocols:

- PR_01 - Purchases of goods and services and expert advice
- PR_02 - Selection, recruitment and management of staff (including expense accounts)
- PR_03 - Management of financial and cash flows
- PR_04 - Management of relationships and obligations with Public Bodies and Independent Administrative Authorities, also during inspections
- PR_05 – Management of gifts, sponsorships and donations
- PR_06 – Safety Management
- PR_07 – Information flows to the Supervisory Board

Each protocol constitutes a company rule of conduct and forms an essential part of this Model.

1 Offenses against the Public Administration (Art. 24-25)

1.1 Types of offenses relevant to the Company

Below is a brief description of the types of offenses provided for in the Legislative Decree 231/2001 in the artts. 24 and 25 and considered applicable by the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Misappropriation to the detriment of the State or of another Public Body** (*art. 316-bis of the Penal Code*), which constitutes the conduct of a person, extraneous to the Public Administration, who having obtained from the State or another public body or the European Community, aid, grants or funding intended to favour initiatives directed at the realization of work or the carrying out of activities of public interest, does not appropriate them to the aforesaid purposes;
- **Undue receipt of disbursements to the detriment of the State** (*art. 316-ter of the Penal Code*), which constitutes the conduct of a person who (unless the fact constitutes the crime provided for by art. 640-bis of the Penal Code) by means of the use or presentation of statements or documents which are false or attest untrue things, or by means of the omission of due information, unjustly obtains for himself or for others, aid, funding, subsidized loans or other disbursements of the same type, however they are named, granted or allocated by the State, other public bodies or the European Communities;
- **Fraud to the detriment of the State or another public body or the European Communities** (*art. 640 of the Penal Code*), which constitutes the conduct of a person who, with tricks or deceit and by misleading someone, secures for himself or others an unjust advantage with the damage of others;
- **Aggravated fraud for the obtainment of state disbursements** (*art. 640-bis of the Penal Code*), which constitutes the same conduct referred to in art. 640, when carried out to obtain aid, funding, subsidized loans or to be more precise other disbursements of the same type, however they are named, granted or allocated by the State, other public bodies or the European Communities;
- **Computer fraud** (*art. 640-ter of the Penal Code*), where a person, by altering the operation of a computer or telecommunications system in whatever way or interfering without just cause in any process involving data, information or programs contained in or pertaining to a computer or telecommunications system, obtains for himself/herself an unfair profit to the detriment of others;
- **Bribery** (*art. 318 of the Penal Code*), which constitutes the conduct of a public official who, abusing his or her powers, force someone to give or promise unduly, to him/her or to a third party, money or other benefits;
- **Corruption of public official** (*art. 318 of the Penal Code*), which constitutes the conduct of a public service officer who, to carry out an act of his office, receives money (in contrast to the cases of bribery and of undue inducement, where the private entity is subject to the claims of the public official, in case of corruption the relationship between the parties represents a clear convergence towards a common unlawful purpose);
- **Bribery for an action conflicting with official duties** (*art. 319 of the Penal Code*), the so-called “direct bribery”, occurs if a public official receives money for carrying out an act conflicting with official duties;
- **Aggravating circumstances** (*art. 319-bis of the Penal Code*); the penalty is higher if such acts of art. 319 involve the awarding of state employment, salaries or pensions, or the stipulation of contracts concerning the Agency to which the public official belongs;
- **Corruption in legal proceedings** (*art. 319-ter of the Penal Code*), which occurs when the offenses of bribery and corruption are committed to the benefit or to the detriment of a party in civil, criminal or administrative proceedings;
- **Undue inducement to give or promise benefits** (*319-quater of the Penal Code*): an offense is committed in the event that a public official or a public representative, abusing of his role or power, induces someone to give or promise undeservedly, to him/her or to someone else, money or other form of benefits. This rule also penalises the private party that promises or gives money or other form of benefits;
- **Corruption of person appointed to the public service** (*art. 320 of the Penal Code*): extends the established punishment in the first paragraph of the art. 318, in the art. 319, in the art. 319-bis, in the art. 319-ter and in the art. 320 of the Penal Code in relation to the aforesaid hypotheses of the artts. 318 and 319; they are

also applied to whom gives or promises to the official public or to the entrusted of a public service money or other benefit;

- **Punishments for the briber** (*art. 321 of the Penal Code*), which extends the established punishment in the first paragraph of the article 318, in the art. 319, in the art. 319-bis, in the article 319-ter and in the art. 320 of the Penal Code in relation to the aforesaid hypotheses of the artts. 318 and 319; they are also applied to whom gives or promises to the official public or to the entrusted of a public service the money or other benefit;
- **Inducement to commit acts of corruption** (*art. 322 of the Penal Code*), in which the unlawful conducts can be found in the undue offer or promise, regardless of the acceptance of the public official or of the public representatives. Also the conduct of a person who formulates an undetermined offer to the public official and leaves the quantification to him/her falls under this definition;
- **Embezzlement, misconduct in public office, inducement to give or promise undue advantages, corruption and inducement to commit corruption of European Community Institutions members and European Community functionaries or Country ones** (*art. 322 of the Penal Code*): The statutory provisions of the articles 314, 316, 317, 318, 319, 320 and 322 third and fourth paragraph are applicable to:
 1. European Community Commission members, European Parliament, Court of Justice, Court of Auditors;
 2. Functionaries and agents hired in relation to the European Community Staff Regulations or European Community agents regulations;
 3. Functionaries of other European Community Countries or any public/private entity that operates as a European Community functionary or agent;
 4. Members and operators of entities developed by the agreements that establish the European Community;
 5. Any functionary of the European Union Countries that operates as a public officer or appointed to the public service;
 - 5b. Judges, prosecutor, functionary and agents of International Criminal Court, people under the jurisdiction of a State part of the Agreement that establish the International Criminal Court with function similar to a functionary or agent of the Court, members and operators of entities developed by the agreements that establish the International Criminal Court.

The statutory provisions of the articles 319-quarter, second paragraph, 321 and 322, first and second paragraph, are applicable even if money or other utility are offered or promised to:

1. people defined by the first paragraph of that article;
2. people that have functions or activities similar to public officer or appointed to the public service of a Foreign Country or other international public organization, if the fact is committed to procure an undue advantage to themselves or others, in an international economic operation or in order to obtain or maintain an economic financial activity.

People defined by the first paragraph are relate to public officer if they operate similar function, or appointed to the public service in other cases.

1.2 Identification of activities and operations at risk

The activities identified by the Company as sensitive, in the context of the offenses against Public Administration, are indicated in detail in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of realization of the unlawful conduct.

These activities are summarized below:

- Management of the obtained funding (aimed at the implementation of the corporate training programs, such as the European Social Fund) in terms of use of the same (compliance with the required modalities of realization of the project and the truthfulness of the reported statements)
(*Activity listed as a conservative estimate*)
- Preparation and transmission of the financial reports of the obtained funds to the Public Official² of the funding body

² Public Official means:

(Activity listed as a conservative estimate)

- Management of relationships with Public Officials when fulfilling the obligation of hiring disabled workers:
- Conclusion of an Ordinary or Integration into the Labour Market Agreement in order to fulfill the obligation of hiring disabled workers in a gradual and planned way
- Presentation of the prospectus reporting the employment situation of the company to the competent offices established at the Employment Offices of each province.
- Management of the relationships with Public Officials of national and supranational funding bodies (i.e. province, region, European Union) for the awarding of non-repayable subsidies, contributions or public funds aimed at implementing the training plans of the Company (i.e. European Social Fund) in the following circumstances:
 - obtaining information related to the tenders;
 - submitting the application;
 - checking and inspecting the proper use of the fundings

(Activity listed as a conservative estimate)

- Management of the obligations in the relationships with Public Officials in the area of corporate compliance (i.e. the Court, the Chamber of Commerce and the Register of Companies);
- Preparation, signing and transmission of the documents for the request of the public funding (i.e. administrative documentation required by the notice, technical documentation, etc.)

(Activity listed as a conservative estimate)

- Management and use of the technological infrastructure and of the corporate information and telecommunication systems, in particular with regard to the transmission of data on computer supports to public administrations, public bodies or authorities (also through the access to information or telecommunication systems), also through the other Companies of the Group.
- Management of the obligations and relationships with the Supervisory Bodies (the Local Health Authority, the Fire Brigade, Department of Labour) for the protection of health and safety in the workplace, including during inspections.
- Management of the relationships and the information delivered to the Independent Administrative Authorities (i.e. Authority for the Protection of Personal Data), also during examinations, inspections and investigations
- Management of the relationships with the Public Officials of the Guardia di Finanza (Italian tax police), the Revenue Agency and other bodies dealing with taxes, duties and corporate law, also during examinations, inspections and investigations (i.e. the regular delivery of tributary data, annual communications and reports to the Revenue Agency)
- Management of the relationships with the relevant Public Officials (National Institute of Social Insurance, National Institute for Insurance against Industrial Accidents, Provincial Employment Department, etc.) for the compliance with the employment requirements provided for by the relevant regulation, i.e.:
 - preparation of notifications concerning the establishment, modification and termination of employment

a) a person exercising a public legislative, judicial or administrative function;

b) a person acting in official capacity on behalf or in the name of (i) a national, regional or local public administration, (ii) an agency, office or body of the European Union or of an Italian or foreign, national, regional or local Public Administration, (iii) a company owned, controlled or affiliate of the Italian government or of a foreign government, (iv) a public international organization, such as the European Bank for the Reconstruction and Development, the International Bank for Reconstruction and Development, the International Monetary Fund, the World Bank, the United Nations or the World Trade Organization, or (v) a political party, a member of a political party or an Italian or foreign candidate for political office;

c) any employee of a public service, namely those who, for whatever reason, perform a public service, where public service means an activity that is regulated in the same manner as a public function but is characterized by the lack of powers typical of the latter. The performance of simple tasks of order and the provisions of material services are excluded from this definition.

- lists of active, hired and terminated personnel at the National Institute for Insurance against Industrial Accidents
- controls and examinations regarding the compliance with the requirements and conditions provided by law
- preparation and execution of payments to the State or to other Public Officials
- compliance with the requirements and conditions provided by the facilitated employment regulations (i.e.: training program, duration, respect of the age limit, etc.)
- Management of the relationships with the relevant Public Officials (i.e. Consulates and Embassies) at the request of visas/relocation authorizations for employees who go abroad on business.
- Management of relations with products tests External Laboratory before of implementation of mass production and the definition of test methodologies.
- Selection and employment of the personnel
- Management of cash and financial flows
- Management of purchases from vendors, and especially of purchases with intangible nature, with particular reference to the verification of the performance of the services/ authorization of the payment.
- Management of gifts, donations and sponsorships
(Activity listed as a conservative estimate)
- Management of the relationships with Judges, with their technical advisors and their auxiliaries in (civil, criminal and administrative) legal proceedings, with particular reference to the appointment of party lawyers and technical advisors.

1.3 General rules of conduct

In accordance with the ethical principles of the Company referred to in the General Section of the Organizational Model pursuant to the Legislative Decree 231/2001 and of the ethics documentation adopted by the Company, the Recipients of the Model, in carrying out the sensitive activities mentioned above, are required to observe the following rules of conduct and control in the management of the relationships with Public Officials.

In general, the Recipients must not influence the decisions of Public Officials in an improper and/or illegal way. In particular, they are forbidden to:

- promise and/or offer and/or give sums of money or other benefits in exchange for favors, payments or other undue advantages of the Company to Public Officials, also on the induction of the latter or through third parties;
- give payments or other benefits to collaborators or other third parties working on behalf of the Company that are not adequately justified in the contract or standard practice;
- encourage, in the hiring and purchase processes, employees or collaborators indicated by the Public Officials in exchange for favors, payments and other undue benefits for themselves and/or for the Company;
- grant promises of employment in favor of anyone and, specifically, in favor of representatives of Public Officials, their relatives and/or indicated subjects;
- distribute gifts or presents to Italian and foreign Public Officials, unless they are small gifts of negligible and symbolic value, do not jeopardize the integrity and reputation of the parties and are not considered as aimed at the acquisition of improper benefits. Any explicit or implicit request by a Public Official or a civil servant, except for gift of commercial use and of modest value, must be immediately rejected and reported to the hierarchical superior;
- submit false or incomplete documentation to the national and foreign public bodies for the achievement of public funding and, in any case, perform any act that could mislead the public body in the award of the funding or in making payments of any kind;

- utilize the funds received by the Italian government and foreign governments as a contribution, grant or funding for other purposes than their intended ones.
- submit false and/or incomplete information to the Funding Bodies or circumvent the legal obligations/regulations, or the obligation to act in full compliance with the law and regulations applicable at all stages of the process, avoiding to engage in unfair conduct in order to achieve, for example, the overcoming of constraints or problems related to the award of the funding during the meeting with the Public Officials of the Funding Bodies in the investigation;
- resort to form of pressure, deception, suggestion or exploitation of the goodwill of the Public Official, so as to affect the outcomes of the administrative activity
- overlook the obligations and control tools provided by the Company in the field of management of cash flows (i.e. limits of use of financial resources, joint-signature procedure for certain types of transactions, reason of use of the resources, etc.) in compliance with the principles of professional and accounting fairness, in order to guide decisions in their favor for the achievement of concessions, license and authorizations by Public Officials

The relationships with Public Officials and with the judicial authorities are exclusively managed by the persons possessing the appropriate powers or by those formally delegated by them, and in any case they must comply with the corporate protocols that regulate said specific matter.

The Recipients that, on behalf of the Company, have relations with the legal authorities (within the scope of proceedings of whatever nature) shall also abide by these rules of conduct in said relations.

2 Computer crimes and unlawful data processing (Art. 24-bis)

2.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 24 *bis* and applicable, also as a conservative estimate, to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Counterfeiting regarding an IT document** (art. 491-bis of the Italian Penal Code), relating to the hypothesis of falsity, material or ideological, committed on public documents by a representative of the Public Administration or by an individual, if the same concerns a "computer document having evidential value", i.e. an IT document with at least a simple electronic signature;
- **Unauthorized access to an information technology or data transmission system** (art. 615-ter of the Penal Code), committed by a person who fraudulently intercepts, blocks or interrupts communications on an information technology or data transmission system, or who publicly discloses, by any means of mass media, the total or the partial content of said communications;
- **Abusive detention and dissemination of access codes to information or telecommunication systems** (art. 615-quater of the Penal Code); the crime concerned punishes the conduct of whoever obtains, prevents or interrupts illegally notifications related to an information or telecommunication system or between more than one system, or otherwise discloses the content of these notifications to the public, in whole or in part, by using any means of communication;
- **Damaging of information, data and computer programmes** (art. 635-bis of the Italian Penal Code), consisting of the destruction, deterioration, deletion, alteration or suppression of information, data or computer programmes of others, put in place by anyone. The penalty is increased if the act is committed with violence to the person, with threats or with abuse of the role of system operator.
- **Damage to IT or telematics systems** (article 635-quater of the Italian Penal Code), concerning the conduct of those who, through the conduct referred to in Article 635-bis, or through the introduction or transmission of data, or programmes, destroy, damage, or render, in whole or in part, unserviceable third-party computerised or telematics systems, or seriously hinder their operation. The penalty is increased if the act is committed with violence to the person, with threats or with abuse of the role of system operator.

2.2 Identification of the activities and operations at risk

The activities that the Company identified as sensitive, in the context of cyber crimes, are detailed in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of this illegal conduct.

These activities are summarized below:

- Counterfeiting information technology documents related, for example, to a financial report in electronic form of the activities and/or certifications in electronic form of qualifications and requirements of the Company
- Management and use of the technological infrastructure and of the corporate information and telecommunication systems, in relation to the following specific domains:
 - Management of user profiles and of the authentication process;
 - Management and protection of the workstation;
 - Management of access to and from the outside;
 - Management and protection of the information networks;
 - Management of system outputs and of the storage devices (i.e. USB, CD);

2.3 General rules of conduct

The following general rules of conduct apply to the Recipients of the Model who, on whatever basis, have been designated or appointed to the management of instruments, devices and software, as well as to everyone who has received passwords and access keys to the company's information technology system:

- the staff can access the information technology system of the Company only through assigned identification codes that shall be modified periodically;
- the staff shall refrain from any conduct that could jeopardize the confidentiality and integrity of the information and business data of the Company or of third parties;
- the personnel shall refrain from any conduct intended to overcome or circumvent the protection of the information technology system of the Company or of others;
- the personnel shall keep the assigned identification codes, avoiding their disclosure to third parties who thus may illegally access to confidential business data;
- the personnel shall not install programs without having previously informed the function of the company changed with the management of information technology security;
- the personnel cannot use alternative connections to those provided by the Company in the performance of work made on its behalf.

Furthermore, the Company has adopted the following measures suitable to mitigate the risk of commission of the offenses provided for in Art. 24-bis of Legislative Decree 231/2001:

- the access to information stored on servers and corporate databases, including the clients, is limited by authentication instruments;
- the employees were given unique authentication credentials to access the clients;
- the access to software applications by the IT staff is ensured by authorization instruments;
- the corporate server and laptops are periodically updated on the basis of the specific needs;
- the corporate data transmission network is protected by adequate instruments for the access restriction (firewall and proxy)
- the corporate server and laptops are protected by antivirus software, automatically updated, against the risk of intrusion.

It should be noted that the management and maintenance activities of the corporate information system are centralized at IKEA Italia Retail S.r.l., on the basis of the current contract between the parties and by the Central Help Desk.

IKEA Purchasing Services Italy S.r.l. with sole shareholder is responsible for the physical safety of the Hardware and the Servers and provides logic access rights to networks, systems, data and application software, in compliance with the guidelines of IKEA.

3. Corporate Offenses (Art. 25 ter)

3.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 *ter* and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **False corporate notices** (*art. 2621 of the Civil Code*), which punishes the conduct of directors, general managers, executives in charge of the drafting of corporate accounting documents, auditors and liquidators who, with the intention of obtaining unjust profits for themselves or others, in the balance sheets, notes or other corporate notices provided by law and addressed to the shareholders or the public, represent material facts not corresponding to the truth or omit information on the economic, balance sheet or financial situation of the Company, whose communication is required by law, in ways likely to mislead their recipients
- **Minor offenses** (*art. 2621-bis of the Civil Code*), which punishes the conduct of art. 2621, if it constitutes a minor offense, taking into account the nature and size of the Company and the methods and consequences of said conduct;
- **Prevented control** (*art. 2625 of the Civil Code*), which punishes the conduct of directors who, by concealing documents or with other appropriate tricks, prevent or in all cases impede the carrying out of the control and auditing activities, causing a damage to the shareholders;
- **Undue repayment of contributions** (*art. 2626 of the Civil Code*), which punishes the conduct of directors and similar subjects pursuant to art. 2639 of the Civil Code (de facto directors) who, except for cases of legitimate reduction of share capital, repay, including with simulation, contributions to the shareholders or free them from the obligation to effect them;
- **Illegal sharing of profits and reserves** (*art. 2627 of the Civil Code*), which punishes the conduct of directors (or similar subjects pursuant to art. 2639 of the Civil Code) who share profits or party payment on profits not effectively earned or which are appropriated by law to a reserve, or to be more precise who share reserves which cannot be distributed by law;
- **Unlawful transactions of shares or stock or the parent Company** (*art. 2628 of the Civil Code*), which punishes the conduct of directors (or similar subjects pursuant to art. 2639 of the Civil Code) who, except for those cases allowed by law, buy or underwrite shares or stock issued by the parent Company, damaging the share capital or reserves which cannot be distributed by law;
- **Transactions to the detriment of creditors** (*art. 2629 of the Civil Code*), which constitutes the conduct of directors (or similar subjects pursuant to art. 2639 of the Civil Code) who, in violation of legal provisions which protect creditors, perform reductions in share capital, mergers with another company or splitting operations, causing damage to creditors;
- **Factitious formation of capital** (*art. 2632 of the Civil Code*), which constitutes the conduct of directors and contributing shareholders who factitiously form or increase the share capital by means of: (i) the assignment of shares or stock to a degree overall higher than the amount of share capital, (ii) the mutual underwriting of shares or stock, (iii) the significant overestimation of contributions of assets in kind or debts, or of the assets of the Company in the event of a transformation;
- **Private-to-private corruption** (*art. 2635 of the Civil Code*), which punishes the conduct of administrators, general directors and managers responsible for drafting financial reports, auditors and liquidators who, after receiving or being promised money or other benefits for themselves or others, perform or omit to perform actions in breach of the duties of their office or loyalty obligations, resulting in damage to the Company;
- **Undue influence on a shareholders' assembly** (*art. 2636 of the Civil Code*), which punishes the conduct of anyone who fixes a majority in the assembly by simulated or fraudulent means, for the purpose of gaining undue profit for themselves or others;
- **Hindrance to the exercising of the functions of public surveillance authorities** (*art. 2638 of the Civil Code*), which punishes the conduct of directors, general managers, and executives in charge of the drafting of the corporate accounting documents, auditors and liquidators of the Company or organizations and other persons subjected by law to the public surveillance authorities or required to have obligations to them, who in the communications to the aforesaid authorities provided for according to the law, in order to hinder the exercising of the surveillance functions, represent material facts not corresponding to the truth

even if they are judgements, on the economic, balance sheet or financial situation of those subjected to surveillance, or for the same purpose wholly or partially conceal with other fraudulent means facts which they should have communicated concerning the same situation; or the fact committed by the same subjects who, in any form whatsoever, including by omitting the communications due to the aforesaid authorities, knowingly hinder their functions.

3.2 Identification of the activities and operations at risk

The activities that the Company identified as sensitive, in the context of corporate offenses, are detailed in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of the illegal conduct.

These activities are summarized below:

- Management of general accounting, with particular reference to the following activities:
 - Detection, classification and control of all the events that affect the administrative and economic conditions;
 - Proper maintenance of administrative relations with third parties (i.e. suppliers);
 - Administrative and accounting management of assets;
 - Administrative and accounting management of the warehouse;
 - Administrative and accounting management of suppliers;
 - Investigations on all other administrative events occurred during the year (i.e. staff costs, contractual penalties, given and received loans and their interests);
 - Verification of the data of the input systems.
- Cooperation and support to the Supervisory Board for the preparation of financial statements aimed at the realization of:
 - Extraordinary transactions
 - Operations to increase/reduce the share capital
 - Other transactions involving shares or shares of the company.
- Collection, aggregation and analysis of accounting data required for the preparation of the draft of the financial statements of the Company as well as of the attached reports to the balance sheet and profit and loss account schedules to be submitted to the Board of Directors.
- Management of relations with the Sole Auditor, with regard to checks on the administrative/accounting and financial statements and with the Shareholder with regard to the business management audit activities.
- Keeping accounting records and minute books.
- Cooperation and support to the Administrative Body in carrying out activities of distribution of operating profit, reserves and return of capital.
- Cooperation and support to the Administrative Body to support the operations of increase/ reduction of the share capital or other transactions involving shares or shares of the parent company.
- Preparation of the documents that will be subject to discussion and resolution in the Meeting and in the management of relations with this Corporate Body.
- Management of relations and information sent to the Independent Administrative Authorities (i.e. Authority for the Protection of Personal Data), also during verifications, inspections and investigations.
- Support, in the role of Purchasing Office, to the bodies of the Group responsible for selection of Business Suppliers, negotiations of the purchasing terms and implementing conditions of supply contracts, with reference to the several Business Categories.
- Management of planning activities and coordination of logistics solutions with Business Suppliers.

- Management of the monitoring the performance of the Business Supplier on the basis of the minimum Key Performance Indicators to be respected as defined contractually.
- Management of assistance activities in the event of complaints deriving from damaged or defective products by the Business Suppliers.
- Management of relations with third parties for the definition of pre-litigation situations or disputes undertaken (both active and passive for the Company).
- Selection and recruitment of the personnel
- Management of gifts, donations and sponsorships.
(activity listed as a conservative estimate)
- Management of purchases from vendors, especially concerning purchases of intangible nature, such as expert advice, with special reference to the verification of the performance of the service provided/authorization of the payment.

3.3 General rules of conduct

In addition to the rules mentioned in the ethics documentation, the following general rules of conduct apply to the Recipients of the Model who, on whatever basis, have been involved in the abovementioned “sensitive” activities with regard to the corporate offenses referred to in art. 25-ter of Legislative Decree 231/2001.

In general, these subjects are required to:

- behave in a correct, transparent and collaborative manner in compliance with laws and internal company procedures in all activities aimed at the preparation of financial statements and other corporate communications, in order to provide shareholders and third parties with true and correct information on the company's economic, equity and financial situation;
- observe the rules established by law to protect the integrity and effectiveness of the share capital, in order not to jeopardize the rights of creditors and third parties in general;
- ensure the proper functioning of the Company and of the corporate bodies, guaranteeing and facilitating any form of control on the corporate management required by law.

In particular, the Recipients are prohibited to:

- represent or transmit, during the preparation and representation of the financial statements, in reports or other corporate communications, false or incomplete data or spread communications that do not represent the true economic and financial situation of the Company;
- omit data and information required by law on the economic and financial situation of the Company;
- return contributions to shareholders or free them from the obligation of making contributions, beyond the cases of legitimate reduction of the share capital;
- distribute profits or advances on profits not actually earned or which are appropriated by law to a reserve;
- purchase or underwrite shares of the Company, causing damage to the wholeness of the share capital;
- make reductions of share capital, corporate mergers or splits, in violation of the law that safeguards the creditors, thus damaging their interests;
- carry out fictitious increase of share capital, by means of assignment of shares for a value lower than their nominal value;
- carry out behaviours that prevent, through the concealment of documents or the use of other fraudulent means, or obstruct the performance of controlling activities by the Member and the Sole Auditor.

With special reference to the prevention of commission of the offense “private-to-private corruption”, the following general rules of conduct apply to the staff that, in any capacity, engage, on behalf of or in the interest of the Company, in relationships with third-party companies, such as Managers, General Directors, Auditors and Liquidators, as well as subjects under their management and supervision (hereinafter referred to as “Representatives of Private Companies”). As a general principles, it is forbidden to the Recipients to influence the decisions of the Representatives of Private Companies in an improper and illegal way.

In particular, they are prohibited to:

- promise and/or offer and/or give to the Representatives of Private Companies, directly or through third parties, sums of money or other benefits in exchange for favors, payments or other undue advantages for the Company;
- offer and/or give free gifts or forms of hospitality that exceed normal commercial practices and/or courtesy and/or, in any case, such as to compromise the impartiality and independence of judgment of the Representatives of Private Companies;
- execute payments or other benefits to employees, suppliers, advisors, or other third parties working on behalf of the Company, which are not adequately justified in the contract or standard practice;
- promote, in the recruitment or purchase process, employees, collaborators, suppliers, consultants or other parties upon instructions by the Representatives of Private Companies in exchange for favors, payments or other undue advantages for the Company;
- promise or give advantages of any nature in favor of an administrator, general director, appointed manager, auditor, liquidator or employee.

4 Manslaughter, serious harm or very serious injuries committed with violation of the rules on the protection of health and safety at work (art. 25-septies)

4.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 *septies* and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Manslaughter** (*art. 589 of the Penal Code*), which constitutes the conduct of a person who causes by negligence the death of a person;
- **Serious or very serious bodily harm** (*art. 590 of the Penal Code*), which constitutes the conduct of a person who causes by negligence a personal injury to others, i.e. any conduct that determines the occurrence of a disease. The injury is serious if this conduct causes a disease that endangers the life of the injured person or a disease or his/her incapacity of attending normal activities for more than 40 days; or, if the event results in the permanent wakening of a sense or organ. The injury is very serious if the events causes an incurable disease; loss of a sense or a limb or permanent deformation of the face.

4.2 Identification of activities and operations at risk

The activities identified by the Company as sensitive, in the context of manslaughter and serious or very serious bodily harm, are indicated in detail in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of realization of the unlawful conduct.

These activities are summarized below:

- Implementation and management of obligations concerning the protection of health and safety in the workplace pursuant to the Legislative Decree 81/2008 (Consolidated Safety Act), in relation to corporate locations and to other work environments in which the employees work to perform their working duties.

4.3 General rules of conduct

The Company promotes the dissemination of a culture of safety and awareness of the risks related to work activities carried out in its own branches requiring, at all company levels, a responsible behavior and the compliance with the measures and guidelines adopted in the field of work safety.

As a general principle, all the recipients who are variously involved in the management of corporate security must implement, according to their responsibilities, powers and proxies and to the operating procedures/instructions adopted in this regard, prevention and protection measures against the risks related with safety identified and identified in the Document of Risk Assessment (hereinafter "RA").

In particular, in order to promote an effective prevention of risk and in compliance with the obligations identified in Legislative Decree 81/2008, as subsequently amended and extended, as well as in accordance with the division of roles, duties and responsibilities concerning safety, the following rules must be observed:

- the Company representatives (Employer), the Directions and Corporate Functions involved in different ways in safety management, shall carry out the tasks, assigned to them by the Company, in compliance with the delegations and proxies received, prevention measures adopted and existing company procedures, taking care to inform and to train any personnel who, in carrying out its own specific activities, is exposed to risks connected with safety;
- The subjects from time to time designated by the Company or elected by the staff under Legislative Decree 81/2008 (i.e. Head of Prevention and Protection Service, Officers for the Prevention and Protection, those responsible for the implementation of fire prevention measures, fire fighting, evacuation of workers in case of danger, those responsible for first aid, competent doctors, Representatives of the Workers' safety) shall perform, each within its powers and duties, the security tasks specifically assigned to them by law and provided for in the security tasks adopted by the Company;
- The persons in charge must supervise the correct observance by all workers of the measures and safety operating procedures/instructions adopted by the Company, reporting any deficiencies or misalignments of the safety system, as well as conduct contrary to it;

- All the employees must take care of their own safety and health and of that of the persons who have access to the facilities of the Company, and observe all safety measures and procedures, and company instructions.

Any conduct against the safety rules in the workplace adopted by the Company will be punished in the context of a disciplinary proceeding compliant with the provisions of the labour relations law.

5 Handling Stolen Goods, Money-laundering and Use of money, Goods or Utilities, Self Money-laundering (Art. 25 octies)

5.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 octies and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Money-laundering** (*art. 648-bis of the Penal Code*), which constitutes the conduct of a person who, except for the cases of concurring in crime, replaces or transfers money, assets or other benefits originating from an offense with a criminal intent or, to be more precise, carries out other transactions in relation to them, in such a way as to hinder the identification of their felonious origin;
- **Use of money, goods and utilities of unlawful origin** (*art. 648-ter of the Penal Code*), which constitutes the conduct of a person who, except for the cases of concurring in crime and the case provided for in artts. 648 (Handling stolen goods) of the Penal Code and 648-bis (Money-laundering) of the Penal Code, issues money, assets or other benefits originating from an offense in economic or financial activities;
- **Self Money-Laundering** (*art. 648-ter.1 of the Penal Code*), which constitutes the conduct of a person who, after having committed or participated in committing an intentional crime, employs, replace, transfers in financial, entrepreneurial or speculative activities, money, assets or other benefits derived from the (previous) commission of the offense, in order to concretely hinder the identification of the criminal origin.

5.2 Identification of activities and operations at risk

The activities identified by the Company as sensitive, in the context of the offenses of money-laundering, use of money, goods or utilities and self money-laundering, are indicated in detail in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of realization of the unlawful conduct.

These activities are summarized below:

- Relationships with vendors, with special reference to the management of purchases of services/expert advice.
- Management of intra-group relationship, with special reference to:
 - Purchase and/or sale contracts;
 - Financial flows (i.e. payments, funding, etc.);
 - Investments.
- Management of general accounting, with particular reference to the following activities:
 - Detection, classification and control of all the operating events which affect the administrative and economic processes
 - Proper maintenance of administrative relationships with third parties (i.e. suppliers) and the accounting management of their financial items
 - Investigations on all other administrative events occurred during the year (i.e. staff costs, contractual penalties, given and received loans and their interests, etc.)
 - Verification of the data of the input systems
- Tax management
- Fraudulent accounting
- Organization of the system of commissions related to financial flows
- Management of bank accounts, also with reference to intracompany payments.

5.3 General rules of conduct

The following general rules of conduct apply to the Recipients of the Model who, on whatever basis, are involved in sensitive activities related to the offenses of handling stolen goods, money-laundering, use of money, goods and utilities of unlawful origin and self money-laundering:

- exclusive use of the banking system to make monetary/financial transactions, as required by the relevant regulations, in order to ensure the traceability of flows;
- the choice of a supplier of goods/services and of experts shall be based on objective evaluation criteria (such as, by way of example but not of limitation, consolidated experience in the specific sector, terms and conditions, previously entrusted supplies or in the case of consultants/suppliers of services their registration in professional associations);
- opening/closure of current accounts previously authorized by subjects with appropriate powers;
- formalization, for all transactions involving the use of economic or financial resources must be stated, and they must be documented and recorded in accordance with the principles of professional and accounting correctness.

Furthermore, the Company expressly forbids to:

- issue bank or postal cheques for amounts equal to or greater than that established by law which do not bear the indication of the name or the business name of the payee and the non-transferability clause;
- cash bank or postal cheques issued on order of the drawer to entities other than banks or Poste Italiane S.p.A.;
- make payments on current accounts of banks operating in countries included in the lists "tax heaven" and/or in favor of off-shore companies, unless specifically permitted in writing by the Finance & Administration Function;
- execute payments and/or transfers of money into ciphered, anonymous current accounts or accounts opened at credit institutes lacking physical premises;
- execute payments to subjects situated in countries identified as "non-cooperating" according to the indications of the Italian Bank;
- purchase goods and/or services by paying abnormally low prices if compared to the market value of the good or service.

6 Offenses Regarding the Infringement of Copyright (Art. 25 *novies*)

6.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 *novies* and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Disclosure of intellectual property through telematic means** (*art. 171 Law. 633/41*), which consists in the following conducts:
 - a person who reproduces, transcribes, recites in public, sells or puts on sale or otherwise puts on the market a work belonging to others or reveals its contents before it is made public, or represents or puts in circulation in the country examples sold abroad, contrary to Italian law;
 - a person who makes available to the public a work of protected intellectual property or part of this by inputting it to a computer network by means of connections of any kind;
 - a person who reproduces a number of copies or performs a number of executions or representations higher than the one he/she was allowed to reproduce or represent;
- **Offenses related to software and databases** (*art. 171 bis Law 633/41*), which constitutes the conduct of a person who illegally copies processing programs in order to make profit, or for the same purposes imports, distributes, sells, possesses for commercial or business purposes, or leases programs contained in supports not marked by the Società italiana degli autori ed editori (SIAE); or duplicates, transfers to another support, distributes, communicates, presents or shows in public the content of a database, in violation of the provisions referred to in articles 64-quinquies and 64-sexies, or effects the extraction or reuse of a database, in violation of the provisions referred to in articles 102-bis and 102-ter, or distributes, sells or leases a database.

6.2 Identification of the activities and operations at risk

The activities that the Company identified as sensitive, in the context of offenses regarding the infringement of copyright, are detailed in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of the illegal conduct.

These activities are summarized below:

- Use of licensed software / images protected by copyright in the context of the information technology systems / website of the Company

6.3 General rules of conduct

The following general rules of conduct apply to the Recipients of the Model who, on whatever basis, are involved in sensitive activities related to offenses regarding the infringement of copyright. In general, these subjects are prohibited to:

- install and use software (programs) that have not been approved by the Company and that are not related to the professional activity performed by the Recipients and users;
- install and use, on the Company's information technology systems, software (so-called "P2P", file sharing or instant messaging) through which it's possible to exchange with other persons within the Internet network every type of file (such as movies, documents, songs, data, etc.) without any possibility of control by the Company;
- use of unauthorized/unlicensed software by the staff;

Furthermore, it is expressly prohibited to:

- use and, in particular, disseminate and/or transmit, through dissemination channels (i.e. TV), websites or other telematics tools, third-party works protected by copyright in the absence of contractual agreements formalized in writing with their holders for the economic exploitation of the same.
- use and, in particular, disseminate and/or transmit, through dissemination channels (i.e. TV), websites or other telematics tools, third-party works protected by copyright in violation of the terms and conditions provided for in said agreements;
- reproduce or duplicate the media containing said works, without having acquired the relative rights.

In the workplace environment the staff:

- cannot duplicate and/or distribute in any form programs and files except in the forms and for the purposes of service to which they were assigned;
- duplicate CDs and, more generally, licensed media;

In case of doubt about the existence of the right to economic exploitation of the proprietary work, or in case of doubt about the relative conditions or terms of exploitation, it is obligatory, before use, to ask the IT Function of IKEA Italia Retail S.r.l. for the necessary information.

The erroneous use of third party proprietary work protected by copyright, improperly transmitted or circulated, shall be immediately notified to IT Function of IKEA Italia Retail S.r.l. in order to initiate the most appropriate process of remediation.

It should be noted that the management and maintenance activities of the company information system are centralized at the IT department of IKEA Italia Retail Srl, on the basis of the contract in force between the parties. IKEA Purchasing Services Italy Srl with Sole Shareholder is responsible for the physical security of the Hardware and the Servers and operates, within the framework of the Inter IKEA Group guidelines, for the assignment of the logical access rights to networks, systems, data and applications.

7 Inducement not to Make Statements or to Make False Statements to the Judicial Authorities (Art. 25 decies)

7.1 Type of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 *decies* and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Inducement not to make statements or to make false statements to the judicial authorities** (*art. 377-bis of the Penal Code*). This crime provides for the punishment of a person who, with violence or threat, or with the offer or promises of money or other benefits, induces a person called upon to not make statements or to make false statements, when the person has the right to remain silent.

This case aims at protecting the trial authenticity of those called to report relevant facts before the judicial authorities.

It is a common medium-specific crime (violence, threats, offers or promises of benefits), which punishes the inducement to not make statements or to make false statements in the context of a criminal proceeding.

It is a subsidiary offense, unless the fact constitutes a more serious crime (i.e. if all the conditions are met, judicial corruption pursuant to art. 319-*ter* of the Penal Code).

7.2 Identification of the activities and operations at risk

The activities that the Company identified as sensitive, in the context of the inducement not to make statements or to make false statements to the judicial authorities, are detailed in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of the illegal conduct.

These activities are summarized below:

- Management of the relationships with persons suspected or accused in criminal proceedings.
- Management of the relationships with competent judges, their technical consultants and collaborators, in the context of proceedings or appeals.

7.3 General rules of conduct

In accordance with the ethical principles of the Company referred to in the General Section of the Organizational Model pursuant to the Legislative Decree 231/2001 and of the ethics documentation adopted by the Company, the Recipients of the Model, in carrying out the sensitive activities mentioned above, are required to observe the following rules of conduct and control.

The Company condemns any conduct that may cause, in any way, directly or indirectly, the offense of "inducement not to make statements or to make false statements to the judicial authorities" and/or facilitate its commission.

In particular, the Recipients are forbidden to:

- promise or offer money or other utilities to individuals involved in judicial proceedings with the purpose of inducing them to hide/omit facts that may lead to punishments/sanctions for the Company;
- induce an individual to not make statements or to make false statements to the judicial authorities during criminal proceedings, with threats or violence (moral or physical coercion) with the purpose of hiding/omitting facts that may lead to punishments/sanctions for the Company.

Finally, the Recipients must observe the following requirements:

- their relations with the judicial authorities of whatever order and degree must be managed by responsible persons identified and adequately prepared by the Company;
- the engagements conferred on external collaborators (i.e. lawyers, consultants) must also be documented in writing, with specification of the assigned task and the agreed fee and must be signed in accordance with the delegated powers;
- forms of payment in cash or in kind above the thresholds established by law are prohibited.

8 Environmental Offenses (Art. 25 undecies)

8.1 Type of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 undecies and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Unauthorized waste management activities**³ (*art. 256 of the Legislative Decree 152/2006*), consisting in the following conducts:
 - Activities of collection, transport, recovery, disposal, commerce and brokerage of wastes - both hazardous and not hazardous - without the mandatory authorization, registration or communication (*art. 256, paragraph 1*);
 - establishment or management of an unauthorized dump, even if possibly destined to the disposal of hazardous wastes (*art. 256, paragraph 3*);
 - realization of unauthorized activities of waste mixing (*art. 256, paragraph 5*);
 - temporary storage of hazardous medical waste in their place of production, in violation of the regulations of *art. 227, paragraph q, lett. b*), Legislative Decree 152/2006 (*art. 256, paragraph 6, first section*);
- **Violation of the mandatory communication, record keeping and forms requirements** (*art. 258 Legislative Decree 152/2006*), consisting in the missing, incomplete, inaccurate or delayed communication required by *art. 189, paragraph 3*; the omitted or incomplete keeping of the register of loading and unloading pursuant to *art. 190, paragraph 1*; the transport of waste without the form required in *art. 193*, or the incomplete or inaccurate filling of this form; or, when a certificate of waste analysis is presented, are given false information regarding the nature, composition and chemical-physical characteristics of the waste and the use of a false certificate during transportation;

8.2 Identification of the activities and operations at risk

The activities identified by the Company as sensitive, in the context of the environmental offenses, are indicated in detail in the Matrix of Crime Risk Activities kept by the Company, together with examples of potential methods and aims of realization of the unlawful conduct.

These activities are summarized below:

- Activities of collection, transport, recovery, disposal and brokerage of wastes, also through contracts to third-party companies.

8.3 General rules of conduct

The following general rules of conduct apply to the Recipients of the Model who, on whatever basis, are involved in sensitive activities related to environmental offenses referred to in *art. 25 undecies* Legislative Decree 231/2001. In particular, the Recipients are required to:

- check that suppliers providing waste management services, where required pursuant to Legislative Decree 152/2006 and to further legislation and regulations, declare and provide, on the basis of the nature of the service provided, proof of compliance with waste management and environmental protection requirements;
- verify, before entering into business relations, the respectability and liability of service providers of waste management, also through the collection and verification of communications, certifications and authorizations in environmental matters performed or acquired by the latter by law, refraining from engaging in business relations with suppliers who do not offer good repute and professional competence;

³ Please note that this offense also applies to third-party companies which are assigned the service.

- include in the contracts with suppliers of services related to waste management specific clauses through which suppliers give the Company the assurance to maintain, for the entire duration of the contract, authorizations required by the legislation for carrying out activities of waste management enforceable and valid;
- verify that the service providers working on behalf of the Company know and observe the corporate procedures in environmental matters.

The Recipients are expressly forbidden to:

- violate the mandatory communication, record keeping and forms requirements related to waste management;
- perform or prepare organized activities for illegal waste trafficking;
- falsify or alter any document to be submitted to Public Administrations or Supervisory Authorities, or omit to promptly communicate information or data on facts and circumstances that might compromise public health;
- refrain from holding relations with waste operators that, on the basis of information acquired, may not ensure the necessary reliability when conducting business.

9 Employment of Third-country Nationals who are Illegally Staying (Art. 25 duodecies)

9.1 Types of offenses relevant to the Company

The following is a brief description of the types of offenses provided by the Legislative Decree 231/2001 art. 25 duodecies and applicable to the Company; please refer to Appendix 1 for the complete list of the offenses provided for in the Decree:

- **Offense of employment of third-country nationals staying illegally** (art. 22 paragraph 12 *bis* of the Legislative Decree 286/1998). This offense provides the punishment of the conduct of who, acting as an employer, employs foreign workers without residence permit or whose permit has expired or has not been requested for renewal, in legal terms, or has been revoked or cancelled, if the employed workers are (alternatively):
 - more than three;
 - minors that are not in working age;
 - subject to other particularly working condition, referred to in the third paragraph of Art. 603 of Penal Code, or exposed to extremely dangerous situations, with reference to the services to be performed and working conditions.

9.2 Identification of the activities and operations at risk

The activities identified by the Company as sensitive, in the context of the offenses of employment of third-country nationals who are illegally staying, are detailed in the Matrix of Crime Risk Activities which is kept by the Company, together with examples of potential methods and aims of this unlawful conduct.

These activities are summarized below:

- Recruitment and management of non-EU employers, in particular with reference to the following activities:
 - request and verification of the residence permit;
 - monitoring and renewal of the residence permit;
 - verification of the age limits;
 - verification of the working conditions.

9.3 General rules of conduct

In line with the ethical principles of the Company referred to in the General Section of the Organizational Model pursuant to the Legislative Decree 231/2001 and of the ethics documentation adopted by the Company, in performing the above mentioned sensitive activities, all the Recipients of the Model are required to comply with the following rules of conduct and control.

In general, it is expressly forbidden to hire non-EU employees that do not comply with the required regulations of law to stay and work in the national territory.

In particular, the Recipients of this Model who, on whatever basis, are involved in HR management, are required to:

- Fulfill all obligations with the competent Public Entities required by law for the hiring of non-EU employees;
- Periodically verify the validity of the residence permit of the newly employed staff members and/or the renewal of his/her residence permit in accordance with the time limits required by law.

10 Control procedures

As an integration to the general rules of conduct indicated above and related to the several families of offenses, the following table shows the main control procedures for each sensitive process or group of sensitive processes. Please refer to the specific Protocols and corporate procedures for details of the existing control procedures.

10.1 Purchases of goods and services and expert advice

The table below lists further control procedures in relation to the specific process:

- the separation of duties among the requester of the good/service and the advice, those who authorize it and those who execute the payment of the service is always guaranteed;
- the choice of the supplier of goods/services or consultants shall be based on objective evaluation criteria in order to ensure competition criteria, cost effectiveness, transparency, fairness and professionalism;
- the purchase of goods/services and consultancies must be documented with the contract/letter of assignment, or with a purchase order formally approved by persons endowed with suitable powers;
- the regularity of payments is verified, with reference to the full relationship between the recipients/ordering parties of payments and counterparties actually involved in the transactions;
- the contracts/purchase orders and the letters of appointment with suppliers/professionals/advisors must contain the information regarding the rules of conduct adopted by the Company, with respect to the Organization Model and the ethics documentation, as well as regarding the consequences of a conduct contrary to the provisions of the ethics documentation, to the rules of conduct of the Company, to the relevant regulations on the contractual relationships;

10.2 Selection, recruitment and management of the personnel (including the expense notes):

The table below lists further control procedures in relation to the specific process/es:

- the recruitment for filling a vacancy is activated on the basis of formalized written requests;
- the job applications of new resources must be approved by the competent corporate function in accordance with the agreed budget;
- the selection process is performed through the use of data coming from external and internal sources, by way of announcements and spontaneous applications;
- in the acquisition stage, the received curricula must be stored, ensuring the traceability of the source, independently from the outcomes of the interviews and in compliance with the rules on protection of personal data;
- in the selection stage, the applicant is evaluated on the basis of objective criteria, including in particular aptitude and professional competence criteria; under no circumstances shall it be permitted to select a subject with the concealed or explicit intention of obtaining advantages for the Company granted by third parties as a consequence of the hiring;
- to ensure the consistency of the candidacy with the profile sought, the evaluation of the candidate's requirements is carried out in several phases through a system of serial interviews, aimed at expanding the abilities of the candidates in an objective manner;
- the results of the interviews related to the final shortlist of candidates shall be formally recorded by the interviewers involved in the selection process and properly stored;
- it is absolutely forbidden for anyone to give promises of employment in favor of:
 - representatives of Italian or foreign Public Administration;
 - their relatives or similar;
 - persons indicated by the subjects referred to in the previous points;

in order to influence the independent judgment of the representatives of Public Administration public or to induce them to ensure any advantage for the company.

- should it be necessary to establish an employment relationship with a non-EU citizen already resident in Italy, the Human Resources Function shall verify the requirements in accordance with local regulations;
- the policies for the allocation of benefits (in terms of identifying and the types and value of benefits that can be assigned according to the level of the company covered) are defined on the basis of the guidelines defined by the Inter IKEA Group and the locally applicable practice;
- the benefits may be uniquely assigned to Company personnel or to the staff of foreign affiliates temporarily seconded to the Company, in order to supplement his/her normal pay and to encourage him towards greater productivity;
- when the benefit is represented by the assignment of a business property, the beneficiary must sign a communication of company policies regarding the correct use of the awarded benefit;
- the Human Resources Function must keep documentary evidence of each individual stage of the process (i.e. the assignment and revocation of the benefit).

10.3 Management of cash and financial flows

The table below lists further control procedures in relation to the specific process:

- the management of inflows and outflows is performed only through the use of banking channels and other financial intermediaries accredited and subjected to the discipline of the European Union or credit/financial institutions situated in a non-EU country imposing requirements equivalent to those provided for by law on the suppression of money-laundering and supervision of the compliance with these obligations;
- it is expressly forbidden to transfer for any reason cash or bearer bankbooks or postal deposit books or bearer securities in Euro or foreign currency, unless through banks or electronic currency institutes or Poste Italiane S.p.A., when the value of the operation, even if split into different operations, has a total amount equal to or greater than
- it is forbidden to transfer money for any reason, other than through banks or institutes of electronic money or Poste Italiane SpA, cash or passport or bank deposit books or bearer securities in euro or in foreign currency, when the value of the operation, even split, is in total equal to or higher than the amount defined by the law⁴.
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10.4 Management of relationships and obligations with the Public Bodies and the Independent Administrative Authorities, also during inspections:

The table below lists further control procedures in relation to the specific process:

- communications, fulfillment of obligations and relationships with Public Officials are exclusively managed by company personnel holding suitable and specific powers of representation or by persons specifically and formally delegated by them, also for an individual deed;
- the revocation of the powers of representation when dealing with the Public Administration must be immediately disclosed and formally communicated to the concerned person, in order to prevent him/her from exercising the revoked powers;
- the delegated persons must also keep up to date on the legislation affecting their business operations sector, assess the impacts that may result from changes in regulations and provide adequate information to all involved employees, also under a merely operating profile, in their relations with the Public Administration, as well as provide any new instructions to comply with the new requirements of law;
- in case of audits and inspections by Public Bodies, Supervisory Authorities or Independent Administrative Authorities (i.e. National Institute of Social Insurance, National Institute for Insurance against Industrial Accidents, Local Health Authority, Provincial Employment Department, Labour Inspectorate, Fire Brigade, Guardia di Finanza, Revenue Office, Data Protection Authority), the competent employees must

⁴ It should be noted that, following the issue of the new Law dated 28th of December 2015 - "2016 Stability Law", which came into force on the 31st of December 2015, the limit on the transfer of cash or bank or postal deposit booklets to the bearer, bearer securities in euro or in foreign currency, carried out for any reason between different subjects when the value of the transaction, including financial value, has been defined at an amount equal to or higher than 3,000.00 euro. The transfer can however be carried out through banks, electronic money institutions and Poste Italiane SpA

ensure the proper and transparent conduct of audits or inspections at the Company and may delegate in writing any other corporate employee, solely and exclusively in the case of their inability to personally attend the verification or the inspection. The delegate must receive specific instructions by the delegator about the procedures to conduct the visit;

- All documents must be stored in an archive, in such a way as to prevent their subsequent changes, except with specific evidence in order to allow the correct traceability of the entire process and to facilitate any possible future control.

10.5 Compliance with health and safety regulations pursuant to the Legislative Decree 81/2008

The table below lists further control procedures in relation to the specific process:

- the system for health and corporate safety ensures, in accordance with the applicable statutory provisions regarding this matter, the following control procedures:
 - the formal appointment of the Employer;
 - the evaluation and periodical control of the suitability and professional competence requirements by the person in charge of the Prevention and Protection Service;
 - the indication of the minimum competences, of the number, the tasks and responsibilities of the employers charged with the implementation of emergency, fire prevention and first aid measures;
 - the appointment process and its acceptance by the competent physician, with evidence of the manner and timing in the case of rotation in the role;
 - formal identification of the persons in charge;
 - preparation and update of the Risk Assessment Document for Health and Safety at the Workplace;
 - the preparation and delivery, with any associated fixtures and fittings, to self-employed workers or contractors working at the headquarters of the Company the Single Interference Risk Assessment Document through which it is communicated, in compliance with art. 26 of the Legislative Decree no. 81/2008, the existing risks in its facilities and the preventive and protective measures taken or to be taken by the same contractors and costs related to workplace safety;
 - pursuant to art. 16 of the Legislative Decree no. 81/2008, organization of regular meetings with the Delegated, the RSPP, the delegated physician and workers' representatives with relevant minutes signed by the participants;
 - prior consultation of representatives of the Workers' Representatives for Safety on the identification and assessment of risks and the definition of preventive measures;
 - planning and implementation of effective information and training activity, as well as documentary evidence of the provided training.

10.6 Management of public funds

The table below lists further control procedures in relation to the specific process:

- all employees, for confirmation and management of subsidized loans or grants, relations with the Public Administration on behalf of the Company, must be formally authorized to do so (i.e.: by proxy);
- the employees involved in the process who are responsible for signing acts or documents with relevance outside the Company (i.e.: assessment of applications, feasibility studies, project plans, etc.) must be formally delegated to that effect.

It is also expressly forbidden to:

- submit false statements to public national and/or community entities;
- produce false or altered documents and data;
- behave with the deliberate attempt of misleading the Funding Entities as to the technical-economic assessment of the submitted documentation;
- submit false and/or incomplete information to the Funding Entities or or circumvent legal/regulatory obligations;
- allocate grants, subsidies and public funding for purposes other than those for which they were obtained.

10.7 Management of the balance sheet and relationship with the Supervisory Bodies

The table below lists further control procedures in relation to the specific process:

- the Company manages the accounting through the information system and the use of a software that ensures segregation of roles, authorization levels, automatic controls and automatic feeding of certain data;
- the rules defining the accounting standards to be adopted for the definition of statutory balance sheet items and of the operating procedures for their accounting are distributed to the staff involved in the preparation of financial statements; any changes to the accounting data is performed only by the function that generated them, while tracking the editing action;
- the draft budget is made available to the Directors in reasonable advance of the meeting of the Board of Directors that approves the draft budget;
- the draft budget is submitted to the verification of the Sole Auditor and the Audit Firm;
- the Company has defined formalized rules identifying roles and responsibilities in relation to the keeping, storage and updating of the annual report from the approval of the Board of Directors to its filing and publication (including an electronic copy) and its related storage;
- requests and transmissions of data and information, as well as any survey, communication or evaluation expressed by the Sole Auditor and the Shareholder are documented and maintained by the Finance & Administration Department;
- all the documents on the agenda of the meetings of the Board of Directors are made available to them in good time before the date of the meeting;
- the traceability of sources and information in relations with the Shareholder or with the Sole Auditor is constantly guaranteed.

10.8 Management of information systems

The table below lists further control procedures in relation to the specific process:

- the access to information stored on corporate servers, including clients, is limited by authentication tools;
- the access to applications by the staff is guaranteed by means of authorization;
- the corporate data transmission network is protected by adequate (physical and logical) means of access limitation;

The staff:

- access the corporate information system only through assigned identification codes, performing their periodic changes;
- ensure the integrity and inalterability of data, information and computer programs which constitute the instrument of employment and the entire information and communications assets of the Company;
- contribute to the promotion of an adequate level of protection of the information technology and telecommunication assets of private or public third parties, in accordance with the control procedures implemented by the Company;

- the rules of proper management and use of information systems include a prohibition for users to install software.

10.9 Management of obligations related to environment

The table below lists further control procedures in relation to the specific process:

- the respectability and reliability of service providers related to the management. Enter into contracts with suppliers of services related to waste management specific clauses through which the Company may reserve the right to periodically check the communications, certificates and environmental licenses, taking into account the terms of expiration and renewal thereof;
- the archive of permits, registration and communications acquired by third-party suppliers must be periodically updated and any variation must be promptly reported to the competent function;
- the documentation accompanying the waste must be clear, accurate, complete, reliable and true.

10.10 Management of relations with business suppliers

For the management of relation with business suppliers please refer to the provisions contained in the ethics documentation.

10.11 Management of gifts, donations and sponsorships

The table below lists further control procedures in relation to the specific process:

- Gifts, donations and sponsorships are exclusively permitted for the promotion of the Inter IKEA value and of its image in the social scene and in the its territorial jurisdiction, as provided by the guidelines of "Good neighbourhood";
- donations and gifts can be made only to entities and not to individuals;
- the gifts can be offered only in accordance with the provisions of the ethics documentation. In any case, the gifts can be granted to private individuals or institutions, generally at events or at Christmas and only in the performance of business, marketing and communication strategies centrally determined by the Company;
- it is not allowed to promise or offer money, benefits, promises of favors, benefits of employment or other benefits, also under psychological pressure or coercion, even if indirectly, through a third person (i.e. a consultant, real estate broker) to public officials or designated subjects identified, even implicitly, for the purpose of obtaining favorable treatment for themselves or in conducting any activity connected to the Companies of Inter IKEA Group; the same requirement also applies to non-members of the Public Administration;
- each initiative (donation, gift, etc.) is subject to the guarantee that its objectives and documentation is consistent with the policy of Inter IKEA Group;
- donations and gifts must be delivered in compliance with the applicable laws in force, including tax laws;
- courtesy and hospitality behaviours that fall within the normal practice of conduct of business and relationships must be consistent with the principles expressed in this procedure; IKEA does not allow behaviors that may be interpreted as exceeding the normal commercial relations or courtesy;
- it is forbidden to employees and collaborators of IKEA to accept any form of gift or benefit, outside of the provisions of this document.

ANNEX 1 - LIST OF OFFENSES CURRENTLY INCLUDED IN THE LEGISLATIVE DECREE 231/2001

1. Offenses against the Public Administration (articles 24 and 25):
 - Misappropriation to the detriment of the State or of another Public Body or of the European Union (art. 316 *bis* of the Penal Code);
 - Undue receipt of disbursements to the detriment of the State or of another Public Body of the European Union (art. 316 *ter* of the Penal Code);
 - Fraud to the detriment of the State (art. 640, no. 1 of the Penal Code);
 - Aggravated fraud for the obtainment of state disbursements (art. 640 *bis* of the Penal Code);
 - Cyber fraud (art. 640 *ter* of the Penal Code);
 - Bribery (art. 317 of the Penal Code);
 - Corruption of Public Official (art. 318 of the Penal Code);
 - Bribery for an action conflicting with official duties (art. 319 of the Penal Code);
 - Aggravating circumstances (art. 319 *bis* of the Penal Code);
 - Corruption in legal proceedings (art. 319 *ter* of the Penal Code);
 - Undue inducement to give or promise benefits (art. 319 *quater* of the Penal Code);
 - Bribery of a public service employee (art. 320 Italian Criminal Code);
 - Punishments for the briber (art. 321 of the Penal Code);
 - Inducement to commit acts of corruption (art. 322 of the Penal Code);
 - Embezzlement, extortion, undue induction to give or promise benefits, corruption and incitement to corruption of members of European Community organs and officials of the European Communities and of foreign States (art. 322-bis Italian Criminal Code)
2. Computer crime and illicit data processing introduced into the Decree by Italian Law 48/2008 (art. 24-bis) and amended by Italian Legislative Decree. 7/2016:
 - Counterfeiting information technology documents (art. 491 *bis* of the Penal Code);
 - Unauthorized access to an information technology or data transmission system (art. 615 *ter* of the Penal Code);
 - Unauthorized possession and diffusion of access codes to information technology or data transmission systems (art. 615 *quater* of the Penal Code);
 - Diffusion of equipment, devices or information technology programs aimed at damaging or shutting down an information technology or data transmission system (art. 615 *quinquies* of the Penal Code);
 - Wiretapping, hindrance or unlawful disruption of information technology or data transmission communications (art. 617 *quater* of the Penal Code);
 - Installation of equipment designed to intercept, obstruct or interrupt information technology or data transmission systems (art. 617 *quinquies* of the Penal Code);
 - Damaging of information, data and information technology programs (art. 635 *bis* of the Penal Code);
 - Damaging of information, data and information technology programs used by the State, other public bodies or of public utility (art. 635 *ter* of the Penal Code);
 - Damaging of information technology or data transmission systems (art. 635 *quater* of the Penal Code);
 - Damaging of information technology or data transmission systems of public utility (art. 635 *quinquies* of the Penal Code);
 - Cyber fraud committed by the subject providing electronic signature certification services (art. 640 *quinquies* of the Penal Code);

3. Organised crime introduced into the Decree by Italian Law 94/2009 (art. 24-ter) and amended by Italian Law 69/2015:

- Inducement not to make statements or to make false statements to the judicial authorities (art. 377 *bis*);
- Aiding and abetting (art. 378 of the Penal Code);
- Criminal conspiracy (art. 416 of the Penal Code);
- Mafia-type associations, including foreign associations (art. 416 *bis* of the Penal Code);
- Mafia vote-buying (art. 416 *ter* of the Penal Code);
- Kidnapping for purpose of robbery or extortion (art. 630 of the Penal Code);
- Offenses of illegal manufacturing, introduction into the country, sale, transfer, possession and carrying in a public place or open to the public of weapons of war or warlike or parts thereof, explosives, illegal weapons and more common firearms, except those provided for in Article 2, third paragraph, of Law 18 April 1975 no. 110 (art. 407, paragraph 2, letter a), no. 5) of the Code of Criminal Procedure).
- Association aimed at illicit trafficking in narcotic or psychotropic drugs (art. 74, Decree of the President of the Republic October 9, 1990 no. 309);
- Criminal conspiracy aimed at the smuggling of foreign tobacco (Decree of the President of the Republic 43/1973, art. 291 *quater*);

4. Crimes relating to counterfeit currency, public credit cards, revenue stamps and instruments or signs of recognition, introduced into the Decree by Italian Law 409/2001 and amended by Italian Law 99/2009 and Italian Legislative Decree no. 125/2016 (art. 25-bis):

- Forgery of money, spending and introduction of counterfeited money into the State after agreement (art. 453 of the Penal Code);
- Adulteration of money (art. 454 of the Penal Code);
- Spending and introduction of counterfeited money into the State without agreement (art. 455 of the Penal Code);
- Spending of adulterated money received in good faith (art. 457 of the Penal Code);
- Forgery, introduction into the State, purchase, possession or circulation of forgery revenue stamps (art. 459 of the Penal Code);
- Counterfeiting of watermarked paper used for manufacturing legal tender or revenue stamps (art. 460 of the Penal Code);
- Production or possession of watermarked paper or instruments for the forgery of money, legal tender or watermarked paper (art. 461 of the Penal Code);
- Use of counterfeited or adulterated revenue stamps (art. 464, paragraphs 1 and 2 of the Penal Code);
- Counterfeiting, adulteration and use of trademarks or distinctive signs, patents, models and designs (473 of the Penal Code);
- Introduction into the State of industrial products with counterfeit marks (474 of the Penal Code).

5. Offenses against industry and commerce, introduced in the Decree by Law 99/2009 (art. 25 *bis* 1):

- Disturbance of the freedom of the industry and commerce (art. 513 of the Penal Code);
- Unlawful competition with threats and violence (art. 513 *bis* of the Penal Code);
- Frauds against national industries (art. 514 of the Penal Code);
- Commercial fraud (art. 515 of the Penal Code);
- Sale of non-genuine foods as genuine (art. 516 of the Penal Code);

- Sale of industrial products with mendacious marks (art. 517 of the Penal Code);
 - Manufacturing and trade of goods realized by usurping industrial property deeds (art. 517 *ter* of the Penal Code);
 - Counterfeiting of geographical indications or origin designations of food-farming products (art. 517 *quater* of the Penal Code).
6. Corporate crimes, introduced by Italian Legislative Decree 61/2002 and amended by Italian Law 262/2005 (art. 25-ter) and by Italian Law 69/2015:
- False or misleading corporate notices (art. 2621 of the Civil Code);
 - False or misleading corporate notices damaging the Company, shareholders or creditors (art. 2622 of the Civil Code);
 - Prevented control (art. 2625 of the Civil Code);
 - Undue repayment of contributions (art. 2626 of the Civil Code);
 - Illegal sharing of profits and reserves (art. 2627 of the Civil Code);
 - Unlawful transactions of shares or stocks or of the parent company (art. 2628 of the Civil Code);
 - Transactions to the detriment of creditors (art. 2629 of the Civil Code);
 - Omitted communication of conflict of interest (art. 2629 *bis* of the Civil Code);
 - Factitious formation of capital (art. 2632 of the Civil Code);
 - unlawful distributions of company assets by the liquidators (art. 2633 of the Civil Code);
 - Private-to-private corruption (art. 2635 of the Civil Code);
 - Undue influence on a shareholders' assembly (art. 2636 of the Civil Code);
 - Stock manipulation (art. 2637 of the Civil Code);
 - Hindrance to the exercising of the functions of public surveillance authorities (art. 638, paragraphs 1 and 2 of the Civil Code);
 - False statement in a prospectus (art. 173-*bis*; Legislative Decree 58/1998)
 - False statements in reports or communications of the audit firms (art. 27; Legislative Decree 39/2010)
7. Crimes for the purpose of terrorism or subversion of the democratic order, introduced in the Decree by Italian Law 7/2003 (art. 25-*quater*).
- Subversive associations (art. 270 Italian Penal Code);
 - Associations with purposes of terrorism, even international, or subversion of the democratic order (art. 270-*bis* of the Italian Penal Code);
 - Aiding criminal associates (art. 270-*ter* of the Italian Penal Code);
 - Associations connected to domestic or international terrorism (art. 270-*quater* Italian Penal Code);
 - Arrangement of transfers connected to terrorism (art. 270-*quater*.;);
 - Training for activities connected to domestic or international terrorism (art. 270-*quinquies* Italian Penal Code);
 - Behaviour connected to terrorism (art. 270-*sexies* Italian Penal Code);
 - Attacks connected to terrorism or subversion (art. 280 Italian Penal Code);
 - Act of terrorism with deadly or explosive devices (Article 280-*bis* Italian Penal Code);
 - Abduction of persons connected to terrorism or subversion (art. 289-*bis* Italian Penal Code);
 - Instigation to commit any of the crimes referred to in the first and second chapters (art. 302 Italian Penal Code);

- Political conspiracy by agreement (art. 304 Italian Penal Code);
 - Political conspiracy through association (art. 305 Italian Penal Code);
 - Creation of, and participation in, armed training groups (art. 306 Italian Penal Code);
 - Assistance to parties to conspiracy or armed groups (art. 307 Italian Penal Code);
 - Active repentance (art. 5 Italian Decree No. 625/1979 - converted with amendment into Law 15/1980);
 - Seizure, diversion and destruction of an aircraft (art. 1, Italian Law No. 342/1976);
 - Damage to ground installations (art. 2, Italian Law No. 342/1976);
 - Provisions regarding offences directed against the safety of maritime navigation and the safety of fixed installations on the intercontinental platform (art. 3, Italian Law No. 422/1989);
 - Urgent measures for the protection of the democratic order and public security (art. 1 Italian Legislative Decree no. 625/1979 - mod. in Law 15/1980);
 - International Convention for the Suppression of Terrorist Financing New York 9 December 1999 (art. 2 New York Conv. 9/12/1999).
8. Practices of female genital organs mutilation, introduced in the Decree by Law 7/2006 (art. 25 quater 1).
9. Crimes against individual personality, introduced into the Decree by Italian Law 228/2003 and amended by Italian Law 38/2006 (art. 25-quinquies) and by Italian Law 199/2016:)
- Reduction or maintenance in slavery or servitude (art. 600 of the Penal Code);
 - Child prostitution (art. 600 bis of the Penal Code);
 - Sexual acts with a minor aged between fourteen and eighteen, in exchange for money or other consideration (art. 600-bis paragraph 2 Italian Penal Code)
 - Child pornography - Recruitment or use of a minor for pornographic performances and distribution of child pornography, including virtual material (art. 60-ter paragraph 1 and 2 Italian Penal Code);
 - Child pornography - Child pornography - offer and transfer of child pornography material, also by electronic means (art. 60-ter paragraph 3 Italian Penal Code)
 - Detention of child pornography material (art. 600-quater Italian Penal Code);
 - Virtual pornography (art. 600 quater 1 of the Penal Code, 609 undecies of the Penal Code);
 - Solicitation of a minor (art. 609 undecies of the Penal Code);
 - Tourism aimed at the exploitation of child prostitution (art. 600 quinquies of the Penal Code)
 - Human trafficking (art. 601 of the Penal Code);
 - Purchase and sale of slaves (art. 602 of the Penal Code);
 - Illegal intermediation and exploitation of work (art. 603-bis Italian Penal Code)
 - Grooming of minors (art. 609 of the Italian Criminal Code)
10. Market abuse, introduced in the Decree by Law 62/2005 and amended by Law 262/2005 (art. 25 sexies):
- Abuse of privileged information (art. 184 of the Legislative Decree 58/1998);
 - Market manipulation (art. 185 of the Legislative Decree 58/1998).
11. Transnational crimes, introduced in the Decree by Law 14&72006:
- Criminal conspiracy (art. 416 of the Penal Code);
 - Mafia-type associations, including foreign associations (art. 416 bis of the Penal Code);
 - Criminal conspiracy aimed at the smuggling of foreign tobacco (Decree of the President of the Republic 43/1973, art. 291 quater);
 - Association aimed at illicit trafficking in narcotic or psychotropic drugs (art. 74 of the Decree of the President of the Republic 309/1990);

- Provisions against illegal immigration (art. 12 of the Legislative Decree 286/1998);
 - Incitement to not testify or to bear false testimony before court authorities (art. 377 *bis* of the Penal Code);
 - Aiding and abetting (art. 378 of the Penal Code).
12. Manslaughter, serious harm or very serious injuries committed with violation of the rules on the protection of health and safety at work, introduced by Italian Law 123/2007 (art. 25-septies) and amended by Italian Legislative Decree. 81/2008;
- Manslaughter (art. 589 of the Penal Code)
 - Serious or very serious bodily harm (art. 590 of the Penal Code).
13. Crimes related to receiving stolen goods, money laundering and use of money of illegal origin and self-laundering (art. 25-octies) introduced by Italian Legislative Decree 231/2007 and amended by Italian Law 186/2014;
- Handling stolen goods (art. 648 of the Penal Code);
 - Money-laundering (art. 648 *bis* of the Penal Code);
 - Use of money, goods and utilities of unlawful origin (art. 648 *ter* of the Penal Code);
 - Self money-laundering (art. 648 *ter* 1 of the Penal Code).
14. Copyright infringement, introduced in the Decree by Law 99/2009 (art. 25 *novies*):
- Diffusion on telematic network systems available to the public, through connections of any kind, of a work (or part of it) protected by copyright (art. 171, first paragraph, lett. a-*bis*), Law 633/41);
 - Offenses mentioned in the previous paragraph, committed in relation to a work of others not intended for publication, or with usurpation of authorship, or with distortion, mutilation or other modification of the same, if it offends the honor or the reputation of the author (art. 171, third paragraph, Law 633/41);
 - Unauthorized duplication, for profit, of computer software; import, distribution, sale, possession for commercial or business purposes of software on media not marked by SIAE; development of means intended solely to allow or facilitate the arbitrary removal or the functional evasion of devices used to protect a computer software (art. 171-*bis*, first paragraph, Law 633/41);
 - Reproduction, transfer to another medium, distribution, communication, display or demonstration to the public of the contents of a database, in violation of the provisions of Articles 64-*quinqies* and 64-*sexies* of Law 633/41, in order to profit and on media not marked by SIAE; extraction or reuse of the database in violation of the provisions of Articles 102-*bis* and 102-*ter* of Law 633/41; distribution, sale and leasing of the database (art. 171-*bis*, second paragraph, Law 633/41);
 - Unauthorized duplication, reproduction, transmission or public diffusion by any means (in whole or in part) of a creative work intended for television, cinema, sale or rental on disks tapes or similar media or any other media containing phonograms or video recordings of musical, cinematographic or audiovisual works or sequences of moving images; unauthorized reproduction, transmission or public dissemination, by any means, of works or parts of literary, dramatic, scientific or educational, musical or dramatic-musical, multimedia works, even if included in collective or composite works or databases; introduction in the State, even without having participated in the duplication or reproduction, possession for sale or distribution, distribution, commercialization, rental or sale concession on any account, projection in public, transmission via television with any procedure, transmission via radio, diffusion for public listening of the above mentioned unauthorized reproduction; possession for sale or distribution, distribution, commercialization, sale, rental or any other form of transfer, public projection, transmission via television by any means, transmission via radio, public listening of the above mentioned abusive duplications or reproductions; possession

for sale or distribution, marketing, sale, rental, transfer of any kind, broadcast by radio or television with any procedure, videotapes, cassettes, any medium containing phonograms or videograms of musical, cinematographic or audiovisual works or sequences of moving images, or other media for which it is prescribed, in accordance with Law 633/41, the affixing of the SIAE mark, lacking the same mark or with a counterfeit or altered mark; retransmission or distribution by any means, in the absence of agreement with the legitimate distributor, of an encrypted service received by means of equipment or parts of equipment for decoding broadcasts with conditional access; introduction in the State, possession for sale or distribution, distribution, sale, rental concession, transfer of any kind, commercial promotion, installation of devices or special decoders allowing the access to an encrypted service without payment of the due fee; manufacture, import, distribution, sale, rental, transfer for any reason, advertising for sale or rental, or possession for commercial purposes of devices, products or components or services whose main purpose or commercial use is to circumvent effective technological measures referred to in art. 102-*quater* of Law 633/41 or primarily designed, produced, adapted or performed for the purpose of enabling or facilitating the circumvention of these measures; illegal removal or alteration of electronic information referred to in Article 102-*quinquies*, or distribution, importation for distribution, diffusion by radio or television, communication or making available to the public works or other protected materials from which have been removed or altered the same electronic information (art. 171-*ter*, paragraph 1, Law 633/41);

- Reproduction, duplication, transmission or illegal diffusion, sale or commercial distribution, or transfer at any title of illegal import of more than fifty copies of works protected by copyright and related rights; communication to the public, for profit, by inserting in a telematics network system, through connections of any kind, of work protected by copyright (or part of it); commission of an offense referred to in the previous paragraph while exercising for business purposes activities of reproduction, distribution, sale or marketing, import of works protected by copyright and related rights; promotion or organization of the illegal activities referred to in the previous paragraph (art. 171-*ter*, paragraph 2, Law 633/41);
- Failure to inform SIAE by producers or importers regarding media not subject to the marking referred to in Article 181-*bis* of Law 633/41, within thirty days from the date of commercialization or import on the national territory, or regarding the identification data of media not subject to mark or false statement related to such data (art. 171-*septies*, Law 633/41);
- Fraudulent production, sale, import, promotion, installation, modification, use for public and private use of equipment or part of equipment intended to decoding conditional access audiovisual broadcasts via air, via satellite, cable, in both analogue and digital form (art. 171-*octies*, Law 633/41).

15. Inducement not to make statements or to make false statements to the judicial authorities (art. 377 *bis* of the Penal Code), introduced in the Decree by Law 116/2009 (art. 25 *decies*)

16. Environmental crimes introduced by Italian Legislative Decree 121/2011 (art. 25-*undecies*) and amended by Italian Law 68/2015:

- Kill, destruction, capture, collection, possession of protected wild animal or vegetal species (art. 727-*bis* of the Penal Code);
- Destruction and deterioration of habitats inside a protected site (art. 733-*bis* of the Penal Code);
- Dumping of industrial wastewater containing hazardous substances, without authorization or after the suspension or revocation of the authorization, dumping into the sea water, by ships or aircraft, of substances or materials for which there is a total prohibition of spill (art. 137 paragraphs 2, 3, 5, 11 and 13 of the Legislative Decree 152/2006);
- Unauthorized waste disposal (art. 256 paragraphs 1, 3, 5 and 6, second section of the Legislative Decree 152/2006);
- Omitted reclamation of the sites in accordance with the project approved by the competent authority (art. 257 paragraphs 1 and 2 of the Legislative Decree 152/2006);

- Violation of the mandatory communication, record keeping and forms requirements (art. 258 paragraph 4, second section of the Legislative Decree 152/2006);
 - Illegal trade of wastes (art. 259 paragraph 1 of the Legislative Decree 152/2006);
 - Organized crime for illegal trade of wastes (art. 260 paragraphs 1 and 2 of the Legislative Decree 152/2006);
 - Documental forgery of waste analysis certificate, also used in the context of SISTRI (Waste Tracking System) - Handling Area, and documental or actual forgery of the SISTRI - Handling Area's form (art. 260-bis of the Legislative Decree 152/2006);
 - Exceeding of the limit values of emission determining the exceeding of the limit values for air quality (art. 279 paragraph 5 of the Legislative Decree 152/2006);
 - Import, export, re-export of specimens belonging to the protected species listed in the attachments A, B and C of the European Community Regulation no. 338/97 of the Council dated December 9, 1996 and subsequent modifications and integrations; omitted observance of the provisions regarding the safety of the specimens belonging to protected species; use of the abovementioned specimens in ways contrary to the regulations contained in the authorization and certification provisions; transport and transit of specimens without the prescribed certificate or license; trade in artificially-reproduced plants contrary to the provisions of art. 7 par. 1 lett. b) EC Regulation no. 338/97 of the Council dated December 9, 1996 and subsequent modifications and integrations; posses, for-profit use, purchase, sale, exhibition, possession for sale or commercial purposes, purchase offers or transfer of specimens without the required documentation (articles 1 and 2 Law no. 150/1992);
 - Forgery or adulteration of certificates, licenses, import certificates, declarations, communication of the information required by art. 16, par. 1, lett. a), c), d), e) and i) of the EC Regulation no. 338/97 of the Council dated December 9, 1996 and subsequent modifications and integrations (art. 3 Law no. 150/1992);
 - Possess of alive wild mammal and reptile specimens and alive mammal and reptile specimens from captive breeding which may cause harm for the public safety and health (art. 6 Law no. 150/1992);
 - Suspension or reduction of the use of harmful substances (art. 3 Law no. 549/1993);
 - Intentional pollution of vessels flying the flag of any country (art. 8 of the Legislative Decree no. 202/2007);
 - Unintentional pollution of vessels flying the flag of any country (art. 9 of the Legislative Decree no. 202/2007).
17. Employment of third-country nationals who are illegally staying (art. 25 duodecies), introduced in the Legislative Decree 109 dated July 16, 2012.