Model 231

adopted by *ESSITY PLD ITALY S.p.A.*

Summary document[1]

[1] This document is a summary of the Organizational, Managerial and Control Model (hereafter Model 231) approved by the Board of Directors of ESSITY PLD ITALY S.p.A. on 13th March 2023 to comply with the Italian Legislative Decree no. 231/2001.

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PREMISE

The Board of Directors of **Essity PLD Italy SpA** (in short Essity) approved on 13th March 2023 the version of the internal control model to comply with the Italian Legislative Decree no. 231/2001 (hereafter Model 231).

The model 231 is composed of two parts:

1. **the General Section**, which includes the description of: (i) the Legislative Decree 231; (ii) the principles of the administrative liability of companies as defined by the Italian legislator; (iii) the general characteristics of the Model 231 implemented in ESSITY PLD ITALY and (iv) the supervisory body of the Model 231 (Internal Control Committee 231);
2. **the Special Section**, which comprises the description of each type of illegal conduct as defined by the article 24 and 25 of the Decree 231.

Moreover, the model 231 comprises **5 Annexes** which are the Essity's Code of conduct; the Supplier Code of Conduct for Essity; the Risk assessment document; the Map for the environmental crimes; and the Document describing the 231 crimes.

To protect the confidentiality, this document does not contain all the information included in the complete version of the Model 231. Specifically, the document does not include: 1) the description of business processes which are exposed at risk of 231 crimes; 2) the description of the control activities which have been implemented to mitigate these risks and 3) the activities the Internal Control Committee 231 carries out to verify the implementation of the Model 231.
The purpose of this document is to communicate to the company's stakeholders the rules of conduct and the principles of behavior that the Model 231 prescribes. The company will follow these rules and principles in the commercial and financial relationships with suppliers, customers, sales agents, distributors and other parties.

DEFINITIONS

- **Sales Agents:** those who act in name and or on behalf of ESSITY on the basis of a mandate or other professional collaboration relationship regulated by Agency Contract;
- **Technical Assistance**: those who act in and or on behalf of ESSITY on the basis of a mandate or other professional collaboration relationship regulated by a Contract of Technical Assistance;
- **CCNL**: the National Collective Work Contracts applied by ESSITY.
- **Code of Ethics**: along with rights, duties and responsibilities expressed by ESSITY and also by the group leader SVENSKA CELLULOSA AKTIERBOLAGET ESSITY AB, with its office in Stockholm (SWEDEN), with the purpose to promote rules of comportment for people who, with a diverse title, act for or collaborate with ESSITY (Persons Apical, Employees, Employees with executive qualifications, Collaborators, etc.)
- **Collaborators**: Consultants, Sales Agents, Technical Assistance or collaborators with other titles;

- **Consultants**: those who act in name and or on behalf of ESSITY based on a mandate or other relationship of professional Consultancy collaboration;
- **PARENT COMPANY :** ESSITY GROUP Holding BV, with head office in Holland, controlling ESSITY 100%;
- **Employees:** all ESSITY Employees, in the organised structure and operations of ESSITY including the employees with executive qualifications;
- **D.Lgs 231/2001 and or the Decree:** the legislative decree n.231 of 8th June 2001;
- **Companies:** the corporate Group to which ESSITY belongs and which exercises management and coordination;
- **Guide Lines:** the guide lines of Confindustria (approved on the date 7th March 2002 and subsequent updates) and of Assobiomedica (approved 25th February 2003 and subsequent updates) for the construction of organisational, management and control Models ex D.Lgs 231/2001, approved by the Ministry of Justice;
- **Organisational Model:** the organisational Model, management and control foreseen by D.Lgs. 231/2001;
- **P.A** Public Administration (all public administrations, territorial and non, members and the companies organs) - with reference to crimes against the P.A, public officials and persons appointed by the public service (eg. Dealers in the public service, etc), are included;
- **Sensitive processes:** activities in ESSITY in which the risk of committing Crimes occur (they may have a commercial, financial, technical or corporate nature);
- **Protocol/Procedure:** a specific method to perform an activity or process;
- **Crimes:** the crime case where the discipline foreseen by D.Lgs. 231/2001 is applied;
- ***Risk Assessment*:** analysis activity of risk aimed at identifying the areas/processes, the sectors of activities and the manner in which they may directly or indirectly connect potential risks in order of the possible commission of crime for which administrative responsibility could result in that of the company;
- **ESSITY:** Essity PLD Italy S.p.A. - Sede legale in Porcari (LU), Via Avvocato del Magro 768 – C.F. 02648520464
- **Disciplinary system:** along with principles and appropriate procedures that penalize non-compliance of the measures envisaged by the management System for Crime prevention;
- **Management System for Crime prevention:** the part of the general management system which includes the organizational structure, the corporate policies, planning activities, the responsibilities, the procedures, the processes, the necessary resources to implement the policies for Crime prevention;
- **Persons in apical positions:** representatives, of administration or management of ESSITY or of one its organisational units with financial and functional autonomy, as well as persons who exercise, the management and control of the company.

1 The Legislative Decree n.231/2001

1.1 Regulation

On 8th June 2001, the Italian Legislative Decree n. 231 was issued. The Legislative Decree became law on the following 4th July titled: "*The Discipline of the administrative liability of legal persons, companies and associations including those without legal status".*

The Decree has thus introduced a regime of administrative responsibility for Italian companies. This form of responsibility is equal to in substance the penal responsibility. According to this Decree it is presumed that companies are responsible for various offenses committed, in their own interest or advantage, from diverse categories of individuals:

- Directors, managers and other persons in apical position; and

- Persons subject to the management or the supervision of the persons in apical position indicated in the previous point (*subordinate* persons).

This is intended as an additional and not a replacement responsibility for individuals who materially carry out any illegitimate act which, therefore, is governed by common law. In any case, the responsibility of the company and that of the individual who commits an offence, are both subject to examination before a criminal court. Moreover, the responsibility of the company/body remains even when the individual materially responsible for the offence has not been identified or cannot be held liable.

The responsibility foreseen by the Decree is set also in consequence of crimes committed abroad, provided that the State of place in which the crime was committed doesn't proceed.

The liabilities foreseen by Decree 231/01 exposes companies to the risk of a range of sanctions.

The sanctions imposed on companies can take the form of either fines or disqualification, the most serious of which include:

- the suspension of licenses and concessions functional to the commission of illegal actions, a ban from dealing with the Public Administration (except for the legitimate use of a public service),
- a ban from carrying out specific business activities,
- exclusion from or cancellation of public finance, funding or subsidies, and
- a ban on advertising goods or services.

Fines are applied every time the company commits one of the offences referred to in the Decree. On the contrary, the disqualification measures can only be applied in relation to the offences specifically provided for in the Decree if at least one of the following conditions apply: (i) the company has gained a substantial advantage and the offence has been carried out by an apical subject, or by an executive figure subordinate to the management or supervision of another individual, when the offence was either carried out as a result of or assisted by serious management inadequacies; (ii) in the case of repeat offences.

The disqualification measures - in the case of incontrovertible evidence of the company's responsibility which is then confirmed and if it contains specific elements that give rise to the concrete possibility of further offences of the same nature being committed - can also be applied, on the request of the Public Prosecutor, also as a precautionary measure during the investigative process.

The company will also always face, following the sentence, the confiscation of the gains or profit from the crime (excluding the part to be returned to injured parties). When it is not possible to confiscate the assets directly deriving from the offence, the same may apply to sums of money, goods or other assets of value equivalent to the price of or gains from the offence. As a precautionary measure the seizure of such assets may be ordered, corresponding to the price of or gains from the offence or their monetary equivalent, and may be susceptible to confiscation.

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In its original text Legislative Decree 231/2001 referred exclusively to **a series of offences committed against Public Administration**.

The article 24 and 25 of the Decree defines these offences as follow:

- misappropriation of contributions, funding or other disbursements on behalf of a public body (316 3rd pen.cod.);
- defrauding the State o other public body (art. 640, II para.. N.1 pen code);
- swindling for obtaining public grants (art. 640 2nd pen code.);
- information technology fraud against the State or other public body (art. 640 ter pen code.);
- corruption act for office (art. 318 pen code. Art 321 pen code),
- corruption act contrary to official duties (art. 319 pen code. Art. 321 pen code);
- corruption in judicial acts (art. 319 ter pen. Code, art. 321 pen code);
- incitement to corruption (art. 322 pen code);
- corruption of those responsible in the public service (art. 316 2nd pen code.);
- extortion (art. 317. Pen code);
- embezzlement against the State or other public bodies (art. 316 2nd pen code);

- embezzlement, extortion, corruption and incitement to the corruption of members of the bodies of the European Community and Foreign Countries (art. 322 bis pen code);

- traffic of influence (art. 346 bis pen code).

With the implementation of Directive (EU) 2017/1371, intended to combat fraud to the European Union's financial interests by means of criminal law ("PIF Directive"), the administrative (quasi-criminal) liability of companies has been furtherly extended to:

- Fraud in public contracts;

- Crimes of embezzlement and abuse of office, where the fact offends the financial interests of the European Union.

The original text was integrated by subsequent legislative measures that progressively extended the number of offences for which, if committed, companies could be held liable.

In addition to articles 24 and 25 the following were subsequently added:

- art. 24 bis (introduced by Law 48 of 18 March 2008 at the time of the ratification and execution of the European Council Convention on computer crime, drafted in Budapest on 23 November 2011) with reference to "**computer crime" and "illegal data processing"**;

- art. 24 ter (introduced by Law 94 of 15 July 2009, referring to "Regulations concerning public safety") with reference to "**offences connected with organised crime**";

- art. 25 bis (introduced by article 6 of Law 409 of 23 November 2001 and subsequently modified by Law 99 of 23 July 2009), with the aim of punishing the offence of "**forging money, public credit notes, revenue stamps and instruments or identity marks**";

- art. 25 bis.1 (introduced by Law 99 of 23 July 2009, referring to "Regulations concerning the development and internationalisation of companies, including energy"), with reference to "**industry and trade-related offences**";

- art. 25 ter (introduced by article 3 of Legislative Decree 61 of 11 April 2002), which extended the administrative liability of companies to include cases where "**corporate offences**" are committed (such as, for example, issuing false financial statements, market rigging, impeding company controls, operations against creditors, etc.), although sanctions for these offences are limited to fines (and to the confiscation of the cost of or profits deriving from any offence). The art. 25 ter of the Decree has been extended corporate crime to include "**corruption between private individuals**" (art. 2635 Civil Code), providing for the administrative liability of companies under Legislative Decree 231/01 for cases referred to in paragraph three of art. 2635 of the Civil Code;

- art. 25 quater (inserted in the original body of article 3 of Decree 7 of 14 January 2003, concerning the ratification of the international convention against the financing of terrorism), which refers to "**offences connected to terrorism or the subversion of democracy**";

- art. 25 quater.1 (introduced by article 8 of Law 7 of 9 January 2006), which refers to "**the practice of female genital mutilation**";

- art. 25 quinquies (introduced by article 5 of Law 228 of 11 August 2003 and subsequent integrations to article 10 of Law 38 of 6 February 2006), regarding "**offences against individuals**" (such as, for example, reducing individuals or maintaining individuals in slavery, prostitution, and under-age pornography, possession of pornographic material, trade in persons, tourism activities aimed at exploiting under-age prostitution, etc.). In 2016 an integration to the Legislative Decree has extended the offences against individuals to "**illicit intermediation and labour exploitation**";

- art. 25 sexies (introduced by European Community Law in 2004 in adoption of European Community Directive 2003/6/EC), with specific reference to both illegal conduct and administrative offences concerned with **"abuse of insider information (insider trading)" and "market manipulation"**;

- art. 25 septies (introduced by Law 123 of 3 August 2007 and modified by Legislative Decree 81 of 8 April 2008), with reference to **"manslaughter and culpable serious or very grave injuries committed in violation of regulations regarding health and safety in the workplace**";

- art. 25 octies (introduced by Legislative Decree 231 of 21 November 2007), with reference to the offences of the "**receipt, laundering and use of money, goods or profits from illegal activities, as well as self-laundering**". These crimes have been expanded in 2021 with the inclusion of the crimes for the **illegal use of payments instruments rather than cash**;

- art. 25 novies (introduced by Law 99 of 23 July 2009, referring to "Regulations for the development and internationalisation of companies, including energy") that extended company liability to offences covered by Law 633/41 concerning **"the protection of copyright and other related rights"**;

- art. 25 decies (introduced by Legislative Decree 116 of 3 august 2009 in ratification and execution of the United Nations Convention against corruption, adopted by the UN General Assembly on 31 October 2003 with resolution 58/4), concerning **"offences connected to inducing individuals into not making statements or into making false statements to judicial authorities**";

- art. 25 undecies (introduced by Legislative Decree 121 of 7 July 2011 in response to the Directives 2008/99/CE and 2009/123/CE regarding environmental protection) concerning "**environmental offences**";

- art. 25 duodecies (introduced by Legislative Decree 109 of 16 July 2012 in response to Directive 2009/52/CE which introduced minimum penalties and measures against employers employing citizens from third-countries with irregular residential and labour status) concerning the "**employment of third-country citizens with irregular residential and labour status**";

- art. 25 terdecies concerning **racism and xenophobia**;
- art. 25 quaterdecies regarding **fraud in sporting events**;
- art. 25 quinquiesdecies regarding **tax offenses**;
- art. 25 sexiesdecies concerning **smuggling**;
- art. 25-septiesdecies concerning **crimes against cultural heritage**;
- art. 25-duodevicies regarding **laundering of cultural assets and devastation of cultural and landscape assets**.

1.2 The adoption of the Model 231 to mitigate the risk of company liability

With the adoption of this document, the Company intends to specifically comply with the regulations and the principles underlying the Decree 231/2001, in addition to improving and making the existing internal control and corporate governance system as efficient as possible.

The general outline of the Decree foresees that companies must respond if they have not adopted necessary measures to prevent the illegal actions of the kind committed.

Nevertheless, article 6 of Legislative Decree 231/2001 foresees a specific form of exemption from such liability if the company can demonstrate that:

a) the management has adopted and efficiently put in place, before the offence was committed, adequate “organisational and management models” (Model 231) designed to prevent the type of offences committed;

b) the task of ensuring that such models operate and are observed, and that they are kept up-to date is entrusted to a Supervory Body with independent powers to carry out initiatives and checks;

c) the individuals who carried out offences did so by fraudulently ignoring the Model 231;

d) there was neither insufficient nor a lack of supervision on the part of the department referred to in point b) above.

A company’s exemption from liability depends on the Court’s assessment of the adequacy of the internal organisational and control system (Model 231), at the time of the trial of the person (executive or supervised subject) materially alleged to have committed the offence.

The Decree states that the Models in which the letter a) must respond to the following requirements:

1.identify the activities where there is a possibility of crimes and offenses being committed (so-called a map of the area at risk);

2.foresee the specific protocol (procedures) concerned with planning the formation and implementation of the decisions of the company in relation to the Crimes and Offenses;

3.identify ways of managing financial resources in order to prevent the commission of these crimes and offenses;

4. the obligation to provide information to the Supervisory Body in order to monitor the application of the Model 231;

5.introduce the internal disciplinary system appropriate for punishing the lack of respect of indicated measures in the Model 231.

The same Decree foresees that the Models may be adopted, with a guarantee of the requirements stated above, on the base of the code of conduct written by the association of representatives of the communication department in the Ministry of Justice which, in consultation with relevant ministries, may state within 30 days, observations on the suitability of the Models to prevent offenses.

Finally, its expected that within the small companies, the supervision task may be undertaken directly by the managing organization.

The “exoneration” system, indicated by law, poses many questions to the interpreter be it on the dogmatic placement of the institutes operating in its field, or on the practical significance that they may have. The point of “exoneration” from responsibility on behalf of the Company passing through the judicial suitability of the internal system of organization and controls must be underlined, where the penal judge is called to begin the criminal proceedings of which the author’s matter of the offense is responsible. Therefore, the wording of the models and the organization of the Parent Company must be objective and have a positive outcome regarding the assessment of suitability. This particular final prospective requires the companies to assess the adequacy of their own procedures to the requirements of the aforementioned.

2 Adoption of the Model 231 in Essity PLD Italy spa

2.1 The organisational structure of ESSITY

Essity PLD Italy is 100% controlled by “ESSITY Group Holding BV” with its office in Holland and belongs to the “Svenska Cellulosa Aktierbolaget ESSITY AB” Group with its office in Sweden.

The company operates in the industry of production, transformation and marketing of "Tissue" paper products and similar, aimed at wholesale and the consumer goods sector (toilet paper, kitchen towel, napkins, handkerchiefs, etc.). The company also manufactures and markets tissue paper reels (mother reel) also through sales to companies of the Essity group.

The legal office and Direction of the Company is situated in Porcari; production takes place in the following locations:

- ESSITY PLD Lucca 1, Via Avv. Del Magro, 768 – Porcari (LU);
- ESSITY PLD Lucca 2, Via Bernardini, 9 – Porcari (LU);
- ESSITY PLD Collodi, Via delle Cartiere, 13 – Collodi (PT).

The Sales Department are also located in ESSITY Legnano, Via Salvatore Quasimodo, 12 Legnano (MI).

The ESSITY company structure is represented by the organizational chart, in which the company functions are specified where the very organization is articulated.

2.2 The certifications of Essity PLD Italy spa

The ESSITY group recognizes the importance of sustainability excellence for the success of its business and therefore promotes the initiatives finalized to the achievement of social and environmental target.

As part of the policies adopted by the Group to promote the sustainability, Essity PLD Italy spa has developed its business' practices following the principles and the guidelines define by the international standards.

Moreover, the company has achieved important certifications for quality, health and safety and environment, as detailed as follows:

CERTIFICATION	CTPL D ESSITY PLD ITALY S.p.A.				
	SEDE AMMINISTRATIVA LUCCA1	SITO LUCCA1	SITO LUCCA2	SITO COLLODI	LEGNANO BU CG PL
ISO 9001:2015	x	x	x	x	x
SA8000 2014	x	x	x	x	x
ISO 45001:2018	x	x	x	x	x
ISO 14001:2015	x	x	x	x	x
Altopascio: IFS-HPC Version2					
Lucca2: IFS-HPC Version2			x		
ISO 28000:2007	x	x	x	x	x
ISO 50001:2018	x	x	x	x	
CoC-FSC		x	x	x	x SOLO PRODOTTI TISSUE
CoC-PEFC		x	x	x	x SOLO PRODOTTI TISSUE
ECOLABEL		x PER BOBINE MADRI prodotte a Lucca1	x PER PRODOTTI FINITI prodotti a LUCCA2 per le DIVISIONI: CG PL / CG BRAND / PH		

2.3 Purpose of the Model 231

ESSITY, is sensitive to the needs of assuring fair conditions and transparency in its business activities, to protect both their image and position, and the expectations of its shareholders and of their employees jobs – pursuing the implementation of the organization model and its management foreseen by the Decree.
Such an initiative is employed as a belief that the adoption of the Model 231, beyond the requirements of the Decree, indicated as optional and not obligatory, may be a useful tool used to increase the awareness of all persons working on behalf of ESSITY, until the completion of their jobs, correct and consistent behaviour, such as to prevent the risk of committing crimes and offenses.
In this regard, ESSITY underlines firstly not to tolerate offensive behaviour, of any kind regardless of purpose, in which such behaviour, even in the case whereby ESSITY could appear in an advantageous situation, they are however against ethic principles of which it intends to comply in the performance of the Company's mission.

The aim of the present Model is the implementation of the procedures already existing and the provision of structured system and set of new procedures as well as controlled activities, to be carried out even in a preventive way (*control ex ante*) aimed at preventing the commission of Crimes and Offenses.

In this regard it should be noted that the main attraction of the procedure currently in place is defined as "MICR" indicating the complex social activity.

In particular, by identifying Areas at Risk and their procedural consequences, the Model is proposed as a purpose to:

-determine on behalf of all those persons who work under or for ESSITY, especially in the same areas at Risk, the awareness to be able to incur, in case of violations of the provisions therein, in a passable penalties offense under criminal and administrative law, not only against it but also against ESSITY;

-reiterate that such offensive behaviour is strongly condemned by ESSITY in that (even in the case that ESSITY were to be in an advantageous situation) are inconsistent not only with the law, but also against social ethic principles of the company's mission, which they intend to follow;

-allow ESSITY, thanks to a monitoring action in the Areas at Risk, to promptly intervene in order to prevent or counteract the commission of Crimes and Offenses.

Key points of the Model are, aside from the principles previously stated:
-the activity of awareness and diffusion of behavioural rules and established procedures at all company levels;
-the map of the Areas at Risk of the Group;
-the attribution of ICC 231 of specific tasks on the effective supervision and functioning of the Model;
-to check the documentation of the operations at risk;
-to respect the principle of separation of duties;

-the definition of authoritative powers coherent with the assigned responsibilities;
-to check the companies behaviour, as well as the functioning of the Model with subsequent periodic updates (checking ex post).

2.4 The guidelines

In the design of the Model 231, ESSITY has followed the Guidelines drawn up by the Confindustria.

The fundamental points which the guidelines recognize and discuss, in the construction of the Models, are as follows:
-Identification of the areas at risk in order to identify in which company areas/sectors the commission of Crimes foreseen are possible from 231/2001;

-predisposition of a control system (through the adoption of protocol opportunities) be it reasonably able to prevent or reduce the risk that the Crime committed;

-the duty on behalf of the companies functions, particularly those identified as majorly "at risk", to supply information to the Supervisory Board (ICC 231) , on the base structured (regular reporting on the implementation of the model), be it to report abnormalities or discrepancies found in the information available.

In particular, the Guidelines identify which principal components of the internal control system of the following instruments:
-organizational system
-manual and computer procedures
-powers of authorization and signatures;
-control systems and management
-personnel communication and training;
-disciplinary mechanisms;
-Code of Ethics.

Such components of the internal control system must meet the following principles:
-verification, documentation, coherence and congruency of each "sensitive operation": there must be an adequate documented support which consents the effective procedures of control at each moment, which attest the characteristics and the reasons for the operation and identify who has authorised, carried out, registered, verified the very operation;
-application of the principle of separation of the functions: the function that operates differently from the function that verifies and or approves the same – no one must independently manage all the phases of a process;
-documentation of controls: the control system must be able to document the performance of controls;
-to provide adequate penalty system in case of violation of the regulations, of the rules and of the procedures foreseen by the Model;
-identifying the requisites of the Supervisory Board (ICC 231) these being autonomy and independence, professional and the continuation of the action.

In the implementation foreseen in article 6 of the Decree, the task of supervision of the operation and compliance of the model, as well as support updates, is trusted to companies with autonomous powers of initiative and control, formed by a number of 2 persons, of who nominate and are delegated to the Administrative Council in the approval office of the present Organisational Model, which takes on the role of Supervisory Board (ICC 231).

3 The structure of the Model 231

3.1 Introduction

The model 231 is made up of a General Part and of 17 Parts (called “Special Parts”) which refer to the diverse typology of crimes included in the Decree no. 231/2001.

The General Part includes the description of:

- the Essity’s internal control system with specific reference to the general controls able to efficiently contrast the commission of crimes;
- the composition and functioning of the Internal Control Committee 231;
- the initiative taken to favour the diffusion of the model 231 in the corporate context and the training activities of personnels;
- the disciplinary system and the measures to be taken, in case of a failures to comply with the requirements of the model.

OMISSION

The model is drawn up also based on the information ESSITY receives by the Parent Company.
An integrating part of the model is the Code of Ethics attached, specifying that:

- The same is written up on the basis of general guidelines, and remains the task of the present Organisational Model of regulating particular aspects
- The code of ethics represents an instrument adopted in and autonomous way and susceptible of applications in general terms, on behalf of ESSITY and of the group to which it belongs, in order to express the principle of company ethics, which ESSITY and the Group recognize as their own and of which we claim to observe on behalf of all personnel (employees, administrators and collaborators with various titles), as well as third parties who receive assignments from ESSITY (for example, consultants) or who have relations with ESSITY of various titles (for example suppliers)
- The model instead responds to specific requirements contained in the Decree, designed to prevent the commission of particular types of crimes that, having been apparently committed in the interest or advantage of ESSITY, may lead to its administrative responsibility, based on under the provisions of the Decree.

OMISSION

3.2 The inspiring principles of the model 231

In the predisposition of the Model 231 ESSITY has taken into account the existing procedures and control activities already applied in the Group and in the Company.

The existing control activities are part of the Model 231 as they contribute to the offenses prevention and to the legal functioning of the processes involved in the Areas at Risk.

These activities include:

1. the corporate governance rules adopted in transposition of the Code of conduct of the companies listed and corporate legislation and relevant regulation ;
2. the Code of ethics;
3. the internal control system;
4. the call back procedure MICR;
5. all other documentation related to system control within the Group.

MODIFICATIONS AND INTEGRATION OF THE MODEL

The present Model being an “act issued by the manager” (in accordance with the requirements of art. 6, para. first, lett.to the Decree) and the subsequent amendments and additions of substance of the model are the responsibility of ESSITY’s board of directors.

OMISSION

4 The design of a preventive internal control system

In planning the control system capable of preventing risk of Crimes committed in line with the requirements of 231/2001, ESSITY has performed a series of activities adopting the flow for the Management of risk reported as follows:

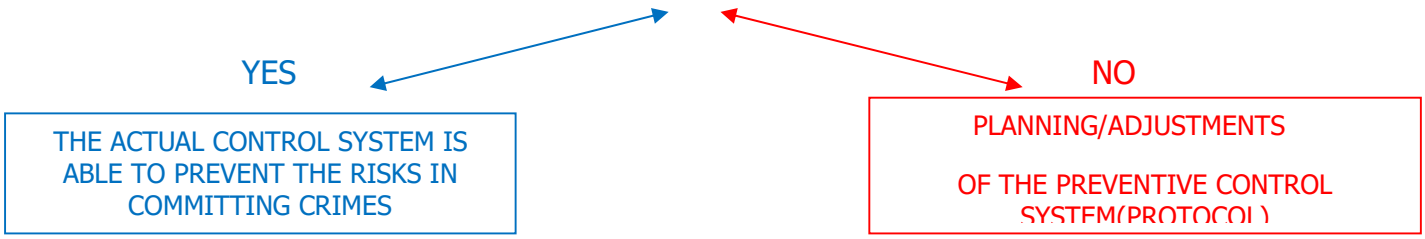
Map of the areas/processes at risk

Identification of potential risks

System analysis of existing preventative control
(Protocol/procedures)

Assessment of residual risks

Acceptable risk?



IDENTIFYING POTENTIAL RISKS
those at risk, ESSITY has carried out a preliminary analysis in the context of business processes which could result from potential cases of the crime provided for in the Decree Lgs. 231/2001.
The elements considered were:

- organisational structure and corporate branch network – size and economic sector
- productive areas
- supply of goods and services to P.A.
- relations with tax authorities, customs, health and social security
- top management employees and individuals related to the company para-subordination relationships (Agents and external Collaborators)

OMISSION

a) CONSTITUENT ELEMENTS OF THE MODEL

In accordance with the Guidelines, the qualifying elements have been defined as general constituent elements of the present Model:

- the company organizational system (ESSITY Organigram);
- the company's internal procedures and in particular those defined in quality, safety and environmental systems;
- the Group procedures issued by the headquarter;
- the Key Internal Control Requirements;
- the system of delegation of powers of attorney existing;
- the system of communication to and training of personnel;
- the Essity Code of Conduct.

Starting with ESSITY's organigram, it's the Board of Director's task, in collaboration with the Managers and individual functions/divisions/geographic areas, as well as with the help of legal advisors, to identify the major areas exposed at risk, the commission of various crimes under the Decree.
By identifying the areas at risk and the subsequent implementation of procedures (protocol), in the special part committed to each of them, the model proposes to provide a structured and organic system, which consents ESSITY to promptly intervene to prevent or counteract the commission of crimes in the same areas.

The most relevant components of the preventive control system are:
-the code of ethics, which defines the internal regulation system, aimed at planning the formation and the implementation of decisions made in ESSITY, in relation to risks – crime prevention, to establish general guidelines, to which disciplinary reference must be made and operating modes to be adopted in the sensitive sectors

-the adoption of a formal organization system, using tools (company organigram, procedures, reports, etc) suitable to satisfy the requirements of :
-Knowledge of internal organizational mechanisms of ESSITY
-formal definition of roles with identification of tasks within each function
-clear definition of organizational powers, which must be coherent with assigned responsibilities and with the subsequent reporting lines
-clear definition of powers of authorization and signature through a system of delegation of power of attorney, to sign corporate documents, thus ensuring a clear and transparent representation of the process of training and implementation of decisions
-the adoption of the precise procedures, manual and computerized
-identification of management processes and control delegated financial resources in the areas at risk.

OMISSION

5 The Internal Control Committee 231 (Organismo di Vigilanza 231)

Article 6 of LD 231/2001 states that the task of supervising the compliance with the model 231, as well as its updating, should be entrusted to an organism of the company with independent powers of initiative and control.

5.1 Requirements of the Internal Control Committee 231

Autonomy and Independence

The Supervisory Board (below also ICC 231), in carrying out its functions, is related only to the *Board of Administration.*
To this end, provides for the establishment of a direct information channel between the Supervisory Board and the organs of decision and control.
The requirements of autonomy and independence are fundamental, so that ICC 231 is not directly involved in management which are subject to their activity control: these requirements are achieved by ensuring their independence and provide a hierarchy activity *reporting* directly to top management or rather the Supervisory Board.

Professionalism
The ICC 231 must internally have the technical professional skills – appropriate to the functions it must perform. These very characteristics, together with independence, guarantee the objectivity of trial.

Continuity of action
The Supervisory Board must constantly work on supervising the model, with its necessary investigation powers, in order to guarantee the continuity of supervisory activity.

Honourable absence due to incompatibility of conflicts of interest and family relationships with business leaders

Grounds constituted for ineligibility as a part of the ICC 231 incompatibility to stay in office:

-to be condemned with a sentence in the first degree of having committed a crime to which the Decree and or one of the administrative offenses in matters of abuse of the market in TUF
-or rather to be condemned with a penalty that brings disqualification, even be it temporary, from public office, or rather temporary disqualification from the executive offices of legal persons.

5.2 Appointment and Revocation

ESSITY has decided that the company, destined to perform the functions of the Supervisory Board:

- has a corporate structure: the persons who in turn will compose the ICC 231 will be identified by the resolution of the Board of Directors. Upon the approval of this Organisational Model the Board of Directors will provide the appointment of two members of the ICC 231.

The allocation to office of the ICC 231 and the withdraw of the same acts are dealt with exclusively by the Board of Directors.

The term of office is three financial years and the term is set after the submission of the annual report, to the Board of Directors, for the third year. The term may be renewed no more than twice, for which a person may take on the role of member of the ICC 231 of ESSITY for no more than nine financial years in total.
Revocations and Appointments, other than for just cause (negligence, inefficiency, infidelity), also in the event where less occurs, on behalf of one or more members, the requirements of independence, autonomy, impartiality, absence of conflict of interest, necessary for the assignment.
The ICC 231, in its Corporate structure, is required to regulate its internal functioning, by specific regulation of its activities (convening and organizing meetings, recording the same, mode of operation, division of work load, etc).

5.3 The Function and power of the Internal Control Committee

The following functions are attributed to the Supervisory Board:

The supervision of the compliance of the requirements of the model on behalf of the recipients, in relation to different types of crimes covered by the Decree

The ICC 231 exercises its power of control attributed by the model, also by the enactment of the internal guidelines: for this purpose the company carries out periodic inspections

targeted on specific operations or specific acts in place within the areas at risk, as defined in the special sections of the model.

The ICC 231 collects, elaborates and conserves the relevant information, in order to comply with the model and carry out the inspection of the actual presence and the correct completion of and the efficiency of the requested documentation, in accordance with the provisions in each special section of the model for the various typologies of crimes. Furthermore update the information list, including reporting, which must be transmitted by law to the same ICC 231 or kept at their disposition.

The ICC 231 perform inspections based on the operating principles carried out by ESSITY, in the areas at risk, and gives evidence in a written report, to be conveyed to the companies in periodical reporting.
The ICC 231 conducts internal investigations, in order to accept the merits of the alleged breaches of the requirements of the present model, brought to the attention of ICC 231 by reporting or emerged in the course of the activity of supervision undertaken by ICC 231.

OMISSION

Verify the true efficiency and effective capacity of the model, in relation to the Company structure, to prevent commission of crimes by Decree

The ICC 231 updates the identification system, classification and mapping of the areas at risk, in light of the regulatory framework and corporate structure, in order to propose the necessary adjustments to the model, to make it efficient also in relation to corporate and regulatory changes occurring.
For this purpose the management and the staff allocated to control activities, in the area of single functions, must report the eventual situations that may expose the company to the crime at risk.
The ICC 231 controls that the foreseen elements by the single special sections of the model, for the various typologies of crimes (adoption of standard clauses, performance of procedures, etc), are however adequate and respond to the needs of the supervision stated by the Decree, providing, otherwise, a proposed update of the very elements.

Identify and propose the appropriate updates and the appropriate modifications of the model in relation to the changed legislation or to the changed company conditions

The ICC 231 has the task, *in collaboration with its legal consultants,* to follow the evolution of the relevant legislation, with particular reference to the changes and integration of the same, as well as update them on developments of pronounced laws, in order to keep the model updated, with present regulatory requirements and interpretations in force.
As a consequence of the very activity, the ICC 231, in collaboration with its legal consultants is where appropriate, with the interested functions, identifies and proposes any necessary updates, and the necessary modifications of the model, the President (and to the CEO), until they submit for approval of the Board.

Powers of the ICC Committee

For the performance of duties, the ICC 231:

- has vast powers of inspection and access of company documents
- has adequate financial and professional resources, whose allocation is approved annually by the Board of Directors
- draws support and cooperation from the various company structures, which could be interested or however involved in control activities
- may use external sources who bear the necessary skills for the optimal performance of their duties

Collection and conservation of information
The Supervisory Board shall ensure the collection of reports received, reports sent and of the results of the investigation activities and of the controls undertaken in the special computer database: this database takes care of updating and with the interior layout, defines the criteria, the access mode and those entitled to access it.
Coordination with other functions and allocations of positions
In carrying out the tasks of supervision and control, the ICC 231 is supported by a dedicated staff. The ICC 231 draws support from other management functions that, in turn may be necessary to perform its activities.

OMISSION

5.4 Reporting lines to the Internal control Committee

Besides the documentation required of the single sections of the model, the second procedure therein, all other information, of any kind, even from third parties related to the implementation of the model in the areas at risk within the company, it must be brought to the attention of the ICC 231, in the terms and in the following mode.

Reporting of violations that could result in a liability for ESSITY (Whistleblowing)

To protect the integrity of company's activities, the Directors, Managers and Personnel must report, in a circumstantial manner, to the Internal Control Committee 231 the relevant unlawful conduct pursuant to Legislative Decree 231/2001, such as, for example, the fulfillment of one of the offenses that is reported and described in the Special Parts of this Model 231.
The ICC 231 must be informed, in a circumstantial manner, of suspicions of the fulfillment of one of the offenses envisaged in this Model.
Finally, the ICC 231 must be notified, in a circumstantial manner, also violations of this Model, of which the Employees have come to know due to the functions performed.

The reporting of unlawful conduct or of violation of the Model 231 can be send to the ICC 231 by e-mail to the ICC231 email address: ODV@Essity.it.

Any anonymous reports can be made by ordinary mail using the address of Essity PLD Italy (Porcari, Via Avvocato del Magro 768 55016 Porcari Lu) by placing on the envelope the communication "Confidential ODV staff".

Essity Personnel can also send such an information using the system envisaged by the Group Hotline (Global reporting hotline). This system allows to make reports using different systems: web, telephone with a dedicated number, which ensures, if required, total anonymity. Full information on this system is available on the company intranet.

Obligations of reporting requirements related to official acts

Corporate officers have the duty to report any information relating to the commission to ICC 231,to the reasonable belief of commission of crimes. In particular it is mandatory to submit the concerning information to the ICC 231:

- measures and or reports emanating from the Authoritive judicial organ and of the judicial police or from any other authority related to investigation activities for crimes from which Dlgs 231/2001, also against those unknown, whereby investigations involve ESSITY, or its personnel, or its bodies, or rather third parties, in depending on the activities provided to ESSITY.
- Requests of legal assistance, emanating from persons belonging to an Organization, where legal proceedings have been opened for one of the crimes foreseen by D.lgs 231/2001
- Reports and relations, prepared by the heads of corporate functions and areas at risk, in their area of control activities , which may arise from facts, events, acts or omissions of critical points relating to the compliance of the model and more generally the requirements of the Decree
- Information relating to sanctioning procedures carried out and any measures imposed or rather in the filed system of such procedures and the reasons to which they are related to the commission of crimes foreseen by Dlgs 231/2001 or to the violation of behavioural or procedural regulations of the model.

Method of Reporting

Should a company representative wish to compile a report, arrangements must be made by the ICC 231.
The external persons, in compliance with the model (consultants, collaborators, partners), must report the violations found, directly to the Supervisory Board.
In order to facilitate the flow of reports and information to the ICC 231, the informative channels dedicated are foreseen, in terms as follows:

- email reserved to ICC 231: ODV@Essity.it.
- post boxes must only be opened by ICC 231 members, situated in the proximity of the company message boards.

The reports must be in written form and not anonymous: the ICC 231 is not held to take into consideration anonymous reports which may appear in all irrelevant evidence, without grounds or unsubstantiated.

ESSITY guarantees privacy to those reporting violations, subject to the requirements of the law and the protection of rights of ESSITY or of the persons accused wrongly or in bad faith.
In every case, ESSITY adopts all necessary measures to impede the reporting person undergoes retaliation, illicit conditioning, hardships and discrimination of any kind in the work place, for having submitted the report.

Processing reports

The Supervisory Board carries out the necessary investigations, to ascertain the validity and the truthfulness of the reports received, verifying the existence of evidence confirming unambiguously on behalf of the persons reported, of the procedures contained in the organizational model or rules of conduct stated in the code of ethics, as well as to maintain behaviours which are potentially liable of one of the crimes foreseen by D.lgs 231/2001.
In the investigating office, the ICC 231 may possibly listen to, the writer of the letter and or the person responsible for the alleged violation. In the whereby the decision is made not to follow through with the report, the ICC 231 must submit a written letter stating the motivation must give reasons which lead to its being filed.
The reports related to the violation of the model, or however as a consequence to behaviours out of line with the rules of conduct adopted by ESSITY, are collected by the Supervisory Board, in a special file where access is only consented by members of the ICC 231. If the commission finds violations, the ICC 231 identifies the measures to be taken in accordance with the procedures for contesting the violation and imposition of disciplinary measures foreseen by the disciplinary system. To this end, since they are not equipped with coercive powers, they shall coordinate with the Personnel Department.

OMISSION

6 The disciplinary system

Article 6 of D.lgs 231/2001 explicitly provides for the adoption of the disciplinary system to sanction the non-compliance of the measures indicated in the model.
The preparation of an adequate system of sanctions, for the violation of the prescriptions contained in the model, and so an essential condition, to ensure the effectiveness of the model.
The application of the discipline sanctions regardless of the outcome of the possible penal procedure, whereby the rules of conduct imposed by the model are adopted by ESSITY in fully autonomy, independently from the typology of the illicitviolations that the model may determine.
The type and the extent of the sanctions are determined in reports:

- intention of the behaviour or the degree of negligence, imprudence or inexperience also regarding predictability of the event
- the overall behaviour of the worker, with particular regard to the existence or not of the same previous discipline
- to the tasks and the placement contract of the worker
- to the functional position of the persons involved in lack of constituting facts

- to the other special circumstances surrounding the violation of disciplinary violations.

Regarding the investigation of these breaches of the disciplinary proceedings and the imposition of the penalties, the limits of the powers already conferred on the National Directorate remain the same.

The disciplinary system is constantly monitored by the ICC 231 and by the head of the Personnel Manager and organisation.

5.1 Measures for supervisors, employees and factory workers

OMISSION

5.2 Measures for executives

OMISSION

5.3 Measures for directors and auditors

OMISSION

5.4 Measures for collaborators, external contractors and agents

Persons related to ESSITY by collaboration or consulting services that in carrying out their activities, behave inconsistent with the provisions contained in the Company model may be sanctioned with the interruption of the relative report, based on specific termination clauses, inserted in the contracts stipulated with the with the very persons.
The legal Affairs Corporate Management in collaboration with ICC 231, process, update and the inclusion of letters of appointment or in collaboration agreements, such specific contractual clauses, which include a potential application of damages arising, accruing to the company applied by the court of measures foreseen by the Decree.
Without prejudice to any claim, if such conduct causes damage to ESSITY as in the case of application by the court of the measures foreseen by the Decree.

7 Training activities

The effective implementation of the model passes through the adequate knowledge and disclosure, be it by ESSITY personnel, as well as third parties with various interested titles. The Supervisory Board, in collaboration with company departments, with particular reference to personnel Management, for internal personnel, prepares programmes for information and training, characterised by various degrees of detail in relation to the different levels of involvement by the participants in the activities at risk.
In general, the Supervisory Board:
a) defines the content of the periodic communications, to relay to employees and to corporate bodies, to supply the necessary awareness and knowledge base on the Decree in question
b) promotes training courses on Dlgs 231/2001

c) prepares and updates, in collaboration with the person responsible for updating the Company Site, the Company intranet section dedicated to Dlgs 231/2001
d) promotes suitable initiatives, acts conducive to knowledge and comprehension of the model
e) prepares the organizational documents containing instructions, explanations or updates, regarding the functioning of the very model.

Communication to the members of the corporate bodies
OMISSION

Members of the Supervisory Board
OMISSION

Communication and training of management personnel and with representative functions in ESSITY

OMISSION

Communication and training for managers in the areas at risk

OMISSION

Other forms of communication for personnel

OMISSION

Information for external collaborators and partners

ESSITY promotes the awareness and the compliance of the model also between commercial partners and financial corporations, consultants, collaborators with various titles, clients and suppliers.
These persons will therefore be given the appropriate information on the principles, policies and procedures that ESSITY has adopted based on the present model and the text of the contract clauses which must be coherent with the stated principles, politics and procedures adopted by ESSITY, who will be asked immediate acceptance. An extract of the organisational model will be available to third parties.

8 The system of controls

The present model will be subject to the following types of controls, coordinated by the Supervisory Board, whereby all personnel are to collaborate that the ICC 231 sees fit to request:
- controls on the documents in place: periodically, with annual deadlines, the verification will be performed of the main acts and contracts concluded by ESSITY in the areas at risk
- monitoring activities of the effectiveness of the model, which aims to assess the degree of consistency between the requirements of the model and the actual behaviour of

their recipients. For this purpose, a regular reporting system shall be established in which recipients are required to confirm that no actions have been carried out that are not in line with the model itself. In particular, the recipients will have to declare, under their responsibility, that:

a) that the indications and the content of the model have been respected
b) that the powers and limits of delegation of signature have been respected.

OMISSION

Special part regarding offenses against Public Administration (articles 24 and 25 Dlgs 231/2001)

Description of offenses

Regarding the present Special Part, following is a brief description of crimes covered by and indicated in the art. 24 and 25 of the Decree (following the Crimes in relation to P.A).

- *Embezzlement of the State (art. 316 2nd pen. Code)*

Such cases are set up against anyone, outside the Public Administration, having obtained grants or funding contributions by another public body or by the European Community to promote initiatives aimed at creating works or carrying out activities of public interest not assigned for this purpose (the behaviour is to have distracted even partially, the amount obtained without detecting that the activity programmed will still be held).
Taking into account that the time consumed of the offense coincides with the implementation phase, the offense can also occur in relation to funding already obtained in the past and now is not intended for the purpose to which it was granted.

- *Misappropriation of delivery to the detriment of the State (art.316 3rd pen.cod.)*

Such cases are set up against anyone, through the use of presentation of false documents or statements or showing things that are untrue or by omission of required information, achieves unduly, for themselves or for others, contributions, loans, facilitated mortgages or other payments of the same type, however denominated, granted or paid by the State, by other Public companies or by the European Community.
In this case, contrary to the point stated previously (art. 316 2nd), nothing points to the provision being made, due to the offense occurring with respect to the act which art. 640 2nd pen.cod (aggravated fraud for obtaining public funds), in the sense that this is set up only in cases where the conduct did not constitute the offense of which latter provides.

- *extortion (art. 317 pen. Code)*

Such cases are set up against public officials or a representative of the public service, abuse of his position or powers, forcing or inducing someone else to give or to promise him or a third party unfairly, money or other utilities. This offense is susceptible to an application merely residual in the case considered by the Decree, in particular, this form of crime could be seen in the assumption that a company member of a society contributes to the crime of a public official, takes advantage of this position, requests a third party that which is not due (even if such behaviour results in some was advantageous for the company or may find an interest in the same).

-An act of Corruption or conflicting acts with their official duties

The offence where art. 318 pen. cod, is set up against the case where a public official receives money or other utility, a payment not due to him or accepts a promise for himself or for a third party, in order to carry out an act of his office. The offence of which art. 319 pen.cod, is set up in the case where a public officer , omits or delays or for having omitted or delayed an act of his office or rather to perform or to have performed an act contrary to official duties, to receive, for himself or for a third party, money or other utility, or accepts a promise. The behaviour of the public officials will manifest itself be it in the fulfilment of a duty (for example the acceptance of money in order to ensure the award of a tender), or be it an act contrary to his duties (for example acceptance of money to ensure the award of a tender). This crime differs from extortion, from corrupt and corrupting because there is an agreement aimed at achieving mutual benefit, which bribery in the private sector undergoes the conduct of the public official or the assigned public servant.

- *Corruption in judicial acts (art. 319-3rd pen.code)*

Such cases are set up against those who promote or damage a part in a judicial process (civil, penal or administrative), corrupting a public official (not only a magistrate, but also a chancellor or other official). This case is undertaken to obtain an advantage for the Company that doesn't necessarily have to be a part of the proceedings.

- *Incitement to corruption (art. 322.pen.code)*

Such cases are set up against whoever offers or promises money or other utilities to a public official or assigned public servant who plays the public employee to induce him to do, omit or delay an act of his office or to do an act contrary to his duties, and such offer is not promised or accepted.

- *fraud (art. 640 pen.code)*

Such cases of crime are set up against anyone with artifice or deception, inducing someone in error, power of attorney to himself or others for unfair profit. The penalty is increased in the case where the crime is committed detrimental to the State or to another public Company. Such a crime may come to fruition for example in the case in which in the preparation of documents or data for participation in tendering procedures, will provide P.A with false information in order to obtain the award of the tender.

- *Aggravated fraud for obtaining public funds (art. 640-2nd pen.cod.)*

Such cases are set up against the case where the fraud has been put into place to achieve financial contributions improperly subsidized loans or any other funds of the same type however denominated, granted or paid by the state of other public bodies or of the European Community. Such cases may occur if one is involved in deception or communicating false information or preparing false documentation, to obtain public funding.

- *Computer fraud (art. 640-3rd pen.cod.)*

Such cases are set up where altering in any way the performance of the computer or computer system or data Intervention without rights in any way, information or

program content in the computer or computer system or to the relevant person, power or attorney or others unjust profit with other damages. In practice, the crime may be integrated when once funding has been obtained, should the computer system be violated to include an amount for loans greater than the funding obtained legitimately.

- *Traffic of influence (art. 346-2rd pen.cod.)*

Such cases are set up where using one's influence in government or connections with persons in authority to obtain favours or preferential treatment for another, usually in return for payment.

Areas at risk

OMMISSION

General principles of behaviour and implementation

This special part refers to behaviour in place by administrators, managers and employees working in areas at risk, as well as external collaborators and partners: these persons are defined together as *Recipients.*
The objective of this special part is to work in a way where all the Recipients, to the extent in which they are involved in the development of activities in the areas at risk, adhere to rules of conduct applied as prescribed by the same special part, in order to prevent and impede the occurrence of crimes in dealings with the Public Administration.
The special part has the function of:

a) To supply the general principles of specific procedures where the Recipients, depending on the type of relationship in place with ESSITY, are held to comply to the correct application of the model.
b) To supply the ICC 231 and the managers of company functions, called upon to co-operate with the same, the operating tools to carry out monitoring and verification activities.

On the completion of all operations related to the social management, as well as the regulations in which the present model, the Recipients must, in general, recognize and comply with reference to their activities, the rules and principles contained in the following documents *(limited):*

- *the code of ethics*
- *OMISSION*
- *OMISSION*
- *OMISSION*
- *OMISSION*

The adoption of the model and code of ethics must be made aware to the external collaborators on behalf of ESSITY: the compliance with the principles contained in these documents is a contractual obligation at the expense of these persons.
This special part provides for a clear prohibition on corporate officers, directly and at the expense of external partners, through appropriate contractual clauses, of:

1. To engage in conduct such as to complement the offenses considered in articles 24 and 25 of the Decree

2. To engage in conduct which although not proven that they constitute offenses included among those stated above, may potentially become so
3. To give rise to any conflict of interest against the Public Administration in relation to the provisions of the above stated offenses.

In connection with such prohibited conduct and in particular to:

a) Give donations in money to public officials or receive them
b) Distribute and or receive complimentary gifts or gifts out of regular company practice: this is to say every form of gift offered or received, exceeding regular commercial practice or courtesy, or at least aimed at obtaining favourable treatment in the conduct of any Company activity. In particular, any form of gift to Italian or foreign public officials is prohibited, even in countries where donations and gifts represents a widespread practice, or to their families, that may influence the independence of judgement or lead to ensure any advantage for ESSITY. The complimentary gifts permitted may be characterized by the scarcity of their value or because they promote artistic initiatives, for example the distribution of art books. The gifts offered, besides those of reasonable value, must be documented in an adequate way, to allow the required inspections
c) Grant other advantages of any nature (promises of employment etc) in favour of representatives of P.A., that may determine the same consequences foreseen in the previous point b)
d) Recognize compensations, or make contributions in favour of consultants and partners, who are not adequately justified in relation to the type of task to perform, the characteristics of the partnership and the practices in local areas
e) Recognize compensations in favour of suppliers who are not adequately justified, in relation to the type of counter-contribution
f) Submit false statements to national and community public organisms, in order to obtain public funds, grants or facilitated loans
g) Allocated funds, received by national or community public organisms, in the way of grants, contributions or funding for purposes other than that allocated.

To the implementation of the above conduct:

1. The relationships with P.A for the these areas at risk must be managed in an uniformly way, proceeding with the appointment of one or more internal managers for every operation or plurality of operations (in case of repeating the same) carried out in the areas at risk
2. Assignments given to consultants must be in writing, stating the reasons for the relationship established with the indication of the agreed fee. These assignments must be proposed or negotiated or verified or approved by at least two persons belonging to ESSITY.
3. The contracts stipulated with suppliers and partners must be in writing, specifying the reasons for the relationship established with the indication of the agreed fee and economic conditions in general: these contracts must be proposed or negotiated or verified or approved by at least two persons belonging to ESSITY
4. No type of payment must be made in cash or in kind, without specific authorization by the administration
5. The declarations made to the national or community public organisms to obtain grants, contributions or funding, must contain only absolute truths and in case of obtaining money, a special statement must be issued.

6. For those who carry out monitoring, of obligations related activities referred to in previous issues (payment of invoices, allocation of funding obtained by the State or by community organisms, etc), must pay particular attention to the implementation of the obligations mentioned above and immediately report to the ICC 231 any irregular situations
7. Any critical or conflicts of interest, with relations in the Public Administration, must be quickly communicated to the ICC 231 with a written note.

Specific procedural principles
OMISSION

Contracts

There must be a clause contained in the contracts with external collaborators, regulating the consequences of violence, by the same, according to the laws of the Decree, as well as the principles contained in the model.

Instructions and Controls of the Supervisory Board
OMISSION

Special part regarding article 25-3rd Dlgs 231/2001 – Corporate Crimes

Description of crimes

Regarding this Special Part, the following list provided is a brief description of crimes contemplated and indicated in art. 25-3rd of the Decree (following "Corporate Crimes"), re-grouping them for clarity, in 5 different typologies.

1. Falsehood in communications, statements and relations
- *False communications (art. 2621 civ. Cod.)*

The offense in art. 2621 civ.cod. is set up in the case that the directors, general managers, managers responsible for preparing corporate accounting documents, auditors, liquidators, with the intention of deceiving members or the public and to gain an unjust profit for themselves or for others, exposing the financial statements, reports or other communications required by law, to the shareholders or the public, material facts not true, the object of evaluations or omitting information which is imposed by law on the economic situation, assets or financial position of companies or of the group which they belong, inappropriately misleading recipients about the aforementioned situation, causing financial damage to companies, partners or to creditors.
OMISSION

- *False in communications to the detriment of the company, partners or creditors (art. 2622 civ. cod.)*

The offense in art. 2622 civ.cod. is set up in the case that, directors, general managers, executives responsible for preparing corporate accounting documents, auditors and the

liquidators, with the intention of deceiving the members or the public and in order to gain an unjust profit for themselves or others, exposing the financial statements, reports or other communications required by law, addressed to members or the public, material facts not true, the object of evaluations, or omitting information which is imposed by law on the economic situation, assets or financial position of companies or of the group which they belong, inappropriately in order to mislead recipients regarding the aforementioned situation, causing financial damage to companies, partners or to creditors.
OMISSION

- *False Statement (art. 173-2nd TUF)*

This offense consists of exposing false information or rather to conceal data or notices within the statements (here we intend documents requested at the end of the solicitation or admission to trading on regulated markets, or to be published on the occasion of the takeover bids or exchange), in accordance with methods suitable to mislead the recipients of the statements themselves.
OMISSION

- *Falsehood in reports or communications in company audits (art. 2624 civ.cod.)*
- *Falsehood in reports or communications in company audits (art. 174-2nd TUF))*

This offense is set up in art. 2624 civ.cod. against false representations or concealment of information, in reports or in other communications of the company auditors, concerning the economic situation, asset or financial position of companies audited, in accordance with the methods suitable to mislead the recipients of such information.
OMISSION
Be it for art. 2624 civ.cod. as well as for art. 174-2nd TUF, active persons of their crimes are the responsibility of company auditors. In both cases the components of the administrative and control group may be involved in the crime, and of control of the Group and its employees.

OMISSION

-Failure to disclose conflicts of interest (art. 2629=2nd civ.cod.)

This offense is set up against the violation of obligations foreseen in art. 2391, para. 1st, civ.cod. on behalf of the director of a company with securities listed on regulated Italian markets or on other State of European Union available to the public under art. 11 TUF (or of other supervised persons), if the aforementioned Violations have caused damage to the company or to a third Party.

OMISSION

2.CRIMINAL PROTECTION OF CAPITAL

- Illicitreturn of capital (art. 2626 civ.cod.)

This offense is to carry out the legitimate cases of reduction of share capital, the return, even if simulated, of the contributions to associates or to the liberation of themselves of the obligation to implement them.
OMISSION

- *Illegal distribution of profits or reserves (art. 2627 civ.cod.)*

This offense consists in the distribution of profits (or accounts on profits) not actually made or intended to statutory reserve, or in the distribution of reserves (even those not considered profits) by law can not be distributed.
OMISSION

- *Illegal transactions involving shares or shares of the Parent Companies (art. 2628 civ.cod)*

This offense is to carry out the circumstances permitted by law to purchase or subscribe for shares or units issued by the company (or by the parent company) that damages the integrity of the share capital or non-distributable reserves by law.
OMISSION

- *Actions prejudicial to creditors (art. 2629 civ.cod.)*

This crime consists in performing, in violation of the provisions of the law to protect creditors, of reductions of capital or mergers with other companies or divisions such as to cause damage to creditors.
OMISSION

- *Fictitious capital formation (art. 2632 civ.cod.)*

This crimes is integrated by the following conduct: a) formation or increase of capital in a fictional way, even in part, through the allocation of shares to an extent greater than the amount of total capital; b) mutual subscription of shares; c)
Significant overvaluation of assets in kind contributions, credits, or the assets of the company in the case of transformation.
Persons active in this offense are the administrators and the contributing shareholders.

- *Illicit distribution of corporate assets by liquidators (art. 2633 civ.cod.)*

This crime consists in the distribution of corporate assets between partners prior to payment by the creditors or the sums necessary to meet and exceed the provision, which causes damage to the creditors. It is noted that the damages to the creditors before the court cancels the offense. Persons active in this offense are exclusively liquidators.

3.CRIMINAL PROTECTION OF THE REGULAR FUNCTIONING OF THE COMPANY

- *Prevented control (art. 2625 civ.cod.)*

This crime is to up to prevent or hinder by concealing documents or other suitable devices, the conduct of activities of control or audit attributed to members, to other corporate bodies or other audit companies. A penalty is foreseen for such an offense.
The penalties are increased if such conduct has caused harm to members. The offense can only be committed by directors.

- *Illicit influence over the assembly (art. 2636 civ.cod.)*

This crime consists in determining the majority in the assembly with simulated or fraudulent acts, in order to obtain an unfair profit for themselves or for others.
The crime is constructed as a common crime that can be committed by anyone who engages in criminal conduct.

4.CRIMINAL LAW PROTECTION AGAINST FRAUD

- *Insider trading (art. Civ.cod.)*

This offense is to spread false information, or perform operations in simulated or other devices, specifically suitable to cause a significant change in the price of financial instruments not listed or for where an application for admission to trade on a market regulation is not submitted, or that it comes into custody in a significant way that the public places assets in the stability of banks or banking groups. This is also a common crime that may be committed by "anyone" engaging in criminal conduct.

5.CRIMINAL PROTECTION OF THE SUPERVISORY FUNCTIONS

- *Obstruction of the authorities public surveillance (art. 2638 civ.cod.)*

This is a crime that may be carried out in two distinctive ways:

- the first (i) through exposure in communications provided by the Authorities of public Surveillance (in order to hinder the exercise of the functions of the latter) of material facts not in accordance with the truth, to be evaluated on the economic, financial position or the persons subject to supervision or (ii) through concealment, with other fraudulent means, in whole or in part of facts which should have been disclosed and the same situation concerning the financial assets, liabilities.

OMISSION

Areas at risk

OMISSION

General principles of conduct and implementation

This special section refers to the conduct of directors, auditors and employees working in the areas at risk, as well as external collaborators and partners: such persons are defined together as, *Recipients.*

The objective of this special part is to ensure that these such persons, to the extent they are involved in the conduct of activities in areas at risk, adhere to rules of conduct applied, as written by the special part itself, in order to prevent and impede corporate crimes.

In particular, this special part has the function of:

a. to supply a list of general principles, as well as specific procedural principles where the Recipients, in depending on the type of relations existing with ESSITY, are held to abide by the correct application of the model

b. to supply the ICC 231 and managers of other functioning companies, called to co-operate with the same, the operational tools to carry out control activities, monitoring and foreseen controls.

On the completion of all operations related to social management, as well as to the regulations of which the present model, the Recipients must recognize and respect, with reference to their activities, the regulations and principles contained in the following document (limited):

- *the code of ethics*
- *OMISSION*

A note of the adoption model and code of ethics must be made to consultants and partners, on behalf of ESSITY: the respect of the principles contained in these documents is obligatory under contract at the persons' expense. On the completion of the activities considered at risk, the corporate officers directly, and the consultants and partners, through appropriate contract clauses, must adhere to the following general principles of conduct:

First Principle
To refrain from such behaviour, to integrate the case of corporate offenses listed in article 25-3rd of the Decree – *Corporate offenses.*

Second Principle
To refrain from such behaviour that, although doesn't result such, to constitute offenses included amongst those stated above, may potentially become so.

Third Principle
To maintain fair and transparent behaviour, ensuring full compliance to the laws and regulations, OMISSION, in the performance of all activities aimed at establishing the budget, the periodic financial reports and other communications in order to provide shareholders, to creditors and to third parties a clear and fair representation of the economic and financial position of ESSITY.
On this point it is forbidden to:
- represent or send for processing and presentation in financial statements, reports or other corporate communications, false data, incomplete or otherwise susceptible to provide an incorrect description of reality, on the economic and financial position of ESSITY.
- Fail to communicate data and information, required by the regulations and procedures in force, with respect to the economic and financial position of ESSITY.
- Not to adhere to the principles and the requirements contained in the instructions for the preparation of financial statements, the interim report and quarterly accounting chart of accounts in general and manual industrial accounting.

Fourth principle

OMISSION

Fifth Principle
To ensure the regular functioning of ESSITY and of its bodies, in compliance with the obligations provided for that purpose by the applicable provisions of law, guaranteeing and facilitating all forms of internal control on social management, required by law, as well as the free and fair formation of the will of assembly.
On this point it is forbidden to:
- maintain a behaviour which materially hinders or prevents, concealing of documents by the use of fraudulent means, the execution of activities of control or the revision of social management, on behalf of auditors or the audit company or the members

- influence the assumption of shareholder resolutions through the simulated or fraudulent performance of acts, that may alter the process of formation of the will of the assembly.

Sixth principle
To maintain fair and transparent behaviour, in compliance with the law and with company procedures, to guarantee and protection of investors' assets, paying the utmost attention and care to the acquisition, processing and disclosure of data and information relating to financial instruments and issuers, necessary to enable investors to achieve an opinion based on the economic and financial situation of the evolution of the issuer and its activities as well as financial products and related rights.
On this point, it is forbidden to engage in simulated operations or otherwise fraudulent, as well as broadcast false or incorrect news, likely to cause significant change in the cost of financial instruments.

Seventh Principle
To carry out with timeliness, correctness and completeness, all the communications foreseen by law and by regulations against the public Authorities of Surveillance, not interposing any obstacle to the exercise of the functions performed by these.
On this point, it is forbidden to:
- fail to perform, with clarity, completeness and timeliness against the Authority in question:
(a) all communications, periodical and non, foreseen by law and by the ulterior sector regulations, as well as
(b) the transmission of data and documents required by the rules in force and or specifically requested by the aforementioned Authority
- exhibit in such communications and documents submitted, untrue facts, or conceal facts concerning the economic and financial situation of ESSITY
- engage in any behaviour that is an obstacle to the exercise of the functions on behalf of the public Surveillance Authorities, even during an inspection: for example, expressed opposition to waste, pretentious obstructive behaviour or lack of cooperation, such as delays in announcements or in commissioning availability of documents.

Specific procedural Principles
OMISSION

Contracts
A specific clause must be therein contracts with consultants and partners, regulating the consequences of the violation, on behalf of the same, in the regulations of the Decree, as well as the principles in the model.

Instructions and inspections of the Supervisory Board

OMISSION

Special part regarding article 25-4th Dlgs 231/2001 – Crimes with the purpose of terrorism or subversion of the democratic order

Description of crimes
Regarding the present Special Part, we have provided a brief description of crimes with purpose of terrorism or subversion of the democratic order, below, as covered and indicated in art. 25-4th of the Decree (following the " Crimes of terrorism and the subversion of democratic order").
OMISSION

1. Crimes foreseen by the Penal Code

- *Subversive association (art. 270 pen.cod.)*

This offense is set up against anyone in the territory of the State who promotes, establishes, organizes or directs associations directed and likely to violently overthrow the economic and social order established in the State or to violently suppress political order and legal status.
Persons involved in the associations above are punishable.

- *Associations with the purpose of terrorism also international or subversion of the democratic order (art. 270-2nd pen.cod.)*

This offense is set up against anyone who promotes, establishes, organizes, directs or finance associations that offer the compliment of acts of violence with purpose of terrorism or subversion of the democratic order. Persons involved in the associations above are punishable.
For the purpose of criminal law, the purpose of terrorism occurs when the violence is directed against a foreign State, an institution and an international organism.

- *Assistance to members (art. 270-3rd pen.cod.)*

This offense is set up against anyone, except in cases of complicity, in the crime or aiding, giving shelter or providing food, hospitality, transport or communication tools to any of the persons participating in associations listed in the previous articles 270 and 270-2nd pen.cod.
Those who commit the acts in favour of a close relative are not punishable.

- *Enrolment with the purpose of terrorism also international (art. 270-5th pen.cod.)*

This offense is set up against anyone, outside of cases in article 270-2nd, trained or however provide instructions on the preparation of explosive materials, firearms or other weapons, harmful or dangerous chemical or biological substances, as well as any other technique or method for carrying out acts of violence or sabotage of essential publics services, with the purpose of terrorism, even if aimed towards a foreign State, an institution or and international organism.

- *Conduct with the intent of terrorism (art. 270-6thpen.cod)*

The conduct of terrorism that is configured as implemented with purpose, by nature or context, may seriously damage a country or an international organization and are carried out in order to intimidate people or compel a Government or an international organization to perform or abstain from performing any act or destabilizing or destroying the fundamental public, constitutional, economic and social structures of a country or an international organization as well as other conduct defined as terroristic or committed with purpose of terrorism by conventions or other rules of international law, binding Italy.

- *An attack with a terroristic purpose or subversion (art. 280 pen.cod.)*

This offense is set up against anyone who makes an attempt on the life or safety of a person with a terrorism purpose or subversion of the democratic order.

The crime is aggravated by the attack if the safety of a person resulting in death or serious injury, or if the act is directed against persons exercising judicial or prison functions or to public safety in exercising or in cause of their duties.

- *Kidnapping for the purpose of terrorism or subversion (art.280 pen.cod)*

This offense is set up against anyone who kidnaps a person for terrorism purposes or subversion of the democratic order. The crime is aggravated by death, intended or unintended by the kidnapper.

- *Incitement to commit a crime provided for in leaders x1 and 2 (art.302 pen.cod.)*

This offense is set up against anyone who instigates someone to commit one of the crimes unintentional provided for in leaders 1 and 2 titled 1, book 2, of the Penal Code dedicated to crimes against personality international or internal State respectively, for which the law establishes life imprisonment or imprisonment. There are extenuating circumstances in cases where the provocation is not accepted, or if successful, the crime results as not committed.

- *Political conspiracy by agreement and political conspiracy through association (art. 304 and 305 pen.cod.)*

This offense is set up respectively, against anyone who is associated to commit one of the crimes in the preceding points (art. 302 pen.cod.).

- *Armed gang involvement and training; assistance to the participants in the conspiracy or the armed gang (art. 306 and 307 pen.cod.)*

This offense is set up against (i) anyone who promotes, constitutes, organises and armed gang to commit one of the crimes indicated in the article 302 of the pen.cod. Or (ii) against anyone, except in cases of complicity in aiding the crime, giving shelter, providing food, hospitality, transport or communication tools to anyone participating in the association or the gang, as per articles in 305 and 306 pen.cod.

2. CRIMES WITH A PURPOSE OF TERRORISM OR SUBVERSION OF THE DEMOCRATIC ORDER FORESEEN BY THE SPECIAL LAWS

Next to the case clearly regulated by the Penal Code, the crimes foreseen by the provisions contained in the special laws must be taken into consideration in compliance of D.Lgs 231/2001.

- Between the provisions stated above art. 1 of 6 February 1980, n.15 must be recalled which provides, in aggravated circumstances applicable to any offense the fact being that the offense itself was “committed for terrorism purposes or of subversion of the democratic order”.

OMISSION

- Other provisions specifically directed to the prevention of crimes committed with a purpose of terrorism, are contained in L.10 May 1976, n. 342, regarding the prosecution of crimes against the safety of Air navigation, and in L.20 December 1989,n. 422, regarding the prosecution of crimes against the safety of maritime navigation and of crimes against the safety of fixed installations on the international platform.

3. CRIMES WITH A PURPOSE OF TERRORISM IN VIOLATION OF ART. 2 OF THE NEW YORK CONVENTION OF 9 DECEMBER 1999

According to the quoted article 2, anyone who commits a crimes by any means, directly or indirectly, illegally or intentionally, provide or collect funds with the intent to use them or knowing that they are destined to be used, entirely or partially, in order to make:

(a) an act that constitutes a crime under law and defined as one of the crimes listed in the attached; or
(b) any other act intended to cause death or serious physical injury to a civilian or any other person who holds an active part in situations of armed conflict when the purpose of that act by nature or context is to intimidate a population or to compel a government or international organization to do or refrain from doing something.
Although an act may result in one of those hypotheses it is not necessary that the funds are actually used to perform as described in the letters (a) and (b). The offense is equally committed by anyone attempts to commit the crimes foreseen above.
Any person also commits an offense who:
(a) takes part as an accomplice to the fulfilment of a crime stated above;
(b) organises or manages other persons to commit a crime as stated above;
(c) contributes to the fulfilment of one or more crimes as stated above with a group of persons acting with a common goal.

OMISSION

Areas at risk

OMISSION

General principles of conduct and implementation
The present special part refers to the conduct of directors, officers and employees operating in the areas at risk, as well as external collaborators and partners: these persons are defined together as, *Recipients.*
The objective of this present special part is to ensure that such persons, to the extent that they are involved in the areas at risk, abide by rules of conduct in accordance with the requirements of the special part, in order to prevent and deter the occurrence of terrorism crimes.
In particular, the present special part has the function of:
a. to supply a list of general principles, as well as specific procedural principles where the Recipients, in depending on the type of relationship in place with Company, are held to comply with the correct application of the model
b. to supply the ICC 231 and the managers of the other company functions, called to cooperate with the same, the operating tools to exercise the control activities, monitoring and foreseen controls.
In the performance of all operations related to the social management, along with the regulations of the present model, the Recipients are held, in general, to recognize and respect, with reference to the respective activities, the regulations and principles contained in the following documents *(limited):*
- *the code of ethics*
- *the nominative list and list of countries at risk*
- *OMISSION*

The adoption of the model and the code of ethics must be noted to all external collaborators, on behalf of ESSITY: the respect of principles contained in these documents establishes the contractual obligation at the persons' expense.
The present special part foresees, in carrying out activities considered at risk, the prohibition for corporate officers and external collaborators to :

1. engage in, promote, collaborate or give cause to the realization of this conduct that, taken individually or collectively, integrate, directly or indirectly, the case of crime entering in those considered in article 25-4th of the Decree;
2. Use ESSITY even occasionally or one of its organisational unit for the purpose of enabling or facilitating the commission of crimes stated above
3. Promote, establish, organize or manage associations proposing the carrying out of acts of violence, in particular with the aim of subversion to the democratic order
4. Provide, directly or indirectly, funds in favour of persons who intend to take part of terrorist crimes
5. Take or give orders to perform any commercial operations and or financial operations, be it directly, or by a third person, with persons whose names are contained in nominative lists, or controlled by persons on the same nominative lists, when the association of control is noted
6. Take or give orders of any commercial operation and or financial operation, be it directly, or by a third person, with persons who are residents in Countries at risk, unless explicit consent by the CEO of ESSITY
7. Take or give orders that may present a character of an abnormal nature or subject and to establish or maintain relationships that present profiles of anomaly in terms of reliability and the reputation of persons and transactions to be concluded
8. OMISSION
9. OMISSION

Specific Procedural principles
OMISSION

Contracts
There must be a specific clause in the contracts of external collaborators, which regulates the consequences of violence, on behalf of the same, by the regulations of the Decree, as well as the principles contained in the model.

Instructions and verification of the Supervisory Body

OMISSION

Special part regarding article 25-5th Dlgs 231/2001 – Crimes against the individual

Description of crimes

Regarding the present Special Part, a brief description is provided below, of crimes against the individual covered and indicated in art. 25-5th of the Decree (following the "Crimes against the individual").
OMISSION
- *Reduction or maintenance in slavery or servitude (art. 600 pen.cod.)*

The crime is set up against anyone who exercises power corresponding to those of right to property or anyone who reduces or maintains a person in a state of subjection continuously, forcing them to work or sexual performance, or begging or however a performance that involves exploitation.

The reduction of maintenance in the state of subjection takes place when the conduct is enforced by violence, threat, deception, abuse of authority or taking advantage of a situation of inferiority both physical and psychological or a situation of need or by the promise or the sums of money or by other advantages of whom has authority over the person.

- *Child prostitution (art. 600-3rd pen.cod.)*

This crime is set up against anyone who induces prostitution with a person under eighteen years of age or favours or exploits prostitution.

- *Child pornography (art. 600-3rd pen.cod.)*

This crime is set up against anyone, using children under eighteen years of age, to realize pornographic performances; and also anyone making commercial use of the pornographic material stated above will be punished. The case also punishes anyone, outside the above stated hypothesis, with any means, also via computer network, distributes, divulges, circulates or publicizes the pornographic material stated above, or distributes or divulges news or information aimed at soliciting or sexually exploiting persons under the age of eighteen; or anyone, outside the above stated hypothesis, knowingly offers or yields to others, even free of charge, pornographic material produced by the sexual exploitation of persons under eighteen years of age.

The crime is committed also when the pornographic material represents virtual images, created by using images of persons under the age of eighteen or parts of them (virtual pornography). For virtual images we intend images created with technical graphic elaboration not associated totally or in part with real situations, whereby the quality of representation appear as real situations not actual (art. 600- 4th1 pen.cod.).

- *Possession of pornographic material (art.600-4th pen.cod.)*

This crime is set up against anyone, outside the hypothesis foreseen in the article 600-3rd pen.cod., knowingly procures or holds pornographic material produced using persons under the age of eighteen years. The crime is committed also in the case of virtual pornography (ex art. 600-4th1 pen.cod.).

- *Tourist initiatives aimed at the exploitation of under age prostitution (art. 600-5th pen.cod.).*

This crime is set up against anyone who organizes or promotes trips aimed at the enjoyment of prostitution activities with damage to those under age or however including such activities.

- *Treatment of persons (art. 601 pen.cod.)*

This crimes is set up against anyone who commits the treatment of persons found in the conditions in article 600 pen.cod., or, to commit the crimes in which the same article, using deception to induce or compel by means of violence, threats, authority abuse or exploiting a situation of physical or psychological inferiority or of a situation of necessity, or by promise or sums of money or other benefits to the person who has authority, to give permission to enter or to enter or leave the territory of the State or to relocate internally.

- *Purchase and sale of slaves (art. 602 pen.cod.)*

This crime is set up against anyone, outside of cases indicated in article 601 pen.cod., to purchase, sell or yield a person found in one of the conditions in article 600 pen.cod. Regarding the crimes considered above, the managers of the same not only the persons who directly realize the criminal case, but also the persons who knowingly facilitate and

also finance, the same conduct, may be held responsible. Consequently, the crime stated above may re-enter in the hypothesis, as any disbursement of resources in favour of third parties, made knowingly by the company that the payments themselves may be used by persons for criminal reasons.

- *Illicit intermediation and labour exploitation* (art. 603 pen. cod.)

This crime is set up against anyone who: 1) hire workers with the aim to work with third parties under exploitation, taking advantage of the workers' need; 2) Uses, assumes or employs workers, also through the brokering activity referred to in number 1), subjecting workers to exploitation conditions and taking advantage of their need. One or more of the following conditions may represent an indicator of labour exploitation: 1) the payment of remuneration in a manner clearly different from the national or territorial collective agreements concluded by the most representative trade union organizations at national level, or in any case disproportionate to the quantity and quality of the work provided; 2) the repeated violation of the rules on working time, rest periods, weekly rest periods, compulsory leave, holidays; 3) the existence of violations of the rules on safety and hygiene in the workplace; 4) submission of the worker to working conditions, surveillance methods or degrading housing situations.

Areas at risk

OMISSION

General principles of conduct and implementation

The present special part refers to conduct of directors, officers, employees operating in the areas at risk, as well as collaborators and partners: these persons are defined together as, *Recipients.*

The objective of the present special part and to ensure that such persons, to the extent that they are involved in the performance of activities in the areas at risk, adhere to regulations of conduct comply to the requirements, of the special part itself, to prevent and impede the occurrence of the crimes against individuals.

In particular, the present special part has the function to:

a. provide a list of general principles, as well as specific procedural principles where the company representatives and external collaborators, depending on the type of relationship in place with ESSITY, are held to abide by the correct application of the model

b. provide the ICC 231 and managers other company functions, called to cooperate with the same, the operative tools to exercise the control activities monitoring and controls foreseen.

On the completion of all operations related to the social management, as well as the regulations in which in the present model, the company representatives must recognize and comply to, with respect to their activities, the regulations and principles contained in the following documents (*limited):*

- *the Code of Ethics*
- *OMISSION*

The external collaborators must be made aware of the adoption of the model and the code of ethics, on behalf of ESSITY, whose knowledge and compliance is a contractual obligation and the responsibility of the persons.

On the completion of activities considered at risk and clearly prohibited to the Recipients to:

1. Maintain, promote, collaborate or give cause to the realisation of conduct such that, taken individually or collectively, integrate, directly or indirectly, the case of offenses included amongst those considered in article 35-5th of the Decree;
2. Maintain conduct that, although does not itself constitute an offense included amongst those considered above, may potentially do so
3. Make use of ESSITY even occasionally, or one of its organisational units, with the aim to allow or facilitate the commission of crimes listed in the present special part.

Specific principle procedures
OMISSION

Contracts
A special clause must be contained in contracts with external collaborators, regulating the consequences of violence, on behalf of the same, by the regulations of the Decree, as well as the principles contained in the model.

Instructions and controls of the Supervisory Board
OMISSION

The special part regarding article 25-6th Dlgs 231/2001 – In the types of crimes and administrative offenses relating to Market Abuse

The present Special Part refers to the case of the **crime** and of the **administrative offense** of market abuse disciplined by the new Title I- 2nd, Capo II, Part 5 of TUF entitled " Abuse of privileged information and manipulation of market".
OMISSION

THE RESPONSIBILITY OF THE COMPANY EMPLOYEES OF OFFENSES RELATING TO MARKET ABUSE (ART. 25-6th of the Decree)
The new disposition contained in art. 25-6th of the Decree has expanded the categories of crimes assumed the administrative responsibility of the Company including the hypothesis of abuse of privileged information and market manipulation.
The single cases of crimes recalled by art.25-6th of the Decree are described in the following:

a) To purchase, sell or perform other operations, directly or indirectly, for them selves or for a third party, on financial tools using the same information – c.d *trading;*
b) To communicate such information to others, outside of the normal exercise of work, of the profession, of the function or the office in charge (regardless of the circumstance that a third party recipient actually uses the information " communicated") – c.d. *tipping;*

c) To recommend or induce others, on the basis of these, upon completion of certain transactions indicated in letter a) – c.d. *tuyuatage.*
OMISSION

- *Manipulation of the market (art. 185 TUF)*

This crime is set up against anyone who spreads false news (c.d informed insider trading) or sets simulated transactions or other devices specifically suitable to cause a significant change in the price of financial tools (c.d. informed insider trading).
In this case includes the case of creating misleading indications, resulting from inobservance of obligations of communications on behalf of the issuer or other persons obligated or in the hypothesis of omission.

THE RESPONSIBILITY OF THE COMPANIES EMPLOYEES OF THE ILLICIT ADMINISTRATIVE MATTERS OF MARKET ABUSE (ART.187-5th TUF)
OMISSION

Areas at risk
OMISSION

General principles of conduct and implementation

The present Special Part refers to conduct in administrative positions, executives and employees operating in the areas at risk, as well as by external collaborators and partners, defined together as *Recipients.*
The *Recipients*, upon completion of all operations related to the social management, as well as regulations to which the present model, are held to recognize and comply with:

- the ethic code;
- OMISSION

Consultants, Partners and Suppliers must be made aware of the adoption of the Model and Code of Ethics on behalf of ESSITY: the compliance of the principles contained in these documents is a contractual obligation and the responsibility of the persons.
The Recipients are in particular are held to provide – prior to completing the operation relating to financial tools listed by the Group or however suitable to have favourable effects for the Group, in case of doubt on the legality of the very operation – to convey the message to ICC 231 in order to receive merited indications. The managers of the single functions involved must inform the ICC 231 immediately:
OMISSION

Contracts
Contracts with external collaborators must have a special clause regulating the consequences of the violation of the regulations of the Decree, as well as the principles contained in Model.

Instructions and controls of the Supervisory Board
OMISSION

Special part H regarding article 25-7th Dlgs 231/2001 – Crimes of manslaughter and negligently causing serious or very serious injury, committed in violation of safety regulations and the hygiene protection and health at work

Description of crimes

Regarding the present Special Part, it is clearly stated that Law 3 3rd August 2007 n.123 has sanctioned the responsibility of the Companies in relation to the crimes in which article 589 and 590, 3rd para., penal code, committed in violation of the safety regulations and of hygiene protection and of health at work.

CRIMES FORESEEN BY THE PENAL CODE

- *Manslaughter (art. 589 p.c).*

According to art. 589 p.c. anyone who causes the death of a person is punished with imprisonment from six months to five years.

If the act is committed in violation of the regulations governing road and traffic or those for the prevention of occupational accidents offenders face punishment of imprisonment from two to five years. In the case of death of more persons, or the death of one or more persons and injury of one or more persons where the penalty inflicted should apply, for the most serious of violations increased by up to three times but the penalty can not exceed twelve years.

With the introduction of art. 25 7th to D.Lgs 231/01, should the above offense in violation of safety regulations occur, the company is punished with a fine to an extent of not less than one thousand shares.

- *Serious or very serious personal injury (art. 590 p.c 3rd paragraph).*

The law 123/07 has sanctioned the responsibility also of the Company for the crime set up against serious or very serious personal injury caused by anyone at fault, if the acts committed in violation of the safety regulations and on hygiene protection and health at work.

According to art. 583 p.c. the personal injury is serious:

1) If the offense results in a disease that endangers the life of the victim, or an illness or incapacity to tend to ordinary occupations for a period longer than forty days;
2) If the offense produces the permanent weakening of the sense or of an organ.

The serious personal injury is considered very serious in the following hypothesis:

1) A definite or probable incurable disease;
2) The loss of a sense;
3) The loss of a limb, or a mutilation that renders the limb useless, or the loss of the use of an organ or the capacity to procreate, or a permanent or serious speech difficulty;
4) The deformation, or the permanent disfigurement of the face.

Areas at risk

OMISSION

The general principles of conduct and implementation

The present special part refers to conduct by directors, officers and employees operating in the areas at risk, as well as collaborators and partners: these persons are defined together as *Recipients.*
The objective of the present special part is to ensure that such persons, to the extent they are involved in the conduct of activities of areas at risk, adhere to the regulations of conduct in accordance with the requirements of the special part, in order to prevent and impede the occurrence of the crimes of manslaughter and negligently causing serious injury with serious violations of the safety regulations and of hygiene protection and of health at work.
In particular, the present part has the function of:
c. to provide a list of general principles, as well as specific procedural principles where the corporate officers and external collaborators, depending on the type of relationship in place with ESSITY, are held to comply with the correct application of the model
d. to provide ICC 231 to the managers of the other company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.
On completion of all the operations related to the social management, with particular reference to industrial production activities completed, as well as the regulations of the present model, the Recipients must recognise and abide by, with reference to the respective activity, the regulations and principles contained in the following documents *(limited):*
- *the code of ethics*
- *the rules in force in Italy and work safety*
- *OMISSION*

External collaborators must be made aware of the adoption of the model and the code of ethics, on behalf of ESSITY, whose knowledge and compliance with which constitutes a contractual obligation and the responsibility of the persons.
On completion of the activities considered at risk it is clearly prohibited for the Recipients to:
1. Maintain, promote collaborate or give cause to the realisation of such conduct that, taken individually or collectively, integrate directly or indirectly, the case of the crime entering amongst those considered in article 25-7th
2. Maintain conduct that, although does not in itself constitute a case, enters amongst those considered above, may potentially become so
3. Even occasionally use ESSITY or one of its organisational units, for the purpose of enabling or facilitating the commission of crimes in which are present in the special part.

The executive functions and managers of the production sectors are held to:
- periodically control, and each time new machinery is introduced, the compliance of the procedures established by ESSITY and the forceful to the needs of health protection and security of workers, as well as compliance with the law in matters;
- to periodically control the respect for regulations and the regulations issued.

Specific principle procedures

Procedural principles to be observed in the single operations at risk

OMISSION

Contracts
The contracts of external collaborators must contain specific clauses that regulate the consequences of violation, by the same, according to the regulations of the Decree, as well as principles contained in the model.

Instructions and control of the Supervisory Board
OMISSION

SPECIAL PART G REGARDING ART. 24 2ND – COMPUTER CRIMES AND ILLICIT TREATMENT OF DATA

On 5th April 2008, a Law was enforced Law n.49, concerning the ratification and implementation of the Council of Europe Convention on computer crimes. With this regulation, the Legislator has made changes to the penal code in matters of computer crimes and has introduced to D.Lgs. 231/01, the art. 24 2nd for the criminality of the Company in relation to computer crimes and the illicit treatment of data, indicated as follows:

1. THE CRIMES

Constituted an offense under D.Lgs. 231/01:

- *Electronic documents (art. 491-2nd pen.cod.)*

OMISSION

- *Abusive access of access codes to systems or telecommunications (art. 615 4th pen.cod.)*

OMISSION

- *Abusive illegal possession and distribution of access codes to systems and telecommunications (art. 615-5th pen.cod.)*

OMISSION

- *Interception, impeding or illicitinterruption of computer communications or telecommunications (617 4th pen.cod.)*

OMISSION

- *Installation of equipment, designed to intercept, impede or interrupt computer communications or telecommunications (617 5th pen.cod.)*

OMISSION

- *Impairment of information, data and computer programs (art.635.pen.cod.)*

OMISSION

- *Impairment of information, data and computer programs used by the State of another public company or however a public utility (635 3rd pen.cod.)*

OMISSION

- *Impairment of computer systems or telecommunications (635 3rd pen.cod.)*

OMISSION

- *Impairment of computer systems or telecommunications of public utilities (art. 5th pen.cod.)*

OMISSION

- *Computer fraud of the person providing the certification Services for electronic signature (art. 640-5th pen.cod.)*

OMISSION

2. AREAS POTENTIALLY AT RISK

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1 General principles

The objective of the present special part is to ensure that all Recipients, directors, officers and employees operating in the areas at risk, as well as external collaborators and partners, in the extent in which they are involved in carrying out activities in the areas at risk, adhere to rules of conduct in accordance with the requirements of the special part itself to prevent and impede the occurrence of crimes.
The present special part has the function of:
a) provide the general principles and specific procedures where the Recipients, depending on the type of relationship held with the Company, are held to adhere to the correct application of the model
b) provide the ICC 231 and managers of other company functions, called to cooperate with the same, the operating tools to exercise the control activities, monitoring and foreseen controls.
On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:
- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.
The present special part foresees the explicit PROHIBITION, the responsibility of the company representatives, directly, and the responsibility of external collaborators, via special contractual clauses, of:
1. To provide such conduct integrates the case of the computer crime and illicit treatment of data as identified in the present Special Part
2. To provide such conduct that although doesn't result in such that constitutes a crime case amongst those considered above, may potentially become so
3. To provide any situation of conflict of interest against the
Public Administration, in relation to that foreseen by the aforesaid hypothetical crime.
In these manners of conduct, it is prohibited in particular to:
a) Access any operation in other's computer systems and other's data, if not authorised by a specific contractual agreement and however with violation to the existing procedures in matters of treatment of personal data ex. D.Lgs 196/2003.

With the implementation of conducts of which ESSITY as stated above along with DPSS and specific procedures aimed towards implementing the principles of D.Lgs. 196/2003 in matters of privacy and has nominated a Manager in the matter of controlling the compliance of law and the appropriate controls in merit of the effective operation of the procedures.
OMISSION

3.2 Specific procedural principles

Contracts

In contracts with external collaborators, the specific clause must be noted, that regulates the consequences of violence, on behalf of the same, within the regulations of the Decree, as well as the principles contained in the Model.

Instructions and controls of the Supervisory Board
OMISSION

SPECIAL PART H - RELATIVE TO ART.25 2ND LETTER F) 2ND- FALSITY IN TOOLS OR SIGNS OF RECOGNITION

1. THE CRIMES

The law 23rd July 2009 n.99 has inserted the letter f) in the list of foreseen crimes from art.25 2nd of D.lgs.231 and for these providing the punishment of the Company.

The art. 25 2nd, at its origins, provided penalties for offenses relating to falsehoods in credit cards and stamps. Today, with the recent integrations, legal persons are potentially punishable also for the counterfeiting of means or identifying marks.

In particular the law foresees fines up to five hundred shares in case of commission of crimes in art. 473 and 474 p.c.
The art. 473 of the penal code is related to counterfeiting, altering or using marks or distinctive signs or patents, models and designs.

The art. 474, instead, punishes the introduction of the State and or the commercial products with false marks.

AREAS AT RISK
OMISSION

L.3 - I PRINCIPLES OF CONDUCT
L.3.1.General principles

The objective of the present special part is to ensure that the Recipients, in the extent in which they are involved in carrying out the activities in the areas at risk, adhere to the rules of conduct with the requirements of the special part itself to prevent and impede the occurrence of crimes.
The special present part has the function of:
a) To provide the general principles and specific procedures where the Recipients, depending on the type of relationship it has with the company, are held to comply to the correct application of the model
b) To provide ICC 231 and the managers of the company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.

On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:
- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.

The management, of functions and services involved in the areas at risk and or instrumental areas are held, within the area of the activity, in accordance to the rules of conduct as indicated following, adhering to the principles dictated by the Model and, in particular, the Code of Ethics of ESSITY.

It is absolutely prohibited to:
- engage in conduct such as to integrate the case of crime foreseen by art. 25.2nd letter f 2nd of D.Lgs. 231/2001
- engage in any conduct that, though not specifically integrating any of the criminal cases outlined, may abstractly become so;
- engage or facilitate operations in conflict of interests – effective or potential – with the Company, as well as activities that may interfere with the capacity to take on, impartially, decisions in the best interest of the Company in keeping with the Code of Ethics;
- have business dealings with persons at risk of offenses in question;
- engage in conduct that may, even indirectly, by aimed at counterfeiting or however altering marks, as well as for commercialisation use of the same, for any purpose.

As well as the implementation of conduct of which above:
- the compliance of the contents of the Code of Ethics of ESSITY must be guaranteed
- regarding relationships with the Public Administration or with persons qualified as Public Officials or Employed as Public Servants, the compliance of the correct principles must be guaranteed, transparent and in good faith'
- regarding divulging of information of a scientific nature, a conduct must be adopted based on principles of integrity, honesty, transparency and good faith;
- on completion of finalised activities and the attainment of the social object, a control of the truthfulness and genuineness of brands, distinctive marks, patents, models and designs used by the Company must be made, and to report informing all relevant functions along with the Supervisory Board any possible situations of non- compliance.

On any operation undertaken by the persons indicated above and potentially evaluated at risk of committing crimes, the ICC 231 will have the right to carry out controls deemed appropriate, of where written evidence must be provided.

The Supervisory Board's tasks

OMISSION

SPECIAL PART I REGARDING AI CRIMES AGAINST INDUSTRY AND TRADE EX ART.25 2ND 1-D.LGS.N.231/2001

The following is a synthetic description of crimes listed in art. 25 2nd1, as introduced in the Decree 231/2001 of art. 17,para. 7, letter b) of Law 23rd July 2009 n.99, provided that under art. 26 of the Decree, the Company could be considered responsible also the moment the cases are integrated in the form of an attempt.

THE CRIMES

Obstructing industry or trade (art. 513 p.c.)
This crime is set up at the moment when a person uses violence on objects or fraudulent means to impede or obstruct the exercise of an industry or trade.

Illicit competition with threat or violence (art. 513 2nd p.c.)
The law foresees the punishment of persons who, in carrying out a commercial activity, industrial or however productive, commits acts of competition with violence or threat. The aggravation of penalty is increased on the assumption of an activity funded in whole or in part in any way by the State or by other public bodies.

Fraud against the national industries (art. 514 p.c.)
To have caused criminal harm to a national industry or having sold or distributed on national or foreign markets, industrial products, with names, trademarks or distinctive counterfeit marks or simply altered, is a source responsible to crime.

Fraud in the exercise of trade (art. 515 p.c.)
A person is punishable who, in the exercise of a commercial activity or in a shop open to the public, delivers one thing for another to the buyer, or one thing with its origins, quality or quantity, different to that declared or agreed upon.

The sales of food substances both non genuine and genuine (art. 516 p.c.)
It is a criminal offense to sell or otherwise put into circulation as genuine products food substances non genuine.

The sales of industrial products with false markings (art. 517 p.c.)
It is a criminal offense to sell or otherwise put into circulation products not genuine or industrial products, with names, trademarks or distinctive markings national or foreign acts to mislead the buyer of origin, or quality of the product.

The manufacture and trade of property made by usurping industrial property rights (art. 517 3rd p.c.)
The provision in question penalizes conduct that, with the possibility of awareness of the existence of the industry property rights, fabricates or uses industrial objects or other goods made by usurping a title of ownership or in violation of the same. OMISSION

Counterfeiting of geographical indications or designations of origin of food products (article 517 4th p.c.)
The Legislator has considered the Company also punishable in the case of counterfeiting or however altering the geographical indications or designations of origins of food products, as well as in the case of introduction in the territory of the State, possession for sales, sales directly to the consumer or distribution of the same products with indications and false names for profit.

2. AREAS POTENTIALLY AT RISK
OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

M.3.1. General principles

The objective of the present special part is to ensure that the Recipients, in the extent in which they are involved in carrying out the activities in the areas at risk, adhere to the rules of conduct with the requirements of the special part itself to prevent and impede the occurrence of crimes.
The special present part has the function of:
a) To provide the general principles and specific procedures where the Recipients, depending on the type of relationship it has with the company, are held to comply to the correct application of the model
b) To provide ICC 231 and the managers of the company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.

On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:
- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.

The present special part foresees the explicit PROHIBITON, of which the corporate officers are responsible, directly and the responsibility of external collaborators, via specific contractual clauses, to:
1) engage in conduct that, integrates the case of crime considered by the articles in question in the present Special Part
2) engage in conduct that, although doesn't result in constituting the case of crime amongst those stated above, may potentially become so
3) engage in violent conduct or however fraudulent in the exercise of social activity
4) engage in any conduct which is not that of honesty and loyalty even towards competitors and also indirectly aimed to obtain results causing damage to a third party

5) purchase and or distribute counterfeit goods or without the quality as declared and however without having carried out the appropriate controls required
6) Omit and or indicate false statements of the origins of products, and their quality
7) manufacture or market goods which are false or however where the intellectual properties are uncertain.

3.2 Specific procedural principles

OMISSION

Contracts

In contracts with external collaborators, the specific clause must be noted, that regulates the consequences of violence, on behalf of the same, within the regulations of the Decree, as well as the principles contained in the Model.

Instructions and controls of the Supervisory Board

OMISSION

SPECIAL PART REGARDING THE CRIMES IN MATTERS OF RECEIVING AND MONEY LAUNDERING, ASSETS OR UTILITIES WITH ILICIT ORIGINS (ART. 25 8TH D.LGS 231/2001)

1. THE CRIMES

Article 25 8th, recently introduced, has foreseen the sanctions for the Company in the case of committing crimes in art. 648, 648 2nd and 648 3rd of the penal code.
These are the foreseen crime cases.

- *Receiving (art. 648 pen.cod.)*

This crime is set up in the case where the person, in order to provide a profit for himself or others, acquires, receives or hides money or objects from any other crime or however intrudes in having them bought, received or hidden.

- *Money laundering (art. 648 2nd pen.cod.)*

This crime foresees the punishment of anyone who substitutes or transfer money, assets or other utilities from non-culpable offenses, or performs other operations in relation to them, in order to impede the identification of their criminal origin.

- *The use of money, property or utility of illicit origins (art. 648 3rd pen.cod.)*

This crimes foresees the criminal responsibility of anyone, outside of cases of complicity of the crime and cases foreseen by articles 648 and 648 2nd, employing economic or financial activities, assets or other utilities from the crime

- *Self Money laundering (art. 648-ter. 1 pen.cod.)*

The new provision under art. 648 ter.1 of the Italian Criminal Code provides, in particular, two different types of self-laundering crime:

1. the first, punished with imprisonment from 2 to 8 years and a fine of 5,000 to 25,000 Euro, punishes anyone who, committing or accessory to an intentional crime - punished with imprisonment equal to or more than 5 years - employs, replaces, moved, in economic or financial activities, money, goods or other benefits from the crime, so concretely hinder the identification of their criminal origin;
2. the second, punished with imprisonment from 1 to 4 years and a fine of 2,500 to 12,500 Euro, is related to the commission of intentional crimes for which is provided for the penalty of imprisonment of less than 5 years.

2. AREAS POTENTIALLY AT RISK

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1 General principles

The objective of the present special part is to ensure that the Recipients, in the extent in which they are involved in carrying out the activities in the areas at risk, adhere to the rules

of conduct with the requirements of the special part itself to prevent and impede the occurrence of crimes.

The special present part has the function of:
a) To provide the general principles and specific procedures where the Recipients, depending on the type of relationship it has with the company, are held to comply to the correct application of the model
b) To provide ICC 231 and the managers of the company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.

On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:
- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.

The present special part foresees the explicit PROHIBITON, of which the corporate officers are responsible, directly and the responsibility of external collaborators, via specific contractual clauses, to:

1. engage in conduct that integrates the case of crime stated in the articles in question in the present Special Part
2. engage in conduct that , which is not such to constitute the case of the crime under those stated above, may potentially become so

3.2 Specific procedural principles
OMISSION

Contracts

In contracts with external collaborators, the specific clause must be noted, that regulates the consequences of violence, on behalf of the same, within the regulations of the Decree, as well as the principles contained in the Model.

Instructions and controls of the Supervisory Board

OMISSION

SPECIAL PART REGARDING THE CRIMES IN MATTERS OF ILLEGAL USE OF PAYMENT INSTRUMENTS ALTERNATIVE TO CASH (ART. 25 - 8TH.1 D.LGS 231/2001)

1. THE CRIMES

With regard to this Special Section, the offenses contemplated therein are listed below and include the following individual offenses:

• Art. 493-ter of the Criminal Code "Undue use and falsification of non-cash payment instruments";

• Art. 493-quater "Possession and dissemination of equipment, devices or computer programs aimed at committing crimes concerning payment instruments other than cash";

• Art. 640-ter "Computer fraud" in the event aggravated by the carrying out of a transfer of money, monetary value or virtual currency.

2. AREAS POTENTIALLY AT RISK

The activities at risk include the Essity operations in the context of which the crimes indicated in the previous paragraph could occur. The activities at risk were identified through a risk identification process and consist of ... ..

OMISSION

SPECIAL PART RELATIVE CRIMES IN MATTERS OF VIOLATION OF COPYRIGHT EX ART. 25 9th D.LGS.N.231/2001

Following is the list of crimes in art. 25 9th of the Decree, as introduced in art. 15 in Law n. 99/2009 in matters of copyright crimes for reference to Law n. 633/1941.
The nomenclature implicitly contains the description of the criminal conduct.
It is understood that as in art. 26 of the Decree, the Company may be considered responsible even when the cases are integrated in the form of an attempt.

THE CRIMES

- Provision of telecommunication networks in systems copyright protected (art. 171 para. 1, lett. A – 2nd para. 3 Law n. 633/1941)
- Duplication, sales, possession for commercial purposes or entrepreneurial programs in the media not marked by SIAE (art. 171 2nd Law n.633/1941)
- Duplication, transmission, dissemination, distribution of intellectual works (art. 171 3rd Law n. 633/1941)
- Omitted or false communications to SIAE (art. 171 7th Law n. 633/1941)
- Sales, installation, use of decoders to broadcast conditional access (art. 171 8th Law n. 633/1941)

3. POTENTIAL AREAS AT RISK

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1 General principles

The objective of the present special part is to ensure that the Recipients, in the extent in which they are involved in carrying out the activities in the areas at risk, adhere to the rules of conduct with the requirements of the special part itself to prevent and impede the occurrence of crimes.

The special present part has the function of:
a) To provide the general principles and specific procedures where the Recipients, depending on the type of relationship it has with the company, are held to comply to the correct application of the model
b) To provide ICC 231 and the managers of the company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.

On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:

- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.

The present special part foresees the explicit PROHIBITON, of which the corporate officers are responsible, directly and the responsibility of external collaborators, via specific contractual clauses, to:

1) engage in conduct that integrates the case of the crime stated in the articles in question in the present Special Part
2) engage in conduct, which is not such to constitute the case of the crime under those stated above, may potentially become so
3) engage in fraudulent conduct in the exercise of the social activity
4) make use fraudulently, directly or indirectly, or intellectual works.

3.2 Specific procedural principles

OMISSION

Contracts

In contracts with external collaborators, the specific clause must be noted, that regulates the consequences of violence, on behalf of the same, within the regulations of the Decree, as well as the principles contained in the Model.

Instructions and controls of the Supervisory Board

OMISSION

SPECIAL PART RELATED TO ART. 25 10th TRANSNATIONAL CRIMES, AGAINST ORGANISED CRIME, MIGRANT TRAFFICKING, THE OBSTRUCTION OF JUSTICE

1. THE CRIMES

Following the ratifications of the international conventions against organised crime the criminal conduct specified in the following is punishable also to the Company.
It is firstly stated that, with law 146/2006, art. 3, it has been defined the c.d. " transnational crime" as the offense is punishable by imprisonment not less than maximum of four years, if a criminal organised group is involved, as well as:
a) it is committed in more than one State;
b) or it is committed in one State, but a substantial part of its preparation, planning, management or control occurs in another State;
c) or it is committed in one State, but it is implied that a criminal group engaged in criminal activities in more than one State;
d) or it is committed in one State but has substantial effects in another State.
Art. 10 of the aforementioned L.146/2006, has explicitly foreseen the administrative liability for the transnational crimes, with the exception where it is quoted in article 3, providing the following sentences:

OMISSION

CRIMES

- *Conspiracy (art. 416 pen.cod.)*

The crime is set up against three or more persons who are associated with aim of committing more crimes and provides the punishment even for those who promote or constitute or organise the association.

- *Mafia (art. 2nd pen.cod.)*

This crime is set up against anyone who is a part of a mafia type association formed by three or more persons. Punishment is foreseen even to those who promote, manage or organise the association.
The association is retained as a mafia type when those who take part use force of intimidation of the associative link and of the conditions of subjection and the conspiracy of silence which is derived to commit crimes, to acquire either directly or indirectly the management or however the economic control of the activity, of concessions, of authorisations, procurement and public services or to realize profits or unjust advantages for himself or for others or to impede or obstruct the free exercise of voting or obtain votes for himself or others on occasions of electoral consultation.
The disposition of the present article is applied also to the camorra and the other associations, however locally denominated, that taking advantage of the strength of the intimidating force of the associative link to pursue goals corresponding to those of the association of mafia type.

- *Association for conspiracy with the purpose of smuggling foreign tobacco (art. 4th D.P.R 43/73)*

These crimes are punishable when three or more persons work together with the aim to commit more crimes amongst those foreseen by the article 291-2nd: introduction, sales, transporting, purchase or possession in the territory of the State on an amount of foreign tobacco for smuggling. Those who promote, constitute, manage, organise or finance the association are also subject to punishment, only for having committed the fact.

- *Association with the purpose of illegal traffic of drugs and narcotic substances (art. 74 T.U. D.P.R 309/90)*

The crime is set up where three or more persons work towards the goal of committing more crimes than those foreseen in article 73: cultivation, production, fabrication, extraction, refining, sales, offers or placed on sale, transfer, distribution, trade, transport, authority to others, dispatch, transition or transit, delivery for any type of drug or narcotic substance scope, without authorisation.

Anyone who promotes, establishes, manages, organises or finances the association is punished only with imprisonment for not less than twenty years.

- *Smuggling (art. 12 commi 3, 3 2nd, 3 3rd, 5 – T.U D.Lgs 286/98)*

With the Only Text in question punishment is foreseen for anyone, with the purpose to draw profit even indirectly, performs acts directed to procure the entry of anyone in the territory of the State in violation of the provisions of the same

Only Text, or to procure the illegal entry in another State of which the person is not a citizen or does not have permanent residence.

OMISSION

- *Induction not to make statements or to make false statements (art. 377 2nd pen.cod.)*

This crime is set up in the case of use of violence or threats, or with offers or promises of money or other utilities, to induce the person not to make statements or to make false statements by the person called to declare before the judicial authority declarations usable in criminal proceedings, when one has the right to remain silent.

- *Personal favouritism (art. 378 pen.cod.)*

The law provides the punishment for anyone, after having committed a crime for which the law has established a penalty of life imprisonment or imprisonment, and outside of cases of complicity in the same, assists a person to elude the investigations of Authorities, or to escape this very research.

2. POTENTIAL AREAS AT RISK

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

I.3.1 General principles

The present special part refers to conduct by directors, officers and employees operating in the areas at risk, as well as collaborators and partners: these persons are defined together as *Recipients.*

The objective of the present special part is to ensure that the Recipients, in the extent in which they are involved in carrying out the activities in the areas at risk, adhere to the rules of conduct with the requirements of the special part itself to prevent and impede the occurrence of crimes of terrorism.

The special present part has the function of:
c) To provide the general principles and specific procedures where the Recipients, depending on the type of relationship it has with the company, are held to comply to the correct application of the model
d) To provide ICC 231 and the managers of the company functions, called to cooperate with the same, the operative tools to exercise the control activities, monitoring and foreseen controls.

On the completion of all operations, as well as the regulations to which the present Model, the Recipients must, in general, recognise and respect, with reference to the respective activity, the regulations and principles contained in the Code of Ethics and in all company documents proceedings to regulate the activities. Limited but not comprehensive:
- *the code of ethics*
- *OMISSION*

External collaborators must be made aware of the adoption and the code of ethics, on behalf of the society: to comply with the principles contained in these documents establishes the contractual obligation responsible by the persons.

The present special part foresees, on the completion of the activity considered at risk, the explicit prohibition for the corporate officers and external collaborators to:

1. engage in the promotion, collaboration or to give cause to the realisation of conduct such that taken individually or collectively, integrate directly or indirectly, the case of crime stated amongst those considered in the law indicated in the present special part – Crimes c.d transnational
2. use the company even occasionally, or one of it organisational units, or other companies controlled for the purpose to consent or facilitate the commission of crimes stated above
3. promote, establish, organize or manage associations who propose the carrying out of acts of violence, in a particular way with the purpose of association of conspiracy of any type, smuggling, obstruction of justice
4. provide, directly or indirectly, funds to favour the persons who intend to engage in the aforesaid crimes
5. take or give orders or carry out any commercial and or financial operating directly, or that via a third person, with persons nominated are contained in the nominated lists, or are controlled by persons contained in the same nominative lists, when such a controlled relation is noted
6. take or give orders or carry out any commercial and or financial operating, be it directly, that via a third person, with persons who are residents in Countries at risk, except the explicit absence of the CEO of ESSITY

7. perform operations, to take or give orders that may present abnormal characters by subject of type and establish or maintain relationships that present an abnormal profile from the point of view of reliability and reputation of persons and of operations to conclude
8. perform operations in favour of external collaborators who do not find adequate justification of the context of the contractual relations established with the same
9. recognize compensation in favour of external collaborators who do not find adequate justification in relation to the type of assignment to perform and the forced practice in the local area

3.2 Specific procedural principles

Omission

SPECIAL PART RELATIVE TO ART. 25-UNDECIES ENVIRONMENTAL CRIMES

1. THE CRIMES

This Special Part is referred to the **environmental crimes** according to the provision as per **art. 25-undecies** of Lgs. D. 231/2001.

The legislative decree dated 7th July 2011 no. 121 has arranged the addition of **art. 25-undecies Environmental crimes** to Legislative Decree no. 231/2001, which introduces a new catalogue of crimes, involving the liability of entities. It includes the following cases:

1. *Water pollution*
2. *Waste*
3. *Recovery of polluted sites*
4. *Air pollution*
5. *International trade in extinguishing animals and vegetables (the so-called Washington Convention dated 3rd March 1973)*
6. *Ozone*
7. *Pollution caused by vessels*
8. *New cases of environmental crimes introduced by lgs. d. no. 121/2011*

As a consequence, the areas that may - even abstractly only - involve a possible environmental crime according to this rule shall be considered as "risky" areas and supervised, apart from any evaluation on the concrete possibility of committing crimes.

In general, the crimes considered by Legislative Decree 231/2001 are fraudulent, i.e. intentionally committed by the subject with that specific purpose and the Organisational Model is intended to relieve the Entity of any liability if the people who have committed the crime have acted by fraudulently eluding the said model.

On the contrary, the crimes considered in this Special Part are **culpable,** i.e. the result of the subject's negligence, imprudence or inexperience. As a consequence, the Organisational Model is intended to relieve of any liability by introducing provisions that cause the Addressees to behave in compliance with environmental procedures (without any intention of damaging the environment), in combination with the obligations of supervision according to the Organisational Model.

This Special Part is **intended** to:

- identify and describe the criminal cases in violation of the environmental rules, for which ESSITY is held to be liable from an administrative viewpoint if they are committed by corporate subjects in the interest or to the advantage of the Company;

- specify the "principles of conduct" and the procedures directors, managers and employees as well as ESSITY's advisors and partners (Addressees in general) are required to observe for the correct enforcement of the model, in terms of environmental crimes;
- supply the Supervision Board and the people in charge of the company's functions with the information necessary for controlling, monitoring and auditing.

2. POTENTIALLY RISKY AREAS

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

I.3.1. General principles

This special part is referred to the behaviour of directors, managers and employees operating in risky activity areas as well as of external collaborators and partners: these subjects are referred to as Addresses as a whole. This special part is intended to cause these subjects to comply with the behavioural rules set forth by the special part, to the extent that they are involved in the performance of activities in risky areas, in order to prevent and hinder the occurrence of crimes of terrorism. In particular, this special part is intended to:

a) supply a list of the general principles as well as of the specific procedural principles the Addressees shall observe for a correct model application, with reference to the type of relationship established with the Entity
b) supply the Supervision Board and the people in charge of other corporate functions, required to cooperate with the Supervision Board, with the operational tools necessary for controlling, monitoring and auditing.

For a better explanation of the company's operational behaviour, the behavioural rules concerning environmental crimes have been divided into two areas:

- "to-do area" (obligations)
- "not-to-do area" (prohibitions)

"to-do" area (obligations)

As a general rule, it is absolutely necessary to carry out all corporate activities and, in particular, those referred to in the previous paragraph and analytically set forth in the Risk Assessment Matrices, in compliance with:

- the provisions as per Lgs. D. 152/2006 (environmental consolidated text) and its subsequent modifications;

- the laws, the rules or other measures for environmental protection other than the previous item, defined by Local Bodies (Region, Provinces, Municipalities), the Italian State and supranational bodies;

- the content of the environmental authorisations granted to ESSITY;

- the behavioural rules according to the Code of Ethics;

- the content of the Articles of Association, the proxies, the procedures of the integrated system for quality, environment and hygiene and other provisions issued by ESSITY;

- this Model.

In order to favour compliance with environmental rules, it is pointed out that the company has drawn up a project for the achievement of the UNI EN ISO 14001:2004 certification.

OMISSION

"not-to-do" area (prohibitions)

It is absolutely forbidden to behave, help or cause someone to behave in such a manner that these behaviours - considered either individually or collectively - may either directly or indirectly involve the criminal cases as per art. 25-undecies of Lgs.D. 231/2001.

OMISSION

Contracts

The contracts with external collaborators (analysis labs, companies in charge of the maintenance of plants, waste disposal companies, etc.) shall include the clause governing the consequences of the violation of the rules according to the Decree as well as the principles in the model. .....

OMISSION

SPECIAL PART RELATIVE TO ART 25-DUODECIES CRIME FOR THE EMPLOYMENT OF WORKERS FROM THIRD COUNTRIES WITHOUT STAY PERMIT

1. THE CRIMES

This Special Part is referred to the **crime for the employment of citizens from third countries, whose stay is irregular**, according to the provision as per **art. 25-duodecies** of Lgs. D. 231/2001.

OMISSION

2. POTENTIALLY RISKY AREAS

OMISSION

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1. General principles

This special part is intended to define the behavioural rules for directors, managers and employees operating in risky activity areas as well as for external collaborators and business partners. These subjects are referred to as Addresses as a whole. This special part is intended to cause these Subjects to be fully aware of the behavioural rules and to act in compliance with the content of the special part, to the extent that they are involved in the performance of activities in risky areas, in order to prevent the occurrence of the crime for the employment of citizens from third countries, whose stay permit is irregular.

OMISSION

For a better explanation of the company's operational behaviour, the behavioural rules concerning the crimes of this section have been divided into two areas:

- "to-do area" (obligations)
- "not-to-do area" (prohibitions)

"to-do" area (obligations)

As a general rule, it is absolutely necessary to carry out all corporate activities and, in particular, those mentioned above, in compliance with:

- the provisions as per Lgs. D. 282/1998 (consolidated text of the provisions concerning the rules on immigration and the conditions of foreigners) and its subsequent modifications;

- the behavioural rules according to the Code of Ethics;

- the content of the Articles of Association, the proxies and the procedures of the integrated system for quality, environment and hygiene and other provisions issued by ESSITY;

- this Model.

OMISSION

"not-to-do" area (prohibitions)

It is absolutely forbidden to behave, help or cause someone to behave in such a manner that these behaviours - considered either individually or collectively - may either directly or indirectly involve the criminal cases as per art. 25-undecies of Lgs.D. 231/2001.

SPECIAL PART RELATIVE TO ART 25-TER S-BIS) CRIME OF CORRUPTION BETWEEN PRIVATE CITIZENS

1. THE CRIMES

This Special Part is referred to the **crime of corruption between private citizens** according to the provision as per **art. 25-ter s) bis** Lgs. D. 231/2001.

To the effect and purposes of **DDL. no. 190/2012**, which came into force on 28th November 2012, the list of the crimes that may involve an administrative liability for entities includes the criminal case above as well as the crime of unlawful induction to supply or promise advantages, as it is set forth in the part of special crimes against Public Administration.

On April 15, 2017, the crime of corruption among private individuals was reformulated and the new crimes of **incitement to corruption** has been approved by Italian legislator.

As regards the **crime of corruption between private citizens**, art. 2635 of the Civil Code states the following:

Unless the fact should represent a more serious offence, the directors, general managers, managers charged to draw up the company's accounting documents, the auditors and liquidators who - as a result of the money either given or promised or any other advantage, for themselves or for others - should carry out or fail to carry out an action in violation of the obligations concerning their office or any obligation of loyalty, thus causing a damage to the company, are punished and sentenced to imprisonment from one to three years.

The penalty of imprisonment up to one year and six months is applied if the fact is committed by a person subject to the management or supervision of one of the people mentioned in the first sub-paragraph.

Those who give or promise money or any other advantage to the people in the first and second sub-paragraph are inflicted on one of the penalties provided herein.

OMITTED

2. POTENTIALLY RISKY AREAS

OMITTED

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1. General principles

OMITTED

Protocols for external Collaborators

External collaborators include all those subjects (agents, dealers, distributors, etc.) who establish a relationship with private citizens (e.g. customers, suppliers, financial backers) for ESSITY's account. In general, on managing the relations with private citizens for ESSITY's account, external collaborators shall behave in compliance with the standards of reference and the rules supplied by ESSITY's Code of Ethics and form 231.

For a better explanation of the company's operational behaviour, the behavioural rules concerning the crimes of this section have been divided into two areas:

- "to-do area" (obligations)
- "not-to-do area" (prohibitions)

"to-do" area (obligations)

In carrying out the operations concerning the processes above, in addition to the rules according to this model, the Collaborators shall, in general, know and observe the rules and principles specified by the following documents:

- the contract made with the company;
- the Code of Ethics;
- form 231;
- the ensemble of the rules in the local context of reference.

In particular, concerning business relations, it is absolutely necessary to comply with the principles and rules as per Tier 3 of the Code of Ethics. Whenever there may be some doubt about how to behave or the presence of a risk may involve a violation of the Code of Ethics or this form, it is necessary to stop carrying out the operation and to apply to ESSITY's partner of reference for instructions on which procedure to follow.

"not-to-do" area (prohibitions)

It is absolutely forbidden to behave, help or cause someone to behave in such a manner that these behaviours - considered either individually or collectively - may either directly or indirectly involve the criminal cases as per art. 25-ter letter s-bis) (corruption between private citizens) of Lgs.D. 231/2001, which may involve ESSITY's administrative responsibility.

In particular, it is forbidden to:

a) cooperate with ESSITY's managers and employees in offering private citizens gifts outside the scope of the company's rules;
b) cooperate with ESSITY's managers and employees, when cooperation is intended to grant private citizens other advantages of any kind whatsoever (promises of employment, transfer of products on a free basis, etc.) that may involve the same consequences as per item a)
c) cooperate with ESSITY's managers and employees, when cooperation is intended to make donations, to sponsor or make contributions in favour of private citizens outside the scope of the company's guidelines.

OMITTED

SPECIAL PART RELATIVE TO ART. 25-QUINQUIESDECIES TAX OFFENSES

1. THE CRIMES

This Special Part refers to the tax crimes as defined by the provisions of art. 25-quinquiesdecies of Legislative Decree 231/2001.

The description of the offenses is given in Annex 5 (Omitted).

2. POTENTIALLY RISKY AREAS

Through the risk mapping activity, the areas considered to be "at risk of crime" were identified, that is, the sectors and / or business processes with respect to which the risk of committing the tax offenses indicated was abstractly deemed to exist in Annex 4.

The following diagram summarizes the sensitive activities mapped in relation to the tax offenses envisaged by Legislative Decree 231/2001, making a differentiation between the activities in which the commission of the crime is carried out (so-called direct sensitive activities) and those relating to the phases of preparation of the offense (so-called instrumental sensitive activities):

OMITTED

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1. General principles

In order to prevent the commission of tax crimes, the personnels working for Essity, who carry out their activities in the areas at risk of crime, are required to comply with the general rules of conduct and principles of conduct set out below.

Particularly, they:

a) must not pursue purposes of evasion of tax income or value added taxes, or other taxes in general, neither in the interest or advantage of the Company, nor in the interest or advantage of third parties;

b) in the declarations relating to said taxes, and in their preparation, they must not introduce fictitious passive elements by making use of invoices or other documents for non-existent transactions. In this regard:

• they must check that the invoices and accounting documents refer to services actually performed by the issuer of the invoices / documents and actually received by the Company;

• they must not record in the mandatory accounting records, nor hold for proof purposes against the financial administration, invoices or other documents for non-existent transactions;

• they must verify the regular application of the value added tax;

c) must refrain from carrying out objectively or subjectively simulated operations as well as from using false documents or other fraudulent means capable of hindering the assessment and misleading the financial administration;

d) must refrain from indicating in the declarations relating to income taxes or value added active elements for an amount lower than the actual amount or fictitious passive elements or credits and deemed fictitious;

e) must refrain from issuing or issuing invoices or other documents for non-existent transactions in order to allow third parties to evade income or value added taxes;

f) they must keep the accounting records and other documents that must be kept for tax purposes (including business correspondence) in a correct and orderly manner, taking physical and / or IT security measures that prevent any acts of destruction and / or concealment;

g) they must refrain from simultaneously alienating or carrying out other fraudulent acts on their own or other assets capable of making the compulsory collection procedure by the financial administration totally or partially ineffective, in order to avoid payment income or value added taxes or interest or administrative sanctions relating to such taxes.

The Company guarantees the implementation of the principle of segregation of roles in relation to the management of company accounts and in the subsequent transposition in tax returns ensuring, in particular, compliance with the control elements indicated in the previous paragraph.

The members of the corporate bodies and employees who have relations with the Revenue Agency and the tax authorities on behalf of the Company must be given formal power to do so. In addition, corporate responsibilities in the management of administrative and fiscal processes and processes relating to the active and passive cycle must be clear and formalized (through proxies, powers of attorney and / or codified in the job descriptions / company procedures).

The external consultants who support the Company in the preparation and transmission of VAT returns, joint stock companies and IRAP must be contractually bound to comply with the obligations and prohibitions referred to in this Model, through a specific contractual clause.

SPECIAL PART RELATIVE TO OTHER CRIMES

1. THE CRIMES

This Special Part refers to the crimes of:

- **racism and xenophobia** referred to in the provisions of art. 25-terdecies of Legislative Decree 231/2001;
- **sports fraud** provided for by art. 25-quaterdecies of Legislative Decree 231/2001;
- **smuggling** provided for by art. 25-sexiesdecies of Legislative Decree 231/2001;
- **crimes against the cultural heritage** envisaged by art. 25-septiesdecies of Legislative Decree 231/2001;
- **laundering of cultural assets and devastation of cultural and landscape assets** envisaged by art. 25-duodevicies of Legislative Decree 231/2001.

The description of the offenses is given in Annex 5 (Omitted).

OMITTED

2. POTENTIALLY RISKY AREAS

OMITTED

3. PRINCIPLES OF CONDUCT AND IMPLEMENTATION

3.1. General principles

In carrying out all the sensitive activities, in addition to the rules set out in this model, the Recipient of this model are generally required to know and respect the rules and principles contained in the following documents (as an example):

- the code of conduct that the Essity Group has adopted.

- any other documentation relating to the control system in place in ESSITY.

External collaborators must be made aware of the adoption of the model and of the ethical code by ESSITY: compliance with the principles contained in these documents constitutes a contractual obligation on these subjects.

In the performance of the activities considered to be at risk, this special Part provides for the express prohibition for company representatives and external collaborators of:

1. to put in place, promote, collaborate or give cause to the realization of behaviors that, taken individually or collectively, directly or indirectly integrate the types of offenses

among those considered in article 25-terdecies of the Decree - Offenses racism and xenophobia;

2. even occasionally use ESSITY, or one of its organizational units, in order to allow or facilitate the commission of the crimes mentioned above;

3. in the course of the business activity, to promote, establish, organize or direct associations that are responsible for carrying out acts of racism and xenophobia;

4. providing, directly or indirectly, through sponsorships or donations, monetary resources in favor of subjects wishing to engage in crimes of racism and xenophobia;

5. operate in contrast with the ethical rules and corporate procedures governing advertising and sponsorship activities;

6. to hire or assign orders or carry out any commercial and / or financial transaction, either directly or through an intermediary, whose purpose is to contribute to the execution of acts of racism and xenophobia;

7. rent or lend free use of premises and business premises to organizations and movements aimed at encouraging political propaganda or committing the offenses covered by this special section.

OMITTED.