



ORGANISATION,  
MANAGEMENT AND  
CONTROL MODEL  
PURSUANT TO ITALIAN  
LEGISLATIVE DECREE NO.  
231/2001

## GENERAL PART

*Approved by the Board of Directors of Dotecco S.p.A. on 29 September 2025*

## TABLE OF CONTENTS

|   |    |
|---|----|
| DEFINITIONS.....  | 4  |
| 1. ITALIAN LEGISLATIVE DECREE No. 231 OF 8 JUNE 2001 .....  | 7  |
| 1.1 Characteristics and nature of the liability of Entities .....   | 7  |
| 1.2 Types of offences identified by the Decree and subsequent amendments .....  | 7  |
| 1.3 Criteria for imputation of liability to the entity .....  | 7  |
| 1.4 Exemption from liability .....  | 9  |
| 1.5 Indications of the Decree regarding the characteristics of the Organisation,<br>Management and Control Model..... | 10 |
| 1.6 Company groups and Italian Legislative Decree no. 231/2001.....   | 11 |
| 1.7 Offences committed abroad .....   | 12 |
| 1.8 Penalties .....   | 13 |
| 1.9 Events modifying the Entity .....   | 15 |
| 2. THE COMPANY, DOTEKO S.P.A.....   | 16 |
| 2.1 The Company's organisation .....  | 16 |
| 2.2 The Company's choice and the Model's Purposes .....   | 17 |
| 2.3 Model and Code of Ethics .....  | 18 |
| 3. THE DOTEKO S.P.A. MODEL.....   | 18 |
| 3.1 The methodology used to prepare the Doteco S.p.A. Model .....   | 18 |
| 3.2 The organisation of the Model.....  | 20 |
| 3.3 Offences considered relevant for Doteco S.p.A. ....   | 20 |
| 4. THE MODEL'S SYSTEM OF PROTOCOLS TO PREVENT OFFENCES FROM BEING COMMITTED<br>20                                     |    |
| 4.1 General Principles of Prevention .....  | 21 |
| 4.2 General Principles of Behaviour.....  | 21 |
| 4.3 Specific Prevention Protocols .....   | 23 |
| 4.4 The Head of the Company Function .....  | 23 |
| 5. SERVICES PROVIDED BY THIRD PARTIES - <i>OUTSOURCING</i> .....  | 23 |

|  |    |
|--|----|
| 6. RECIPIENTS OF THE MODEL .....   | 24 |
| 7. REPRESENTING THE ENTITY IN COURT .....  | 24 |
| 8. THE SUPERVISORY BOARD .....   | 25 |
| 8.1 Function .....   | 25 |
| 8.2 Requirements and composition of the Supervisory Board .....                                      | 26 |
| 8.3 Eligibility requirements .....   | 28 |
| 8.4 Appointment, revocation, replacement, forfeiture and withdrawal.....                             | 29 |
| 8.5 Causes of temporary impediment .....   | 30 |
| 8.6 Activities and powers .....  | 31 |
| 9. INFORMATION FLOWS FROM AND TO THE SUPERVISORY BOARD .....   | 33 |
| 9.1 Information flows from the Supervisory Board to the Administrative Body .....                    | 33 |
| 9.2 Periodic information flows to the Supervisory Board .....  | 34 |
| 9.3 <i>Ad hoc</i> information flows regarding the Supervisory Board .....                            | 34 |
| 9.4 How to send information flows to the Supervisory Board .....                                     | 35 |
| 10. REPORTING OF BREACHES   <i>WHISTLEBLOWING</i> .....  | 35 |
| 11. PENALTY SYSTEM .....   | 36 |
| 11.1 Principles of reference .....   | 36 |
| 11.2 Disciplinary measures .....   | 38 |
| 11.3 Criteria for the imposition of penalties.....   | 38 |
| 11.4 Penalties applicable to employees.....  | 39 |
| 11.5 Penalties for managers .....  | 39 |
| 11.6 Measures against directors, Statutory Auditors and the Supervisory Board .....                  | 40 |
| 11.7 Measures against third parties .....  | 41 |
| 11.8 Penalties in the event of a breach of the applicable regulations on <i>whistleblowing</i> ..... | 41 |
| 12. COMMUNICATION FOR AND THE TRAINING OF COMPANY PERSONNEL.....                                     | 41 |
| 13. ADOPTION OF THE MODEL .....  | 42 |

## DEFINITIONS

- **Code of Ethics:** the Piovan Group's Code of Ethics, formally adopted by Doteco S.p.A.. It contains the fundamental principles used to guide the Company, and all the companies in the Piovan Group, and that form the basis of the conduct of every employee, at every level, and to which the directors are to adhere in the daily management of the Company's various activities;
- **Company or Doteco S.p.A.:** Doteco S.p.A. is an Italian joint-stock company (*Società per Azioni*) with registered office at Via Mattei no. 30 – 41037 – Frazione San Martino Spino – Mirandola (MO), Italy;
- **Company Function:** the set of tasks and responsibilities assigned in order to carry out a specific step or phase of the corporate activity;
- **Confindustria Guidelines:** Confindustria guidelines document (approved on 7 March 2002 and updated in June 2021) for developing the Organisation, Management and Control Models referred to in the Decree;
- **Consultants:** persons who, by reason of their professional skills, perform their intellectual work for or on behalf of the Company on the basis of a mandate or other professional collaboration relationship;
- **Corporate Bodies:** Board of Directors, delegated bodies, Board of Statutory Auditors, as well as any person who exercises, even *de facto*, representation, decision-making and/or control powers within the Company;
- **Entity/Entities:** the entities which are relevant for the purposes of the Decree are all those entities with a legal personality, public economic entities, private entities operating a public service. Excluded bodies are the State, regional public entities, non-economic public entities, and those entities which perform constitutionally relevant functions (such as, for example, political parties and trade unions)<sup>1</sup>;
- **Head of the Company Function:** the party in charge of the Company Function in question who is responsible for managing the activities carried out within the same Function;
- **Holding or Piovan S.p.A.:** the company which exercises management and coordination activities over Doteco S.p.A., pursuant to Article 2497-bis of the Italian Civil Code;
- **Italian Legislative Decree no. 231/2001 or the Decree:** Italian Legislative Decree no. 231 of 8 June 2001 and subsequent amendments or additions;
- **Italian Legislative Decree no. 24/23 or the Applicable Whistleblowing Regulations:** Italian Legislative Decree no. 24 of 10 March 2023 transposing EU Directive 2019/1937 of the European Parliament and of the Council of 23

---

<sup>1</sup> The rule does not refer to entities not headquartered in Italy. However, in this respect, the case law has established, by basing the decision on the principle of territoriality, the existence of the jurisdiction of the Italian court in relation to offences committed by foreign entities in Italy. Pursuant to art. 6, subsection 2 of the Italian Criminal Code, a crime is considered to have been committed in the territory of the State when the action or omission constituting it has taken place in Italy in whole or (even only) in part, or if the event that is the consequence of the action or omission has taken place, in Italy.

October 2019 on the protection of individuals who report breaches of EU law;

- **Model:** Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 adopted by Doteco S.p.A.;
- **Model Implementation Instruments:** The articles of association, organisation charts, delegations of power, *policies*, procedures, organisational provisions and every other provision, measure and act adopted by the Company;
- **National Labour Collective Bargaining Agreement:** the National Labour Collective Bargaining Agreement currently in force and applied by Doteco S.p.A.;
- **Partners:** the contractual counterparties of the Company in any partnership, whether natural or legal persons, with whom the Company enters into any form of contractually regulated collaboration;
- **Party in charge of a public service:** the party who “*for whatever reason performs a public service*”, meaning an activity governed in the same manner as a public function, but characterised by the absence of powers typical of the latter (Article 358 of the Italian Criminal Code);
- **Predicate Offences or Offences:** the specific offences laid out in the Decree that might give rise to the administrative liability of the entity as well as, to the extent they are similar, the specific administrative offences for which the same Decree applies and which are listed in the Annex “List of predicate offences under Italian Legislative Decree no. 231/2001” and attached to this Model;
- **Public Administration or P.A.:** public administration and, with reference to Offences against the public administration, Public Officials and parties in charge of a public service;
- **Public Official:** the person who “*exercises a public legislative, judicial or administrative function*” (Article 357 of the Italian Criminal Code);
- **Recipients:** all the parties listed under paragraph 6 of this General Part;
- **Reports of Breaches/Report(s):** means the Reporting of Breaches made pursuant to the Applicable Whistleblowing Regulations, as governed by the WB Procedure;
- **Senior Managers:** persons who hold positions of representation, administration or management of the Company or one of its units with financial and functional autonomy, as well as persons who exercise, even *de facto*, the management or control of the Company;
- **Sensitive Activities:** the activities performed by Doteco S.p.A. which involve, even potentially, the risk that one of the offences referred to in Italian Legislative Decree no. 231/2001 will be committed;
- **Subordinates:** persons subject to the management or supervision of the Senior Managers;

- **Supervisory Board or SB:** body appointed pursuant to Article 6 of Italian Legislative Decree no. 231/2001 responsible for supervising the functioning and observance of the Model and its updating;
- **Third Parties:** all those natural or legal persons who establish a collaboration/consultancy relationship with the Company (by way of example and not limited to: Consultants and suppliers of goods and services, including professional ones, and anyone who carries out activities in the name or on behalf of the Company or under its control);
- **Whistleblower:** the individual who makes a Report in compliance with, and using the methods provided under, the WB Procedure;
- **WB Platform:** platform for Reporting Breaches pursuant to the Applicable *Whistleblowing* Regulations;
- **WB Procedure:** the procedure that regulates the Reporting of Breaches pursuant to the Applicable *Whistleblowing* Regulations, available at [www.piovan.com](http://www.piovan.com).

## **1. ITALIAN LEGISLATIVE DECREE No. 231 OF 8 JUNE 2001**

### **1.1 Characteristics and nature of the liability of Entities**

The Decree, in transposing the international legislation on combating corruption, introduces and regulates the administrative liability arising from the crime of Entities, which until 2001 could only be called upon to pay, jointly and severally, fines and administrative penalties imposed on their legal representatives, directors or employees.

The nature of this form of liability of the Entities is of a “mixed” nature and its peculiarity lies in the fact that it combines aspects of the criminal and administrative penalty systems. Pursuant to the Decree, in fact, the Entity is punished with a penalty of an administrative nature, as it is liable for an administrative offence, but the penalty system is based on the criminal trial: the competent Authority to challenge the offence is the Public Prosecutor, and it is the criminal court that imposes the penalty.

The administrative liability of the Entity is distinct and independent from that of the natural person who commits the offence and exists even when the perpetrator of the offence has not been identified, or when the offence has been extinguished for a reason other than amnesty (*amnistia*). In any case, the liability of the Entity is always to be added to, and never replaces, that of the natural person who committed the offence.

### **1.2 Types of offences identified by the Decree and subsequent amendments**

The Entity may be held liable only for the offences – so-called predicate offences – indicated by the Decree or in any case by a law that came into force prior to the time when the offence was committed.

The Annex “List of predicate offences under Italian Legislative Decree no. 231/2001” attached to this Model contains the list of predicate Offences, currently in force, for which an Entity may be held administratively liable. This Annex is updated on a periodic basis.

The applicability and the potential relevance of each Offence for the Company are dealt with in more detail in paragraph 3.1 in this General PArticle

### **1.3 Criteria for imputation of liability to the entity**

In addition to committing one of the Predicate Offences, in order to sanction an entity pursuant to the Decree, other regulatory requirements must be met.

A **first objective criterion** is met in the case the offence was committed by a person linked to the entity by a qualified relationship:

- Senior Managers, i.e. persons in a “senior position” who hold positions of representation, administration or management of the Company, such as, for example, the legal representative, the directors, the director of an autonomous organisational unit, as well as the persons who manage, even if

only *de facto*, the same. These are persons who actually have an autonomous power to make decisions in the name and on behalf of the Company. This category also includes all persons appointed by the directors to carry out management or direction activities of the entity or its branch offices;

- Subordinates, i.e. “subordinate” subjects who are subject to the management and supervision of Senior Managers. This category includes employees and collaborators and those persons who, although not part of the staff, have a task to be performed under the direction and control of Senior Managers. In addition to the collaborators, the third parties concerned also include the promoters and consultants who, on behalf of the Company, carry out activities on its behalf. Finally, the mandates or contractual relationships with persons not belonging to the Company's personnel are also relevant, always in the event that these persons act in the name, on behalf or in the interest of the Company.

**Another objective criterion** is represented by the fact that the offence must be committed in the interest or to the advantage of the Entity (article 5, subsection 1 of the Decree); the existence of at least one of the two conditions, alternative to the other, is sufficient:

- the “**interest**” exists when the perpetrator of the crime has acted with the intention of favouring the Entity, regardless of whether or not this objective has actually been achieved;
- the “**advantage**” exists when the Entity has obtained - or could have obtained - a positive outcome from the offence, whether economic or of another nature.

As per the express intent of the Legislator, the Entity is not liable in the event that the Senior Managers or Subordinates have acted “in their own exclusive interest or that of third parties” (Article 5, subsection 2, of the Decree).<sup>2</sup>

The criterion of “interest” or “advantage”, consistent with the direction of the will of intentional offences, is in itself not compatible with the culpable structure of the Predicate Offences envisaged by Article 25-*septies* (homicide and culpable injuries) and Article 25-*undecies* (certain environmental crimes) of the Decree.

In the latter cases, the culpable component (which implies a lack of will) would lead to the exclusion that the predicate offence could be committed in the interest of the Entity. However, the most accredited interpretative thesis considers as a criterion for attributing culpable offences the circumstance that failure to comply with legislation (e.g., accident prevention) constitutes an objective advantage for the Entity (at least from the point of view of the lower costs deriving from the aforementioned failure to comply).

---

<sup>2</sup> According to case law, the concepts of interest and advantage for the Company are not to be understood as a unitary concept, therefore, the liability of the entity exists not only when the Entity has drawn an immediate financial advantage from the commission of the offence, but also in the event that, even in the absence of such a result, the offence was motivated by the Entity's interest. For example, the improvement of one's market position or the concealment of a financial crisis are cases that involve the interests of the Entity but do not give it an immediate economic advantage.



The existence of an advantage which is exclusive to the party who is found to have committed a criminal act excludes the Entity from any criminal liability since the latter is a third party not involved in the commission of the Offence.

In addition to the existence of the requirements of advantage/interest, the Decree requires that the Entity's liability must be confirmed also in terms of its culpability. This requirement falls under "organisational shortcomings", which is understood as being the Entity's failure to adopt preventive measures capable of preventing one of the Offences from being committed and is considered potentially relevant to the Entity.

Lastly, it should be noted that the Entity may also be liable when the Predicate Offence is attempted, pursuant to Article 26 of the Decree.

#### 1.4 Exemption from liability

Regarding the **subjective criteria** for attributing the Offence to the Entity, these relate to the preventive measures the Entity has taken to prevent any of the Offences from being committed in the performance of its business operations.

Indeed, the Decree **provides for the Entity to be excluded from any liability** only if it is able to demonstrate:

- that the management body has adopted and effectively implemented, before the offence was committed, **Organisation, Management and Control Models suitable for preventing Offences such as those that have occurred**;
- that the task of supervising the functioning of and compliance with the Models and their updating has been entrusted to a body of the Entity with autonomous powers of initiative and control;
- that there has been no omission or inadequacy of supervision by that body.

The conditions listed above **must apply simultaneously** in order for the Entity to be excluded from any liability.

Although the Model serves as a reason for non-liability to punishment, both in case the Predicate Offence was committed by a person in a Senior Manager or by a Subordinate, the mechanism envisaged by the Decree as regards the burden of proof is much more severe for the Entity in the event that the Offence was committed by Senior Manager. In the latter case, the Entity must demonstrate that the individuals who committed the Offence **fraudulently circumvented the Model**; the Decree requires, then, stronger proof of non-involvement since the Entity must also prove the fraudulent conduct of its Senior Managers.

In the case of Offences committed by Subordinates, the Entity may instead be held liable only if it is ascertained that the commission of the offence was made possible by the failure to comply with the obligations of management or supervision, which is in any case excluded if, prior to the commission of the Offence, the Entity had adopted an Organisation, Management and

Control Model suitable for preventing Offences of the same type of the one which has been committed. This is, in this case, a genuine fault in organisation: the Entity indirectly consented to the commission of the Offence, by failing to supervise the activities or conduct of persons at risk of committing a Predicate Offence.

### **1.5 Indications of the Decree regarding the characteristics of the Organisation, Management and Control Model**

The Decree confines itself to regulating some general principles regarding the Organisation, Management and Control Model, without, however, providing its specific characteristics. The Model operates as a ground for non-punishment only if it is:

- effective, i.e. if it is reasonably capable of preventing the Offence/Offences committed;
- effectively implemented, or if its content is applied in the company's procedures and internal control system.

As for the effectiveness of the Model, the Decree provides that it must have the following minimum content:

- the Entity's activities, within the scope of which an Offence could be committed, must be identified;
- specific protocols are provided for aimed at planning the formation and implementation of the Entity's decisions, in relation to the Offences to be prevented;
- financial resource management methods suitable for preventing the commission of the Offences are identified;
- a suitable disciplinary system is introduced to punish failure to comply with the measures indicated in the Model;
- there are obligations to inform the Supervisory Board;
- in relation to the nature and size of the organisation, as well as to the type of activity carried out, suitable measures are envisaged to ensure that the activity is carried out in compliance with the law and to promptly detect and eliminate risk situations;
- provide for internal channels for Reporting Breaches (whistleblowing), in compliance with applicable legislation<sup>3</sup>.

The Decree establishes that the Model is subject to periodic verification and updating, both in the event of significant breaches of the provisions, and when significant changes occur in the organisation or activity of the Entity or

---

<sup>3</sup> Art. 2-bis: "The models referred to in subsection 1, letter a), envisage, pursuant to the Italian Legislative Decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, for internal reporting channels, the prohibition of retaliation and the disciplinary system, adopted pursuant to subsection 2, letter e)".

when the relevant regulations change, in particular when new Predicate Offences are introduced.

### **1.6 Company groups and Italian Legislative Decree no. 231/2001**

A few words should be said on the legislation on groups and, above all, on how the existence of a group of companies is relevant under the Decree. The legislator does not expressly identify the "group of companies" in the category of recipients of the criminal-administrative liability; despite the absence of clear references by laws, the applicable case law, in order to extend the concept of liability to the companies belonging to a group, has evoked the concept of "group interest" for the purposes of the application of the Decree.

It should be noted, however, that a general reference to the group is not in itself sufficient to affirm the liability of the Holding or of a company belonging to the group. In fact, the interest of the Holding must be direct and immediate and the mere presence of an activity of management and coordination of one company over another is not in itself a sufficient condition for both companies to be held liable pursuant to the Decree. The Holding (or other company belonging to the group) may be held liable pursuant to the Decree for the Offence committed by a subsidiary provided that, in committing the Offence, a natural person (belonging to the senior management, *de facto* and *de jure*) acting on behalf of the Holding in pursuit of the its interests "takes part" in the commission of the Offence with the person acting on behalf of the subsidiary.

Group interest occurs when the Holding influences the choices of the subsidiary with an active contribution of its representatives in the material commission of the Offence attributable to the subsidiary and a Senior Manager or a Subordinate of the subsidiary commits an Offence in the context of the Holding's business.

It should be noted that liability under the Decree may also arise in the case of companies belonging to the same group, if a company provides services to another company in the group, provided that the conditions described above are met, with particular reference to the participation in the criminal case in question.

It is also important to point out that, if the Offence is committed by qualified persons from a company belonging to a group, the concept of interest may be extended to the detriment of the Holding. The Court of Milan<sup>4</sup> has established that the element characterising the group's interest is the fact that it is common to all the group members and not just belonging exclusively to one of them. For this reason, the Offence committed by the subsidiary can also be charged to the Holding, provided that the natural person who committed the Offence - even by way of aiding and abetting the Offence - also belongs functionally to the Holding.

## 1.7 Offences committed abroad

Pursuant to Article 4 of the Decree<sup>5</sup>, an Entity may be held liable in Italy for the Predicate Offences committed abroad, provided that, in addition to that provided for by paragraph 1.3 regarding the criteria for the imputation of liability to the Entity:

- the general conditions to prosecute an Offence committed abroad in Italy, as provided for by articles 7<sup>6</sup>, 8<sup>7</sup>, 9<sup>8</sup> and 10<sup>9</sup> of the Italian Criminal Code, are met;
- the Entity has its main headquarters in the territory of the Italian State;
- the Offence is committed abroad by a party functionally linked to the Entity;

---

<sup>5</sup> Art. 4 of Italian Legislative Decree 231/2001, "Offences committed abroad" states that "In the cases and under the conditions set out in articles 7, 8, 9 and 10 of the Italian Criminal Code, entities having their head office in the territory of the State are also liable in relation to crimes committed abroad, provided that they are not prosecuted by the State of the place where the act was committed. In cases where the law provides that the guilty party shall be punished at the request of the Minister of Justice, proceedings shall be brought against the entity only if the request is also made against the latter".

<sup>6</sup> Art. 7 of the Italian Criminal Code, "Offences committed abroad", states: "The Italian citizen or the foreigner who commits any of the following crimes [Italian Criminal Code 4] shall be punished under Italian law: 1. offences against the personality of the Italian State; 2. offences of counterfeiting the seal of the State and the use of such a counterfeit seal; 3. offences of counterfeiting coins which are legal tender in the territory of the State, or in revenue stamps or in Italian public credit cards; 4. offences committed by public officials in the service of the State, abusing their powers or violating the duties inherent to their functions; 5. any other offence for which special provisions of law or international conventions establish the applicability of Italian criminal law".

<sup>7</sup> Art. 8 of the Italian Criminal Code, "Political crime committed abroad", states: "A citizen or a foreign citizen who commits a political crime in a foreign country that is not included in the list of crimes indicated in paragraph 1 of the preceding article shall be punished pursuant to Italian law, at the request of the Minister of Justice. If the offence is punishable on the basis of a complaint by the injured party, the complaint must also be filed in addition to this request. Pursuant to Italian Penal Law, any crime that offends the political interest of the State, or the citizen's political right, is considered a political crime. A common crime is also considered a political crime if caused, in whole or in part, by political motives".

<sup>8</sup> Art. 9 of the Italian Criminal Code, "Common crime of the citizen abroad", establishes: "A citizen who, outside the cases indicated in the two previous articles, commits a crime abroad for which the Italian law establishes the death penalty or life imprisonment, or imprisonment for a minimum of three years, is punishable under the same law, provided that he/she is in the territory of the State. In the case of a crime for which a shorter sentence restricting personal freedom has been imposed, the offender shall be punished at the request of the Minister of Justice or at the request or on the complaint of the injured party. In the cases envisaged in the preceding provisions, if the offence is committed against the European Communities, a foreign State or a foreigner, the guilty party shall be punished at the request of the Minister of Justice, provided that extradition has not been granted, or has not been accepted by the Government of the State in which the offence was committed. In the cases provided for by previous provisions, the request made by the Minister of Justice or the application or the case brought by an injured party are not necessary for the crimes provided for by articles 320, 321 and 346-bis.".

<sup>9</sup> Art. 10 of the Italian Criminal Code, "Common crime of a foreigner abroad", states: "A foreign citizen who, with the exception of the cases indicated in articles 7 and 8, commits on foreign territory, to the detriment of the State or of a citizen, a crime for which Italian law establishes the death penalty or life imprisonment, or imprisonment for a minimum period of at least one year, shall be punished according to the same law, provided that he/she is in the territory of the State, and there is a request from the Minister of Justice, or an application or a complaint from the injured party. If the crime is committed against the European Communities, a foreign State or a foreign citizen, the guilty party is punished under Italian Law, at the request of the Minister of Justice, provided that: 1. he/she is in the territory of the State; 2. it is the crime for which the penalty is death or life imprisonment, or imprisonment of at least three years; 3. his/her extradition has not been granted, or has not been accepted by the Government of the State in which he/she committed the crime, or by that of the State to which he/she belongs. The request made by the Minister of Justice or the application or the case brought by the injured party are not necessary for the crimes provided for by articles 317, 318, 319, 319-bis, 319-ter, 319-quater, 320, 321, 322 and 322-bis.

- the State of the place where the Offence was committed does not take action against the Entity.

## 1.8 Penalties

The penalty system envisaged by the Decree is divided into four types of penalties to which the Entity may be subject in the event of conviction pursuant to the Decree, as outlined below.

- **Pecuniary penalty:** always applied if the judge finds the Entity liable. It is calculated using a system based on quotas, which are determined by the Court in number and amount: the number of quotas, to be applied between a minimum and a maximum that vary according to the case, depends on the seriousness of the Offence, the degree of liability of the Entity, the activity carried out to eliminate or mitigate the consequences of the Offence or to prevent the commission of other Offences; the amount of the single quota must be established between a minimum of €258.00 and a maximum of €1,549.00 depending on the economic and financial conditions of the Entity.

Article 12 of the Decree<sup>10</sup> provides for a series of cases in which the pecuniary penalty is reduced.

The fundamental principle is that it is only the Entity that is liable, with its assets or with its common fund, for the obligation to pay the pecuniary penalty. The rule, therefore, excludes, irrespective of the legal nature of the Entity, members or associates from being directly liable with their assets.

- **Disqualification penalties:** in addition to the financial penalties, they are applied only if expressly applicable for the crime for which the Entity is convicted and only if at least one of the following conditions is met:
  - a) the Entity has made a significant profit from the Offence and the Offence has been committed by a Senior Manager, or by a Subordinate if the commission of the Offence has been made possible by serious organisational shortcomings;
  - b) in the event of repetition of the Offences.

The disqualification penalties provided by the Decree are:

- ✓ prohibition of the exercise of the activity;
- ✓ the suspension or revocation of authorisations, licences or concessions functional to the commission of the Offence;

---

<sup>10</sup> Art. 12 of Italian Legislative Decree 231/2001, "Cases of reduction of the pecuniary penalty", establishes: "The pecuniary penalty is reduced by half and cannot, in any case, exceed €103,291 if: a) the perpetrator of the crime has committed the act in his/her own interest or that of third parties and the entity has not gained an advantage or has gained a minimum advantage from it; b) the financial damage caused is of particular tenuousness. The penalty is reduced from one third to one half if, prior to the declaration of the opening of the first instance hearing: a) the entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offence or has in any case effectively taken steps in this direction; b) an organisational model suitable for preventing Offences of the type that have occurred has been adopted and made operational. Where both the conditions set out in the letters of the preceding paragraph are met, the penalty shall be reduced by half to two-thirds. 4. In any case, the fine may not be less than €10,329".

- ✓ the prohibition to enter into contract with the Public Administration, except to obtain public services;
- ✓ exclusion from preferential terms, financing, contributions or subsidies and the possible revocation of those already granted;
- ✓ a ban on advertising goods or services.

Exceptionally applicable with definitive effects, the disqualification penalties are temporary, with a duration that varies from two months to three years, and concern the specific activity of the Entity to which the Offence refers. They may also be applied as a precautionary measure, before the sentence is passed, at the request of the Public Prosecutor, if there are serious indications of the Entity's liability and well-founded and specific elements that suggest that there is a real danger of further Offences of the same nature as the one being prosecuted.

The application of disqualification penalties is excluded if the Entity took remedial steps pursuant to Article 17 of the Decree prior to the declaration of the opening of the first instance hearing and, more specifically, when the following conditions are met:

- ✓ *"the entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offence or has in any case effectively taken steps in this direction";*
- ✓ *"the entity has eliminated the organisational deficiencies that led to the offence by adopting and implementing organisational models suitable for preventing offences of the type that have been committed";*
- ✓ *"the entity has made available the profit made for the purposes of confiscation".*
- **Confiscation:** if the Entity is convicted, the sentence will always include an order for confiscation of the price or profit of the Offence or of goods or other utilities of equivalent value. The profit of the Offence has been defined by case law<sup>11</sup> as the economic advantage of direct and immediate causal derivation from the Offence, and determined net of the actual benefit obtained by the injured party in the context of a possible contractual relationship with the Entity.
- **Publication of the ruling:** may be ordered when the Entity is sentenced to a disqualification penalty and this consists of publishing the ruling, pursuant to Article 36 of the Italian Criminal Code, in extract form or in full, as a matter of course at the Entity's expense, on the internet site of the Ministry of Justice for a period of time established by the judge but for no longer than thirty days, as well as by posting a notice in the Municipality in which the Entity has its main headquarter.

Although applied by the criminal court, all penalties are of an administrative nature. The penalties provided for by the Decree are very strict, both because of the high amount of financial penalties, and because disqualification

---

<sup>11</sup> See United Sections of the Court of Cassation Pen. 27 March 2008, no. 26654, conf., most recently, Cass. Collection Centre 23013 of 22 April 2016.

penalties can greatly limit the exercise of normal business activity, precluding a series of business activities.

Pursuant to subsection 2 of Article 26 of the Decree<sup>12</sup>, the Entity is not liable when it voluntarily prevents the action from being carried out or the event from taking place.

The administrative penalties against the Entity are time-barred from the fifth year from the date of commission of the Offence, without prejudice to the hypotheses of interruption of the time-barring period. The time-barring period is interrupted in the event of a request for the application of precautionary disqualification measures and a challenge to the administrative offence; in the latter case, the time-barring period does not expire until the sentence defining the judgement has become final. A new time-barring period begins as a result of the interruption.

The final conviction of the Entity is entered in the national register of administrative penalties for crimes.

### 1.9 Events modifying the Entity

The Decree regulates the regime of Entity liability in the event of transformation, merger, demerger or transfer of business.

In the event of a **transformation of** the Entity, liability for Offences committed before the date on which the transformation took effect remains unaffected. The new Entity will then be the recipient of the penalties applicable to the original Entity for acts committed before the transformation.

In the event of a **merger**, the Entity resulting from the merger itself, even by incorporation, is liable for the Offences for which the Entities that took part in the merger were responsible. If the merger took place before the conclusion of the assessment of the Entity's liability, the Court must take into account the economic conditions of the original Entity and not those of the Entity resulting from the merger.

In the event of a **demerger**, the liability of the demerged Entity for the Offences committed before the date on which the demerger took effect remains unaffected and the Entities benefiting from the demerger are jointly and severally liable to pay the financial penalties imposed on the demerged Entity within the limits of the value of the net assets transferred to each individual Entity, except in the case of Entities to which the branch of business within which the Offence was committed was transferred (even partially); disqualification penalties apply to the Entity (or Entities) in which the branch of business remained or merged into the Entity/Entities in which the Offence was committed. If the demerger took place before the termination of the assessment of the Entity's liability, the judge must take

---

<sup>12</sup> Article 26 of Italian Legislative Decree no. 231/2001, "Attempted crimes", states that "*The financial and disqualification penalties shall be reduced by one third to one half in relation to the commission, in the form of an attempt, of the crimes indicated in this section of the Decree. The entity shall not be liable when it voluntarily prevents the execution of the action or the realisation of the event*".

into account the economic conditions of the original Entity and not those of the Entity resulting from the demerger.

In the event of **sale/transfer of the business** in which the Offence was committed, except for the benefit of the preventive examination of the transferring Entity, the transferee is jointly and severally obliged with the transferring Entity to pay the pecuniary penalty, within the limits of the value of the transferred business and within the limits of the pecuniary penalties resulting from the mandatory books of account or due for offences of which the transferee was aware.

## 2. THE COMPANY, DOTEKO S.P.A.

### 2.1 The Company's organisation

Doteco S.p.A. is a company whose main activities are the **manufacture** and **marketing** of dosing units and loading and control systems for plastic extrusion systems.

The Company is part of the industrial group headed by Piovan S.p.A., a world-wide *leader* in the supply of auxiliary equipment and services for the plastic industry.

Doteco S.p.a. is subject to the management and coordination of Piovan S.p.A. pursuant to Article 2497 of the Italian Criminal Code, et seq.

The Company's *corporate governance* system is structured as follows:

- *the Shareholders' Meeting*: responsible for passing resolutions, in ordinary and extraordinary meetings, on matters reserved to it by the law and by the articles of association;
- *the Administrative Body*: the Company is administered by a Board of Directors which has been invested with all the powers needed for the Company's ordinary and extraordinary management. The only powers excluded are those reserved by law or the articles of association exclusively to the Shareholders' Meeting; the management and representation powers conferred on directors and legal representatives are duly recorded in the Companies' Register and interested parties are duly informed;
- *the Control Body*: the management of the Company is controlled by a Board of Statutory Auditors;
- *statutory audit*: the statutory audit of the Company's accounts is carried out by an auditing firm which is registered with the Ministry of Justice. The independent auditing firm verifies that the financial statements have been drawn up clearly and give a true and fair view of the Company's financial position and results of operations. In addition, in compliance with the auditing standards, the auditing firm carries out random checks in order to reasonably ascertain that the data contained in the accounting records and other supporting documents is reliable and sufficient for the preparation of the annual financial statements and financial reporting;



- *Internal control system:* the Company has implemented a set of rules, procedures and structures in order to ensure:
  - effectiveness and efficiency of business processes and operations (administrative, commercial, etc.);
  - quality and reliability of economic and financial information;
  - compliance with laws and regulations, company rules and procedures;
  - preservation of the value of the Company activities and corporate assets and protection against losses.

In line with the adoption of its own management and control system, the main parties responsible for the control, monitoring and supervision processes in the Company, following the adoption of the Model, are:

- the Board of Directors;
- the CEO;
- any legal representatives;
- the Board of Statutory Auditors;
- the Supervisory Board pursuant to the Decree.

In addition, it should be noted that the Company's internal control system is supported by a set of principles, rules and procedures prepared by the Holding, also taking account of the companies controlled by it, in order to harmonise and facilitate compliance with the various applicable regulations.

## 2.2 The Company's choice and the Model's Purposes

The Administrative Body at Doteco S.p.A. has decided, in line with its corporate policies as well as those of the Piovan Group, to proceed with the adoption of the first version of the Model.

This Model, adopted on the basis of articles 6 and 7 of the Decree, constitutes, for all intents and purposes, one of the Company's internal regulations.

The main objective of the Model is to create an organic and structured system of control principles, protocols, and procedures, aimed at preventing, where possible and concretely feasible, the commission of the Offences specified by the Decree. The Model will form the basis of the Company's governance system and will implement the process of spreading a business culture based on fairness, transparency and legality.

The Model has the following objectives, as well:

- to provide adequate information to Recipients, with reference to activities that involve the risk of committing Offences;
- to spread a corporate culture based on legality, since the Company condemns any conduct that does not comply with the law or internal provisions, and in particular with the provisions contained in its Model;

- to spread a culture of control and *risk management*;
- to implement an effective and efficient organisation of the Company's activities, with particular emphasis on the formation of decisions and their transparency and traceability, the accountability of resources dedicated to the taking of such decisions and their implementation, the provision of preventive and subsequent controls, as well as the management of internal and external information;
- to implement all the measures necessary to reduce, as much as possible and in a short time, the risk of committing Offences, making the most of the existing controls, aimed at avoiding significant illegal conduct pursuant to the Decree.

### 2.3 Model and Code of Ethics

Doteco S.p.A. has adopted the Piovan Group's Code of Ethics (the "**Code of Ethics**"), the ultimate aim of which is to lay out the rules regarding conduct and the ethical and social values that are to guide the Company's behaviour and that of the recipients of the Code of Ethics.

The Model and the Code of Ethics form an integrated *corpus of* internal rules aimed at spreading a culture based on ethics and corporate transparency.

The Code of Ethics is intended to be fully referred to herein and constitutes the essential basis of the Model, the provisions of which are integrated with what set forth in it.

In this regard, it is worth noting that:

- the Code of Ethics is a document which contains the set of values and principles regarding corporate ethics and these are also valid for the purposes concerning the reasonable prevention of the Offences referred to in the Decree. The Company recognises these values and principles as its own and requires every recipient of the Code of Ethics, as well as every party who contributes to the pursuit of the Company's goals, to comply with it;
- the Model constitutes a set of rules, tools and procedures designed to prevent specific types of Offences from being committed. These Offences, should they be committed in the interests or to the benefit of the Company, could result in the Company being administratively liable on the basis of the same Decree.

## 3. THE DOTEKO S.P.A. MODEL

### 3.1 The methodology used to prepare the Doteco S.p.A. Model

The Doteco S.p.A. Model was prepared by taking into account those activities actually performed by the Company, its structure, as well as the nature and the size of its organisation. The Model will be subject to the necessary updates in the event of any changes in the Company's organisation and/or the context in which the Company operates and/or in the event of any regulatory changes with an impact on the Company.

To this end, an initial analysis of the corporate context was carried out, followed by an analysis of the areas of activity that could present a potential risk with regard to any of the Offences listed in the Decree being committed. In particular, the analyses focused on the history of the Company, the corporate context, the sector to which it belongs, the corporate organisational structure, the existing system of *corporate governance*, the system of appointed powers and proxies, the existing legal relations with Third Parties, the operational reality, and the practices and procedures formalised and disseminated within the Company to monitor Sensitive Activities.

For the purposes of preparing this document, in compliance with the provisions of the Decree, with the Confindustria Guidelines and with the indications that can be inferred from case law to date, the following activities have been carried out:

- those Company's activities within which a Predicate Offence, as listed in the Decree, could be committed have been identified by interviewing the Heads of the Company Functions;
- the self-assessment of risk to commit Offences and of the internal control system suitable for preventing unlawful behaviour;
- the identification of adequate control measures, already in existence or to be implemented in the operating procedures and Company's practices, necessary for the prevention or mitigation of the risk of committing the Offences referred to in the Decree;
- the analysis of the system used to assign responsibilities (proxies and powers).

In relation to the possible commission of the Offences of manslaughter and serious or very serious injuries committed in breach of the accident prevention regulations (Article 25-*septies* of the Decree), the Company has proceeded to analyse its own company context and all the specific activities carried out, as well as to assess the risks connected to this on the basis of the results of the checks carried out in compliance with the provisions of Italian Legislative Decree no. 81/2008 and the special regulations connected to it.

The Model must be amended or supplemented promptly by the Administrative Body, including following a proposal made by the Supervisory Board, when:

- significant changes have occurred in the regulatory framework, organisation or activity of the Company;
- there have been breaches or circumventions of the provisions contained therein, which have demonstrated that they are not effective in preventing Offences.

In the event in which the amendments, such as clarifications or revisions to the text, despite being exclusively formal, are deemed necessary, the Company's CEO shall make such amendments independently after having sought the Supervisory Board's opinion.

In any case, any events that make it necessary to amend or update the Model must be reported by the Supervisory Board in writing to the Administrative Body, so that it can carry out the resolutions for which it is responsible.

Developing the corporate procedures needed to implement the Model, as well as any changes to the procedures themselves, is the Administrative Body's responsibility. The Supervisory Board is constantly informed of the updating and implementation of the new operating procedures and has the right to express its opinion on the changes made.

### 3.2 The organisation of the Model

This Model is composed of:

- a **"General Part"**, containing the set of rules and principles pertaining to the Model;
- 14 **"Special Parts"**, laying out the General Principles of Behaviour and the Specific Prevention Protocols designed to prevent the types of Offences covered by the Special Parts from being committed.

### 3.3 Offences considered relevant for Doteco S.p.A.

The adoption of the Model, as a tool that can guide the conduct of those parties who work within the Company, is useful for preventing crimes and Offences under Italian law.

In any case, in order to comply with the specific provisions of the Decree, considering the Company's structure and the activities performed by it, the *management* involved in the analysis relating to the adoption of the Model has identified certain Predicate Offences as potentially relevant and for which specific Special Parts have been prepared.

For all the Offences currently covered by the Decree and not expressly dealt with in the Special Parts of this Model, the analysis referred to in point 3.1 has highlighted their non-relevance in view of the type of activity carried out and the current organisation.

## 4. THE MODEL'S SYSTEM OF PROTOCOLS TO PREVENT OFFENCES FROM BEING COMMITTED

The system of protocols to prevent Offences from being committed - as created by the Company on the basis of the Confindustria Guidelines, applicable case law, as well as international *"best practices"* - has been implemented by applying to each individual Sensitive Activity:

- General Principles of Prevention;
- General Principles of Behaviour;
- Specific Prevention Protocols.

#### 4.1 General Principles of Prevention

The General Principles of Prevention represent the basic rules of the internal control system defined by the Company in order to comply with the Decree and they are:

**Regulation:**

- the existence of appropriate corporate provisions which lay out the principles of behaviour, the decision-making rules and the operating methods for performing Sensitive Activities, as well as the methods for archiving the relevant documentation;

**Traceability:**

- each operation relating to a Sensitive Activity must be, where possible, suitably documented;
- the decision-making and authorisation processes for Sensitive Activities, as well as the processes for performing them, must be verifiable *ex post*, including through appropriate supporting documents and/or electronic means; in any case, the situations in which and the methods by which any potential deletion or destruction of the records made must be highly regulated;

**Separation of duties:**

- there must be a separation of activities between those who carry out, those who authorise, and those who check activities. This separation is ensured by involving multiple parties in order to guarantee the independence and objectiveness of the decision-making processes related to the Sensitive Activities. The separation of functions is also provided for through the use of IT systems that only allow certain, authorised individuals to perform certain operations;

**Mandates and proxies:** assigned authorising and signatory powers must:

- be consistent with the organisational and managerial responsibilities held and include, where required, an indication of the approval threshold for expenses;
- be clearly defined and announced within the Company;
- the company roles to which the power to commit the Company to certain expenditures must be defined, specifying the limits and nature of such expenditure. The act assigning functions must comply with any specific legal requirements (e.g., delegating and sub-delegating aspects relating to the health and safety of workers).

#### 4.2 General Principles of Behaviour

With reference to the Sensitive Activities identified for each type of Offence in each of the Special Parts of the Model, certain General Principles of Behaviour are laid out, providing for, among other things:

- every Company's activity and decision is to be based on legal principles and provisions, the acts adopted by the Company, the Code of Ethics, the Model, and the Company's procedures and policies;
- corporate provisions are defined such as to provide principles of behaviour, decision-making rules and operating methods for performing Sensitive Activities, as well as methods for archiving the relevant documentation;
- for every operation, the Company shall ensure that:
  - o the management, coordination and supervision responsibilities within the Company are formalised, including the hierarchical reporting levels and the description of the relative responsibilities;
  - o at every stage, the Company's activities are documented and able to be reconstructed;
  - o any delegated powers are consistent with the positions of responsibility held;
  - o the organisational tools (organisation charts, organisational communications, procedures, policies, operating instructions, etc.) are accessible within the Company;
  - o a clear and formal outline of the roles is formalised, with a complete description of the duties of each Company Function and the related powers;
  - o a clear description of the levels of reporting is defined;
- the way decisions adopted by the Company are made, and how they are implemented, as well as the internal procedures, policies and operating instructions, are characterised by:
  - o the separation of duties between those who carry out, those who check, and those who authorise activities;
  - o the traceability of each relevant step in the process;
  - o an appropriate level of formalisation;
  - o an appropriate level of archiving and storage.

In addition, for certain Sensitive Activities, a number of safeguards have been identified to protect the Company's *compliance* with regulations on "*black-listed countries*", "*high-risk and other monitored jurisdictions*", as well as on restrictive measures by the European Union and the United States of America.<sup>13</sup>

Lastly, it should be noted that some Sensitive Activities are not carried out directly by Doteco S.p.A., but, instead, by Piovan S.p.A. pursuant to specific agreements.

Consequently, with reference to the above, it is worth noting that, for every activity performed by Company Functions at the Holding on behalf of Doteco S.p.A. – the validity of the 231 safeguards is linked to the effectiveness of the

---

<sup>13</sup> See Special Part I - Crimes of Receiving, Laundering and Use of money, goods or benefits of illicit origin, Self-Laundering and Crimes involving payment instruments other than cash (Article 25-octies and Article 25-octies.1 of the Decree)

Organisational Model and the specific procedures adopted by Piovan S.p.A. and, on the other hand, by the checks carried out by Doteco S.p.A. on the proper fulfilment of the service contracts/the execution of the services.

#### **4.3 Specific Prevention Protocols**

In the Special Parts of the Model, the General Principles of Behaviour are provided for each Sensitive Activity, in Specific Prevention Protocols, which complete the internal control system defined by the Company in order to comply with the Decree.

#### **4.4 The Head of the Company Function**

The Head of the Company Function is formally recognised by the Company's organisational system (e.g., organisation chart, internal mandates, etc.).

Furthermore, the Head of the Company Function:

- is able to oversee all the main phases of the Company Function in question, coordinating and engaging the various parties in the organisational units involved, or which the Head of the Company Function deems it necessary to involve;
- is responsible for:
  - ensuring that the Sensitive Activities relating to their own Function are carried out in compliance with internal regulations (e.g., the Model, company procedures, policies and guidelines) as well as applicable current legislation;
  - periodically notifying the Supervisory Board, as per this Model, and, in any case, immediately in the event that an anomaly is detected or if a particularly critical situation arises (e.g., a breach or suspected breach of the Model, cases of ineffectiveness, shortcomings, or difficulties in implementing control protocols).

### **5. SERVICES PROVIDED BY THIRD PARTIES - *OUTSOURCING***

The provision of goods, work or services by a Third Party and which could involve Sensitive Activities must be governed by a written contract.

The contract must provide, for the contractual counterparty of the Company:

- the obligation to certify the truthfulness and completeness of the documentation produced and the information communicated to the Company itself by virtue of the existing legal obligations;
- the commitment to comply with, during the period for which the contract is valid, the principles laid out in the Model and the Code of Ethics, as well as the Decree, and to operate in accordance with them.

The contract must also provide for the Company to have the right to proceed to the application of forms of protection (e.g., termination of the contract,

application of penalties, etc.), where there is a breach of the preceding points.

## 6. RECIPIENTS OF THE MODEL

The Model applies:

- to Senior Managers or to those who perform, even *de facto*, management, administration, direction or control functions in the Company or in one of its autonomous organisational units;
- to Subordinates and employees, even if abroad;
- to all those persons who collaborate with the Company on the basis of a semi-subordinate employment relationship, such as project workers, temporary workers, hired-out workers, etc.;
- to those who, even though they do not belong to the Company's personnel, work on behalf of the Company (e.g., consultants, lawyers, agents, etc.);
- to the extent applicable under the relationship in question, to those parties who are, in some way, connected with the Company by legal relationships which are relevant for the purpose of preventing Offences (e.g., *Partners in joint ventures* or in establishing or acquiring a *business*).

The parties to whom the Model is applicable are required to strictly comply with all its provisions, including the fulfilment of the duties of loyalty, correctness and diligence which arise from the legal relationships established with the Company.

The Company condemns any conduct that does not comply with the law, as well as with the Model, including any conduct adopted in the interest of the Company or with the aim of obtaining a benefit for the Company from such conduct.

The Administrative Body coordinates with the Supervisory Board in order to establish any further categories of Recipients of the Model, in relation to the legal relationships and the activity carried out by them with the Company.

**All Recipients of the Model are required to comply punctually with the provisions contained in the Model and in the Model Implementation Instruments.**

## 7. REPRESENTING THE ENTITY IN COURT

The Entity is represented in criminal proceedings through its legal representative unless this party is being investigated themselves or has been accused of a crime which is at the basis of the administrative offence of which the Entity is charged (Article 39 of Decree 231).



Case law states that *“the legal representative who is under investigation or who has been accused of a predicate offence cannot, due to the incompatible position in which they find himself, accept the appointment as the entity’s defence counsel by virtue of the general and absolute prohibition on such representation under Article 39 of Italian Legislative Decree 231/2001”* (see Supreme Court of Cassation Pen., Sec. III, 13.5.2022 no. 35387).

In the same ruling, the Supreme Court of Cassation also specified that, in application of this principle, *“the entity’s Organisation Model is to contain precautionary provisions against potential situations of a conflict of interest involving the legal representative who is under investigation for a predicate offence, so to ensure the entity has counsel for the defence, appointed by a specifically appointed party, in order to protect its interests”* (see also Supreme Court of Cassation Pen., Sec. II, no. 13003/2024).

In the event that the legal representative is being investigated or has been accused, the Board of Directors shall grant a special power of attorney - with the power to represent the entity in the specific criminal proceedings, to appoint the Company’s counsel for the defence and, potentially, to settle the proceedings through alternative procedures - to another member of the Board of Directors (provided they are not under investigation and have not been accused), who shall be identified, where possible, on the basis of the specific expertise required in relation to the type of administrative offence in question.

In the event that every member of the Board of Directors is under investigation or has been accused, the Chairperson of the Board of Directors shall convene a Shareholders’ Meeting or shall act in compliance with the law and/or the articles of association in order to ensure that the Company is able to appoint counsel for the defence and is able to be represented and to defend itself in court.

The Entity may appoint a maximum of two defence lawyers; the defence lawyer appointed by the legal representative who is under investigation or who has been accused (or by other members of the Board of Directors who are being investigated or who have been accused) can not assist and represent the Company in relation to the administrative offence underlying the same Predicate Offence of which the legal representative (or other members of the Board of Directors) has been charged.

## **8. THE SUPERVISORY BOARD**

### **8.1 Function**

In compliance with the Decree, a Supervisory Board, be it a single-member or a collegiate form (as decided from time to time by the Administrative Body), is established. It is autonomous and independent and deals with matters concerning the control of risks connected to the specific activities carried out by the Company itself and to the related legal aspects.

The Supervisory Board has the task of constantly monitoring:

- compliance with the Model by the Recipients, as identified in the previous paragraph;
- the dissemination of the Model within the company context;
- the effectiveness of the Model in preventing the commission of the offences referred to in the Decree;
- the implementation of the provisions of the Model in the context of the performance of the Company's activities;
- updates of the Model, in the event that there is a need to adapt the Model due to changes to the structure and organisation of the Company, to the activities carried out by the Company or to the regulatory framework of reference.

The Supervisory Board has its own operating regulations, approving their contents and submitting them to the Board of Directors' Meeting. This Regulation also governs receiving and managing Reports of Breaches, as well as the ways, if any, of engaging with the Ethics Committee, in accordance with the "PROCEDURE FOR THE REPORTING OF BREACHES" (see chapter 10, below, "Reporting of Breaches | *Whistleblowing*") and the other Company's procedures which govern these activities.

## **8.2 Requirements and composition of the Supervisory Board**

Each member (or the single member in the case of a single-member form) of the Supervisory Board must be selected exclusively on the basis of the requirements of:

### **a) autonomy and independence**

The autonomy and independence of the Supervisory Board, as well as of its members, are key elements for the effectiveness of the control activity. This autonomy and independence must not be compromised even in the presence of members of the Supervisory Board within the Company.

The concepts of autonomy and independence do not have a valid definition in an absolute sense, but must be characterised and applied within the operational framework in which they are to be applied. Since the Supervisory Board has the task of verifying compliance, within the Company's operations, with the internal control systems, its position within the organisation must be such that its independence is guaranteed from any form of interference and conditioning by any member of the Company and, in particular, by the operational senior management, especially considering that the function exercised also supervises the activities of the senior management. Therefore, the Supervisory Board is placed in the organisational structure of the Company in the highest possible hierarchical position and, in performing its function, is only accountable to the Administrative Body.

Furthermore, in order to better guarantee the autonomy of the Supervisory Board, the Administrative Body makes available to the Supervisory Board Company's resources, whose number and skills must be proportionate to the

tasks assigned. The Administrative Body also approves, when setting the Company's budget, an adequate supply of financial resources, proposed by the Supervisory Board, which the latter may use for any need necessary for the proper performance of its tasks (e.g., specialist advice, travel, etc.).

The autonomy and independence of the individual member of the Supervisory Board must be determined on the basis of the function performed and the tasks attributed to him/her, identifying from whom and from what he/she must be autonomous and independent in order to perform his/her tasks.

The members (or the single member in the case of a single-member form) of the Supervisory Board must not:

- be the spouse, relative, or an in-law, up to the fourth degree of kinship, of a member of the Board of Directors of Dotecco S.p.A. or a director of another company in the Piovan Group;
- find themselves in any other situation of conflict of interest.

**b) professionalism**

The Supervisory Board must possess, within it, technical and professional skills appropriate to the functions it is called upon to perform. Therefore, the Supervisory Board needs to have adequate professional expertise in economics, the law and the analysis, control and management of corporate risks. In particular, the Supervisory Board must possess the specialist technical skills necessary to carry out control and consultancy activities.

Specifically, the members (or the single member in the case of a single-member form) of the Supervisory Board must hold the following professional skills:

- ✓ knowledge of the organisation and the main business processes which are typical of the sector in which the Company operates;
- ✓ legal knowledge necessary to identify conducts which may result in commission of Offences;
- ✓ the ability to identify and assess the impacts on Company's operations arising from the regulatory framework of reference;
- ✓ knowledge of the specialised techniques connected with the audit and inspection activities in the strictest sense.

In order to ensure the professional skills that are useful or necessary for the activity of the Supervisory Board, and to guarantee the professionalism of the Supervisory Board (as well as, as already mentioned, its autonomy), the Supervisory Board is assigned a specific *budget* of expenditure, aimed at the possibility of acquiring outside the Supervisory Body, when necessary, additional skills and competences. In this way, the Supervisory Board can, also by availing itself of external professionals, provide itself with competent resources, e.g. in legal matters, company organisation, accounting, internal controls, finance and safety in the workplace, etc.;

**c) continuity of action**

The Supervisory Board carries out on an ongoing basis the activities necessary for the supervision of the Model with adequate commitment and with the necessary powers of investigation.

Continuity of action should not be understood as "incessant activity", since such an interpretation would necessarily require a Supervisory Board composed exclusively of members within the Company, when such a circumstance would instead result in a decrease in the indispensable autonomy that must characterise the SB.

The continuity of action involves, then, that the Supervisory Board's activity, in the case of the collegiate form, should not be restricted to periodic meetings of its members but should be organised on the basis of an activity plan and an ongoing activity of analysis and monitoring of the Company's preventive control system.

### **8.3 Eligibility requirements**

Every member (or the single member in the case of a single-member form) of the Supervisory Board is expected not to find themselves in any of the following conditions of ineligibility and/or incompatibility:

- have been subject to prevention measures pursuant to Italian Legislative Decree no. 159 of 6 September 2011 ("Code of anti-Mafia laws and prevention measures, as well as new provisions on anti-Mafia documentation, pursuant to Articles 1 and 2 of Italian Law no. 136 of 13 August 2010");
- have been investigated or have been convicted, even with a sentence that is not yet final or issued pursuant to Article 444 et seq. of the Italian Criminal Code, even if with a suspended sentence, except for the effects of rehabilitation:
  - ✓ for one or more Offences among those strictly provided for by Italian Legislative Decree 231/2001;
  - ✓ for unintentional crime;
- have been banned, incapacitated, bankrupt or have been sentenced, even with a non-definitive sentence, to a punishment involving disqualification, even temporary, from public office or the inability to exercise managerial positions;
- have been subject to the accessory administrative penalties set forth in Article 187-quater of Italian Legislative Decree no. 58 of 24 February 1998.

If even one of the above conditions is met, the office of member of the SB is ineligible and, in the event of election, the office shall be revoked by resolution of the Administrative Body. In the latter case, the revocation will lead, in the case of the collegiate form, to the replacement of the revoked member of the Supervisory Board and, in the case of the single-member form, to the appointment of a new Supervisory Board.

#### **8.4 Appointment, revocation, replacement, forfeiture and withdrawal**

The Supervisory Board may, in compliance with the criteria laid out above, take a single-member form or a collegiate form, in accordance with the decision taken by the Administrative Body at the time of appointment.

The Administrative Body appoints the Supervisory Board, justifying the reason for selecting each member (or the single member in the case of a single-member form), after having verified that the requirements, as per the above paragraphs, have been met, and basing this decision not only on the candidate's CV but also on the official and specific declarations obtained directly from them.

After formal acceptance, the appointment is communicated to every corporate level using internal communication channels.

The Supervisory Board remains in office for three years or for a different term, as determined at the time of appointment. The members (or the single member in the case of a single-member form) of the Supervisory Board may be re-elected.

At the end of the term of office, the Supervisory Board continues to perform its functions and exercise the powers for which it is responsible, as specified below, until the new Supervisory Board is appointed by the Administrative Body.

Revocation of the office of member of the Supervisory Board can only take place by resolution of the Administrative Body for one of the following reasons:

- loss of the requirements referred to in the previous paragraphs;
- failure to fulfil the obligations inherent in the assigned role;
- lack of good faith and diligence in the performance of the role;
- failure to collaborate with the other members of the Supervisory Board (in the case of the collegiate form);
- the continued cause of temporary impediment, as referred to in the paragraph below, for a period of time exceeding six months;
- the dismissal or, in any case, the termination of the employment relationship (in the event the member is internal to the Company) of the member of the Supervisory Board who is tied to the Company by an employment relationship;
- the unjustified absence from more than two meetings of the Supervisory Board (in the case of the collegiate form).

In the case of the single-member form, the member of the Supervisory Board is required to notify the Administrative Body of the loss of the requirements referred to in the previous paragraphs. The Administrative Body revokes the appointment of the Supervisory Board which is no longer suitable and immediately replaces this single-member body by appointing a new Supervisory Board.

In the case of the collegiate form, each member of the Supervisory Board is required to notify the Administrative Body, through the Chairperson of the Supervisory Board itself, of the loss of the requirements referred to in the previous paragraphs. The Administrative Body revokes the appointment of the member of the Supervisory Board who is no longer suitable and, after adequate reasons, immediately replaces him/her.

A cause of forfeiture of office, before the expiry of the term provided for, is the inability or impossibility to exercise the office for any reason, including the application of a personal precautionary measure or a custodial sentence.

The members of the Supervisory Board who have a subordinate employment relationship with the Company or with other companies of the Piovani Group automatically cease to be a member of the Supervisory Board, in the event of termination of said relationship and regardless of the cause of termination of the same.

A member of the Supervisory Board may, at any time, resign their office by sending a written notice, sent by registered letter with return receipt, to the address of the Company's registered office, giving at least three (3) months' notice.

In the event that a member of the Supervisory Board forfeits their office or resigns, the Administrative Body shall promptly replace the member in the case of the collegiate form, whilst a new Supervisory Board will be appointed in the case of the single-member form.

In the event that the Supervisory Board is dissolved as a result of the natural expiry of its mandate, or through resignations, the outgoing Supervisory Board shall remain in office, with full powers, until the Administrative Body appoints a new Supervisory Board.

## **8.5 Causes of temporary impediment**

In the case of the single-member Supervisory Board, in the event of occurrence of causes temporarily preventing, for a maximum period of six (6) months, the Supervisory Board from carrying out its functions or from carrying them out with the necessary autonomy and independence of judgement, the Supervisory Board is required to declare the existence of a legitimate impediment.

In the case of the collegiate Supervisory Board, in the event of occurrence of causes temporarily preventing, for a maximum period of six (6) months, a member of the Supervisory Board from carrying out its functions or carrying them out with the necessary autonomy and independence of judgement, the member is required to declare the existence of a legitimate impediment and - if such an impediment is due to a potential conflict of interest - the member should declare the cause of such conflict, refraining from participating in the meetings of the Supervisory Board or in the specific resolution to which the conflict refers, until the aforementioned impediment no longer exists or is removed.

In the event of temporary impediment or in any other case that determines the impossibility for one or more members to attend the meeting, the Supervisory Board will operate in its reduced composition.

## **8.6 Activities and powers**

The single-member form of the Supervisory Board records his/her checks at least four (4) times a year.

The collegiate form of the Supervisory Board meets at least four (4) times a year and every time one of the members asks the Chairperson to convene a meeting, providing a justification for the same. Moreover, the Supervisory Board may also appoint specific functions to the Chairperson. Every meeting of the Supervisory Board is recorded in minutes.

In order to carry out its assigned duties, the Supervisory Board is invested with full powers of initiative and control over every Company's activity and every level of personnel. It reports exclusively to the Administrative Body through its own Chairperson (in the case of the collegiate form).

The duties and powers of the Supervisory Board cannot be undermined by any other corporate body or structure, it being understood that the Administrative Body may verify the consistency between the activities actually performed by the Supervisory Board and the mandate assigned to it. Furthermore, the Supervisory Board, except for prevailing legal provisions, has free access - without the need for any prior consent - to all the Company Functions and Corporate Bodies, in order to obtain any information or data deemed necessary for the performance of its duties.

The Supervisory Board carries out its functions in coordination with the other Corporate Bodies or control functions existing in the Company. Furthermore, the Supervisory Board coordinates with the Heads of the Company Functions for all aspects relating to the implementation of the operating procedures regarding the Model and to make use of, in order to perform its activities, the assistance and support of employees and outside consultants, particularly with regard to issues which require professional skills and knowledge.

The Supervisory Board organises its activities on the basis of an annual action plan, by means of which the initiatives to be undertaken to assess the efficacy and effectiveness of the Model and its updating are planned. This plan is submitted to the Administrative Body.

The Supervisory Board, in carrying out its activities, may be assisted by the Holding's Internal Audit department; it may also be assigned its own annual *budget*, subject to the Administrative Body's approval.

The Supervisory Board, in monitoring the effective implementation of the Model, is vested with powers and duties, which it exercises in compliance with the law and the individual rights of workers and stakeholders, as detailed below:

- carry out or arrange for periodic inspections to be carried out under its direct supervision and responsibility;
- access to all information concerning the Company's Sensitive Activities;
- request information or documents regarding Sensitive Activities from any Company's employee and, where necessary, from the Administrative Body and the Control Body, in compliance with the regulations regarding the prevention of accidents and occupational health and safety;
- request information or the production of documents regarding Sensitive Activities from Consultants and Partners of the Company and in general from all the Recipients of the Model, identified in compliance with the provisions of paragraph 6;
- verify the main corporate documents and contracts executed by the Company in relation to Sensitive Activities and their compliance with the provisions of the Model;
- propose to the Corporate Body or Company Function holding the disciplinary power the adoption of the necessary disciplinary sanctions;
- periodically check the efficacy, effectiveness and updating of the Model and, where necessary, propose any changes and updates to the Administrative Body;
- define, in agreement with the Administrative Body, the personnel training programmes within the scope of the issues relevant to Italian Legislative Decree no. 231/2001;
- prepare, on at least an annual basis, a written report for the Administrative Body containing, as a minimum, the content indicated in the following paragraphs;
- in the event of serious and urgent events identified in the performance of one's own activities, immediately inform the Administrative Body;
- coordinate with the directors/managers responsible for relationships with counterparts for the purpose of identifying the types of Model Recipients in relation to the legal relationships and the activities carried out by the same with respect to the Company;
- work with the Piovani Group's Ethical Committee to manage any Reports of Breaches, in accordance with the provisions applicable from time to time in the "Procedure for the Reporting of Breaches" (see § 9.6 "*Whistleblowing*", below) and the corporate procedures which govern these activities.

With reference to the subject of audits or checks, they fall into the following categories:

- checks of acts or documents, in relation to which the Supervisory Board will periodically audit the main documents and contracts of greatest significance signed by the Company;
- checks of procedures, with regard to which periodic checks will be executed on the effective operation of the Model and the policies and procedures



adopted by the Company, as well as of the level of personnel training provided regarding 231 through sample interviews.

Following these checks, a report will be prepared and presented to the Administrative Body. It will highlight any shortcomings uncovered and any actions to be taken.

The members of the Supervisory Board are bound to secrecy with regard to news and information acquired in the performance of their duties and must refrain from seeking and using such information for reasons other than the performance of their duties.

## **9. INFORMATION FLOWS FROM AND TO THE SUPERVISORY BOARD**

### **9.1 Information flows from the Supervisory Board to the Administrative Body**

The Supervisory Board has the obligation to report to the Administrative Body, in two different ways:

- on an ongoing basis, for specific needs, including emergency needs;
- on an annual basis, in the form of a written report containing the following specific information:
  - summary of the activities and controls carried out by the Supervisory Board during the period and their results;
  - any discrepancies between the **Model Implementation Instruments** and the Model itself;
  - reporting of any new areas of commission of Offences envisaged by the Decree;
  - disciplinary procedures activated on the proposal of the Supervisory Board and any penalties applied;
  - general evaluation of the Model and its effective functioning, with any proposals for additions and improvements in form and content;
  - any changes to the regulatory framework;
  - statement of expenditure incurred.

The Administrative Body may convene a meeting of the Supervisory Board at any time. Likewise, the Supervisory Board may, in turn, request, through the Heads of the Company Functions or the competent individuals, the aforementioned Corporate Bodies to be convened for urgent reasons. Meetings with the Corporate Bodies, to which the Supervisory Board refers, must be subject to report in minutes and a copy of the minutes must be held by the Supervisory Board and by the Corporate Bodies involved from time to time.

The Supervisory Board also reports to the Control Body, at least annually, on the application of the Model, its operation, its update and any significant facts or events encountered. In particular, the Supervisory Board:

- reports any shortcomings uncovered regarding the organisational structure and the effectiveness and operation of procedures to the Control Body;
- reports on breaches of the Model by directors or other Recipients of the Model.

## 9.2 Periodic information flows to the Supervisory Board

The Supervisory Board, including, where necessary, through a procedure, may establish the types of information that the Heads of the Company Functions have to send, together with the frequency and the manner with which these communications are to be sent, to the Supervisory Board.

It is mandatory to send to the Supervisory Board the information expressly identified in the Model's Special Parts.

Furthermore, if the Heads of the Company Functions find areas for improvement in the definition and/or application of the specific prevention controls defined in this Model, they shall promptly send the Supervisory Board a description of the state of implementation of the specific prevention controls of Sensitive Activities under their responsibility, as well as a justified indication of any need for changes to the prevention controls and the related implementation procedures.

## 9.3 *Ad hoc* information flows regarding the Supervisory Board

The Supervisory Board must receive, at least, the following specific information flows:

- critical issues, anomalies, difficulties in applying the Model Implementation Instruments as well as the Specific Prevention Protocols described in the Special Parts, without prejudice to the provisions on the Reporting of Breaches as referred to in chapter 10, below;
- any non-compliance with applicable legislation found during an inspection carried out by an external Audit Authority;
- the opening of any judicial, tax or administrative inspection activity regarding the Company. In this respect, it is mandatory to send the minutes of the inspection to the Supervisory Board;
- reports on any breaches of the Model or the Code of Ethics and/or on measures and/or information coming from the judicial police, or from any other authority and/or inspection and control bodies, from which it can be inferred that investigations are being carried out, even against unknown persons, for the Offences referred to in the Decree, and which may involve the Company;
- any decisions relating to the request, disbursement or use of public funds in favour of the Company;
- the opening of any legal proceedings regarding employees, directors or legal representatives of the Company and in relation to the Offences referred to

in Italian Legislative Decree no. 231/2001, unless expressly prohibited by a judicial authority;

- prior information on any extraordinary corporate transactions (acquisition/sale of significant corporate assets – real estate assets/plants, equity investments).

#### 9.4 How to send information flows to the Supervisory Board

The information flows described above are to be sent to the Supervisory Board by email to the Supervisory Board's email address ([odv.doteco@piovan.com](mailto:odv.doteco@piovan.com)).

### 10. REPORTING OF BREACHES | WHISTLEBLOWING

**The new regulations for Whistleblowing.** Article 6 of Italian Legislative Decree 231/2001 (subsection 2-bis, introduced by Decree 24/23, which replaced the previous legislation envisaged by Italian Law 179 of 30 November 2017) provides that the organisational models must provide, *"pursuant to the Italian Legislative Decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, for internal reporting channels, the prohibition of retaliation and the disciplinary system"*.

The Company promotes and encourages the culture of prevention and Reporting of Breaches, giving clear information on the methods, the objective and the spirit with which they must be carried out.

**WB procedure.** The Company has adopted the "PROCEDURE FOR THE REPORTING OF BREACHES", prepared by the Holding ("**WB Procedure**"), which is an integral part of the 231 Model and governs, *inter alia*: i) those parties who benefit from the protection measures as provided for by Italian Legislative Decree no. 24 of 10 March 2023; ii) the objective scope of the reports which are admitted and those which are not since they are outside the Applicable Whistleblowing Regulations or are prohibited; iii) the requirements for being able to make an internal Report using the WB Platform and the related conditions of admissibility; iv) the party responsible for receiving and managing Reports; v) the methods and the timing for carrying out an investigation; vi) the requirements for being able to resort to making an external report to the Italian Anti-Corruption Authority (*Autorità Nazionale Anticorruzione*); vii) the protective measures, including the prohibition on retaliation; viii) the disciplinary sanctions; ix) the interactions between the party responsible for receiving and managing Reports and the Supervisory Board; x) the rules to be followed in the event that a Report is received from a party other than the appointed manager.

The procedure is subject to periodic review in order to incorporate any regulatory changes or *best practices*.

**WB Platform.** At the Piovan Group level, a dedicated channel (the "**WB Platform**") has been made available which can guarantee, including through

the use of encryption tools, the confidentiality of the Whistleblower's identity, any Third Parties who may be mentioned, the content of the Report and any related documentation. The channel may be accessed at: <https://piovan.whistleblowing.biz/>.

The Whistleblower is guided in the use of the WB Platform. For further information, see the WB Procedure, available at [www.piovan.com](http://www.piovan.com), which is an integral part of this Model.

**Training and information on *whistleblowing*.** The Company promotes the knowledge of the WB Procedure and communicates to its personnel, by means of appropriate training and information initiatives, in a clear and complete manner, the internal reporting procedure adopted as well as the prerequisites and conditions for resorting to external reporting. Training and information plans are organised in accordance with *best practices*.

**Prohibition of retaliation.** The Company prohibits any form of retaliation or discriminatory behaviour, for reasons directly or indirectly linked to the Report.

A breach of the WB Procedure and, more generally, of the Applicable *Whistleblowing* Regulations, in addition to being a disciplinary offence (see chapter 11 "PENALTY SYSTEM" of this Model) may result in sanctions by ANAC<sup>14</sup>.

## 11. PENALTY SYSTEM

### 11.1 Principles of reference

The penalty system of this Model is an autonomous system of penalties aimed at strengthening compliance with and effective implementation of the Code of Ethics and the Model and is an essential condition to ensure the effectiveness of the Model.<sup>15</sup>

---

<sup>14</sup> The Italian Anti-Corruption Authority (ANAC), without prejudice to any other liability profiles, applies the following administrative penalties to the person responsible:

a) from €10,000 to €50,000 when it ascertains that retaliation has been committed or when it ascertains that the report has been obstructed or that an attempt has been made to obstruct the same or that the obligation of confidentiality has been breached;

b) €10,000 to €50,000 when it ascertains that no whistleblowing channels have been established, that no procedures have been adopted for making and managing reports or that the adoption of such procedures does not comply with those referred to in articles 4 (internal whistleblowing channel) and 5 (management of the internal whistleblowing channel), as well as when it ascertains that the verification and analysis of the reports received has not been carried out;

from €500 to €2,500 when the criminal liability of the whistleblower for offences of defamation or slander or, in any event, for the same offences committed with the report to the judicial or accounting authorities or their civil liability, for the same reason, in cases of wilful misconduct or gross negligence, is established, including by a judgement of first instance.

<sup>15</sup> Art. 6 subsection 2, letter e) and art. 7, subsection 4, letter b) of Decree 231 envisage that the Organisation and Management Models must "introduce a disciplinary system suitable for penalising non-compliance with the measures indicated in the Model"; Article 6 no. 2-bis. also envisages: "The models referred to in subsection 1, letter a), envisage, pursuant to the Italian Legislative Decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, for internal reporting channels, the prohibition of retaliation and the disciplinary system, adopted pursuant to subsection 2, letter e)"; see Italian Legislative Decree 24 of 10 March 2023 transposing Directive (EU) 2019/1937.

The Company condemns any conduct that does not comply with the law, with the Model, with the Model Implementation Instruments and with the Code of Ethics, including when the conduct is carried out in the interest of the Company or with the intention of giving it an advantage.

Any breach of the Model, the Code of Ethics or the Model Implementation Instruments must be reported in compliance with the Company's procedures, without prejudice to the procedures and measures falling within the competence of the holder of disciplinary power.

By way of example, the following conducts constitute a disciplinary offence:

- the breach, even by means of omissive conduct and in possible collaboration with others, of the principles of the Code of Ethics, of the Model or of the Model Implementation Instruments;
- omission of controls on sensitive activities provided for by the Model;
- the drafting, also in collaboration with others, of untruthful documentation;
- the facilitation, through omissive conduct, of the drafting by others of untruthful documentation;
- the removal, destruction or alteration of documentation in order to circumvent the system of controls envisaged by the Model;
- the obstacle to the supervisory activity of the Supervisory Board;
- the failure to report the breaches identified;
- preventing access to the information and documentation required by persons responsible for monitoring procedures and decisions;
- the omission of the controls provided by the Model and the related procedures for the protection of the health and safety of workers;
- the omission of the controls provided by the Model and the related procedures on environmental protection;
- the execution of any other conduct suitable for circumventing the control system provided for by the Model;
- the implementation of actions or behaviour that do not comply with the Applicable Whistleblowing Regulations, including, by way of example but not limited to:
  - making malicious or grossly negligent reports that turn out to be unfounded or in bad faith;
  - adopting discriminatory or retaliatory measures against the Whistleblower;
  - hindering or attempting to hinder Reports, or failing to transmit any Reports received in error to the appointed party;
  - omitting the activity of verification and analysis of the Report (by the person in charge for this purpose);

- breaching the general principles of protection with particular reference to respect for the confidentiality of Whistleblower's identity;
- more in general, breaching any procedure adopted by the Company regarding the Reporting of Breaches.

### **11.2 Disciplinary measures**

The Model and the Code of Ethics constitute a set of rules to which the personnel must comply also in accordance with the provisions of the National Labour Collective Bargaining Agreement governing conduct rules and disciplinary penalties. Any breach, therefore, entails the application of the disciplinary procedure and the related penalties.

All Recipients are required to comply with the Model, including employees of all ranks (blue collars, white collars, junior managers and managers) and that are bound to the Company by any contract of employment (full-time or part-time), with or without a subordination relationship (including para-subordinate contracts).

### **11.3 Criteria for the imposition of penalties**

The type and extent of the specific penalties will be applied in proportion to the seriousness of the breach and, in any case, on the basis of the following general criteria:

- a subjective element of the conduct (wilful misconduct or gross negligence);
- relevance of the obligations breached;
- potentiality of the damage caused to the Company and of the possible application of the penalties provided for by the Decree and any subsequent amendments or additions;
- presence of aggravating or mitigating circumstances, with particular regard to the previous work performed by the Recipient of the Model and previous disciplinary measures.

Where several offences have been committed in a single act and are punishable by different penalties, only the most serious penalty shall apply.

The principles of timeliness and immediacy of the charge require the imposition of the sanction regardless of the possible initiation and/or outcome of criminal proceedings.

In any case, disciplinary penalties against employees must be imposed in compliance with Article 7 of Italian Law 300/1970 (the so-called Workers' Statute) and all other existing legislative and contractual provisions on the subject.

#### 11.4 Penalties applicable to employees

In compliance with the provisions of the disciplinary procedure of the Workers' Statute, the applicable National Labour Collective Bargaining Agreement, as well as all other legislative and regulatory provisions on the subject, the worker responsible for actions or omissions contrary to the provisions of the Model, as well as the Applicable Whistleblowing regulations, also taking into account the seriousness and/or repetition of the conduct, is subject to the following disciplinary penalties:

- verbal warning (minor breaches);
- written warning (minor breaches);
- a fine not exceeding three hours' pay calculated on the basis of the minimum scale (repeated minor breaches/serious breaches);
- suspension of remuneration and service for a maximum of three (3) days (serious breaches);
- dismissal with compensation in lieu of notice and severance pay (in the case of repeated serious breaches);
- dismissal without compensation in lieu of notice and severance pay (conduct unambiguously aimed at the commission of an offence referred to in the Decree or in any case breaches committed with wilful misconduct or gross negligence so serious as not to allow the continuation - even temporary - of the employment relationship).

#### 11.5 Penalties for managers

Although the disciplinary procedure pursuant to Article 7 of Italian Law 300 of 1970 is not applicable to managers, it is advisable to provide the procedural guarantee provided by the Workers' Statute also to the latter.

In the event of any infringement (to be understood not only as direct breaches of the Model but also of the related laws, including the Applicable Whistleblowing Regulations, as well as the principles, rules and internal procedures provided for by this Model or relevant to its adoption) carried out by managers in the performance of activities in sensitive areas, the Company will apply to those responsible the measures indicated below, also taking into account the seriousness of the breach(es) and any repetition.

**It is also a disciplinary offence for management personnel not to supervise the correct application, by hierarchically subordinated workers, of the rules envisaged by the Model.**

Also in consideration of the particular fiduciary bond, of the position of guarantee and supervision of the compliance with the rules established in the Model that characterises the relationship between the Company and the manager, in compliance with the current provisions of the law and the National Labour Collective Bargaining Agreement of the managers applicable to the Company, the dismissal with notice or dismissal for just cause will be applicable, in the cases of utmost seriousness.

Considering that these measures involve the termination of the employment relationship, the Company, in implementing a principle of proportionality of the penalty, reserves the right, for less serious breaches, to apply the measure of written reprimand or suspension from service and pay up to a maximum of ten days.

The right to compensation for any damage caused to the Company by the manager remains unaffected.

#### **11.6 Measures against directors, Statutory Auditors and the Supervisory Board**

##### Measures against directors

If the Supervisory Board, the Board of Statutory Auditors or the Board of Directors, in the performance of its duties, find any breach of the Model by one or more directors, the aforementioned bodies will immediately notify the entire Board of Directors so that it can take the appropriate measures, including, for example, calling a Shareholders' Meeting in order to adopt the most appropriate measures provided for by law and/or revoking any powers granted to the director.

##### Measures against Statutory Auditors

If the Supervisory Board, the Board of Statutory Auditors or the Board of Directors, in the performance of their duties, identify any breach of this Model by one or more Statutory Auditors, the aforementioned bodies will immediately notify the Board of Directors so that it can take the appropriate measures, including, for example, the calling of the Shareholders' Meeting in order to adopt the most appropriate measures envisaged by the law.

##### Measures against members of the Supervisory Board

If the Supervisory Board, the Board of Statutory Auditors or the Board of Directors, in the performance of their duties, identify any breach of this Model by one or more members of the Supervisory Board, the aforementioned bodies shall immediately notify the Board of Directors so that it can take the appropriate measures, including, for example, the revocation of the appointment of the members of the Supervisory Board and the consequent appointment of new members.



### **11.7 Measures against third parties**

Any behaviour adopted by collaborators, consultants, business Partners and suppliers - and, in general, Third Parties who operate with the Company - which act in breach of the rules regarding conduct laid out in the Model and in the Code of Ethics and this resulting in the risk that one of the Offences under the Decree 231 might be committed or the risk that the Company might be exposed to penalties under the same Decree 231, may result in, in accordance with the specific contractual clauses contained in the letters of engagement or in the contracts, the termination of the contractual relationships, or the right to withdraw from the same, without prejudice to any claims for compensation if such behaviour results in damage to the Company.

### **11.8 Penalties in the event of a breach of the applicable regulations on *whistleblowing***

The disciplinary system adopted by the Company provides for penalties to be applied against those found by the Company to be responsible for breaching the Applicable Whistleblowing Regulations or the corporate procedures on the Reporting of Breaches.

## **12. COMMUNICATION FOR AND THE TRAINING OF COMPANY PERSONNEL**

In order to guarantee a widespread diffusion and an effective knowledge of this Model and of the Code of Ethics, the Company has the task of carrying out a comprehensive activity of communication and training involving all Recipients in order to increase their awareness of the prescriptions with which they must necessarily comply and the possible consequences that may arise from the occurrence of unlawful conduct.

The training activity must already be implemented for newly hired employees who must be given an information set (e.g., Code of Ethics, National Labour Collective Bargaining Agreement, Model, Italian Legislative Decree no. 231/2001, etc.) in order to ensure they have the primary knowledge considered essential to operate within the Company. The Code of Ethics and the Model are also available to every member of staff in the shared folders on the server.

Specifically, upon establishing an employment relationship, each employee and/or collaborator shall receive clear, comprehensive information on: (i) the characteristics of the tasks and responsibilities inherent to their role; (ii) the regulatory and remuneration aspects governed by the law and by collective bargaining agreements, and (iii) the rules and procedures to be adopted in order to avoid any behaviour which runs counter to the law or the Company's procedures.

The contents and principles contained in the General Part of the Model and the Code of Ethics are also communicated to Third Parties, who find

themselves working - even occasionally - to achieve the Company's objectives by virtue of contractual relationships.

The Administrative Body is responsible for the external communication of the Model and its guiding principles. Said Corporate Body ensures, through the means deemed most appropriate (e.g., the Company's internet site, specific brochures, etc.) their dissemination to and the awareness of them by the Recipients who are external to the Company, as well as the public in general.

The training of company personnel relating to the Model is entrusted operationally to the Administrative Body which, in coordination with the Supervisory Board of the Company, guarantees, through the means deemed most appropriate, its dissemination and effective knowledge to all Recipients within the Company.

The Company formalises and implements specific training plans, with the aim of ensuring the effective knowledge of the Decree, the Code of Ethics and the Model by all Company Functions and departments. The provision of training must be differentiated according to whether it is addressed to employees in their entirety, employees who operate in specific areas of risk, the Supervisory Board, directors, etc., based on the analysis of skills and training needs executed by the SB.

The Company provides means and methods that always ensure the traceability of training initiatives and the formalisation of participants' attendance, the possibility of evaluating their learning level and the evaluation of their level of satisfaction with the course, in order to develop new training initiatives and improve those currently in progress, including through comments and suggestions on content, materials, teachers, etc.. Failure to participate without justification in training programmes will result in the imposition of a disciplinary penalty.

The training, which may also take place remotely or through the use of computer systems, and the contents of which are examined by the Supervisory Board, is carried out by experts in the disciplines envisaged by the Decree and the contents of the training material are updated in relation to the evolution of the legislation (e.g., introduction of new types of Predicate Offence) and the content of the Model (e.g., adoption of a new Special Part).

### **13. ADOPTION OF THE MODEL**

This Model is an "act issued by the governing body" (in compliance with Article 6, subsection 1, letter a) of the Decree). As a result, its adoption and subsequent amendments and supplements are the exclusive responsibility of the Administrative Body at Doteco S.p.A.

In support of the Administrative Body, the Supervisory Board proposes the adaptations and updates of the Model that it deems necessary as a result of significant changes in the organisation or activity of the Company, changes

in the regulatory framework of reference, as well as to follow up on breaches or ascertained breaches of the provisions of the Model.



Organisation, Management and Control  
Model pursuant to Italian Legislative  
Decree no. 231/2001

Doteco S.p.A. – Company with Sole  
Shareholder  
Via Mattei 30 – 41037 Mirandola  
(Modena), Italy