



ALPE-ADRIA TEXTIL S.R.L.

ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO LGS. D. N. 231/2001

GENERAL SECTION

TABLE OF REVISIONS

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1. ALPE-ADRIA TEXTIL S.R.L. MISSION STATEMENT

ALPE-ADRIA TEXTIL S.R.L., is an Italian company headquartered in 33047 Remanzacco (UD) - Strada di Salt, n. 50 and dedicated to the activity of textile manufacturing. The company's core business is the production and marketing of textile solutions: High performance textiles with uniaxial or biaxial structure with D.O.S. (*Directionally Oriented Structures*) weft insertion warp-knitting technology.

In carrying out its business activities, due to the peculiarities of the market in which it operates, ALPE-ADRIA TEXTIL S.R.L. is constantly alert to the expectations and needs of the community and customers with the aim of always ensuring a very high standard of quality. Furthermore, it also has always taken the ethical aspects of the business and the scientific preparation of employees into consideration.

The company's mission is guaranteed by a first-rate corporate governance system that is in accordance with the company's size and structure.

In this context, ALPE-ADRIA TEXTIL S.R.L., always striving for its own improvement, has decided to comply with the provisions of the Decree in order to implement a structured system suitable to mitigate the risk of occurrence of any form of irregularity in its business activities, so as to limit the danger of committing any of the offenses set forth in the Decree and ensure fairness and transparency.

1.1. ALPE-ADRIA TEXTIL S.R.L. compliance to Decree provisions

ALPE-ADRIA TEXTIL S.R.L., formalised its Model, after having carried out an analysis of the entire corporate organisational structure and its internal control system, in order to verify adequacy to the prevention of relevant offences.

ALPE-ADRIA TEXTIL S.R.L. carried out a critical review of the governance system previously adopted, as well as a review of the mapping of sensitive and instrumental activities with respect to committing offences under the Decree.

In particular, a new Work Group was formed, consisting of the Company's qualified resources and a Consultancy Firm with proven experience in the sector, in order to assess process analysis and Risk Assessment activities necessary to achieve a correct implementation of the Model.

The Company formally adopted the new Model through a Resolution of the Board of Directors.

The new Risk Assessment activity was carried out by examining company documentation, as well as by conducting several interviews.

As a result of this work, a complete review of corporate governance was carried out, and a detailed and complete list of 'crime-risk areas' was once again drawn up, i.e. those sectors of the Company and/or corporate processes with respect to which, in light of the results of the mapping, the risk of committing a certain type of offence was deemed abstractly subsistent among those that, according to the Decree, give rise to the liability (i.e. offences against Public Administration, corporate offences, offences committed in violation of accident prevention regulations, etc.).

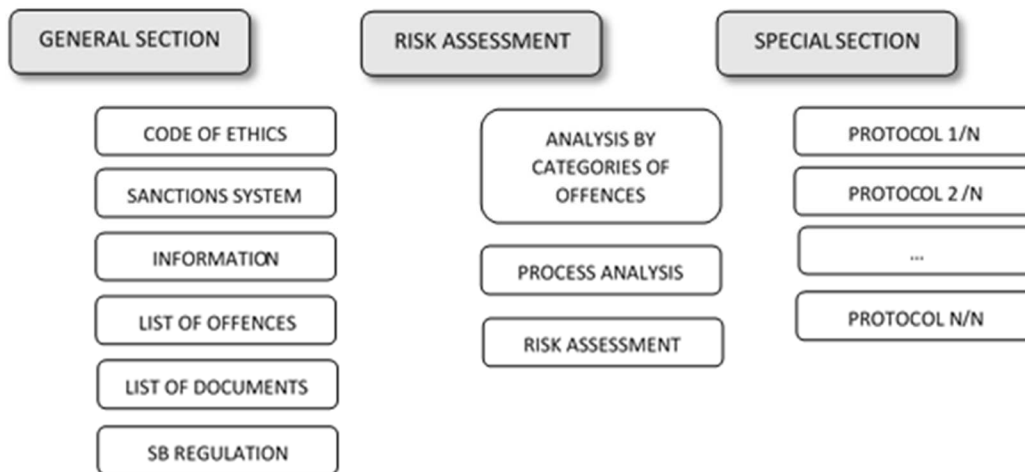
2. ALPE-ADRIA TEXTIL S.R.L. INDEX OF THE MODEL

This Model Summary Document consists of a General Part and a Special Part.

In the General Part, after having made a brief but necessary illustration of the rationale and principles of the Decree, as well as a concise analysis of the provisions set forth in the document "Regulation of the Supervisory Board", dedicated to the regulation of the SB, also briefly represented therein, the protocols contributing to the constitution of the ALPE-ADRIA TEXTIL S.R.L Model are summarized below:

- organizational system;
- system of delegated powers;
- manual and computer procedures;
- management control system and financial flows;
- occupational health and safety control system (operational management and monitoring);
- environmental policy and compliance with relevant regulatory provisions;
- Code of Ethics;
- Sanctions System;
- education, training and involvement of personnel on the Model,

The model is structured as follows:



As part of the Analyses of offence clusters and their association with business processes, the following have been indicated, also following the methodological approach already set out:

- crimes abstractly perpetuable;
- the principles of behaviour to be observed in order to reduce the risk of commission of crimes.

3. ALPE-ADRIA TEXTIL S.R.L. GOVERNANCE MODEL AND ORGANIZATIONAL SYSTEM

ALPE-ADRIA TEXTIL S.R.L. governance model and, in general, its entire organizational system, is entirely structured to ensure that the Company implements its strategies and achieves its objectives.

ALPE-ADRIA TEXTIL S.R.L. structure was created taking into account the need to provide the Company with an organization aimed at ensuring optimal operational efficiency and effectiveness.

3.1. ALPE-ADRIA TEXTIL S.R.L. governance model

The corporate governance system of ALPE-ADRIA TEXTIL S.R.L. is currently as follows:

- Shareholders' Meeting:

The Shareholders' Meeting passes resolutions, in ordinary and extraordinary sessions, on matters assigned by Law or Articles of Association.

- Governing Body:

Alternatively, the Shareholders' Meeting may decide for the Company to be managed by:

- By a Sole Director;

- by a Board of Directors composed of a minimum of three to a maximum of five members, appointed by the Shareholders' Meeting in such number as may from time to time be determined.

The governing body is vested with the broadest powers for the administration of the Company and for the implementation and achievement of the corporate purpose, excluding those powers that the law assigns to the Shareholders' Meeting. Among other things, the governing body is vested with the power to define the Company's strategic direction, to verify the efficiency of the Company's organizational and governing structure.

At the time of the implementation of this version of the Model, the Shareholders' Meeting appointed a Governing Body composed of three directors, including the Chairman of the Board of Directors and the Vice-Chairman of the Board.

3.2. ALPE-ADRIA TEXTIL S.R.L. organizational structure and organizational chart definition

As mentioned above, ALPE-ADRIA TEXTIL S.R.L. business is manufacturing textile products. The company's core business is the production and marketing of textile

solutions: High performance textiles with uniaxial or biaxial structure realized with D.O.S. (*Directionally Oriented Structures*) weft insertion warp-knitting technology.

The organizational structure of the Company ensures, the separation of tasks, roles and responsibilities between operational and control functions, and the highest possible efficiency. In particular, the Company is organized as follows:

- the Board of Directors is the highest governance body of ALPE-ADRIA TEXTIL S.R.L. to which the entire corporate organizational structure reports to.

The same consists of the following roles:

- o Chairman of the BoD
- o Vice-chairman of the BoD
- o Director.

In order to immediately clarify the role and responsibilities of each person within the corporate decision-making process, ALPE-ADRIA TEXTIL S.R.L. has developed a prospectus in which the entire organizational structure of the Company ('Organizational Chart') as well as a detailed organization chart of the various directorates/functions is outlined.

The Organizational Chart, in particular, specifies:

- the areas into which the Company's activities are divided;
- the lines of hierarchical dependence of the individual company roles;
- the individuals operating in the individual areas and their organizational role.

The Company has, in addition, defined job descriptions specifying the roles, duties and responsibilities of the employees of each Department, together with the Organizational Chart which are all made available to the Company's staff.

3.2.1. The Organizational Structure in Occupational Health and Safety

In the field of Occupational Health and Safety ('OSH'), the Company has adopted an organizational structure that complies with current preventive regulations, with a view to eliminating, or, where this is not possible, reducing - and, therefore, managing - occupational risks for workers.

The following individuals operate within this organizational structure:

- the employer;
- the supervisors;
- the occupational health and safety officer (hereinafter, 'OHS') - an external figure;
- the first aid officers (hereinafter, also 'FAO');
- the fire prevention officers (hereinafter, also FPO);
- the workers' safety representative (hereinafter, also 'WSR');
- the competent physician;
- the workers;
- individuals outside the company who carry out activities relevant to OSH, namely: a) individuals who are entrusted with works or service or supply contract; b) suppliers; c) designers of workplaces and facilities; d) installers and assemblers of plant, work equipment or other means.

The duties and responsibilities of the above-mentioned subjects in the field of OSH are formally defined consistently with the organizational and functional scheme of the Company, with particular reference to the specific figures operating in this area (OHS, WSR, the Competent Doctor): in this regard, the Company defines the organizational and operational tasks of the company management, supervisors and workers, as well as those related to the safety activities of their respective competence, the responsibilities related to the exercise of the activities themselves, with particular reference to the tasks of the OSH, WSR, Emergency Management Officers, the competent doctor.

3.3. Governance Tools

The set of governance tools implemented by ALPE-ADRIA TEXTIL S.R.L. enables identification of all activity-related decisions.:

- **Bylaws** - In accordance with current legal provisions, it contemplates various provisions relating to corporate governance aimed at ensuring the proper conduct of management activities.

- **Code of Ethics** - Expresses the principles of ethics and deontology that the Company recognizes as its own and on which it calls for compliance by all those who work to achieve the Company's objectives. The Code of Ethics expresses, among other things, lines and principles of conduct aimed at preventing the Offences referred to in the MOM

(Management and Organisation Model), as a useful tool for operating in compliance with the regulations.

- **Operating regulations and Organizational Communications** - At the organizational level, ALPE-ADRIA TEXTIL S.R.L. operates according to the duties and responsibilities assigned to each role by the "Operating Regulations" and "Organizational Communications."

- **System of delegated powers** - Establishes, through the assignment of specific and powers of attorney, the powers to represent or commit the Company.

- **System of Internal Procedures and Regulations** - The Company has a system of Procedures designed to regulate the Company's relevant processes clearly and effectively.

3.4. ALPE-ADRIA TEXTIL S.R.L.'s Remuneration System

The reward system, when implemented by the company, is based on clear and formalized rules, in compliance with the provisions of the relevant CCNL (collective workers contract). In addition, traceability of flows and parameters for the recognition of awards given to the company's employees is guaranteed.

3.5. Company Procedures

As part of its organizational system, ALPE-ADRIA TEXTIL S.R.L. has implemented a clear salary system for employees.

The reward system, when implemented by the company, is based on clear and formalized rules, in compliance with the provisions of the relevant CCNL (Workers Contract). In addition, traceability of flows and parameters for recognition of bonuses awarded to the company's employees is guaranteed.

The company has developed a set of procedures aimed at regulating the performance of company activities, in compliance with the principles indicated by the Confindustria Guidelines.

In particular, the procedures prepared by the Company constitute the rules to be followed within the relevant business processes, also providing for the controls to be carried out in order to ensure the correctness, effectiveness and efficiency of business activities.

Therefore, the Company ensures compliance with the following principles:

- encouraging the involvement of multiple parties in order to achieve an adequate separation of duties through the contraposition of functions;
- adopt measures to ensure that every operation, transaction, and action is verifiable, documented, consistent, congruous;
- prescribe the adoption of measures aimed at documenting controls carried out with respect to the transactions and/or actions performed.

In addition, the main management systems of the administrative area are supported by high-quality computer applications. These constitute the "guide" to the manner whereby certain transactions are carried out and ensure a high level of standardization and compliance, since the processes managed by these applications are validated upstream of the software release.

Employees, upon being hired, are properly trained in the use of company tools and informed on the system of rules (opportunities and limits) established.

4. IMPLEMENTATION OF THE MODEL

Legislative Decree No. 231 of June 8, 2001, concerning the "Discipline of the administrative responsibility of legal persons, companies and associations, including those without legal status," introduced a new regime of responsibility into the Italian legal system - called "administrative," but characterized by profiles of exquisitely criminal relevance - borne by entities, legal persons and companies, arising from the commission or attempted commission of certain types of Offences, expressly provided for by the Decree, in the interest or to the advantage of the entities themselves. This liability is in addition to the criminal liability of the natural person who committed the Offence. The introduction of this new case of "administrative" liability makes it possible to directly affect the assets of the entities that have cultivated their own interest or gained an advantage from the commission of certain Offences by the natural persons - material authors of the criminally relevant offence - who "impersonate" the entity or who operate, in any case, in the interest of the latter.

4.1. The Categories of Offenses

The following are the categories of offenses under the Decree:

1. Offenses committed in relations with the Public Administration (Articles 24, 25 Legislative Decree 231/01)
2. Computer crimes and unlawful data processing (art. 24-bis, Legislative Decree 231/01)
3. Organized crime offenses (art. 24-ter, Legislative Decree 231/01)
4. Crimes of counterfeiting money, public credit cards, revenue stamps and identification instruments or signs (Art. 25-bis, Legislative Decree 231/01)
5. Crimes against industry and commerce (Art. 25-bis.1., Legislative Decree 231/01)
6. Corporate offenses (Art. 25-ter, Legislative Decree 231/01)
7. Crimes for the purpose of terrorism or subversion of the democratic order provided for by the Criminal Code and special laws (Article 25-quater, Legislative Decree 231/01)
8. Market abuse offenses (art. 25-sexies, Legislative Decree 231/01)
9. Female genital mutilation practices (Art. 25-quater.1, Legislative Decree 231/01)
10. Crimes against the individual (Art. 25-quinquies, Legislative Decree 231/01)
11. Crimes of culpable homicide and grievous or very grievous bodily harm in violation of occupational health and safety regulations (Art. 25-septies, Legislative Decree 231/01)
12. Receiving stolen goods, money laundering and use of money, goods or utilities of illicit origin (Art. 25-octies, Legislative Decree 231/01)
13. Crimes involving non-cash payment instruments (Art. 25-octies.1, Legislative Decree 231/01)
14. Crimes relating to violation of copyright (Article 25-novies, Legislative Decree 231/01)
15. Inducement not to make statements or to make false statements to the judicial authorities (Article 25-decies, Legislative Decree 231/01)
16. Environmental crimes (Article 25-undecies, Legislative Decree 231/01)
17. Transnational crimes (Law 146, March 16, 2006, Articles 3 and 10)
18. Employment of third-country nationals whose stay is irregular (Article 25-duodecies, Legislative Decree 231/01)
19. Racism and Xenophobia (art. 25-terdecies, Legislative Decree 231/01)

Fraud in sports competitions (Art. 25-quaterdecies, Legislative Decree 231/01)

Tax crimes (art.25-quinquiddecies, Legislative Decree 231/01)

Smuggling (art.25-sexiesdecies, Legislative Decree 231/01)

Crimes against cultural heritage (art.25-septiesdecies, Legislative Decree 231/01)

Laundering of cultural property and devastation and looting of cultural and scenic heritage (art.25-duodecies, Legislative Decree 231/01).

The complete list of crimes liable, according to the Decree, to configure the administrative liability of the entity and the details of the categories of crimes for which it can be assumed that they are committed in the operational context of the Company is set out in Annex 1_Table of Predicate Crimes of the "Special Section".

Under the Decree, the entity is liable for Offences committed in its interest or to its advantage:

by "persons who hold positions of representation, administration or management of the entity or of one of its organizational units with financial and functional autonomy, as well

as by persons who exercise, even de facto, the management and control of the same" (so-called "persons in apical positions"; art. 5, paragraph 1, lett. a) of the Decree) by persons subject to the management or supervision of persons in top positions (so-called "persons subject to the management of others"; art. 5, paragraph 1, lett. b) of the Decree);

but the entity is not liable should the persons indicated have acted exclusively in their own interest or in the interest of third parties.

In the case of an Offense committed by a person in an apical and/or subordinate position, the entity is not liable if it proves that (art. 6, paragraph 1 of the Decree):

the management body has adopted and effectively implemented, prior to the commission of the act, Organization and Management Models suitable to prevent Offences of the kind that have occurred;

task of supervising the functioning, effectiveness and observance of the models, as well as their updating, has been entrusted to an internal body with autonomous powers of initiative and control;

the individuals have committed the Offence by fraudulently evading the organization and management models;

there has been no omission or insufficient supervision by the body referred to in letter b) above.

The penalties provided by law for entities as a result of the commission or attempted commission of the specific crimes mentioned above consist of:

- monetary sanctions up to a maximum of 1,549,370.69 euros (and precautionary order of seizure);

- disqualification sanctions (also applicable as a precautionary measure), which may consist of:

o disqualification from conducting business;

o suspension or revocation of authorizations, licenses or concessions functional to the commission of the offence;

o prohibition from contracting with the P.A;

o exclusion from facilitations, financing, contributions or subsidies and possible revocation of those granted;

o prohibition to advertise goods or services;

o confiscation of the profit that the entity has derived from the Offense; publication of the conviction sentence.

5. PURPOSE AND STRUCTURE OF THE CODE OF ETHICS. THE RECIPIENTS OF THE CODE OF ETHICS

The Code of Ethics of ALPE-ADRIA TEXTIL S.R.L. has adopted a clear remuneration system towards its employees.

The reward system, where adopted by the company, is based on clear and formalized rules, in compliance with the provisions of the relevant CCNL (collective employment contract). In addition, traceability of flows and parameters for the recognition of awards given to the company's employees is guaranteed.

The company sets forth the general principles and behavioural rules to which the Company recognizes positive ethical value and with which all Recipients must comply.

Such are all directors, its employees, including managers (hereinafter, for the sake of brevity, jointly referred to as 'Personnel'), as well as all those who, although external to the Company, work, directly or indirectly, for ALPE-ADRIA TEXTIL S.R.L. (e.g., representatives, agents, collaborators in any capacity, consultants, suppliers, business partners, hereinafter, referred to as 'Third Recipients').

The Recipients are required to observe and, to the extent of their competence, enforce compliance with the principles contained in the Model and/or the Code of Ethics of which it is part, which are binding and also applicable to the activities carried out by the Company abroad.

The set of rules contained in the Code of Ethics, moreover, by conforming the Company's conduct to particularly high ethical standards marked by the utmost fairness and transparency, guarantees the possibility of safeguarding the interests of the stakeholders, as well as preserving the Company's image and reputation, while at the same time ensuring an ethical approach to the market, with regard to both activities carried out within the Italian territory and those relating to international relations.

5.1. The methods of implementation and control over compliance with the Code of Ethics

Control over the implementation of and compliance with the Model and the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Parts, is entrusted to the SB, which is additionally among other things required to:

- supervise compliance with the Model and the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Parts of the Model, with a view to reducing the danger of committing the crimes provided for in the Decree;
- make its own observations regarding both ethical issues that may arise in the context of business decisions, and alleged violations of the Model or the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Parts, of which it becomes aware;
- provide interested parties with all requested clarifications and explanations also with reference to specific behaviours, i.e., the correct interpretation of the provisions of the Model or Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Sections;
- monitor the updating of the Model and the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Parts, including through its own proposals for adjustment and/or updating;
- promote and monitor the Company's implementation of communication and training activities on the Model and, in particular, on the Code of Ethics;
- report to the competent corporate bodies any violations of the Model or the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Sections;
- verify the effectiveness of any sanctions imposed in the event of reported significant violations of the Model and/or Code of Ethics.

6. DRAFTING AND IMPLEMENTATION OF THE SANCTIONS SYSTEM

Pursuant to Articles 6 and 7 of the Decree, the Model can be considered effectively implemented, for the purposes of the exclusion of the Company's liability, if it provides for a disciplinary system suitable for sanctioning non-compliance with the measures indicated therein.

ALPE-ADRIA TEXTIL S.R.L. has, therefore, implemented a sanctioning system (hereinafter, also 'Sanctioning System') aimed at sanctioning the violation of the principles, rules and measures provided for in the Model and in the related Protocols, in compliance with the rules provided for by the national collective labour agreement (*CCNL*), as well as with the laws or regulations in force.

On the basis of this Sanctioning System, both violations of the Model and related Protocols committed by persons placed in "apical" positions - insofar as they hold representative, administrative or managerial positions in the Company or in one of its organizational units with financial and functional autonomy, or hold the power, even if only de facto, to manage or control the Company itself - and violations perpetrated by persons subject to the management or supervision of others or operating in the name and/or on behalf of ALPE-ADRIA TEXTIL S.R.L. are subject to sanctions.

In compliance with the provisions, the establishment of disciplinary proceedings, as well as the application of the relevant sanctions, are independent of the possible establishment and/or outcome of any criminal proceedings concerning the same conduct relevant for the purposes of the Sanctions System.

7. ALPE-ADRIA TEXTIL S.R.L. SUPERVISORY BOARD

The Supervisory Board of ALPE-ADRIA TEXTIL S.R.L. (hereinafter also referred to as "SB" or "Board") performs its duties and functions, in the manner set forth in the Regulations adopted by the SB itself.

In particular, the Regulations contain:

the indication of the activities of the SB;
the regulations of the SB.

With reference to the Supervisory Board, the following aspects are described in the paragraphs below:

structure of the SB;
methods of appointment and duration of appointment;
causes of ineligibility and disqualification of the SB and individual members;
prerequisites and methods of revocation of the appointment of the SB and individual members;
duties and powers of the SB;
resources assigned to the SB;
information flows: a) from the SB to the corporate bodies; b) to the SB.

7.1. Identification, appointment and revocation of SB members

SB members are chosen among particularly qualified individuals and experts in the subjects of legal/criminal, labour law, management, accounting, inspection, but also consulting analysis of control systems, as well as with expertise in the activities carried out by the Company, with adequate professionalism, so that the composition of the Body covers skills and experience all the aforementioned areas.

In the operational reality of ALPE-ADRIA TEXTIL S.R.L., this solution best ensures compliance with the requirements of the Decree: the presence of an external professional, who has specific experience and authority in the application of the legal framework provided by the Decree, guarantees those requirements of impartiality, autonomy and independence that are required by law.

The SB is appointed by the Board of Directors. The term of office of the SB is established by resolution of the Board of Directors adopting the Model and may be re-elected. Any compensation will be determined by the BoD.

7.2. Causes of ineligibility and disqualification

Appointment as a member of the SB is grounded on the presence of subjective requirements of honourability, integrity and respectability, as well as the absence of causes of incompatibility with the appointment itself, such as kinship relations with members of the Corporate Bodies and Top Management and potential conflicts of interest with the role and tasks to be performed.

The following may not be appointed as members of the SB and if appointed shall fall from office:

those against whom criminal action has been brought, in the forms provided for by the Code of Criminal Procedure, in relation to one of the crimes (consummated or attempted) provided for in Articles 24 et seq. of the Decree; to this end, any amendments and/or additions to the types of crimes provided for by the Decree;

those who have been the recipients of personal, coercive or prohibitory precautionary measures for one of the crimes (committed or attempted) provided for in articles 24 et seq. of the Decree;

those who have been convicted, even on first instance, or with a sentence of application of the penalty on request (the so-called plea bargaining), in Italy or abroad, for the crimes referred to in Legislative Decree 231/2001 or similar crimes and for crimes relating to tax matters and for any non-negligent crime that has resulted in a sentence of more than two years; those who have been sentenced, even at first instance, to a penalty that entails disqualification, even temporary, from public office, or temporary disqualification from the executive offices of legal persons and companies; the plea bargain sentence is considered equivalent to a conviction;

- those who have been definitively subjected to one of the preventive measures provided for by Article 10, paragraph 3, Law No. 575 of May 31, 1965, as replaced by Article 3 of Law No. 55 of March 19, 1990, as amended;

those who have relationships of kinship, marriage or affinity within the third degree with members of the Board of Directors, senior persons in general;

those who find themselves in conflicts of interest, even potential ones, with the Company such as to impair the independence required by the role and duties of the SB;

those who have held administrative positions - in the three years preceding the appointment as member of the SB or the establishment of the consultancy/collaboration relationship with the same Body - of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;

those who are found to have held the position of member of the SB within companies against which the sanctions provided for in Article 9 of the Decree have been applied;

limited to members of external origin, those who are linked, or have been linked in the past, by continuous working relationships with the Company, which may reasonably compromise their autonomy and independence;

those who are interdicted, incapacitated, supported by an administrator;

those who have been absent, without justified reason, from at least three meetings of the SB.

Any member of the SB who falls into a condition of ineligibility or disqualification must immediately notify the Board of Directors.

The revocation of the Supervisory Board's own powers and the assignment of such powers to another person may only occur for a just cause, including those related to the Company's organizational restructuring, through a special resolution of the Board of Directors. In this regard, "just cause" for revocation of the powers connected with the appointment within the SB may mean, by way of example only:

- loss of the subjective requirements of honourability, integrity, respectability and independence present at the time of appointment;
- occurrence of a reason for incompatibility;
- gross negligence in the performance of the duties associated with the appointment set forth in the following paragraph;
- the "omitted or insufficient supervision" on the part of the Supervisory Board - in accordance with the provisions of Article 6, paragraph 1, letter d), Legislative Decree 231/2001 - resulting from a conviction, which has become final, issued against the Company pursuant to Legislative Decree 231/2001 or from a judgment of application of the penalty on request (the so-called plea bargaining);
- the assignment of operational functions and responsibilities within the corporate organization that are incompatible with the requirements of "autonomy and independence" and "continuity of action" proper to the SB;
- failure to attend two or more meetings, even if not consecutive, without a justified reason within a period of twelve consecutive months.

In the case of internal members of the SB, they shall lapse in the event of voluntary termination of employment or collaboration with ALPE-ADRIA TEXTIL S.R.L. and dismissal for just cause. In the event of resignation, waiver, supervening incapacity, death, revocation, or disqualification of a member of the SB, the Board of Directors shall, without delay, arrange for his or her replacement. It is the obligation of the Chairman to promptly notify the Board of Directors of the occurrence of any of the hypotheses from which the need to reinstate a member of the SB arises. In the event of resignation, waiver, supervening incapacity, death, revocation, or forfeiture of the Chairman, he/she shall be replaced by the most senior member by age, who shall remain in office until the date on which the Board of Directors has resolved to appoint a new Chairman of the SB.

In all other respects, the SB operates in accordance with its own regulations.

7.3. Functions and powers

The SB is placed in a staff position with respect to the Board of Directors. In particular, the SB is entrusted with the following duties and powers for the performance and exercise of its functions:

- regulate its own functioning also through the introduction of a regulation of its activities that provides for:
 - o the scheduling of activities,
 - o the determination of the time cadences of controls,
 - o the identification of analysis criteria and procedures,
- the regulation of information flows from corporate structures (SB Regulations);
- verify the adequacy of the Model both with respect to the prevention of the commission of the offenses referred to in Legislative Decree 231/2001 and with reference to the ability to bring to light the materialization of any unlawful conduct;

verify the efficiency and effectiveness of Model 231 also in terms of correspondence between the operating methods adopted in practice and the procedures formally provided for by Model 231 itself;
verify the upkeeping over time of the requirements of efficiency and effectiveness of Model 231;
carry out, including through corporate functions, periodic inspection and control activities, of a continuous and unannounced nature, in consideration of the various areas of intervention or types of activities and their critical points in order to verify the efficiency and effectiveness of Model 231;
manage, develop and promote constant updating of Model 231, formulating, where necessary, proposals to the Board of Directors for any updates and adjustments to be made through amendments and/or additions deemed necessary as a result of:
o significant violations of the requirements of Model 231;
o significant changes in the internal structure of the Company and/or the way in which the Company's activities are carried out;
o regulatory changes;

monitor the periodic updating of the system of identification, mapping and classification of Risk Areas;
detect any behavioural deviations that may emerge from the analysis of the information flows and reports binding the heads of the various Offices;
promptly report any ascertained violations of the 231 Model that may result in the emergence of a liability on the part of the Company to the Board of Directors for appropriate measures to be implemented;
following up on reports and ensuring the relevant information flows to the Board of Directors;
promote and define initiatives for the dissemination of knowledge and understanding of the 231 Model, as well as for staff training and awareness-raising in compliance with the principles contained in the 231 Model;
promote and elaborate communication and training on the contents of Legislative Decree 231/2001, on the impacts of the regulations on the Company's activities and on behavioural norms; provide clarifications regarding the meaning and application of the provisions contained in Model 231;
set up an effective internal communication system to enable the transmission of news relevant for the purposes of Legislative Decree 231/2001, guaranteeing the protection and confidentiality of the reporter;
freely access any of the Company's organizational structures, including the CEDs and other offices of the Company - without the need for any prior consent - to request and acquire information, documentation and data, deemed necessary for the performance of the duties provided for in Legislative Decree 231/2001, from all employees and managers
propose the activation of any disciplinary proceedings referred to in Chapter 6;
verify and evaluate the suitability of the disciplinary system pursuant to and for the purposes of Legislative Decree 231/2001.

To carry out the above tasks, the SB:

- has free access to any company document and broad powers of inspection;
- makes use of adequate economic resources allocated for this purpose by the Board of Directors; in fact, it is provided with a Budget to be used, in compliance with the expenditure procedures in force;
- may avail itself of both the support and cooperation of Company Offices and external consultants of proven professionalism;
- may request information from the Board of Directors, any corporate structure/person, and consultants;
- make use of internal resources to plan and carry out supervisory activities in such a way as to use already established operating methods and resources with appropriate technical skills, also in order to avoid overlapping of activities.

The Board of Directors will ensure adequate communication to the corporate structures of the duties of the Supervisory Board and its powers. The Supervisory Board has no management powers or decision-making powers relating to the performance of the Company's activities, organizational powers, or powers to modify the corporate structure, or sanctioning powers.

7.4. Information flows to the SB

The SB, in accordance with the Decree, must be informed by the parties required to comply with the Model 231, regarding events that could give rise to ALPE-ADRIA TEXTIL S.R.L.'s liability under the Decree.

The following general requirements apply in this regard:

- any reports concerning the commission of Offences or in any case conduct not in line with the rules adopted in implementation of the principles and indications contained in the Model and the Code of Ethics must be collected and assessed by the SB;
- in case of ascertained violation the SB verifies the consistent application of the Penalty System.

Information flows to the SB mainly:

- In structured form, through the following reports:
 - o list of Information Security Violations, forwarded by the head of the Information Security Management System;
 - o informational report summarizing the main activities carried out for the purpose of Prevention and Protection from Risks in the Workplace (reports received, findings following inspections, recorded accidents, and other occurrences), and the effectiveness and adequacy of the OSH system and the management measures taken, forwarded by the Employer Safety Delegate;
 - o report for monitoring the procurement process of works, goods and services (winning supplier, amount, any urgent conditions, etc.) forwarded by the Purchasing Manager;
 - o report for monitoring the penalties levied against suppliers' defaults, forwarded by the head of Purchasing;
 - o list of consulting assignments awarded by direct negotiation (name, amount, subject and duration of the contract, requesting corporate function, reason for direct award), forwarded by the head of the HR (Human Resources) office;
 - o list of purchases of software licenses (type of software acquired, in terms of platform, number of users using said software, the intended use, etc.) forwarded by the head of Procurement, ITC (Information Technology) Area, based on information provided by the various relevant Corporate Structures;
 - o list of Litigation or legal actions by third parties (customers, suppliers, other stakeholders, etc.) and settlement agreements, forwarded by the head of Executive - Legal Litigation;
 - o list of Litigation or legal actions and settlement agreements related to employees or former employees forwarded by Executive - legal litigation;
 - o list of hirings, and related selection process, if any, forwarded by Executive Human Resources;
 - o list of waste disposal contracts, forwarded by the head of Purchasing;
 - o list of new issues of corporate provisions (forms, directives, regulations, procedures) related to the Risk Areas indicated in Model 231, forwarded by Competent Offices.
- In structured form, by the Board of Directors, upon the occurrence of the following events:
 - o outcomes of inspections/audits by public entities (Labour Inspectorate, VV.F (Fire Dept), INAIL (workplace injuries institute), ASL (health authorities), local authorities, Guardia di Finanza, (Tax inspectors) etc.);
 - o receipt of acts and objections from supervisory authorities (e.g., Privacy Guarantor notifications, requests from the Parliamentary Supervisory Commission, Digital-Italy Agency, etc.);
 - o measures and/or news coming from judicial police bodies, or directly from the judicial authorities, from which it can be inferred that investigations are underway, even against unknown persons, for crimes that may involve the company, directly or indirectly;
 - o occurrence of conflict-of-interest situations concerning Heads of Company Structures or Contract Managers;
 - o report of conflict of interest received, even anonymously, from a person other than the person concerned;
 - o changes to the list of waste types (list of characterized waste), (transmission by the head of the General Services area);
 - o disciplinary proceedings related to violations of Model 231, with reporting of the relevant reasons and sanctions (transmission by the head of the Head of Prevention of Corruption and Transparency);
 - o extension of requests, forwarded by employees, for legal assistance, in case of initiation of legal proceedings against them, for causes related to the

exercise of their functions and in relation to the crimes referred to in Legislative Decree No. 231/2001, unless prohibition to give such information is expressed by the judicial authority;

- o reports prepared by the offices/control bodies as part of their verification activities, from which facts, acts, deeds events or omissions with critical profiles may emerge with respect to compliance with the provisions of the Decree or the provisions of Model 231 and procedures;
- o reports prepared by the Administration and Finance Manager in charge of drafting corporate accounting documents pursuant to Law 262/05 from which facts, acts, deeds, events or omissions with profiles of criticality with respect to compliance with the rules of the Decree, the provisions of Model 231 and the procedures may emerge, forwarded by the Manager in charge of drafting corporate accounting documents;
- o outcomes of resolutions of corporate bodies that may result in changes in the functionality and articulation of Model 231 (e.g., changes in organizational structure, changes in governance and changes in business lines);

- In the form of reports from employees, collaborators and interlocutors, concerning information related to the commission, or reasonable belief of the commission of Offenses, in which case:

- o the Supervisory Board is not required to consider reports that appear in the first instance to be irrelevant, groundless or inadequately substantiated;
- o reports in written form, even anonymously, must be sent by e-mail or by regular mail, to Supervisory Body c/o ALPE-ADRIA TEXTIL S.R.L., 33047 Remanzacco (UD) - Strada di Salt n. 50, marking the envelope with the words "CONFIDENTIAL";
- o it is the right of the SB to hear the author of the report and/or the person responsible for the alleged violation;
- o the SB will act in such a way as to guarantee whistle-blowers against any form of retaliation, discrimination or disciplining, also ensuring the confidentiality of the identity of the whistle-blower, without prejudice to legal obligations and the protection of the rights of persons wrongly accused and/or in bad faith.

In any case, each process manager has a specific obligation to promptly inform the SB of any anomaly, atypicality or violation of Model 231 that may be encountered.

Employees and members of the Company's Corporate Bodies must promptly report the commission or alleged commission of offenses or the reasonable danger of commission, referred to in the Decree of which they become aware, as well as any violation or alleged violation of Model 231 or the procedures established in implementation thereof of which they become aware.

Collaborators and interlocutors, external to the Company, are required to make an immediate disclosure directly to the SB in the event that they receive, directly or indirectly, from an employee/representative of the Company a request for conduct that could result in a violation of Model 231.

7.5. Reporting by the SB

The SB reports to the Board of Directors on the implementation of Model 231 and the emergence of any critical issues.

In particular, the SB:

- reports to the Board of Directors through the Chairman of the same body, making it aware, whenever deemed appropriate, of significant circumstances and facts of its office. The SB immediately communicates the occurrence of extraordinary situations (e.g.: significant violations of the principles contained in Model 231, legislative innovations regarding the administrative liability of entities, etc.) and reports received that are of an urgent nature;

- submits a written report, on at least an annual basis, to the Board of Directors, which contains the following information:

- o summary of the activities carried out during the reporting period;
- o any problems or critical issues that have arisen in the course of supervisory activities;
- o corrective actions to be taken in order to ensure the efficacy and/or effectiveness of Model 231, including those necessary to remedy organizational or procedural shortages that have been ascertained and that expose the Company to the danger that crimes

relevant for the purposes of the Decree may be committed, with a description of any new "sensitive" activities identified

- o an indication of the behaviours ascertained and found not to be in line with Model 231;
- o an account of the reports received from internal and external parties, including what has been directly encountered, regarding alleged violations of the provisions of Model 231, prevention protocols and related implementation procedures, and the outcome of the consequent inspections carried out
- o information regarding possible commission of crimes relevant to the Decree;
- o an overall assessment of the functioning and effectiveness of Model 231 with any proposals for additions, corrections or changes;
- o reporting any changes in the regulatory framework that require updating of Model 231;
- o reporting any conflict of interest, even potential, of a member of the Body;
- o reporting on expenses incurred;
- o once a year, the plan of planned activities for the following year.

The Board of Directors has the power to convene meetings with the SB at any time to inform them of the activities within its competence.

Meetings with corporate bodies to which the SB reports must be documented.

All information, reports, minutes and reports provided for in Model 231 are kept in a special file by the Supervisory Board in compliance with privacy regulations.

8. WHISTLEBLOWING REPORTING PROCEDURE

Whistleblowing is considered a decisive tool for countering corrupt phenomena as employees are in a privileged position to detect abnormal behaviour or situations within the Company provided that the employee is prevented from omitting to make reports of wrongdoing for fear of suffering prejudicial consequences.

The final approval of Whistleblowing marked a significant turning-point in a more extensive diffusion of internal systems for reporting violations with regard to the private sector with relevant amendments to Legislative Decree No. 231 of June 8, 2001 regarding the administrative liability of legal persons, companies and associations and introduces specific provisions governing possible violations of Organization and Management Models 231, effectively extending the subjective scope of internal systems for reporting violations. Therefore, ALPE-ADRIA TEXTIL S.R.L. has adopted a system of rules ensuring the protection of the confidentiality of the reporter, while guaranteeing protection from discrimination or retaliation.

The rules for the management of reports constitute, as a whole, a tool for preventing and combating corruptive phenomena; they find their own form of implementation through positive behaviour of the reporters who, having become aware of the unlawful behaviour of another person, decide to report such facts to the appropriate bodies.

8.1. Purpose

The purpose of this procedure is to protect employees who report crimes or irregularities of which they have become aware in the course of their work and to inculcate "social conscience" within the workplace, which encourages the individual to take action and report to the authorities or even to his or her employer, any wrongdoing of which he or she has become aware in the course of his or her work duties

The procedure also aims to remove possible factors that may discourage the use of reporting, such as doubts and uncertainties about:

- procedure to be followed
- fears of retaliation or discrimination by top management, hierarchical superiors, etc....
- possible disclosure of office, professional, scientific or industrial secrets.

With this in mind, the purpose pursued by this procedure is to provide the whistle-blower with clear operational indications about the subject, content, recipients and method of transmission of reports, as well as the forms of protection offered in our system.

8.2. Field of application

This procedure applies

- to persons who hold positions of representation, administration or management of the entity or one of its organizational units with financial and functional autonomy as well as by persons who exercise, even *de facto*, the management and control thereof
- to persons subject to the management or supervision of any of the above reporting persons, by the above personnel, must in any case be based on good faith or reasonable belief, of circumstantiated reports of unlawful conduct, relevant under this decree and

based on precise and concordant elements of fact, or of violations of the organizational model and of the entity, of which they have become aware by reason of the functions performed

All reports received, in the form and manner described below, will be processed by the Supervisory Board in compliance with the company's Organization, Management and Control Model, the provisions of the law, and the company's Code of Ethics

Included in the scope of application are anonymous reports, i.e., without elements that would allow their author to be identified, delivered in the manner provided for in this document.

However, anonymous reports will be dealt with only if they refer to episodes of particular gravity and in the presence of clear, circumstantiated, precise and concordant elements. The requirement of truthfulness of the reported facts or situations remains in place for the protection of the reported person.

8.3. Process Responsibilities

The responsibilities of the process are delegated to the company management, the Supervisory Board as the recipient of the reports, and any other offices and required to:

Record incoming communications and keep the Reporting Register - Whistleblowing updated;

Ensure the preservation and privacy of original documentation pertaining to reports in appropriate paper/digital files, with appropriate security/confidentiality standards made available;

Monitor communication channels (regular and registered mail);

Monitor communication channels (dedicated mail and any internet communication tools);

- Evaluate approval of requests to take organizational measures and/or imposition of sanctions or disciplinary measures and/or initiation of legal action;

Update and make forms for reporting violations-Whistleblowing (MOD.WB_00) available;

- Report, after assessing the existence of the elements, the hypothesis of discrimination to the SB and company management.

8.4. Admissible notifications

Illegal conduct that becomes personally known during or due to the performance of work duties or due to employment/collaboration relationships can be reported.

The reports taken into consideration are only those that concern facts found directly by the reporting party, not based on current rumours; moreover, the report must not concern complaints of a personal nature. The whistle-blower must not use the institution in question for purely personal purposes or to make claims or retaliations that fall within the more general discipline of the employment/collaboration relationship or relationships with the hierarchical superior or with colleagues, for which it is necessary to refer to the discipline and procedures of the relevant corporate structures.

Anonymous reports are taken into consideration when there is unmistakable evidence of the seriousness and validity of the reported circumstances.

By way of example, the report may concern actions or omissions, committed, or attempted:

- criminally relevant (e.g.: violation of laws, acts of corruption, fraud);

- likely to cause financial damage (e.g.: malfunctioning of the administrative action);

- implemented in violation of codes of conduct or other corporate provisions subject to disciplinary sanctions (e.g.: Code of Ethics);

- liable to damage the image of ALPE-ADRIA TEXTIL S.R.L.;

- likely to cause damage to the health or safety of employees, citizens or to cause damage to the environment;

- which may cause harm to employees or other subjects who conduct their activity at ALPE-ADRIA TEXTIL S.R.L.;

- which can lead to favouritism.

The whistle-blower is required to indicate all the elements useful to allow appropriate checks and inspections, referred to in the following paragraph, to match the statements and facts that are included in the subject of the report.

In any case, it is essential for the complaint presented by the whistle-blower to be detailed, concerns facts that can be found and known directly by the complainant and not reported or referred to by other subjects, as well as contain all the information and data to unequivocally identify the perpetrators of the unlawful conduct.

8.5. Management of the report by the SB

The Supervisory Body receives and takes charge of the reports; within 30 days of receipt of the same, it conducts a preliminary investigation, requesting further elements from the whistle-blower to substantiate the complaint.

Once the preliminary investigation has been completed, the Supervisory Body:

- in the event of evident and manifest groundlessness: may decide to file the report with adequate motivation, notifying the whistle-blower, with the exception of anonymous reports, and in the case of an internal whistle-blower to the competent offices for the evaluation of disciplinary actions in the event of any crimes committed (e.g., slander, defamation);
- in the event that the report is founded, in whole or in part: informs the whistle-blower of the start of the internal investigation which takes the form of a verification and analysis activity and not a verification of the actual occurrence of the facts; during this phase, to be concluded within 30 days from the start of the investigation, the SB can start a dialogue with the whistle-blower.

Once the preliminary phase has been completed, the SB:

- communicates the conclusion to the whistle-blower
- forwards the report to the Head of the department in which the fact subject of the report occurred, or to the bodies in charge for implementation of consequent measures including, if the conditions exist, the request for disciplinary action;
- Reports received by e-mail or by ordinary mail are catalogued in special registers and kept by the SB, in confidence, separating the content of the report from the identity of the reporting person.

The SB periodically reports to top management on the number and type of reports received and takes them into account for the purpose of updating the Plan.

8.6. Protection of the Whistle-blower

The protection of the whistle-blower is guaranteed by the SB from the moment of taking charge of the report.

With the exception of cases in which there is a liability, also ascertained with a first instance sentence, by way of slander and defamation pursuant to the provisions of the criminal code or art. 2043 of the Civil Code and in cases in which anonymity is not enforceable by law (such as criminal, tax or administrative investigations, inspections by supervisory bodies), the identity of the whistle-blower is in any case protected in any context subsequent to the report in accordance with the provisions of paragraph 3 of article 54-bis, and in particular:

1. in the context of criminal proceedings, the identity of the whistle-blower is covered by secrecy in the manner and within the limits established by article 329 of the Criminal Procedure Code;
2. in the context of proceedings before the Court of Auditors, the identity of the whistle-blower cannot be disclosed until the conclusion of the preliminary investigation phase.
3. within the context of the disciplinary procedure, the identity of the whistle-blower cannot be disclosed, where the contestation of the disciplinary charge is based on separate and additional assessments with respect to the report, even if consequent to the same. If the dispute is based, in whole or in part, on the report and knowledge of the identity of the whistle-blower is essential for the defence of the accused, the report will be usable for the purposes of the disciplinary procedure only in the presence of the whistle-blower's consent to the disclosure of his identity.

The report (and the attached documentation) is also subtracted from the right of access provided for by articles 22 and following of the law 7 August 1990, n. 241: therefore it cannot be viewed or copied by applicants.

In the case of transmission of the report to other structures/bodies/third parties for the performance of the preliminary activities, only the content of the report will be forwarded, expunging all references from which it is possible to trace, even indirectly, the identity of the reporting person.

The worker who makes the reports cannot be sanctioned, demoted, fired, transferred or subjected to any other organizational measure - having direct or indirect negative effects on working conditions - determined by the report.

Discriminatory or retaliatory acts adopted by the administration or body are null and void. The whistle-blower who is fired due to the report is reinstated in the workplace pursuant to art. 2 of Legislative Decree 4 March 2015, no. 23.

8.6.1. No Retaliation or Discrimination

By "retaliatory" and/or "discriminatory" we mean the measures and actions implemented against the employee who reported, in particular:

- unjustified disciplinary actions (degradation, non-promotion, transfer, dismissal, etc.)
- harassment in the workplace (mobbing, persecution, etc.)
- any other form of retaliation which causes intolerable working conditions (isolation, threats, etc.)

The Organization does not allow and does not tolerate any form of retaliation or discriminatory measure having effects on the working conditions of the employee who makes a report for reasons directly or indirectly connected to the complaint.

Furthermore, the whistle-blower has the right to request transfer to another office and, where reasonably possible, the Organization must ensure that these requests are met.

Protection is limited to cases in which the whistle-blower and the reported are both employees of the same Organization.

Employees who believe they have suffered discrimination for reporting facts to the SB and to company management who, having assessed the existence of the elements, report the hypothesis of discrimination to the employee's direct manager, who promptly assess:

- the opportunity/need to adopt measures aimed at restoring the situation and/or remedying the negative effects of discrimination
- the existence of the grounds for initiating disciplinary proceedings against the employee who is the author of the discrimination

Requests for the adoption of organizational measures and/or the imposition of sanctions or disciplinary measures and/or initiation of legal actions are the responsibility of the Management.

This procedure does not affect the criminal and disciplinary liability of the whistle-blower in the event of libellous or defamatory reporting pursuant to the Criminal Code and art. 2043 of the Civil Code.

Any forms of abuse of this procedure, for the sole purpose of damaging the person reported or for opportunistic purposes, are also a source of responsibility.

8.7. Reporting methods and recipients

The Organization makes this operating procedure available to all people who work, in any capacity:

- form for reporting violations (MOD.WB_00 Whistleblowing reporting form, attached to this document);
- privacy policy.

Procedure, form and information are made available, updated and transmitted by the Board of Directors to the SB and to all employees of the Organization. The documentation is, however, at any time, available near the company bulletin board. The report must be addressed:

- to the appointed Management or Department;
- to the Supervisory Body.

The report received from any other employee of the Organization must be, in the original with any attachments, promptly forwarded to the SB which is entrusted with confidential logging and keeping of the related Whistleblowing Register (Annex by the SB).

The transmission of the report must take place in compliance with the criteria of maximum confidentiality and with methods suitable for protecting the whistle-blower and the identity and integrity of the persons reported, without prejudice to the effectiveness of subsequent verification activities.

The Organization, following the provisions of article 2bis inserted by Law 179/2017, has set up several channels that allow for the presentation of detailed reports of corruptive conduct or violations, pursuant to this Procedure, based on precise and concordant factual elements, of which they have become aware of due to roles performed.

Although the company, in accordance with the Code of Ethics, deems reports transmitted in non-anonymous form preferable, anonymous reports are also permitted.

8.7.1. Reporting channels

These channels guarantee the confidentiality of the whistle-blower's identity in the management and processing of the report, presented in the following ways:

- via the email box of the SB whose password is the exclusive knowledge of the SB itself;
- by registered letter to be sent to the company's registered office for the attention of the SB (To be able to take advantage of the guarantee of confidentiality, the report must be placed in a sealed envelope bearing the wording "confidential/personal" on the outside);

- verbally, by means of a statement issued and recorded in the minutes by the SB.
Should the whistle-blower prefer to remain anonymous, he can report, in addition to method a), also using method b) previously expressed:

- by failing to fill in the "reporting personal data" section of the form;
- by not signing the form;
- not indicating the sender or using a pseudonym or a fantasy name.

For each report received, the SB will inform the whistle-blower:

- of taking charge of the report;
- of the possibility of being contacted again to acquire further elements useful for the investigation;
- of the possibility to integrate or update the facts covered by the initial report, if further information becomes known.

Monitoring of the functionality of the aforementioned communication channels is guaranteed by the SB.

8.8. Report contents

The whistle-blower must provide all the elements useful to allow the SB to proceed with the due and appropriate assessments and investigations to confirm the validity of the facts being reported. The content of the reports must be precise and concordant.

To this end, the report must contain the following elements:

- personal details of the person making the report, with indication of the position or function performed within the organisation
- a clear and complete description of the facts to be reported
- circumstances of time and place in which they were committed
- other elements that make it possible to identify the person/s who has/have carried out the facts reported
- indication of other subjects who can report on the facts being reported
- indication of documents that can confirm the foundation of such facts
- any other information that can provide useful feedback on the existence of the reported facts.

8.9. Filing and storage

In order to guarantee the management and traceability of the reports, the SB updates the register of reports ensuring the preservation and archiving of all the related original supporting documentation relating to the reports in special paper/IT archives, with the highest standards of security/confidentiality.

In this regard, access to these documents is isolated and guaranteed by the SB itself.

Any personal data collected as part of a report are kept for the time strictly necessary for their processing, and in any case compatibly with the purpose of the processing, in compliance with the provisions of the legislation on the processing of personal data.

9. COMMUNICATION AND TRAINING ON THE MODEL AND RELATED PROTOCOLS

9.1. Communication and involvement on the Model and related Protocols

The Company promotes the widest dissemination, inside and outside the structure, of the principles and provisions contained in the Model and in the Protocols thereto connected. The Model is formally communicated to all top managers (including the Directors) and to the Personnel of the Company, by delivery of a complete copy, also on IT support or electronically, or by posting it in a place accessible to everyone.

Documentary traces are kept in the records of the SB of the completed delivery and of the Recipients' commitment to comply with the rules set forth therein.

For Third Party Recipients required to comply with the Model, a summary of the same, as regards their relevant aspects, is made available on the Company's website or upon request.

Particular and specific attention is then reserved for the dissemination of the Code of Ethics which, in addition to being communicated in the manner already indicated for the Model (delivery to all members of the corporate bodies, to other top management, to employees, posting in a company place accessible to all and publication on the corporate network) will be made available to third parties required to comply with the relative provisions, as well as to any other interlocutor of the Company, by means of full publication on the corporate website.

The SB promotes, also through the preparation of specific plans approved by the Board of Directors and implemented by the Company and monitors all further information activities that it deems necessary or appropriate.

The Company also promotes adequate communication and involvement of the recipients of the Model, within the limits of their respective roles, functions and responsibilities, in matters related to Health and Safety at Work. For these purposes, a program of information and involvement of the Recipients of the Model on Health and Safety at Work is also defined, documented, implemented, monitored and periodically updated, with particular regard to newly hired workers, for whom a particular qualification is required.

The involvement of interested parties is also ensured through their prior consultation at special periodic meetings.

9.2. Education and training on the Model and related Protocols

In addition to the activities related to informing Recipients, the SB has the task of ensuring periodic and constant training, or of promoting and monitoring the implementation, by the Company, of the initiatives aimed at promoting adequate knowledge and awareness of the Model and the Protocols thereto connected, in order to increase the culture of ethics within the Company.

In particular, it is envisaged that the principles of the Model, and in particular those of the Code of Ethics, which is part thereof, are illustrated to company resources through specific training activities (e.g. courses, seminars, questionnaires, etc.), with obligation to attend and the methods of execution of which are planned by the SB through the preparation of specific plans, approved by the Board of Directors and implemented by the Company. The results achieved with the training are verified by administering special assessment tests. The courses and other training initiatives on the principles of the Model are, however, differentiated on the basis of the role and responsibility of the persons concerned, or through more intense training characterised by a higher degree of in-depth analysis for those who qualify as "top managers" as the Decree sets forth, as well as for those operating in areas qualifying as "at risk" pursuant to the Model.

The Company also promotes education and training of the Recipients of the Model, within the limits of their respective roles, functions and responsibilities, in matters related to Health and Safety at Work, in order to ensure adequate awareness of the importance of compliance with the Model, and the possible consequences associated with violations of the same; from this point of view, particular importance is given to education and training of subjects who carry out tasks in Health and Safety at Work.

In particular, education and training are expected to be differentiated according to the workplace and the tasks entrusted to the workers, as well as provided also upon hiring, transfer or change of duties or the introduction of new equipment or new technologies.

10. UPDATING THE MODEL

The SB has the task of monitoring the necessary and continuous updating and adaptation of the Model and the Protocols the thereto connected (including the Code of Ethics), possibly suggesting the necessary or appropriate corrections and adjustments, by written communication to the administrative body or to the competent company offices from time to time.

The Board of Directors is responsible, together with any company offices involved, for updating the Model and for its adjustment as a result of a change in the organizational structures or operating processes, significant violations of the Model itself, legislative additions. The updates and adaptations of the Model, or of connected Protocols, are communicated to the workers and interested parties where required (for example for significant changes to the Code of Ethics) by means of specific notices sent by email, published on the corporate network and, if case, through the preparation of information sessions illustrating the most significant updates and adjustments.

11. IMPLEMENTING REGULATIONS

- Corporate Code of Ethics
- Internal sanction system
- Management of information flows

12. FORMS

- MOD.WB_00 Whistleblowing reporting form