

Piovan Penta

ORGANISATION,
MANAGEMENT AND
CONTROL MODEL PURSUANT
TO ITALIAN LEGISLATIVE
DECREE 231/2001

General Part

Update approved by the Board of Directors of Penta S.r.l. on June 06, 2024

INDEX

1.	ADMINISTRATIVE LIABILITY OF COMPANIES.....	3
1.1.	Decree 231	3
1.2.	The types of crimes that involve liability 231	4
1.3.	The interest or advantage	5
1.4.	Offences committed abroad	6
1.5.	Penalties.....	6
1.6.	Precautionary measures	7
1.7.	The changing circumstances of the entity	7
1.8.	Exemption from administrative liability.....	7
1.9.	Examination of suitability.....	8
2.	THE GOVERNANCE SYSTEM OF PENTA S.R.L.....	8
2.1.	Company profile.....	8
2.2.	Institutional structure	9
2.3.	Governance instruments.....	9
2.4.	Management of financial resources	11
2.5.	The management systems and certifications	11
2.6.	The system of proxies and powers.....	11
2.7.	The internal audit system	11
3.	THE ORGANISATION MODEL OF PENTA S.R.L.	12
3.1.	Objectives.....	12
3.2.	Description of the Organisation Model	13
3.3.	Recipients.....	14
3.4.	The realisation of the Model.....	14
3.5.	Relation between the Organisation Model and the Code of Ethics	18
4.	THE PENALTY SYSTEM	19
4.1.	Principles of reference	19
4.2.	Disciplinary measures	20
4.3.	Criteria for the imposition of penalties.....	20
4.4.	Penalties applicable to employees.....	21

4.5.	Penalties for managers	21
4.6.	Measures against Directors, Statutory Auditors and the Supervisory Board	22
4.7.	Measures against third parties	23
4.8.	Penalties in the event of breach of the Applicable Whistleblowing Regulations	23
5.	THE SUPERVISORY BOARD	23
5.1.	Appointment and revocation.....	23
5.2.	Requirements.....	25
5.3.	The SB of Penta S.r.l.	26
5.4.	Whistleblowing	32
6.	DISSEMINATION OF THE MODEL	34
6.1.	Disclosure	34
6.2.	Training	34
7.	ADOPTION AND UPDATING OF THE MODEL.....	35
7.1.	Adoption.....	35
7.2.	Updating.....	35
7.3.	Availability of the Model	35

1. ADMINISTRATIVE LIABILITY OF COMPANIES

1.1. Decree 231

Italian Legislative Decree 231 of 8 June 2001, “*Regulation of the administrative liability of legal persons, companies and associations, including those without legal status, pursuant to art. 11 of Italian Law 300 of 29 September 2000*” (hereinafter also “**Decree**” or “**Decree 231**”) – in the wake of a series of international Conventions¹ – introduced the regulation of the administrative liability² of legal persons resulting from the commission (or attempted commission) of specific crimes or administrative offences.

Pursuant to these rules, entities may be held liable, and consequently penalised, for certain crimes or administrative offences committed (or attempted) in the interest or to the advantage of the entity itself:

- by natural persons performing functions of representation, administration or management of those entities or of one of their organisational units with financial and functional autonomy, as well as by natural persons exercising, including de facto, the management and control of those entities (e.g. directors, general managers, managers, so-called “senior management”);
- by natural persons subject to the direction or supervision of one of the aforementioned parties (for example, employees and, in certain circumstances, external parties³).

Penalties may be of a pecuniary and/or disqualifying nature and may extend up to the interdiction of the exercise of the activity.

The liability of the entity may be excluded and/or limited if the entity can demonstrate that it has adopted and successfully implemented, prior to the commission or attempted commission of the offence, organisation, management and control models suitable to prevent the commission of offences such as the ones committed.

¹ Brussels Convention of 26 July 1995 on the Protection of the European Communities' Financial Interests, Brussels Convention of 26 May 1997 on Combating Bribery Involving Officials of the European Community or Member States and OECD Convention of 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions.

² This liability, although defined as “administrative”, has strong similarities with criminal liability both because of the circumstance that its ascertainment takes place in the context of the criminal process, and because it is autonomous from that of the natural person who committed the offence and in addition to the latter; in fact, **the entity may be held liable even if the natural person who committed the offence is not attributable or has not been identified or if the offence is** extinguished for a cause other than amnesty. The administrative penalties applicable to the entity consist of fines, disqualifications, confiscation or publication of the judgement.

³ Employees and those persons who, although not part of the staff, have a task to perform under the direction and control of senior management belong to this category. Among the external parties concerned are **collaborators, promoters, agents and consultants**, who, on behalf of the entity or by force, perform activities on its behalf. Lastly, relevant are also mandates or contractual relationships with non-staff members of the entity, provided that these persons act in name, on behalf of or in the interest of the entity.

1.2. The types of crimes that involve liability 231

The categories of offences that may entail administrative liability of entities are indicated in the following articles of Decree 231 and in Italian Law 146/2006⁴:

CATEGORIES OF OFFENCES	REGULATORY REFERENCE
Undue perception of allocations, fraud to the detriment of the State or of a public entity or for obtaining public allocations and computer fraud to the detriment of the State or of a public entity	Art. 24 Decree 231
Cybercrime and unlawful data processing	Article 24- <i>bis</i> Decree 231
Organised crime offences	Art. 24- <i>ter</i> Decree 231
Embezzlement, extortion, undue coercion to give or promise benefits, corruption and abuse of office	Art. 25 Decree 231
Counterfeiting coins, public credit cards, revenue certificates and instruments or signs of recognition	Article 25- <i>bis</i> Decree 231
Crimes against industry and commerce	Art. 25- <i>bis</i> .1 Decree 231
Corporate crimes, corruption between private individuals and incitement to corruption between private individuals	Art. 25- <i>ter</i> Decree 231
Crimes for the purpose of terrorism or subversion of democratic order provided for by the Italian Criminal Code and special laws	Article 25- <i>quater</i> Decree 231
Female genital mutilation practices	Article 25- <i>quater</i> .1 Decree 231
Crimes against the individual	Art. 25- <i>quinquies</i> Decree 231
Crimes of market abuse and other offenses relating to market abuse	Art. 25- <i>sexies</i> Decree 231
Manslaughter and grievous or very grievous bodily harm committed in breach of the rules on accident prevention and health and safety at work	Art. 25- <i>septies</i> Decree 231
Receiving, laundering, use of money, goods or utilities of illicit origin and self-laundering	Art. 25- <i>octies</i> Decree 231
Offences relating to payment instruments other than cash and fraudulent transfer of values	Art. 25- <i>octies</i> .1 Decree 231
Copyright infringement offences	Art. 25- <i>novies</i> Decree 231
Inducement to not make statements or to make false statements to Judicial Authorities	Art. 25- <i>decies</i> Decree 231
Environmental offences	Art. 25- <i>undecies</i> Decree 231

⁴ Pursuant to Decree 231, the offences referred to in art. 12 Italian Law 9/2013 (for entities operating in the virgin olive oil supply chain) are also a prerequisite for the liability of entities.

CATEGORIES OF OFFENCES	REGULATORY REFERENCE
Employment of third-country nationals whose stay is irregular	Art. 25- <i>duodecies</i> Decree 231
Racism and xenophobia	Art. 25- <i>terdecies</i> Decree 231
Fraud in sports competitions, abusive gambling or betting and gambling exercised by means of prohibited devices	Art. 25- <i>quaterdecies</i> Decree 231
Tax Offences	Art. 25- <i>quinquiesdecies</i> Decree 231
Smuggling	Art. 25- <i>sexiesdecies</i> Decree 231
Offences against cultural heritage	Art. 25- <i>septiesdecies</i> Decree 231
Laundering of cultural assets and devastation and looting of cultural and landscape assets	Art. 25- <i>duodevicies</i> Decree 231
Transnational offences	Italian Law 146/2006

1.3. The interest or advantage

Liability pursuant to Decree 231 is based on the fact that the offence is committed in the interest or to the advantage of the entity. In this sense:

- THE INTEREST is to be assessed ex-ante and is suitable to cover all the conducts that have the objective of making the company a profit, not necessarily economic, regardless of the fact that this objective has actually been achieved;
- ADVANTAGE is to be considered ex post and makes all those offences attributable to the entity that, although determined by the author's personal motivations, nevertheless return to the benefit of the entity itself, resulting in a positive result, economic or otherwise.

In the case of culpable offences – for example in the field of occupational safety or certain environmental offences – the interest or advantage might lie in the saving of safety or environmental costs, or in increasing the speed of performance or productivity, sacrificing the adoption of accident prevention measures.

The liability of the entity exists, therefore, not only when it has derived 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 fact is motivated in the interest of the entity. 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.

It is also important to highlight that, if the offence is committed by qualified persons of an entity belonging to a group, the concept of interest can be extended in an unfavourable sense to the parent company: the offence committed by the subsidiary could also be charged to the parent company, provided that the natural person who committed the offence – also by way of complicity – also belongs functionally to it.

Similarly, liability 231 could also be borne by a subsidiary, if that company performs services in favour of another group company, provided that the elements described above exist.

1.4. Offences committed abroad

Entities that have their headquarters in Italy also respond in relation to crimes committed abroad, provided that:

- the State of the place where the offence was committed does not prosecute them;
- the cases and additional conditions provided for in articles 7, 8, 9 and 10 of the Italian Criminal Code are met so that the citizen and the foreigner can be punished pursuant to Italian law for offences committed in foreign territory;
- where the law provides that the offender is punished at the request of the Ministry of Justice, that request must also have been made against the entity.

1.5. Penalties

The penalties envisaged by the entities following the commission or attempted commission of the aforementioned offences are as follows:

- of a **PECUNIARY** nature, applied in quotas;⁵
- of a **DISQUALIFYING NATURE**, in addition to the pecuniary sanction:⁶
 - restriction from the exercise of the activity;
 - suspension or revocation of authorisations, licenses or concessions for the commission of the offence;
 - ban on negotiations with the Public Administration;
 - exclusion from benefits, loans, contributions or subsidies and possible revocation of those granted;
 - ban on advertising goods or services.
- **CONFISCATION** of the price and/or profit of the offence, including its equivalent⁷;

⁵ The pecuniary penalty is always applied if the court holds 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 crime, the degree of liability of the entity, the activity carried out to eliminate or mitigate the consequences of the crime or to prevent the commission of other offences; the amount of the single quota must be established instead, between a minimum of €258.00 and a maximum of €1,549.00, depending on the economic and financial conditions of the entity.

⁶ The interdiction penalties apply, in addition to the monetary penalties, only if expressly provided for in respect of the offence for which the entity is convicted and only where at least one of the following conditions is met: i) the entity has derived a significant profit from the offence and the offence was committed by a senior person, or by a subordinate if the commission of the offence was made possible by serious organisational deficiencies; ii) in the event of a recurrence of the offences. Exceptionally applicable with definitive effects, the disqualification penalties are temporary, with a duration that varies from three months to two years, and concern the specific activity of the entity to which the offence refers.

⁷ **The confiscation of the price or profit of the offence or of goods or other utilities of equivalent value** shall always be ordered upon conviction. The profit of the offence was defined by the United Sections of the Court of Cassation (see Cassation Pen., S.U., 27 March 2008, n. 26654) as the economic

- **PUBLICATION OF THE JUDGEMENT.**

1.6. Precautionary measures

In the event of serious indications of the existence of the entity's liability for one of the offences referred to in Decree 231, the following may be applied, as a precautionary measure, during the investigations:

- the disqualification measures referred to in the previous paragraph;
- the prior seizure of the price and/or profit of the offence, including its equivalent.

1.7. The changing circumstances of the entity

Decree 231 regulates the liability regime of the entity in the event of transformation, merger, spin off and sale of the company⁸.

1.8. Exemption from administrative liability

Decree 231 provides for forms of exemption from the administrative liability of the entity.

Where the crime is committed by the top managers (so called “*apicali*”)⁹, the entity is not liable if it can be proved that:

- the executive body adopted and effectively implemented, prior to the commission of the event, organisation and management models suitable to prevent crimes such as the ones committed;

advantage of direct and immediate causal derivation from the offence, and concretely determined net of the actual profit achieved by the injured party in the context of a possible contractual relationship with the entity; the United Sections have also specified that any corporate parameter must be excluded from this definition, so that the profit cannot be identified with the net profit made by the entity (except in the case, legally provided for, of commissioning of the entity).

⁸ In the event of a **transformation** of the company (art. 28, Decree 231), the liability for the crimes committed before the date on which the transformation took effect remains. The new company (or in any case legal entity) will, therefore, be subject to the penalties applicable to the original entity, for acts committed prior to the transformation.

In the event of a **merger**, the entity (art. 29, Decree 231) resulting from the merger, including by incorporation, is liable for the offences for which the entities that participated in the merger were liable. 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 **spin off**, (art. 30, Decree 231) the liability of the entity spun off for offences committed before the date on which the spin off took effect remains unaffected and the entities benefiting from the spin off are jointly and severally liable to pay the financial penalties imposed on the entity spun off 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, however, 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 spin off took place before the termination of the assessment of the entity's liability, the judge must take into account the economic conditions of the original entity and not those of the entity resulting from the spin off.

In the event of the **transfer** (art. 33, Decree 231) or assignment of the company within the scope of which the offence was committed, except for the benefit of prior execution of the assigning body, the assignee is jointly and severally obliged with the assigning body to pay the monetary penalty, within the limits of the value of the transferred company and within the limits of the monetary penalties resulting from the compulsory accounting books or due for offences of which the assignee was in any case aware.

⁹ “**Top management**” (so called “*apicali*”) means natural persons performing functions of representation, administration or management of those entities or of one of their organisational units with financial and functional autonomy, as well as natural persons exercising, including de facto, the management and control of those entities (e.g. directors, general managers, managers).

- the task of supervising the functioning of and compliance with the models, as well as ensuring that they are updated has been entrusted to a corporate body endowed with autonomous powers of initiative and control;
- the persons that committed the crime acted fraudulently avoiding the above-mentioned organisation and management models;
- there has been no omission or insufficient control by the (above) supervisory board.

Where the offence is committed by persons subject to the direction or supervision of one of the aforementioned top managers (so called “*apicali*”), the entity is liable if perpetration of the crime was made possible due to the failure to comply with the obligations of direction and supervision. Such non-compliance is, however, excluded if the entity, prior to the perpetration of the crime, adopted and effectively implemented an organisational model suitable to prevent crimes such as the ones committed.

1.9. Examination of suitability

The verification of the responsibility of the Company, attributed to the criminal court, takes place through: the verification of the existence of the underlying crime for the liability of the Company; and ii) the suitability review on the organisational models adopted.

The court's review of the abstract suitability of the organisational model to prevent crimes pursuant to Decree 231 is conducted in compliance with the criteria of the so-called “posthumous prognosis”. The judgement of suitability must be expressed pursuant to a substantially *ex ante* criterion for which the court ideally places itself in the company at the time in which the offence occurred in order to test the congruence of the model adopted. In other words, the organisational model which, prior to the commission of the offence, could and should be deemed to have excluded or, at least, minimised, with reasonable certainty, the risk of the offence subsequently being committed, shall be deemed “suitable to prevent crimes”.

2. THE GOVERNANCE SYSTEM OF PENTA S.R.L.

2.1. Company profile

Penta S.r.l. (hereinafter also “**Company**” or “**PENTA**”) is a company that deals with the study, research, construction and marketing, in Italy and abroad, of industrial plants in the chemical, agri-food, food and ecological sectors, as well as the trade of materials, spare parts and goods in general necessary for the production of industrial plants, in the sectors indicated above, belonging to the Piovan Group (www.piovan.com), a global leader in the development and manufacturing of automation systems for the storage, shipping and processing of polymers, bio-resins, recycled plastic, food liquids, food and non-food powders.

The Company is subject to direction and coordination by Piovan S.p.A., a company with shares listed on the Euronext Milan market (formerly MTA, *Mercato Telematico Azionario*) organised and managed by Borsa Italiana S.p.A. pursuant to the provisions of arts. 2497 et seq. of the Italian Civil Code.

The registered, administrative and commercial headquarters of the Company is located in Poggio Renatico (Ferrara), Via Uccellino 75/77 where the activity of design and construction of automation systems for the transport of powders mainly in the food sector takes place; the warehouses are located in Poggio Renatico (Ferrara) and Terre del Reno (Ferrara).

2.2. Institutional structure

Pursuant to the Company by-laws, PENTA is organised with the traditional administration and organisational control model, with the Quotaholders' Meeting, the Board of Directors and the Sole Auditor.

The Quotaholders' Meeting is competent to decide on matters reserved to it by law and the Company by-laws.

The BOARD OF DIRECTORS is vested, pursuant to art. 25.1 of the Company by-laws, with all the powers for the administration of the Company and the completion of the operations necessary for the implementation of the corporate purpose, except for the acts that by law are strictly reserved for the Quotaholders' Meeting.

The Sole Auditor monitors compliance with the law and Company by-laws, compliance with the principles of proper administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its actual functioning.

PENTA has appointed an independent auditing company (Deloitte & Touche S.p.A.) to audit its accounting and financial statements.

A SUPERVISORY BOARD has been appointed, pursuant to Decree 231, which is responsible for supervising compliance with the Model and verifying its adequacy in order to prevent the commission of the crimes envisaged by Decree 231 (see below, functions and powers).

2.3. Governance instruments

The instruments of governance of the organisation that ensure the functioning of the Company can be summarised as follows:

- the COMPANY BY-LAWS include various provisions relating to the governance of the Company and the correct performance of its functions, in compliance with the provisions of the law;

- the ORGANISATIONAL SYSTEM defines the company organisation in terms of structure, roles, responsibilities, scheme of authorisation and signature powers, line controls, levels of hierarchical dependence and description of the responsibilities of each employee, through the preparation of company organisational charts, job descriptions as well as the issuing of delegations of functions and organisational and service provisions;
- MANAGEMENT CONTROL is implemented through the phases of annual budget preparation, analysis of periodic final balances and processing of the Company's forecasts in order to allow the processing and transmission of information and the timely reporting of the existence and emergence of critical situations through an adequate and timely information flow and reporting system;
- The OPERATING PROCEDURES AND/OR PROTOCOLS regulate the manner in which corporate processes are carried out, also providing for the controls to be carried out to ensure the correctness, transparency and traceability of corporate activities, and comply with the following principles:
 - SEGREGATION OF DUTIES: the separation of responsibilities between those who perform, those who control and those who authorise the transaction / operation must be guaranteed;
 - REGULATION: there must be formal rules or consolidated practices suitable for providing principles of conduct and operating procedures for the performance of company activities;
 - AUTHORISATION AND SIGNATURE POWERS: there must be rules for the exercise of signature powers and internal authorisation powers, consistent with the organisational and management responsibilities assigned;
 - TRACEABILITY: for each operation, supporting documentation is kept on file that allows the reconstruction of the sources, information elements and controls carried out to support the formation and implementation of the Company's decisions, as well as the methods for the management of financial resources;
- the INFORMATION SYSTEM provides for adequate security measures to safeguard the company's document and information assets in order to prevent the risks of loss or alteration of data or company documents as well as any undesired access to them;
- the INTERCOMPANY agreements formally regulate the provision of services between the companies of the Piovan Group, ensure transparency as to the purpose of the services rendered and the relevant consideration, and are documented in a manner suitable to guarantee the truthfulness, congruence and completeness of the documentation and/or information provided for the purposes of the performance of the services requested.

2.4. Management of financial resources

The Company, in addition to the above, uses a management software (SAP) and adopts specific protocols containing the principles and behaviours to be followed in the context of the management of financial resources - as better defined in the Special Part - in compliance with the provisions of article 6, letter c) of Decree 231 on the identification of methods for the management of financial resources suitable for preventing the commission of crimes.

2.5. The management systems and certifications

PENTA is committed to maintaining a management system, in compliance with the ISO 9001 standard (quality management), certified by a third party.

2.6. The system of proxies and powers

A system of proxies and signatory powers towards the outside is in place, consistent with the responsibilities assigned to each Director, representative or employee. This system:

- is formalised in compliance with the applicable laws;
- clearly indicates the delegated persons, the duties required of the recipients of the proxy and the powers respectively assigned;
- provides for limitations on the proxies and spending powers conferred, including through a system of joint signatures;
- provides for measures aimed at allowing control over the exercise of the powers granted;
- provides for the application of penalties in the event of breaches of the delegated powers;
- is consistent with the principle of segregation of duties;
- is consistent with corporate regulations and with the other internal provisions applied by the Company.

2.7. The internal audit system

The internal audit system is a set of rules, procedures and organisational structures aimed at monitoring compliance with the strategies and the achievement of the following purposes:

- 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.

The Board of Directors is responsible for the Internal Control System and oversees its implementation and operation.

3. THE ORGANISATION MODEL OF PENTA S.R.L.

3.1. Objectives

The Board of Directors, in order to ensure conditions of correctness, efficiency and transparency in the conduct of business and corporate activities, to protect its own position and image and the expectations of all stakeholders, has taken steps - after verifying the compliance of the principles of conduct, organisational structure and procedures already adopted with the purposes envisaged by Decree 231 – to adopt and implement its own Organisation, Management and Control Model (hereinafter “**Model**” or “**Organisation Model**” or “**231 Model**”) and appoint a Supervisory Board pursuant to Decree 231, charged with overseeing the observance, operation and updating of the Model. Aware of the need to keep the Model up-to-date so that it is suitable for preventing the commission of the predicate offences provided for, the Company has approved periodic revisions of the same¹⁰.

The adoption of the Model constitutes a valid tool for raising awareness and guiding the work of all those who operate in the name and on behalf of the Company, so that they follow, in the performance of their activities, correct conduct that is respectful of the law and the corporate rules.

The principles of the Model also include:

- provide adequate **information** to the Recipients (§ 3.3) regarding the activities that involve the risk of committing offences;
- disseminate a **business culture** based on legality: the Company condemns any conduct that does not comply with the law, internal provisions and in particular its Model;
- spread the **culture of risk management and control**;
- implement an effective and efficient **organisation** of business activities, with particular emphasis on the formation of decisions and their transparency, the provision of preventive and subsequent controls, and the management of internal and external information;
- implement all **necessary measures** to reduce the risk of offences being committed as far as possible and in a short time.

¹⁰ See audit history, on file.

The 231 Model, although guided by the perspective of crime prevention, also contributes to enhancing corporate *compliance* tools in the field of Environment, Social and Governance (ESG), pending the convergence between some of the Sustainable Development Goals (SDGs) of the 2030 Agenda of the United Nations and the general interests protected by Decree 231.

3.2. Description of the Organisation Model

The PENTA Model consists of:

- CODE OF ETHICS OF PIOVAN GROUP, which defines the set of values, principles of conduct and general lines of behaviour that must guide strategic thinking and the conduct of all corporate activities (hereinafter also “**Code of Ethics**”); on the relationship between Model 231 and the Code of Ethics see *below*, § 3.5.
- GENERAL PART, containing the principles of Decree 231, the methodological approach, the function of the Model, the governance mechanisms of the Company and the general control principles, the functions and powers of the Supervisory Body, the reporting system, penalty system and Whistleblowing system;
- SPECIAL PART, divided into several “dedicated” **SECTIONS** and aimed at overseeing activities at risk (relevant offences; specific corporate activities that are sensitive and/or “at risk”; general rules of conduct and specific procedural principles (**protocols**); the same is accompanied by the DOCUMENT DESCRIBING THE OFFENCES, containing a brief illustrative illustration of the offences envisaged by Decree 231;
- INSTRUMENTS FOR IMPLEMENTING THE MODEL, i.e.: all provisions, internal measures, acts and company operating procedures, such as, for example, articles of association, delegations and powers, organisation charts, job descriptions, organisational provisions, etc., including:
 - quality management system procedures in compliance with ISO 9001
 - company procedures and instructions in compliance with Italian Legislative Decree 196/2003 as supplemented by Italian Legislative Decree 101 of 10 August 2018 (“**Data Protection Code**”) and EU Regulation 2016/679 on the processing of personal data (**GDPR**)
 - internal procedure for the management of inside information adopted by Piovan S.p.A.
 - procedures for reporting breaches (Whistleblowing)
 - Piovan Group guidelines, procedures and policies.

3.3. Recipients

The provisions of Model 231 and, in particular, of this **General Part** are binding on (hereinafter the “**Recipients**”):

- members of corporate bodies, Directors and Company managers;
- employees and persons in any capacity subject to the direction or supervision of the Company's corporate management;
- persons who collaborate with the Company by virtue of a para-subordinate employment relationship, e.g.: project collaborators, temporary workers, interim, etc.
- those who, although they have a contractual relationship with other companies of Piovon Group, in substance they operate in a significant or continuous manner in the name of or on behalf of or in the interest of the Company.

By virtue of specific contractual clauses, the following may also be Recipients persons:

- collaborators, consultants and persons operating on behalf of or in the name of or in the interest of the Company;
- suppliers, agents, distributors and business partners (including in the form of a temporary association of companies, as well as joint ventures) operating in a significant or continuous manner on behalf of or in the interest of the Company, partners for the realisation or acquisition of a business project, etc.

The Governing 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.

3.4. The realisation of the Model

The Model is a structured and organic system of principles, internal rules, operating procedures and control activities aimed at a diligent and transparent performance of the Company's activities, in order to prevent the commission of the offences and crimes provided for in Decree 231.

3.4.1. Requirements identified in Decree 231

In particular, pursuant to Decree 231, the Model must:

- identify the activities in which crimes may be committed;
- envisage specific protocols aimed at planning the formation and implementation of the enterprise's decisions in relation to the crimes to be prevented;
- identify ways to manage financial resources in such a way as to prevent the commission of crimes;
- provide for information obligations vis-à-vis the body responsible for supervising the functioning and compliance with the models;

- introduce a disciplinary system suitable for penalising non-compliance with the measures indicated in the Model;
- provide for internal channels for reporting breaches (whistleblowing), in compliance with applicable legislation¹¹.

3.4.2. Confindustria Guidelines

Art. 6 paragraph 3 of Decree 231 expressly provides that Organisation Models can be adopted on the basis of Codes of Conduct prepared by the representative associations of entities.

Confindustria has drawn up the *“Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree 231/2001”*, prepared by Confindustria and approved by the Ministry of Justice¹².

These Guidelines provide for the following design phases:

- risk mapping, i.e. the analysis of the business context to highlight the areas of activities in which the crimes envisaged by Decree 231 may occur and the potential methods of committing them;
- the preparation of a control system (consisting of the set of management and operational procedures, as well as specific protocols) suitable for preventing the risks of crime identified in the above mapping, through the evaluation of the existing control system within the body and its degree of adaptation to the needs expressed by Decree 231.

The preventive control system for **intentional** crimes must provide for:

- the adoption of ethical principles outlined in a code of ethics or code of conduct;
- a sufficiently formalised and clear organisation system, in particular with regard to the attribution of responsibilities, lines of hierarchical dependence and description of tasks with specific provision for control principles;
- information systems, or manual and/or computer procedures that regulate the performance of activities, providing for appropriate control points;
- authorising and signing powers consistent with the organisational and management responsibilities;
- communication to staff and training, modulated differently on the basis of the recipients;
- integrated control systems that consider all operational risks, in particular related to the potential commission of offences pursuant to Decree 231, which provide timely reporting of the existence and occurrence of critical situations.

¹¹ See Decree 231, art. 6 n. 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)”*; see Italian Legislative Decree 24 of 10 March 2023 transposing Directive (EU) 2019/1937.

¹² The first edition was held on 7 March 2002, updated for the first time in 2008, then in 2014 and, finally, in 2021.

The preventive control system for **negligent** crimes (safety and environment) must provide for:

- code of ethics or conduct that is an expression of the company's policy on health and safety at work and respect for the environment;
- organisational structure with tasks and responsibilities formally defined in compliance with the organisational and functional scheme of the company, with an articulation of functions that ensures adequate technical skills and the powers necessary to assess, manage and control health and safety and environmental risks, in line with the nature and size of the company and the characteristics of the activity carried out;
- training and education aimed at ensuring that all staff, at all levels, are aware of the importance of the conformity of their actions with respect to the Model and the possible consequences due to behaviour that deviates from the provisions of the Model;
- operational management, i.e. the control system should integrate and be consistent with the overall management of the business processes;
- monitoring system, the management of health, safety and environmental obligations should include planned and constant verification of the appropriateness of the measures adopted.

Finally, the Guidelines recall a series of control principles, including:

- verifiability, traceability, consistency and congruity of each operation, transaction and action;
- application of the principle of separation of functions and segregation of duties (no one can independently manage an entire process);
- introduction, execution and documentation of control activities on processes and activities at risk of crime.

The above can be summarised in the table below¹³.

¹³ Note that the Guidelines are not mandatory and failure to comply with specific points of the Guidelines does not in itself affect the validity of the Model. In fact, the Company has created its own Model 231 on the basis of best practice and the Confindustria Guidelines, whose indications – however, not mandatory and of a necessarily general and standardised nature – have been taken into consideration, integrated or disregarded in order to prepare an effective organisational model in the light of the corporate structure, core business and business reality of Penta S.r.l.

PREVENTIVE CONTROL SYSTEMS INTENTIONAL OFFENCES	PREVENTIVE CONTROL SYSTEMS CULPABLE CRIMES (SAFETY AND ENVIRONMENT)	PRINCIPLES OF CONTROL
<p>Code of ethics or code of conduct</p> <p>Sufficiently updated, formalised and clear organisation system</p> <p>Manual and IT procedures (information technology systems)</p> <p>Authorisation and signing powers</p> <p>Communication to staff and their training</p> <p>Integrated control systems</p>	<p>Code of ethics or code of conduct</p> <p>Organisational structure</p> <p>Training and education</p> <p>Communication and involvement</p> <p>Operations management</p> <p>Monitoring system</p>	<p>➔ <i>“Every operation, transaction, action must be: verifiable, documented, consistent and congruent”.</i></p> <p>➔ <i>“No one can independently manage an entire process”</i></p> <p>➔ <i>“Checks must be documented”</i></p>

3.4.3. Methodological approach

The Company has defined the general principles, structure and components of its Organisation Model in compliance with the provisions of Decree 231, and also inspired by best practice and the Confindustria Guidelines referred to above. The preparation and subsequent updates of the Model have been articulated through:

- examination of the business context in order to define the organisation and activities carried out by the various Company departments, as well as the business processes in which the activities are divided and their concrete and effective implementation;
- examination of existing control and prevention instruments, aimed at regulating corporate governance, such as the Company By-laws, system of delegations and proxies, agreements, including intra-group agreements, as well as other organisational documents, procedures, etc.

- interviews with department managers, aimed at i) identifying the crimes relevant for the purposes of Decree 231 deemed applicable to the Company's activities; ii) identifying the areas of activities and processes at “risk” or instrumental to the commission of the crimes and the potential implementation methods of the crime; iii) examining the internal rules and protocols – formalised or not – in reference to the areas identified as at risk of crime (so-called *self-assessment*); and iv) defining standards of behaviour and control for the activities that, in agreement with the Management Body, it has been deemed appropriate to regulate;
- identification of methods for managing financial resources that are suitable for preventing the commission of offences;
- identification of the person in charge of supervising the concrete application of the Model (Supervisory Body);
- adoption of a Code of Ethics;
- provision of a disciplinary system suitable for punishing non-compliance with the provisions of the Code of Ethics and 231 Model, including any breaches of the Applicable Whistleblowing Regulations (as defined in § 5.4, *below*);
- provision of an internal channel to report any breaches/illegal behaviour, suitable for guaranteeing the confidentiality of the identity of the whistleblower and protection from any discrimination or legal retaliation to the report, in compliance with the Applicable Whistleblowing Regulations¹⁴.

3.5. Relation between the Organisation Model and the Code of Ethics

The Company has adopted the Piovani Group's Code of Ethics, the ultimate purpose of which is to indicate the rules of conduct and the ethical-social values that must guide the behaviour of the Company and the Recipients of the Code of Ethics.

The Model and the Code of Ethics form an integrated body of internal rules aimed at disseminating a culture marked by ethics and corporate transparency, although they serve a different purpose:

- the Code of Ethics represents an instrument adopted autonomously and intended for general application by the entire Piovani Group with the purpose of expressing a series of principles of ethics, legality and transparency that the Company and the Group recognise as their own and on which they intend to call for compliance by all employees and all those who cooperate in the pursuit of corporate purposes;
- on the other hand, the Model responds to specific provisions set out in Decree 231, aimed at preventing the commission of particular types of crimes that may entail the “criminal-administrative” liability of the Company.

¹⁴ See footnote 11.

4. THE PENALTY SYSTEM

4.1. 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.¹⁵

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, Code of Ethics or Instruments for implementing the Model, committed by anyone, must be immediately communicated, in writing, to the Supervisory Board, without prejudice to the procedures and measures within the competence of the holder of the disciplinary power. The duty to report is incumbent on all Recipients of the Model.

By way of example, the following conduct constitutes a disciplinary offence:

- the breach, even with omissive conduct and in possible collaboration with others, of the principles of the Code of Ethics, of the Model Implementation Instruments;
- omission of controls on sensitive activities provided for by the Model;
- the drafting, possibly 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 evade 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 prescribed by the Model and the related procedures for the protection of the health and safety of workers;
- the omission of the controls prescribed 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:

¹⁵ Arts. 6 subsection n2, letter e) and 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.

- make malicious or grossly negligent reports that turn out to be unfounded or in bad faith;
- adopt discriminatory or retaliatory measures against the whistleblower;
- hinder or attempt to hinder reports;
- omit the activity of verification and analysis of the report (by the person in charge for this purpose);
- breach the general principles of protection with particular reference to respect for the confidentiality of the identity of the whistleblower.

4.2. Disciplinary measures

The Model and the Code of Ethics constitute a set of rules to which the personnel must comply also in compliance with the provisions of the applicable National Labour Collective Bargaining Agreement on the subject of 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, middle 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).

4.3. 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 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 a criminal proceeding.

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

4.4. 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 Regulations on Whistleblowing, 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).

4.5. Penalties for managers

Although the disciplinary procedure pursuant to art. 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 Regulations on Whistleblowing, 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/breaches and any repetition.

It is also a disciplinary offence for management personnel not to supervise the correct application, by hierarchically subordinate 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 apply, in the cases of maximum gravity.

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 warning 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.

4.6. Measures against Directors, Statutory Auditors and the Supervisory Board

Measures against Directors

If the Supervisory Board, the Sole Auditor or the Board of Directors, in the performance of their duties, should 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 Quotaholders' Meeting in order to adopt the most appropriate measures provided for by law and/or revoking any powers granted to the Director.

Measures against the Sole Auditor

If the Supervisory Board or Board of Directors, in the performance of their duties, find themselves in the presence of any breach of this Model by the Sole Auditor, the aforementioned bodies shall immediately notify the Board of Directors so that the latter may take the appropriate measures, including, for example, the calling of the Quotaholders' Meeting in order to take the appropriate measures envisaged by the law.

Measures against members of the Supervisory Board

If the Supervisory Board, Sole Auditor or 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.

4.7. Measures against third parties

Any conduct by external collaborators, consultants, business partners and suppliers that is in conflict with the lines of conduct indicated by the Model or the Code of Ethics and which entails the risk of committing an offence envisaged by Decree 231 or the exposure of the Company to the risk of penalties envisaged by Decree 231, may determine, in compliance with the provisions of the specific contractual clauses included in the letters of appointment or in the agreements, the termination of the contractual relationship, or the right to withdraw from the same, without prejudice to any claim for compensation if such conduct causes damage to the Company.

4.8. Penalties in the event of breach of the Applicable Whistleblowing Regulations

See § 5.4 (Whistleblowing), below.

5. THE SUPERVISORY BOARD

Article 6 of Decree 231 establishes that *“the task of supervising the functioning and compliance with the models and ensuring their updating”* must be entrusted *“to a body of the entity endowed with autonomous powers of initiative and control”*¹⁶.

5.1. Appointment and revocation

The Supervisory Board (hereinafter also **“SB”**) is a staff function of the Board of Directors and is appointed by resolution of the latter. The appointment must specify the criteria adopted in identifying, structuring and type of the body or function vested with the role of Supervisory Board, as well as the reasons that led to that choice and to designate the individual members of the Supervisory Board, who must personally meet the requirements of honourableness, professionalism and morality. The Board of Directors also appoints the Chairman of the Body in the aforementioned resolution.

The appointment must envisage the duration of the appointment, which is fixed-term three-year duration, possibly renewable. The SB continues to perform its functions ad interim (under the so-called extension) until the new members of the same Body are appointed.

Grounds for ineligibility or disqualification:

- being the owner, directly or indirectly, of shares or stockholdings in the Company or in other companies of Piován Group;

¹⁶ It is noted that hereby this document, the senior management of the company (i.e. the Board of Directors), notwithstanding the establishment of the Supervisory Board, maintains unchanged all the powers and liabilities envisaged by the Italian Civil Code, in addition to those relating to the adoption and effectiveness of the Organisation Model, as well as the establishment of the Body.

- being a close family member of Directors of the Company or of persons owning, directly or indirectly, shares or shareholdings in the Company or in other companies of Piovani Group, including senior management or members of control bodies;
- being disqualified, incapacitated or bankrupt;
- having been subjected to preventive measures pursuant to anti-mafia legislation;
- having been convicted or having settled pursuant to art. 444 of the Italian Code of Criminal Procedure:
 - for events related to the performance of the assignment;
 - for events that significantly affect professional morality;
 - for acts that involve disqualification from public offices, management offices of companies and legal persons, from a profession or an art, as well as inability to negotiate with the Public Administration;
 - for having committed one of the crimes envisaged by Decree 231;
- being subject to criminal proceedings for any of the facts referred to in the previous point or for an offence envisaged by Decree 231, from the moment in which the commencement of criminal proceedings is notified pursuant to arts. 405 and 415bis of the Italian Code of Criminal Procedure and until a verdict that there is no case to answer is issued not to proceed pursuant to art. 425 of the Italian Code of Criminal Procedure, or if the proceeding does proceed, until an order of acquittal is issued pursuant to article 529 and 530 of the Italian Code of Criminal Procedure;
- have been subject to the accessory administrative penalties set forth in art. 187-quarter of Italian Legislative Decree 58 of 24 February 1998.

as well as **the existence of conflicts of interest, including potential, with the Company such as to undermine the independence required** by the role and tasks of the Supervisory Board.

The occurrence of even only one of the aforementioned conditions entails the ineligibility to the office of member of the SB and, if the member has already been elected, the automatic forfeiture of said office.

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 employed, in the event of termination of said relationship and regardless of the cause of termination of the same.

The members of the SB cease their role due to resignation, incapacity, death or revocation.

The members of the Supervisory Board may be dismissed for just cause by resolution of the Board of Directors, after consulting the Sole Auditor. By way of a non-limiting example, just cause exists in the case of:

- assessment of a serious breach by the Supervisory Board in the performance of its duties;
- failure to notify the Board of Directors of a conflict of interest preventing the continuation of the role of member of the SB;
- a conviction of the Company, even if the judgement is not final, or a plea bargaining sentence pursuant to art. 444 of the Italian Code of Criminal Procedure,
- if omission or insufficient supervision by the Supervisory Board is ascertained from the case records;
- breach of confidentiality obligations with regard to news and information acquired in exercising its functions as Supervisory Board;
- for the member connected to the Company by an employment relationship, the commencement of disciplinary proceedings for facts that may lead to the penalty of dismissal.

Revocation is decided by a resolution of the Board of Directors.

In case of resignation, incapacity, death or revocation of a member of the Supervisory Board, the Chairman of the SB will promptly notify the Board of Directors who will make the appropriate decisions.

In the event of resignation, incapacity, death or revocation of the Chairman of the Supervisory Board, the oldest member takes over, who remains in office until the date on which the Board of Directors has resolved on the appointment of the new Chairman of the Supervisory Board.

5.2. Requirements

The Board of Directors assesses, before the appointment of the Supervisory Board and subsequently, with adequate frequency, the existence of the requirements indicated below by the Supervisory Board, as a whole.

5.2.1. Professionalism

The Supervisory Board possesses - as a whole - the technical-professional skills that allow it to carry out, with competence and objectivity of judgement, the assigned functions.

In particular, specific skills in inspection and consultancy activities must be guaranteed, such as skills related to statistical sampling, analysis and risk assessment techniques, interview and questionnaire processing techniques, as well as methodologies for the identification of fraud.

5.2.2. Autonomy and independence

The Supervisory Board is autonomous and independent.

The Supervisory Board is autonomous vis-à-vis the Company, i.e. it is not involved in any way in operational activities, nor it is involved in management activities. Furthermore, the SB has the possibility to perform its role without direct or indirect conditioning by the controlled parties. The activities carried out by the Supervisory Board cannot be supervised by any other company body or structure.

The SB is also autonomous in a regulatory sense, i.e. it has the possibility to determine its own behavioural and procedural rules within the scope of the powers and functions determined by the Board of Directors.

The requirement of independence is ensured by the non-involvement of the Supervisory Board in operational and management activities and by the appropriate hierarchical position that allows direct reporting to the Board of Directors.

5.2.3. Budget

In order to further strengthen the requirements of autonomy and independence, the Supervisory Board has an adequate initial and periodical budget, previously approved by the Board of Directors. The SB may dispose of this budget in full autonomy, subject to the need to report on its use, at least on an annual basis.

5.2.4. Continuity of action

The Supervisory Board is required to constantly supervise compliance with the Model by the Recipients, to ensure its implementation and updating, representing a constant reference for all the Company's personnel¹⁷.

5.3. The SB of Penta S.r.l.

The Company has opted for a Supervisory Board with a sole member, which can be contacted at the following addresses.



SUPERVISORY BOARD – PENTA S.R.L.

Via Uccellino, 75/77, 44028 Poggio Renatico (FE)

odv@penta.piovan.com

¹⁷ The Confindustria Guidelines specify that medium and large companies should have “a full-time structure dedicated to the supervision of the Model”.

Considering the functions of the Supervisory Board and the specific professional content required by the latter, in the performance of its supervisory activities, the SB may be supported by a dedicated staff and may avail itself of the support of other departments within the Company for an effective implementation of the provisions of the Model.

5.3.1. Functions and powers

Without prejudice to the responsibility of the Board of Directors for the adoption, implementation and updating of the Model, the Supervisory Body is entrusted with the following tasks:

- supervise compliance with the Model by the Recipients, with particular reference to the conduct observed within the company. It should be noted that control activities are always primarily the responsibility of operational management and are considered an integral part of every business process (“line control”), hence the importance of a staff training process¹⁸;
- verify the adequacy of the Model, or the effective capacity of the Model to prevent the commission of the crimes set forth by Decree 231;
- monitor and evaluate the maintenance of the soundness and functionality requirements of the Model over time, promoting all necessary actions to ensure its effectiveness;
- inform the Company of the opportunity to update¹⁹ the Model, where there is a need for adaptation in relation to:
 - significant breaches of the provisions of the Model;
 - significant changes to the internal structure of the Company and/or the methods of carrying out business activities;
 - regulatory changes.

¹⁸ See Confindustria Guidelines: “In particular, the following levels of supervision are outlined:

- a **1ST LEVEL OF CONTROL**, which defines and manages the so-called line controls, inherent in the operational processes, and the related risks. It is generally carried out by the internal resources of the structure, both in self-control by the operator and by the supervisor/manager but may involve, for specialised aspects (for example for instrumental checks) the use of other resources internal or external to the company. It is also good that the verification of organisational and procedural measures relating to health and safety is carried out by the subjects already defined when assigning responsibilities (generally these are managers and supervisors). Among these, the Prevention and Protection Service is of particular importance and is responsible for developing, to the extent of its competence, the control systems for the measures taken;
- a **2ND LEVEL OF CONTROL**, carried out by company technical structures competent in the matter and independent from those of the 1st level, as well as from the work sector under verification. This monitoring oversees the management and control process of the risks related to the operation of the system, guaranteeing its consistency with the company's objectives;
- for the most structured and medium-large organisations, a **3RD LEVEL OF CONTROL**, carried out by the Internal Audit, which provides assurance, or independent assessments on the design and operation of the overall Internal Control System, accompanied by improvement plans defined in agreement with the Management”.

¹⁹ The Confindustria Guidelines specify that this updating activity is carried out through:

- suggestions and proposals to corporate bodies or functions able to give them concrete implementation in the corporate fabric, depending on the type and scope of the interventions: proposals regarding formal or minor aspects will be addressed to the Personnel and Organisation function or to the Director, while in other cases of greater importance they will be submitted to the Board of Directors;
- *follow-up*: verification of the implementation and effective functionality of the proposed solutions.

The activities carried out by the Supervisory Board cannot be supervised by any other corporate body or function, it being understood, however, that the Board of Directors is, in any case, called upon to carry out a final supervisory activity on the adequacy of the intervention of the SB, as Decree 231 places the ultimate responsibility for the operation and effectiveness of the Model on the Governing Body (art. 6, paragraph 1, letter a).

The Supervisory Board has its own Rules of Operation, approving their contents and submitting them to the Board of Directors.

The Supervisory Board organises its activities on the basis of an annual action plan, submitted to the Board of Directors.

In carrying out these activities, the Supervisory Board will proceed, inter alia, to:

- promote the dissemination of knowledge and understanding of the Model in the business context;
- coordinate with the corporate functions (also through specific meetings) for the best monitoring of the sensitive and/or "at risk" company activities;
- coordinate with the other Control Bodies, also through specific meetings;
- verify the establishment and functioning of specific "dedicated" information channels (e.g. e-mail address, whistleblowing line, etc.), aimed at facilitating the flow of reports and information to the Supervisory Board;
- carry out checks on certain transactions or specific acts carried out within the sensitive and/or "at risk" areas of corporate activity;
- verify the effective performance of the information and training initiatives on the Model undertaken by the Company;
- report to the Board of Directors any breaches of the Model that are deemed well-founded.

For the purpose of carrying out the tasks listed above, the Supervisory Board is vested with the following powers:

- issue provisions to regulate its activities and prepare and update the list of information to be received from corporate functions;
- access, without prior authorisations, any company document relevant for the performance of the functions for which it is responsible;
- carry out internal investigations, if necessary using the competent corporate functions;
- provide that the managers of the Company departments, and in any case all the Recipients, promptly provide the information, data and/or news requested from them in order to identify aspects connected to the various corporate activities relevant to the Model and to the verification of its actual implementation by the Company;
- report to the competent corporate functions and bodies the opportunity to initiate sanctioning procedures following the assessment of breaches of the Model;

- make use of external consultants of proven professionalism in cases where this is necessary for the performance of the above-mentioned activities.

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.

5.3.2. Reporting to corporate bodies

The Supervisory Board liaises on an ongoing basis with the CEO Food and the COO; there is also regular communication to the Board of Directors.

The Supervisory Board reports to the Board of Directors:

- if necessary, regarding the formulation of proposals for any updates and adjustments to the Model;
- immediately, in relation to ascertained breaches of the Model, in cases where such breaches may entail the incurring of a liability by the Company, in order to ensure that appropriate measures are taken;
- periodically, submitting an information report, at least on an annual basis, concerning:
 - the verification and control activities carried out and the outcome thereof;
 - any critical issues that have emerged in terms of conduct or events that may have an effect on the adequacy or effectiveness of the Model and the appropriate corrective or improvement measures;
 - any changes to the regulatory framework;
 - statement of expenses incurred;
 - the identification of the work plan for the following year.

The report is also sent, in copy, to the Sole Auditor. The Supervisory Board may be called at any time by the Board of Directors or may submit a request to that effect, to report on the functioning of the Model or on specific situations.

5.3.3. Information flows

The SB must be constantly informed about what is happening in the Company. The information obligations towards the Supervisory Board guarantee an orderly performance of the supervisory and control activities on the effectiveness of the Model.

5.3.3.1. “Event-driven” Information flows

Any information, of any kind, pertaining to the implementation of the Model in the areas of sensitive activities as well as compliance with the provisions of Decree 231, which may be useful for the purposes of carrying out the tasks of the Supervisory Board, must be promptly communicated to the latter. In particular, the following circumstances must be promptly communicated to the Supervisory Board:

- **exceptions or breaches** of the provisions of 231 Model and the procedures referred to therein;
- hypotheses of **crime**, even presumed ones or any suspicious attitudes with reference to the crimes covered by Decree 231, on the part of internal or external persons who, in whatever capacity, operate within the so-called “sensitive” and/or at risk of crimes areas;
- circumstances that may result in any **conflict of interest**;
- measures and/or information from bodies of the Criminal Investigations Department, or any other public authority, which indicate the progress of the **investigation** activities for the offences referred to in Decree 231 or other offences, also against unknown persons, in compliance with legally imposed obligations of confidentiality and secrecy;
- **reports** or requests for legal assistance sent to the Company by senior managers (so called “*apicali*”) or those subject to other management in the event of legal proceedings being brought against them for one of the crimes set forth by Decree 231;
- accesses **/inspections/notifications/requests** from the Authorities, Police or Judicial Police;
- assessment **reports** prepared by the bodies responsible and issued or sent to the Company;
- the occurrence of any **disputes** (including proceedings before tax commissions);
- changes in the system of delegation and proxies, changes in the Company's By-laws or organisation chart, changes relating to management positions, as well as changes to the system of powers and proxies for occupational health and safety and the environment;
- changes to the **information** systems relating to the general ledger;
- **workplace accidents**;
- critical **environmental** issues;
- issues, changes and updates to **authorisations** relating to environmental matters;
- any decisions relating to the application, disbursement and use of **public funding**;
- any **sponsorship** initiatives;
- any **extraordinary corporate transactions**;
- any participation in **tenders** with public administrations and/or decision to sell to public bodies, including foreign entities;

- information relating to the effective **implementation**, at all Company levels, of the Model, with evidence of any **penalties** imposed, or of orders to dismiss penalty proceedings, with relevant reasons;
- **reports** prepared by the various managers as part of their control activities, from which facts, acts or omissions emerge with critical profiles with respect to compliance with the provisions of Decree 231 or the Model;
- **reports** by collaborators, agents and representatives, consultants and, in general, self-employed persons, by suppliers and partners (including in the form of a temporary association of companies, as well as joint ventures), and, more generally, by all those who, for whatever reason, work on behalf of or in the interest of the Company, concerning violations or non-application of the Model or the Code of Ethics.

5.3.3.2. Information flows on a periodic basis

In addition to the above-mentioned “event-driven” information flows, the information, data and news specified in the DESCRIPTIVE DOCUMENT OF INFORMATION FLOWS – which constitutes an integral part of this Model – must be communicated to the Supervisory Board in the manner and within the time-frame provided therein.

Employees, collaborators and function managers with information requirements are required to cooperate with the Supervisory Board, allowing for the collection of all further information deemed necessary for their adequate assessment.

5.3.4. Methods for transmitting information flows and reports to the SB

Without prejudice to the whistleblowing provisions envisaged in § 5.4 below, the above-mentioned information flows and reports of any breaches or suspected breaches of the Model or of the Code of Ethics must be forwarded to the Supervisory Body, through the following channels:

- sending an e-mail addressed to the dedicated mailbox (odv@penta.piovan.com), or
- sending a postal notice in a sealed envelope addressed to: **Supervisory Board of Penta S.r.l. – Via Uccellino 75/77, Poggio Renatico (FE)**, affixing the word “**CONFIDENTIAL**” on the envelope.

Reports of breaches or suspected breaches of the Model or the Code of Ethics may also be anonymous, but must, in any case, describe in a comprehensive and detailed manner the facts and persons reported.

The Supervisory Board (i) ensures the confidentiality of the identity of the whistleblowers, without prejudice to legal obligations and the protection of the rights of the Company or of persons accused wrongly or in bad faith; (ii) discretionally and under its sole responsibility evaluates the information flows and reports received; (iii) undertakes, where appropriate, further verification activities, if necessary availing itself of the corporate functions responsible or external specialised consultants; (iv) proposes any disciplinary actions and (v) in the event of reports not pertaining to the 231 Model or Code of Ethics, forwards the report to the Ethics Committee, through the WB Platform adopted by the Piovan Group.

The reports received and the documentation managed by the Supervisory Board are generally kept by the Supervisory Board itself in a special archive, in paper or electronic form. Access to this archive is allowed to persons authorised from time to time by the Supervisory Board.

An alternative reporting channel capable of guaranteeing the confidentiality of the identity of the reporting person by computerised means is the WB Platform of Piovan Group (see § 5.4 below). Through this system, reports concerning breaches of the 231 Model or the Code of Ethics will be communicated to the Supervisory Board, in compliance with internal procedures.

In order to ensure the protections provided by the Applicable Whistleblowing Regulations, the Company encourages the use of the WB Platform, regulated below.

5.4. Whistleblowing

The new regulations for the so-called *Whistleblowing*

Art. 6, *subsection 2-bis*, of Italian Legislative Decree 231/2001 provided that Organisation Models must 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*”. Italian Legislative Decree 24 of 10 March 2023 transposing EU Directive 2019/1937 (“**Applicable Whistleblowing Regulations**”) aims to strengthen the legal protection of persons who report breaches of national or European legislation, which damage the interests and/or integrity of the public or private body to which they belong, of which they have become aware in the course of their work and replaces the previous legislation envisaged by Italian Law 179 of 30 November 2017.

The Company, in compliance with the provisions of the Applicable Whistleblowing Regulations, promotes and encourages the culture of prevention and reporting of offences.

WB Platform

A dedicated channel (**WB Platform**) is active, capable of guaranteeing, including by using encryption tools, the confidentiality of the whistleblower's identity, any third parties

mentioned in the report, as well as the content of the same and the related documentation²⁰. The channel is accessible via a special link:

<https://piovan.whistleblowing.biz/>

The whistleblower is guided in the use of the WB Platform. For further information please see the "Whistleblowing Procedure", available on the website www.piovan.com.

Whistleblowing Procedure

The Company has adopted the "Procedure for Reporting Breaches" prepared by the Holding ("**WB Procedure**"), which regulates, *inter alia*: i) the persons who benefit from the protection measures provided for by Legislative Decree no. 24 of 10 March 2023; ii) the objective scope of the reports admitted and those not admitted because they are unrelated to the Applicable Whistleblowing Regulations or are prohibited; iii) the conditions for making internal reports through the WB Platform and the relevant conditions of admissibility; iv) the methods and time-frames for carrying out the investigation; v) the conditions for making external reports to the National Anti-Corruption Authority; vi) the protection measures, including the prohibition on retaliation; vii) disciplinary penalties. The person in charge of receiving and managing reports of breaches relevant to the Applicable Whistleblowing Regulations is the Ethics Committee of Piovan Group.

Training and information

The Company promotes the knowledge of the WB Procedure and communicates to its personnel, by means of appropriate training initiatives, in a clear and complete manner the internal reporting procedure adopted as well as the prerequisites and conditions for resorting to external reporting.

Penalties in the event of breach of the Applicable Whistleblowing Regulations

The Company prohibits any form of retaliation or discriminatory behaviour, for reasons directly or indirectly linked to the report. Breach of the WB Procedure and, more generally, of the Applicable Whistleblowing Regulations, in addition to being a disciplinary offence (see chapter 4 "*Penalty System*" of this Model) may result in sanctions by ANAC²¹.

²⁰ Please refer to the Confidentiality Guidelines on WB in the private sector. "*Apart from the case of sharing the channel among subjects up to 249 employees, the Decree does not provide for the possibility of sharing the channel between companies belonging to the same group but exceeding this dimensional threshold. (omissis). (...) In this context, therefore, several operational solutions are conceivable:*

a) a first solution is the decentralised management at the level of a single subsidiary (... omissis)

b) a second solution is to entrust the Holding, as a third party with respect to the subsidiaries, with reporting activities. In these cases, in addition to the use of a single IT platform (possibly with dedicated and segregated channels for each company) prepared by the Holding, in line with the provisions of art. 4, sub. 2, of the Decree, each subsidiary may entrust the management of the whistleblowing channel to the third party, identified in the Holding. (...).

²¹ The National 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

6. DISSEMINATION OF THE MODEL

6.1. Disclosure

With regard to the dissemination of the Model, the Company undertakes to:

- publish the general part of the Model and the Code of Ethics, in its updated version, on the website and on the company intranet;
- send a communication to all staff concerning the adoption of the Model and periodic updates;
- publish the Model and the tools for its implementation on the company intranet or on any other communication tool deemed appropriate;
- organise information activities aimed at disseminating awareness of Decree 231 and of the provisions of the Model, in the event of updates or amendments thereto, in the manner deemed most appropriate.

With regard to informing external collaborators, suppliers, consultants, business partners and agents, the most appropriate actions will be taken (information notices, contractual clauses, etc.) for adequate information on the Company's compliance with the provisions of Decree 231 and the adoption of the Code of Ethics.

6.2. Training

The Company, aware of the importance that training and information aspects play in a prevention perspective, defines a communication and training programme aimed at ensuring the dissemination to all personnel of the main contents of Decree 231 and the obligations arising therefrom, as well as the provisions of the Model and the ethical principles adopted by the Company.

The information and training activities for staff are organised with different levels of in-depth analysis due to the different degree of involvement of staff in sensitive and/or “at risk” activities. In any case, the training activities aimed at disseminating awareness of Decree 231 and the provisions of the Model are differentiated in terms of content and dissemination methods on the basis of the Recipients' position, risk level of the area in which they operate and whether or not they hold representative and management positions within the Company.

The training activity involves all current staff, as well as all resources that will be included in the company organisation in the future. In this regard, the relevant training activities must be planned and effectively carried out both at the time of recruitment and at the time of any changes in duties, as well as following updates or amendments to the Model.

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;

- c) from 500 to 2,500 euros when the criminal liability of the Whistleblower is ascertained, even through a first-instance judgement, for offences such as defamation or slander, or for similar offences committed as a result of reporting to the Judicial or Accounting authorities, or when their civil liability is ascertained due to wilful misconduct or gross negligence.

7. ADOPTION AND UPDATING OF THE MODEL

7.1. Adoption

This Model is an “*instrument issued by the governing body*” (Art. 6, paragraph 1, letter a) of Decree 231), consequently its adoption and subsequent amendments and supplements are the exclusive responsibility of the Board of Directors of Penta S.r.l.

7.2. Updating

The Model must be promptly amended or supplemented, by resolution of the Board of Directors, also on the proposal of 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 that changes, such as clarifications or specifications of the text, of an exclusively formal nature, are necessary, the CEO Food or the COO of the Company may provide for them autonomously, after having heard the opinion of the Supervisory Board, reporting to the Board of Directors at the first useful meeting.

The changes to the Company procedures necessary for the implementation of the Model are made by the functions concerned. The Supervisory Board is constantly informed of the updating and implementation of new operating procedures.

The audit history is kept by the Company, by the function designated for this purpose.

7.3. Availability of the Model

The Organisation Model and all reference documentation is stored at the Company and can be found on the Company intranet.

The Recipients are required to verify that any paper copies of the documentation adopted pursuant to Decree 231 are corresponding to the current version.

Piovan Penta

Organisation, Management
and Control Model pursuant
to Italian Legislative Decree
231/2001

Penta S.r.l.
Via Uccellino, 75/77 - 44028
Poggio Renatico (FE) - Italy