ADOPTION OF THE COMPANY'S ORGANISATION – ADMINISTRATIVE LIABILITY MODEL

On 27/05/2021, TEXNO S.r.l.'s Board of Directors approved the Organisation Model and the company's Code of Ethics, in accordance with Italian Leg. Dec. No. 231/01.

Legislative Decree No. 231/01 regulates the administrative liability of entities that have legal status and of companies and associations, including those that do not have legal status.
It covers the liability of the Company, defined as administrative, following the commission of some crimes by individuals who are part of the Company.
Thus, if a crime is committed by any individuals functionally linked to TEXNO S.r.l., for example company representatives and employees, and this crime is:

- considered as such by Decree No. 231/01,
- committed on behalf of, or for the benefit of the Company,

the Company must respond independently for its own liability resulting from the commission of the crime.
In Decree No. 231, there are the general principles and criteria for attributing liability, as well as the sanctions and associated procedure for determining and issuing these sanctions.
Administrative sanctions can be applied to the company exclusively by the criminal court judge, in the context of a fair trial, only if there are all of the objective and subjective requisites set by law, that is, the commission of a certain crime on behalf of or for the benefit of the company, by qualified individuals.
By qualified individuals, we mean:

- natural people, whose job is to represent, administer or manage the Company or one of its organisation units that has financial or functional independence, and people who actually manage and check them (so-called "top-level subjects");
- individuals subject to the management or supervision of one of the top-level subjects indicated above (so-called "subordinate subjects" or "dependent subjects").

The company's liability is exempted when:

- the crime was committed exclusively for the purpose of advancing a personal or third-party interest, or
- the company demonstrates that it had adopted all suitable and necessary organisational measures to prevent the commission of crimes by subjects associated with it.

The essential goal of the Model is to establish a structured and organic system of procedures and control activities that prevent the commission of crimes considered important by the Decree, and to emphasise that all forms of illegal behaviour described by Decree No. 231 are strongly condemned by TEXNO S.r.l. and are contrary to the ethical principles of the company's overall approach to business.

In respecting the goals of Decree No. 231, TEXNO S.r.l.'s Model:

- identifies the activities in which the offenses relevant to the Company's operations may be committed;
- contains specific protocols for scheduling training and making Company decisions, for the purpose of preventing the commission of significant crimes;
- includes the setting up of the Surveillance Body and ensures it has the necessary financial resources to prevent the commission of crimes;
- guarantees a detailed system of reporting to the Surveillance Body by the company structures:
- includes disciplinary sanctions for failure to respect the Model.

Furthermore, so that the Model can exclude the Company's liability, it is necessary for:

A. the Model to be adopted and effectively implemented within the company itself;
B. a Surveillance Body to be identified whose job is to monitor how well the model is operating and is observed, and to update it.

This is the reason why the company has adopted the Organisation Model and asks all of its employees to carefully respect the measures contained in the Model and the principles of conduct identified by the Code of Ethics. Any proven violation of the Model will be sanctioned in accordance with the disciplinary system.

The Model is made up of:

- a General Part, which analyses the structure of Decree No. 231, as briefly illustrated above, describes the Company, its internal organisation and the relative company functions, regulates the work of the Surveillance Body, illustrates the disciplinary system necessary to ensure that the Model is respected, and identifies the main risk-crime profiles that might concern the Company itself;
- Special Parts, each of which relates to a group of crimes and relevant, sensitive processes that are relevant to TEXNO S.r.l., and in which protocols are identified that must be respected in order to eliminate any potential risk of committing them. The goal of these protocols (called

procedures, in the Model) is to make the work carried out by the individual functions concerned clear and traceable and to constitute a reference point in terms of the correct practices/operations to carry out in sensitive areas.

Furthermore, a new version has been produced of the Code of Ethics, the document that contains the ethical principles (such as correctness, loyalty, integrity and transparency) on which the daily conduct of everyone who is part of the Company is based, when they conduct business and, in general, when they carry out corporate work in all of its forms, to achieve good operation, reliability and a positive image of the company.
The Code of Ethics is intended for all top-level subjects, for employees, for the Administration, for the Auditors, and for external collaborators who work to achieve the corporate goals under the direction and supervision of the Company's top management.
All of these people are required to observe the instructions of the Code of Ethics, as any failure to do so may lead to damage to the Company and to its image.

A Surveillance Body has been appointed that has independent powers of initiative and of control over the correct application of the Organisation Model. The Surveillance Body is a collective body.
The Body must be informed of any events that may result in the Company being liable, in accordance with the Decree, so that it can effectively monitor the operation and observance of the Model. To this end, each company unit is obliged to report to the Surveillance Body, periodically and when necessary, both the actions concerning the current running of the company and the main business areas, and the actions that relate to the violation of the Model, or in any case, conduct not in line with the rules of conduct adopted by the Company for a correct application and regular operation of the Model, as well as reports about the commission of crimes or about a reasonable belief that crimes have been committed.
In order to facilitate the work of the Surveillance Body, anyone who is made aware, also by third parties, of news relating to conduct or practices not in line with the Model, or with the norms of conduct established by the Code of Ethics, is invited to inform the Surveillance Body of it, as required by the Model.
Confidentiality will be guaranteed, except where otherwise required by law.
Any report should be sent to the following email address: **odv@texno.it**.

Finally, Stakeholders are asked to carefully read the documentation about TEXNO S.r.l.'s Model and the associated attachments, which can be consulted in the company foyers and in the human resources office.

Last but not least, for the purpose of implementing the integrations made to the new Art. 6 of Leg. Dec. No. 231/2001, the Company has integrated into the Model a system for managing reports of illegal activities (the whistleblowing system) which is intended to protect the identity of the person reporting and his right to confidentiality, also by introducing into the disciplinary system specific sanctions to be imposed in the event of any acts of retaliation or discriminatory behaviour against the person because of his reporting, which was done in good faith and on the basis of reasonable facts or conduct that is illegal and/or in violation of the Model.

Every recipient of this Model is required to report any violations or suspected violations of the Code of Ethics or of the control principles included in the Model itself (so-called "reporting").

To this end, the email box **segnalazionitexno@caravatipagani.it** has been set up to receive reports of violations, or suspected violations, of the Model.

The Company has also put up a post box (called 231), to take reports written on paper.

The Surveillance Body will analyse the reports, speaking to those who make them and to those responsible for the alleged violation.

The company has informed its employees, directors, members of the corporate bodies, and third parties of the existence of these communication channels, which enable them to submit reports, on the basis of precise and concordant facts, with the assurance that their identities will remain confidential, also when they report by email.

The Company also guarantees that all employees and people who collaborate with it will be given precise information not only about the procedures and regulations adopted, and about the activities at risk, but also about the knowledge, understanding and spread of the objectives and spirit with which any reporting must be made.

Reasons for reporting may be:

illegal conduct that entails one or more types of crime that may lead to the Company's liability, in accordance with Leg. Dec. No. 231/2001;

conduct that, although not entailing any type of crime, violates the rules of conduct, procedures, protocols or instructions contained in the Model or in the documents attached to it.

The following do not need to be reported: matters of a personal nature of the person reporting, claims or demands relating to the employment, or relations with the immediate superior or with colleagues.

Reporting must provide useful elements to enable those responsible to proceed with appropriate checks and controls (Art. 6, Paragraph 2b, Leg. Dec. No. 231/2001).

Anonymous reports (that is, reports that do not contain any elements that identify the person making the report) will not be considered in relation to the protection provided by the legislation for the person reporting (Art. 6, Paragraphs 2c and 2d, Leg. Dec. No. 231/2001). These reports will be subject to additional checks only if they contain sufficient details and relate to particularly serious crimes or irregularities.

The recipient of the reports is the Surveillance Body.

Anyone making a report in good faith is protected against any form of retaliation, discrimination or penalty; in any case, confidentiality concerning the person's identity is guaranteed, excluding legal obligations, as are the rights of the company and of the people accused by mistake and/or in bad faith.

27/05/2021

TEXNO S.r.l.