

ORGANIZATION, MANAGEMENT AND CONTROL MODEL pursuant to Italian Legislative Decree no. 231/2001

GENERAL PART

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1. FOREWORD

Technoform Bautech Italia S.p.A. (hereinafter simply Technoform Bautech) has decided to proceed with the preparation and implementation of the Organization, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 (hereinafter "Model"), as it realizes that this system, albeit voluntary and not mandatory, represents an opportunity to reinforce its governance culture. At the same time it is seizing the opportunity provided by the activities performed (inventory of Sensitive Activities, analysis of potential risks, evaluation and upgrading of the existing controls on Sensitive Activities) to raise awareness among employees on topics concerning company process controls aimed at the "active" prevention of criminal offences.

In the meeting of 23/12/2016, the Technoform Bautech Board of Directors approved the first version of the Model and on 23/12/2020 it went on to approve the second issue of the Model.

On 13/02/2023, in line with the spirit of the legislation, the company launched an internal project aimed at ensuring updating of the Model in order to take into account:

- organizational changes within the Company;
- the evolution of case-law and doctrine;
- legislative changes;
- considerations resulting from application of the Model, including experiences derived from disputes;
- the outcomes of supervisory activities and the results of audits.

2. INTRODUCTION

2.1 REGIME OF ADMINISTRATIVE LIABILITY OF BODIES

Italian Legislative Decree no.213/2001 (hereinafter "Decree"), titled "*Regulation on administrative liability of legal persons, companies and associations with or without legal personality*" – issued on 8 June 2001, in execution of the delegation of power referred to in Article 11 of Law No. 300 of 29 September 2000, and which came into force the following 4 July – intended to adapt internal legislation on the liability of legal persons to certain international Conventions to which Italy has adhered, such as the EU Convention on the protection of the European Communities' financial interests (26 July 1995), the EU Convention on the fight against corruption (26 May 1997), and the OECD Convention on combating bribery of foreign public officials in international business transactions (17 December 1997).

With this Decree containing regulations on the administrative liability of legal persons, companies and associations with or without legal personality, a third category (*tertium genus*) of liability of bodies was introduced into the Italian legal system for the first time (qualified as administrative liability but essentially criminal in nature).

Its field of application is defined pursuant to art. 1 of the Decree which extends it to cover bodies with legal personality and companies and associations without legal personality.

The State, local and regional authorities, other non-economic public bodies and as well as bodies which hold functions of constitutional importance are therefore excluded from its scope of application.

Furthermore, recent case-law (Criminal Court of Cassation, Section III, 20/4/2011, no.15657) has provided for modifying the ineffectiveness of the Decree on individual businesses, now making its application and extension possible.

However, in order for criminal liability to be ascribed to a body, a completed crime must have been committed or merely attempted, the title of which is considered suitable for the establishment of said liability (the so-called ***list of predicate offences***).

It follows, therefore, that not every crime leads to the effects set out in the Decree, these consequences being contemplated only for the crimes expressly listed in the Decree itself.

The list of offences that may result in liability of the body and application of the aforementioned sanctions is contained in Chapter I, Section III of the Decree (articles 24-26).

In its original version, the Decree restricted the aforementioned list to certain offences, falling within the scope of:

- crimes against the Public Administration, in particular the following cases:
 - improper receipt of contributions, funding or other financing from the State or other public body or the European Union (art. 316-ter of the Italian Criminal Code);
 - fraud to the detriment of the State or other public body (art. 640, par. 1 and par. 2, point 1 of the Italian Criminal Code);
 - aggravated fraud to obtain public funds (art. 640-bis of the Italian Criminal Code);
 - computer fraud to the detriment of the State or other public body (art. 640-ter of the Italian Criminal Code);
 - corruption relating to an official function (art. 318 of the Italian Criminal Code);
 - corruption by action contrary to official duties (art. 319 of the Italian Criminal Code);
 - judicial corruption (art. 319-ter of the Italian Criminal Code);
 - instigation to corruption (art. 322 of the Italian Criminal Code);
 - extortion (art. 317 of the Italian Criminal Code);
 - misappropriation of State or other public funds (art. 316-bis of the Italian Criminal Code).

Consistent with the indications provided on this point by the Government, the legislature subsequently extended the list of offences whose perpetration entails the liability of bodies pursuant to the Decree, to also include:

- *the offences of counterfeiting money, legal tender, revenue stamps, banknote paper and objects for counterfeiting currency* (in particular the crimes of counterfeiting money referred to in articles 453, 454, 455, 457, 459, 460, 461 and 464 ICC) (art. 25-bis of the Decree, added by art. 6 of Italian Legislative Decree no. 350 of 25 September 2001, containing "urgent provisions in anticipation of introducing the Euro", converted with amendments in Law no. 409 of 23 November 2001);
- *"criminal and administrative offences with regard to companies and consortia"* (art. 25-ter of the Decree), as regulated by Italian Legislative Decree no. 61 of 11 April 2002, which replaced Title XI, Book V of the Italian Civil Code (false corporate communications, false corporate communications to the detriment of shareholders or creditors, false statements in prospectus, fraudulent reporting or communications by auditing companies, obstruction of controls, wrongful repayment of contributions, illegal distribution of profits and reserves, illegal operations in shares or capital shares or of the holding companies, operations prejudicial to creditors, fictitious creation of capital, improper distribution of company assets by liquidators, illegal influence over shareholders' meetings, illegal speculation, obstruction of the duties of public supervisory authorities);
- *crimes of terrorism or subversion of the democratic order*, as laid down in the Italian Criminal Code and special laws, i.e. crimes, different to the previous ones, which have in any case been committed in violation of the provisions set out in art. 2 of the New

- York Convention of 19 December 2002, on the suppression of the financing of terrorism (art. 25-quater of the Decree, introduced by Law no. 7 of 14 January 2003, ratifying the aforementioned Convention in Italian law);
- *female genital mutilation practices* as referred to in art. 583-bis of the Italian Criminal Code (art. 25-quater - 1 of the Decree, introduced by Law no. 7 of 9 January 2006, containing "Provisions concerning the prevention and prohibition of female mutilation practices");
 - *crimes against persons and individual freedom* as referred to in articles 600 of Italian Criminal Code - ICC (enslaving or keeping persons enslaved or in servitude), 601 ICC (human trafficking), 602 ICC (buying and selling of slaves), 600-bis, para. 1 ICC (child prostitution), 600-ter para. 1 and 2 ICC (child pornography). and 600-quinquies ICC (tourism initiatives for the purposes of exploiting child prostitution), 600-bis, para. 2 ICC, 600-ter, para. 3 and 4 ICC, and 600-quater ICC (possession of pornographic material) (art. 25-quinquies of the Decree, introduced by Law no. 228 of 11 August 2003, containing "Measures against human trafficking");
 - *crimes connected to the abuse of privileged information and market manipulation* as envisaged by Part V, Title I-bis, Chapter II of the Consolidated Law as referred to in Italian Legislative Decree no. 58 of 24 February 1998 (art. 25-sexies of the Decree, introduced by Law no. 62 of 18 April 2005 implementing Directive 2003/6/EC of the European Parliament and of the Council of 28 January 2003 concerning the abuse of privileged information and market manipulation and the directives of the implementing Commission);
 - *transnational offences* as referred to in art. 10 of Law no. 146 of 16 March 2006 (containing the "Ratification and implementation of the United Nations Convention and Protocols against transnational organized crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001");
 - *crimes of manslaughter and culpable serious or very serious injuries committed in violation of accident prevention and occupational health, safety and hygiene regulations*. Art. 9 of Law no. 123 of 3 August 2007 modified Italian Legislative Decree no. 231/2001 by introducing into the same the new art. 25-septies, which extends the administrative liability of bodies to include crimes of manslaughter and culpable serious or very serious personal injuries (articles 589 and 590, para. 3), committed in violation of accident prevention and occupational health, safety and hygiene regulations;
 - *crimes of possession of stolen goods, laundering and use of stolen money, goods or assets* (art. 25-octies of Italian Legislative Decree no. 213/2001). With Italian Legislative Decree no. 231 of 21 November 2007, the legislature implemented directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005, on preventing the use of the financial system for the purpose of laundering the proceeds of criminal activities and funding terrorism (the so-called Third Anti-Money Laundering Directive) and directive 2006/70/EC of the Commission containing the measures of execution.

- *cyber crimes* (art. 24-bis of Italian Legislative Decree no. 213/2001). With Law no. 48/2008, the legislature ratified the Council of Europe's Budapest Convention of 23 November 2001, extending the list of offences envisaged by Italian Legislative Decree no. 231/01 with the aim of targeting a series of offences relating to cyber crime and, more specifically, of punishing conduct and behaviour that compromise the confidentiality, integrity and availability of information.
- *organized crime offences* (art 24-ter of Italian Legislative Decree no. 213/2001 added by Law no. 94 of 15 July 2009, art 2, para. 29) as referred to in articles 416 ICC (criminal association), 416-bis ICC (Mafia association), 416-ter ICC (political-Mafia clientelism), 630 ICC (kidnapping for the purposes of extortion), art. 74 of Italian Presidential Decree no. 309 of 9 October 1990 (association for the purposes of drug trafficking), art. 407 of Italian Code of Penal Procedure (the illegal manufacture, trafficking, sale, transfer, possession and the carrying in a place occupied or open to the public of military or military-type weapons or parts thereof, explosives, illegal weapons and common firearms).
- *copyright crimes* (art. 25-Noves of Italian Legislative Decree no. 231/2001, added by Law no. 99 of 23 July 2009); with Law no. 99/2009 the legislature protects against copyright infringements.
- *crimes against industry and trade* (art 25-bis 1 of Italian Legislative Decree no. 231/2001, added by Law no. 99 of 23 July 2009); with Law no. 99/2009 the legislature has demonstrated that it aims to protect the correctness of trade relations by introducing art 25- bis.1 of Italian Legislative Decree no. 231/2001, which provides for the liability of bodies in the event of certain crimes committed against industry and trade.
- *environmental crimes* (art. 25- undecies of Italian Legislative Decree no. 231/2001); with Law no. 121 of 7 July 2011, the legislature implemented directive 2008/99/EC on the protection of the environment through criminal law, as well as directive 2009/123/EC that modifies directive 2005/35/CE on ship-source pollution and the introduction of sanctions for infringements.
- *offences of incitement to not make statements or to make false statements to the judicial authorities* (art. 25-noviesdecies of Italian Legislative Decree no. 231/2001, added by Law no. 116 of 3 August 2009, art. 4).
- *crimes of corruption among private parties* (art. 2635 ICC – art. 25-ter of Italian Legislative Decree no. 231/01) and Italian Legislative Decree no. 109/12 for crimes of employing citizens of other states whose residency is irregular (art. 25-duodicies of Italian Legislative Decree no. 231/01);
- *racism and xenophobia* (art 25-terdecies);
- *trading in illicit influence* (art. 346-bis ICC);
- *tax offences* (art. 25-quinquedecies of Italian Legislative Decree no. 74/2000);
- *embezzlement and embezzlement by taking advantage of another's error* (art. 25 of Italian Legislative Decree no. 75/2020);

- *abuse of office (art. 25 of Italian Legislative Decree no. 75/2020);*
- *false declaration or omitted declaration and unlawful compensation (tax offences - art. 25-quinquiesdecies of Italian Legislative Decree no. 75/2020);*
- *smuggling (art. 25-sexdecies of Italian Legislative Decree no. 75/2020);*
- *agri-food offences;*
- *cultural heritage crimes and trafficking in cultural goods*

The current list of offences, to which the legislation dictated by the Decree applies, is now represented by:

- crimes committed in relations with the Public Administration and Assets;
- crimes against the public faith;
- corporate crimes;
- crimes relating to market abuse;
- crimes for purposes of terrorism or subversion of the democratic order;
- crimes concerning female genital mutilation practices;
- crimes against the individual;
- transnational crimes;
- crimes of manslaughter and culpable serious or very serious injuries in the workplace or occupational diseases;
- crimes of possession of stolen goods, laundering and use of stolen money, goods or assets;
- cyber crimes;
- crimes relating to industry and trade;
- crimes relating to copyright infringement;
- organized crime offences;
- crimes relating to incitement to not make statements or to make false statements to the judicial authorities;
- environmental crimes;
- crimes of corruption among private parties and of employing citizens of other states whose residency is irregular;
- crimes of racism and xenophobia;
- tax crimes;
- smuggling;
- agri-food offences;
- cultural heritage crimes and trafficking in cultural goods.

Furthermore, another condition underlying a body's liability is that the crime must be committed by a **natural person linked to that body by a qualified relationship**.

Pursuant to art. 5 of the aforementioned decree, for an organization to be liable for the offences expressly listed in articles 24 and 25, the aforementioned relationship must consist, alternatively, in the fact that the individual in question holds:

- a) a senior position: i.e. a person holding a position of representation, administration or management of the body or an organizational unit thereof with financial and functional autonomy, as well as a person who also in practice exercises management and control functions of the body (art. 5, letter *a*);
- b) a relationship of subordination to people in senior positions (art. 5, letter *b*).

In any case, none of this is sufficient cause for liability on the body's part. However, a person in a senior role or position of subordinate employment within the body committing a specific crime does not in itself represent an exhaustive condition for determining liability; the crime must, in fact, have been committed in the interest or to the benefit of said body. On the contrary, the body shall not be held liable if senior managers, in committing a crime, acted in their own exclusive interest or that of third parties.

With the terms "interest" and "benefit", the legislature sought to formulate two profoundly different legal concepts, needing, in fact, to distinguish between an "upstream" interest of the legal person, with a markedly subjective connotation, and a benefit objectively obtained through the crime, albeit not envisaged prior to it being committed.

Interest and benefit can, therefore, concur: the former must be evaluated *ex ante*; the second *ex post*.

The condition that "*the crime was committed in the interest or to the benefit of the body*" poses serious problems of compatibility with the category of culpable non-intentional crimes, such as those relating to accidents at work (*crimes of manslaughter and culpable serious or very serious injuries committed in violation of accident prevention and occupational health, safety and hygiene regulations*).

In this regard, a legitimate doubt of interpretation could arise, with reference to non-intentional crimes, that the criterion of interest and benefit could be interpreted not in reference to the unintended illegal events (manslaughter or injuries), but rather the "conduct" of the natural person in the carrying out of his/her duties within the body (negligence).

The legislative data is, in any case, difficult to overcome: i.e. that, pursuant to art. 5, it is not the conduct constituting the crime, but the crime as a whole, comprehensive therefore of the event, that must be committed in the interest or to the benefit of the body.

What is relevant, therefore, is not the violation of precautionary measures or the failure to fulfil safety obligations, but the accident that resulted from said violation or failure.

The body's liability for administrative offences resulting from crime is autonomous and exists even when the person responsible for the crime cannot be identified or imputed or the crime is extinguished for reasons other than amnesty, and is added to the liability, purely criminal (and therefore personal), of the natural person who committed, or aided in committing, said crime.

Italian Legislative Decree no. 231/2001 provides for the imposition of an administrative fine on the body for every type of crime expressly listed in the decree.

The sanctions imposable on the company for having committed (or attempted to commit) any of the crimes envisaged by the Decree are set out in the Decree itself as follows:

- fine of up to €1,549,370.69 (and preliminary attachment), which can be increased by up to three times that amount when the body is liable for a number of crimes committed through a single act or omission or committed in carrying out the same activity (art. 21);

- disqualifications: these measure, which, before the legislative reform represented by Law no. 3/2019 came into force, remained restricted to between 3 months (minimum) and 2 years (maximum), now, following the aforementioned regulatory changes, considerably exceeds the limits previously set out by the Legislature.

In particular, for the crimes referred to in paragraphs 2 and 3 of art. 25 of Italian Legislative Decree no. 231/2001 (titled "*Extortion, undue inducement to give or promise benefits and corruption*"), the disqualification shall be **not less than four years and not more than seven years** if the predicate offence is committed by a person in a senior position and **not less than two years and not more than four years** if the predicate offence is committed by an individual who is subject to the management and control of a person in a senior position. Italian Legislative Decree no. 75/2020 introduced imprisonment of up to 4 years when the crime affects the financial interests of the EU and the damage or profit exceeds €100,000.

Another significant new aspect introduced by Law no. 3/2019 is art. 25, para. 5-bis of Italian Legislative Decree no. 231/2001 which, only with regard to the type of offence contemplated in article 25, allows a **more lenient disqualification** to be imposed, i.e. **not less than three months and not more than two years** if, **prior to the judgement of first instance**, the body effectively took action to: prevent the criminal activity from having further consequences; guarantee the evidence of the crimes and the identification of the perpetrators or the seizure of sums of money or other benefits; eliminate the organizational shortcomings that enabled the crime, by adopting and implementing suitable organization models for preventing crimes of the type perpetrated.

- seizure (and preliminary attachment);
- publication of the sentence (in the case of the application of disqualifications).

2.2 GROUNDS FOR THE EXCLUSION OF COMPANY LIABILITY

The body's liability is based on "organizational failure", as can be seen from the ministerial report accompanying Italian Legislative Decree no. 231/2001.

Said failure does not exist if the body has proved that it implemented a suitable organizational system for preventing the perpetration of the aforementioned crimes, in particular through the adoption and effective implementation of organization, management and control models (articles 6 and 7 of Italian Legislative Decree no. 231/2001).

More specifically, pursuant to art. 6, para. 1 of the Decree, the body's liability for *crimes committed by an individual in a senior position* is excluded if:

- management adopted and effectively implemented, prior to the crime being committed, a suitable organization and management model for preventing crimes of the type perpetrated;
- the body has established a team responsible for supervising the functioning and observance of the model, and the task of making sure the model is updated is entrusted to a company body with autonomous powers of initiative and control;
- there has been no omitted or inadequate supervision by the control body;
- the body has organized a system for periodically checking the model and updating it if/when required;
- the perpetrators acted by fraudulently evading the provisions set out in the model.

Consequently, if the crime was committed by top management, the body shall not be held accountable if it can prove the existence of the aforementioned conditions, as this shows a clear reversal of the burden of proof.

In other words, it is assumed that, in the case of a crime committed by an individual in a senior position, the "subjective" requirement for the body's liability is already satisfied since top management expresses and represents the body's policy.

To prevent this from happening, the body itself will have to prove that it was not involved in the facts, something which it can only do by demonstrating the existence of a series of concurring requirements.

In such a scenario, the body is required to demonstrate that:

- (i) it adopted and effectively implemented suitable organization and management models for preventing crimes of the type perpetrated;
- (ii) it supervised the effective functioning of the models and therefore the correct observance of the same;
- (iii) the behaviour constituting the crime was carried out by top management who fraudulently evaded the aforementioned organization and management models.

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No. 1562624 Share capital €516.500 fully paid in.

Sole shareholder – Company subject to the management and coordination of Technoform Bautech Holding GmbH.

Pursuant to art. 7 of Italian Legislative Decree no. 231/2001, the body is liable for crimes committed by *individuals subject to the management or supervision of others* if the perpetration of said crimes was made possible by a failure to comply with the obligations of management or supervision; said non-compliance is excluded if, before the crime was committed, the body adopted and effectively implemented a suitable organization, management and control model for preventing crimes of the type perpetrated.

In essence, when organizational models have been adopted and effectively implemented, the body's liability for crimes committed by employees is excluded.

In fact, art. 7, para. 3 states that the model, based on the organization's nature, size and type of business activities, must lay down appropriate measures to:

- (i) ensure that business is carried out in accordance with the law;
- (ii) identify and eliminate situations of risk promptly and efficiently.

Pursuant to art. 6, para. 2 of the Decree, essential characteristics are identified which the aforementioned "**Organization and Management Model**" (hereinafter simply Model) must have for it to achieve the objective of minimizing the risk of crime being committed within the company.

For these purposes, the Model must, in particular:

- identify the areas of risk for the perpetration of the crimes envisaged by Italian Legislative Decree no. 231/2001 (i.e. the activities in which crimes can be committed);
- set out specific protocols aimed at planning training and the implementation of the body's resolutions concerning crimes to be prevented;
- identify methods for managing financial resources that are suitable for preventing the perpetration of crimes;
- prescribe obligations for the provision of information to the team responsible for supervising the functioning and observance of the model;
- introduce an appropriate disciplinary system that sanctions the breach of the measures set out in the model.

Technoform Bautec felt, as better expressed in the risk assessment report, the need to adopt all the necessary and appropriate measures aimed at bringing its internal organizational structure into line with the new provisions of the Decree, by preparing an Organization, Management and Control Model, pursuant to art. 6 of said Decree, as summarized in this document.

3. THE MODEL

3.1 IMPLEMENTATION OF ITALIAN LEGISLATIVE DECREE NO. 231/2001 BY THE COMPANY

Technoform Bautech, in line with its company policies and recognizing the principles of correctness and transparency as the prerequisites for the execution of all its business activities, has launched an internal project aimed at guaranteeing the preparation of an "Organization, Management and Control Model".

This Model, as well as representing the Company's willingness to comply with the regulations set out in Italian Legislative Decree no. 231/2001, constitutes an effective information and awareness-raising system for all operators.

By adopting this Model, Technoform Bautech wished to comply not only with the aforementioned regulations, but also with the indications set out in the "Guidelines for the preparation of organization, management and control models" drawn up by Confindustria and approved, in their definitive version, by the Confederation's Board of Directors on 6 February 2002 (subsequently integrated on 24 May 2004 and 31 March 2008 and then updated in March 2014 and finally in 2020).

A. CONFINDUSTRIA GUIDELINES

In defining the Model, the Confindustria Guidelines provide for the following planning stages:

- risk identification, i.e. an analysis of the company context to highlight the areas of activity and the manner in which the crimes envisaged in the Decree could occur;
- preparation of a control system (1) suitable for preventing the crime risks identified in the previous stage, through evaluation of the existing control system in the body and its degree of compliance with the requirements expressed in the Decree.

The most relevant components of the control system outlined in the Confindustria Guidelines for guaranteeing effectiveness of the organization, management and control model are as follows:

- the provision of ethical principles and behavioural rules in a code of ethics;
- a sufficiently formalized and clear organizational system, in particular with regard to assigning responsibilities, lines of hierarchical order and the description of tasks with specific provision of control principles;
- procedures (manual and/or IT) which regulate the execution of activities, providing for appropriate controls;

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- powers of authorization and/or signature in line with the organizational and management responsibilities assigned by the body, providing, where required, an indication of expenditure limits;
 - management control systems, capable of promptly reporting possible critical issues;
 - personnel training and instruction.
1. The control system already in existence in the body, i.e. the internal control system, "*is a set of rules, procedures and organizational structures which, through an adequate process of identification, assessment, management and monitoring of the main risks, aims to enable sound and decent management of the company, consistent with the set goals*" (see the Corporate Governance Code issued by the *Corporate Governance Committee*, Borsa Italiana S.p.A., 2006, page 35).
- Furthermore, the control system must comply with the following principles:
 - verifiability, traceability, coherence and congruity of each operation;
 - segregation of duties (no-one can autonomously manage an entire process);
 - documentation of checks performed.

B. AIMS OF TECHNOFORM BAUTEC

The primary aim of the project is to set up a risk prevention and management system in line with the provisions laid out in the Decree which is suitable for preventing and reducing, as far as possible, the risk of crime perpetration within the company and consequently avoiding application of the sanctions envisaged in the Decree.

The project was divided into two segments:

- 1) the first with the specific aim of formalizing the Model, in accordance with the provisions of art. 6.1, letter (a) of the Decree.
To this end, the crime-risk areas of the company were mapped for the purpose of evaluating the degree of adequacy of existing protocols aimed at risk prevention and reduction.
In light of this evaluation, improvements believed necessary became apparent and were implemented;
- 2) the second aimed at creating the Supervisory Board, pursuant to article 6.1, letter (b) of the Decree.
For these purposes, once the organizational requirements needed for the correct operation of this body were identified (autonomy, independence, professionalism, continuity of action), steps were taken to identify the individuals best able to meet them,

formalize the relative assignment of responsibilities and then define the operational methods by which these responsibilities should be exercised.

3.2 MAPPING OF THE COMPANY AREAS AT RISK

Technoform Bautech Italia S.p.A. is a joint-stock company whose business purpose entails the design, production, distribution and direct sale of components for making doors, windows and façades; the commercialization of plastic materials, semi-finished goods and accessories for doors, windows and façades; the purchase and exploitation of the relevant intellectual and industrial property rights and the granting of licenses also for distribution and/or sale; all activities, including consultancy, connected and/or ancillary to the aforementioned activities. It may also perform all operations which management deems necessary or useful to achieving the company's business purpose. It may provide endorsements, sureties and any other guarantee, including against collateral; it may acquire, both directly and indirectly, interests and shareholdings in other companies or businesses having the same or similar business purpose as its own or in any way connected to the same, none of which, however, in accordance with the law, shall be in relation to the public, it being understood that activities of placements and the collection of savings from the public, securities trading and the concession of consumer credit are, among other things, expressly excluded.

Technoform Bautech does not perform any activity without having first obtained suitable ministerial authorizations.

In line with the provisions set out in article 6.2, letter (a) of the Decree, Technoform Bautech has mapped out the crime-risk areas of the company (so-called "Sensitive Activities").

The aim of this stage was to analyse the company context in order to ascertain where (in which company business areas/sectors) and in what manner and to what degree of risk, acts related to the types of offences envisaged by the Decree could be committed.

The outcome of this analysis resulted in a list of activities which, on account of their specific contents, appear to be more exposed to the **risk** of potential perpetration of the crimes contemplated by the Decree and identified in the Risk Assessment and Gap Analysis Report (which constitutes an integral part of this Model).

Furthermore, each internal procedure was the object of specific analysis to evaluate the adequacy of the internal controls in relation to the corresponding level of risk. This led to the adoption of corrective measures aimed at guaranteeing the prevention of unlawful conduct. Elaboration of this mapping was developed on the basis of the list of individual offences sanctioned in accordance with the Decree.

Each offence was associated with the company processes in which, theoretically, it could be committed.

Clearly, the resulting map of Sensitive Activities must be interpreted as an evolving whole, as it is impossible to rule out further expansions of the Directive's scope of application or procedural and/or organizational developments within the Company which could lead to variations in the areas potentially exposed to the risk of crime.

3.3 STRUCTURE, MODIFICATION AND RECIPIENTS OF THE MODEL

This Model is made up of a **General Part**, in which the purposes and principles of the Model are described and its essential components are identified and regulated, and a **Special Part** that lays out the types of crime sanctioned under the Decree which could be committed within the Company's Sensitive Activities and examines and maps out the processes at risk (interview report which constitutes an integral part of this Model).

More specifically, in the general part, after a brief introduction to the essential contents of the Decree, the document describes the work that went into preparing the Model and illustrates its constituent elements.

The Supervisory Board (hereinafter also "SB"), in exercising its powers, will have the right to ask Technoform Bautech to append additional special parts to this document.

The Organization, Management and Control Model, pursuant to Italian Legislative Decree no. 231/2001 was adopted by resolution of the Board of Directors on 23/12/2016 (first version) and 23/12/2020 (second version).

As an act issued by Management, in compliance with the provisions of article 6, para. 1, letter a) of Italian Legislative Decree no. 231/2001, the Technoform Bautech Board of Directors will also be responsible for any subsequent amendments and additions of a substantial nature, including the insertion of further Special Parts concerning new types of crime which may be provided for in said Decree at a later date.

The Technoform Bautech Board of Directors has resolved that other amendments, not of a substantial nature, shall be carried out by the Chairperson and/or the CEO of the Company.

The regulations and/or knowledge of this document applies to all those who work to achieve the purpose and aims of the Company, i.e. members of the administrative bodies and employees of the Company, as well as, where possible, external consultants, commercial and financial partners, suppliers, customers and, in general, all third parties with whom the Company has relations relating to its business activities.

The Model is shared with the managers involved in "risk areas" who undertake to inform their collaborators of the aims and objectives the Model sets out to achieve.

The Company undertakes to facilitate and promote not only knowledge of the Model among its recipients but also constructive contributions to its contents from the same, as well as to provide every possible suitable tool to ensure its full and effective application.

Any behaviour contrary to the spirit or the letter of this document will be sanctioned in accordance with the provisions herein.

3.4 CONSTITUENT ELEMENTS OF THE MODEL

In compliance with the legislation in force, for Technoform Bautech the "Organization, Management and Control Model" represents the set of protocols which, in their implementation and operation, are "*aimed at planning training and implementing the resolutions of the body concerning the crimes to be prevented*" (hereinafter "Protocols").

In identifying the aforementioned Protocols, as already stated, the Company has fully embraced the indications on the subject provided by the Guidelines developed by Confindustria.

According to this approach, the constituent elements of the Model are:

1. this document;
2. the company bylaws;
3. the Code of Ethics;
4. the quality manual
5. the current management systems;
6. the hierarchical-functional organization of the company (as per the internal organizational charts);
7. the company policies and procedures;
8. the system of proxies and powers of attorney for exercising delegated powers (explained in the risk assessment report);
9. the communication to personnel and their training;
10. the disciplinary system;
11. the Supervisory Board.

THE COMPANY'S CODE OF ETHICS

Technoform Bautech is openly committed to promoting high levels of quality, ethically speaking, in the management of its activities.

With this in mind, the Company has drawn up and published a Code of Ethics, formally approved by the Board of Directors on 23/12/2016 in its first version and on 06/10/2023 in its second, indicating the main strategies and rules of conduct adopted by the company for conducting its activities in a manner that is correct from an ethical as well as legal point of view.

In particular, today the Code of Ethics states its primary contents as being:

- the moral values inspiring the Company's activity;
- behaviour at work;
- behaviour in business;
- management of conflicts of interest;
- company disciplinary measures for non-compliance with the rules.

The Code of Ethics is binding for all Technoform Bautech employees, as well as for all its customers and suppliers, who must know its contents and observe the prescriptions therein.

In order to ensure precise dissemination of the contents of the Code of Ethics, Technoform Bautech has decided to:

- distribute it to all its employees, as well as to members of the Board of Directors and the Board of Statutory Auditors;
- send it to customers and suppliers;
- include it on the company website.

Adherence to the Code of Ethics by third parties (non-employees) and compliance with its principles is guaranteed by the inclusion of specific contractual clauses governing the collaboration and any other type of relationship established with the Company.

The reference bodies for implementation of the Code of Ethics, as contemplated therein, have the aim of guaranteeing observance and respect of the Code, as well as providing the relevant interpretation.

In particular, the institutional activities of these bodies include:

- disseminating the Code of Ethics with maximum incisiveness and effectiveness among the Company's employees, customers, suppliers and among all interested third parties in general;
- managing, implementing, investigating and verifying the legislation covered by the Code in order to keep it up to date with changes in legislation;
- providing support in the interpretation, implementation and evaluation of the Code of Ethics, as a constant reference tool for the correct behaviour to be maintained in the execution of one's job;
- verifying, controlling and evaluating violations of the Code of Ethics, ensuring application of appropriate disciplinary measures in the event of infringements, in collaboration with the competent company functions and in compliance with the laws, regulations and National Collective Labour Contracts;
- protecting and assisting employees who report behaviour that does not comply with the Code of Ethics, safeguarding them against pressure, interference, intimidation and retaliation;
- reporting any anomalous situations to the competent managers, in order to adopt the necessary corrective measures.
-

WHISTLEBLOWING

Introduction of whistleblowing in Italy

On 14 December 2017, Law no. 179 of 30 November 2017 was published in Official Gazette no. 291. This law, containing "Provisions for the protection of whistleblowers who report offences or misconduct of which they become aware in the context of private or public employment" (hereinafter, "Law") was adopted, after a legislative process started in 2015, with the aim of reforming the topic of whistleblowing in the public and private sectors, thus addressing a scenario which the European Commission defined as being "rather generic and non-exhaustive in nature".

With regard to the private sector, the Law provided for the integration of art. 6 of Italian Legislative Decree no. 231 of 8 June 2001, containing "Regulations on administrative liability of legal persons, companies and associations with or without legal personality" (hereinafter, "Decree 231"), in order to provide proper protection for all those employees and/or collaborators of companies who reported offences of which they became aware as part of their work duties.

In particular, pursuant to the revised article 6 of Decree 231, organization, management and control models adopted pursuant to Decree 231 (hereinafter, "Model") must be integrated in order to provide for, among other things, measures aimed at guaranteeing the safeguarding of whistleblowers against retaliatory or discriminatory acts and, more generally, a correct and non-abusive use of the new reporting tool

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The heart of the new legislation lies in the obligation (provided for in art. 6, para. 2-bis, letters a) and b) of Decree 231) to provide adequate information channels that allow whistleblowers to "present, in protection of company integrity, detailed reports of illegal conduct, relevant per said Decree, and based on precise and consistent factual elements".

Furthermore, Italian Legislative Decree no. 24 came into force on 10 March 2023, in implementation of Directive (EU) 2019/1937 of 23 October 2019, establishing obligations for companies, including those under private law, on the topic of Whistleblowing.

Italian Legislative Decree no. 24/2023 transposed Directive 2019/1937 regulating the protection of anyone reporting violations of national or European Union regulatory provisions to the detriment of the public interest or the integrity of the public administration or private body, of which they become aware in a context of public or private employment.

Whistleblowing system

In order to guarantee responsible management in line with legislative provisions, Technoform Bautech has implemented a whistleblowing system, now updated to meet the regulatory amendments introduced in 2017, containing "Provisions for the protection of whistleblowers who report offences or misconduct of which they become aware in the context of private or public employment" and in 2023 with the transposition of Directive 2019/1937 by Italian Legislative Decree no. 24/2023.

Consequently, pursuant to art. 6, para. 2-bis of Legislative Decree no. 321/01, Technoform Bautech:

- a) has established dedicated reporting channels that allow the individuals referred to in art. 5, para. 1, letters a) and b) of Italian Legislative Decree no. 231/01, to present, for the purpose of safeguarding the company's integrity, reports of illegal conduct, relevant as per said Decree or violations of this Model, of which they become aware by virtue of their functions;
- b) guarantees confidentiality of the whistleblower's identity;
- c) prohibits retaliatory or discriminatory acts, whether direct or indirect, against whistleblowers for reasons directly or indirectly related to the whistleblowing;
- d) safeguards the whistleblower by means of ad hoc measures.

In particular, the Whistleblowing system adopted by Technoform Bautech is cited in the Company's Code of Ethics and regulated by a specific procedure. Furthermore, pursuant to para. 2-ter of the same article, any discriminatory or retaliatory measure adopted against the whistleblower may be reported to the National Labour Inspectorate. Finally, pursuant to para. 2-quater, any dismissal or change of duties or any other retaliatory or discriminatory measure adopted against the whistleblower shall be null and void.

The hierarchical-functional organization of the company

Technoform Bautech has a hierarchical organization of work that allows for the clear definition of:

1. lines of dependence and reporting;
2. assignment of powers according to the system of proxies and powers of attorney;
3. contents of individual positions, with reference to managers.

To these ends, all company information is kept systematically ordered and represented in organizational charts which are updated when organizational changes are made.

The various areas of corporate activity of the individual functions, the names of the managers of each area and the relative hierarchical lines of reporting are identified in the aforementioned organizational charts.

In order to guarantee control over company activities and the persons responsible for them, in defining the organization and hierarchical lines of reporting an adequate distinction of functions was adopted.

In fact, the guiding criterion for defining the organization envisages that a contribution of collaboration from different functions and/or hierarchical levels should be guaranteed for the same process/activity in order to ensure the constant possibility to cross-check operations.

In order to facilitate a clear attribution of levels of responsibility, Technoform Bautech also uses IT systems with a logic aligned with the subdivisions of roles envisaged by the organizational structure. In these IT systems, specific access architectures are configured to ensure that certain activities can only be carried out by expressly authorized personnel.

Company policies and procedures

Technoform Bautech pursues the aim of providing all its employees with a clear reference framework of the methods they should follow in carrying out company activities and the constraints they must adhere to, also in perfect compliance with sector regulations.

In this regard, the Company takes care of developing internal procedures, aimed at ensuring:

1. lawful and ethical of behaviour;
2. compliance of activities with the institutional objectives of the Company;
3. clarity on the contents of the activity and the relative assignments of responsibility;
4. an adequate segregation of responsibilities, so that each activity is in fact always cross-checked by numerous individuals;
5. adequate controls, in the various activity stages, aimed at ensuring compliance between the work actually carried out and that prescribed by the internal rules;
6. the traceability of activities for which there remains adequate historical and justifying documentation on the main stages of execution.

In this context, particular attention was paid to formalizing procedures for the entire procurement process, commercial management, financial movements, aspects concerning safety in the workplace and relations with the Public Administration and product quality which, pursuant to the Decree, appear to be among those most at risk in Technoform Bautech due to their typical contents.

In detail, the procedural flow has been configured in such a way as to guarantee, as the main aspects of internal control:

1. compliance of individual purchasing operations with budget forecasts in order to ensure use of the Company's economic resources for company purposes;
2. distinct organizational separation between the functions responsible for purchases and choosing suppliers and the function authorized to make payments.
3. management of health and safety in the workplace in compliance with both the UNI-INAIL Guidelines and/or standard UNI ISO 45001:2018 and the applicable legislation in force (Italian Legislative Decree no. 81/2008).

In many cases, the formalization of business procedures is also guaranteed by the logic of the IT systems used by the Company, which incorporate process flows and the relative assignment of responsibilities, observance of which in these cases is binding.

In fact, each of these systems contains, albeit with different levels of detail:

1. process flows that oblige users to follow the succession of procedural steps required by internal regulations;
2. user security profiles, for accessing and using the system, which only permit specifically authorized personnel to carry out individual activities;
3. specific methods for tracking data, so that even at a later date it is possible to trace the persons who physically carried out specific activities.

The system of proxies and powers of attorney for exercising delegated powers

In order to ensure the effective execution of its operational activities, Technoform Bautech has granted certain individuals specific powers of authorization (so-called "Proxies", giving them the power to internally authorize spending initiatives), as well as powers of attorney for exercising delegated powers (hereinafter "POA") – see the Risk Assessment Report and Gap Analysis regarding proxies.

In particular, Technoform Bautech has adopted a system of Proxies and POA that complies fully with the organizational philosophy and is aimed at establishing a valid tool in terms of internal control.

Practical aspects of these guidelines entail the inclusion of an organic set of operational constraints in the system of Proxies and POA.

The system, in addition to being fully compliant with legal regulations applicable to current statutory provisions, strengthens the overall effectiveness of the internal control tools at Technoform Bautech, containing restrictions of the following nature:

1. Qualitative

Each individual granted Proxies or Powers of Attorney may exercise the conferred powers exclusively within the functional areas of his/her competence;

2. Quantitative

Maximum amounts are specified within which Proxies and Powers of Attorney may be exercised, with a definition of differentiated thresholds based on specific business needs. Once these thresholds are exceeded, powers of signature/approval/decision-making are assigned to the Board of Directors.

Communication plan for personnel and training

To guarantee the effectiveness of its Model, Technoform Bautech aims to ensure all Recipients know and understand it correctly, also based on their different levels of involvement in sensitive processes.

Below are the activities identified as requiring correct and exhaustive communication of the Model to the company's employees and collaborators and training of the same.

A. Communication to employees and their training

- Communication via e-mail at the time of adopting the Model: an informational document sent by Management to all employees informing them that Technoform Bautech has adopted an Organization, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, with a copy of the Model attached thereto. An acknowledgement form will be attached to this informational document which must be sent to the Supervisory Board duly signed by the recipient employee.
- Delivery of the aforementioned documentation to new hires and inclusion of an information note in the body of their letter of employment dedicated to Italian Legislative Decree no. 231/2001 and the characteristics of the Model adopted.
- Classroom presentation for the benefit of the Company's operational managers during which:
 - a briefing on the provisions set out in Italian Legislative Decree no. 231/2001 is given;
 - those present are made aware of the importance the Company sets on the adoption of a risk governance and control system;
 - the structure and main contents of the Model adopted are described, along with the methodological approach followed for its creation and updating;
 - the behaviours to be adopted concerning communication and training of hierarchical subordinates are laid out, in particular for personnel operating in company areas considered sensitive; the correct behaviour towards the Supervisory Board is illustrated in terms of communication, reporting and collaboration in supervisory and Model updating activities.
 - Managers of company functions potentially at risk of crime (sensitive to the crimes contemplated in Decree 231) raise awareness among their hierarchical subordinates on the behaviour they must observe, the consequences deriving from any failure to comply with this behaviour and on the Model adopted by Technoform Bautech in general.

B. Communication and training towards suppliers and consultants

- Inclusion of a specific contractual clause in all supply, service and consultancy contracts (in the body of the text or in an appendix) governing:
 - knowledge of the provisions set out in Italian Legislative Decree no. 231/2001 and the prescriptions in the Model;
 - commitment to their observance;
 - condition subsequent for non-observance.

4. GENERAL PRINCIPLES OF CONDUCT FOR RECIPIENTS

All Recipients of the Model shall refrain from engaging in unlawful conduct in general, in particular those which may constitute a type of crime provided for in Italian Legislative Decree no. 231/2001, and shall, in carrying out their work activities, comply with:

- the Technoform Bautec Code of Ethics;
- the provisions set out in the Model, in particular these general provisions, the express provisions in the Special Parts and the procedures and protocols adopted pursuant to the Model.

Individuals in senior positions shall carry out their respective functions in compliance with the proxies and powers granted to them and shall also comply with:

- the provisions set out in the Company Articles of Association;
- resolutions passed by the Technoform Bautec Board of Directors;
- General Management directives.

Individuals in senior positions and those holding positions of responsibility must also constantly and scrupulously comply with the management and supervisory obligations demanded by the position held.

Individuals subordinate to the management or supervision of others shall abide by Company operational directives and provisions, provided that they comply with the laws in force and do not conflict with the contents of the Model.

5. SUPERVISORY BOARD

5.1 Identification of the Supervisory Board

Art. 6, para. 1, of the Decree states that the task of supervising and updating the Model must be entrusted to a Supervisory Board within the company which, endowed with autonomous powers of initiative and control, continuously carries out the tasks delegated to it.

Any person disqualified, incapacitated, bankrupt or who has been convicted, even if the conviction is non-final, with a sentence that entails disqualification, even temporary, from public offices or the inability to hold executive offices, or who has been convicted, even with a non-final conviction or with a plea bargaining sentence, for having committed one of the crimes provided for by the Decree, may not be appointed as a member of the Supervisory Board, and any such appointment shall be considered void.

In any case, members of the Supervisory Board are – and will be – chosen from among individuals who have no family relationships with shareholders or Directors which could compromise their disinterested judgement.

Internal members may not be chosen from among managers responsible for functions relevant to the company areas at risk of crime and, in any case, must not belong to the company's business areas.

If an external member is appointed, he/she must not have any commercial relationships with the Company that could constitute a conflict of interest.

In compliance with the provisions of the Decree, the indications set out in the Confindustria Guidelines and case-law guidelines developed on the topic, Technoform Bautech has decided to establish a monocratic Supervisory Board, within the Company, with autonomy and independence from other corporate and internal control bodies.

In the performance of its function, the Supervisory Board reports exclusively to the Board of Directors.

The Supervisory Board is granted autonomous spending powers with the use of an adequate annual budget, as proposed by the SB and approved by a resolution passed by the Board of Directors. The Supervisory Board may use resources in excess of its spending powers, subsequently reporting this to the Board of Directors.

The Supervisory Board is appointed by the Board of Directors, the opinion of the Board of Statutory Auditors having been taken into consideration. The members of the Supervisory Board are chosen from among qualified individuals who meet the following requirements:

- **Autonomy and independence:** this requirement is ensured by the Supervisory Board being made up of more than one person, the absence of any hierarchical reporting within the organization and the faculty of reporting to the Board of Directors.

- Professionalism: this requirement is guaranteed by the wealth of professional, technical and practical knowledge possessed by each member of the Supervisory Board.
- Continuity of action: with reference to this requirement, the Supervisory Board is required to constantly monitor, through investigative powers, compliance with the Model and ensure its implementation and updating, representing a constant reference for all company personnel.

In terms of professionalism, the Supervisory Board will, as a minimum, comprehend:

- legal skills: adequate expertise in the interpretation of legal provisions and with specific training in the analysis of the types of crimes that can be identified within company operations and the identification of possible punishable behaviours;
- management skills: adequate training in the analysis of company organizational processes and in the preparation of procedures suitable for the size of the company, as well as in the general principles of legislation regarding "compliance" and relative controls;
- inspection skills: experience in internal controls gained within the company.

The members of the Supervisory Board remain in office for three years and can be re-elected. The Supervisory Board adopts a regulation governing its activities, which it communicates to the Board of Directors.

The following constitute reasons for ineligibility and/or withdrawal of Supervisory Board membership:

- holding proxies, powers of attorney or, more generally, powers or duties that could undermine disinterested judgement;
- being legally disqualified, incapacitated, bankrupt or convicted with a sentence that entails disqualification, even temporary, from public offices or inability to hold executive offices;
- being the subject of prevention measures imposed by the Judicial Authority, judicial rehabilitation aside;
- being subjected to criminal proceedings, convicted or sentenced pursuant to articles 444 et seq. of the Code of Criminal Procedure, judicial rehabilitation aside, in relation to one of the crimes set out in Italian Legislative Decree no. 231/2001, or crimes of a similar nature (in particular, crimes against assets, against the Public Administration, against public faith, against public order, tax crimes, bankruptcy crimes, financial crimes, etc.);
- being the recipient of an administrative penalty for one of the administrative offences referred to in articles 185, 187-bis and 187-ter of the Consolidated Law on Finance;
- for the Chairperson, existence of causes of ineligibility pursuant to articles 2399 letter c) and 2409 septiesdecies of the Italian Civil Code.

In order to guarantee the necessary stability of the SB and to protect the legitimate performance of its functions and the positions held from unjustified removal, revocation of the mandate conferred to one or more members of the SB may only occur by means of a specific and unanimous resolution of the Board of Directors, following consultation with the Board of Statutory Auditors.

If a revocation of mandate is exercised against all members of the Supervisory Board, the Technoform Bautech Board of Directors, following consultation with the Board of Statutory Auditors, will appoint a new Supervisory Board.

In the case of serious grounds for expediency, after hearing the opinion of the Board of Statutory Auditors and, where not involved, the other members of the Supervisory Board, the Board of Directors will suspend one or all members of the SB and promptly appoint a new ad interim member or entire Supervisory Board.

5.2 Supervisory Board powers and functions

The Supervisory Board is entrusted with the following tasks:

- supervising the functioning and observance of the Model;
- updating the Model.

These tasks are carried out by the SB through the following activities:

- overseeing the dissemination of knowledge, understanding and compliance with the Model within the company context;
- monitoring the validity and adequacy of the Model, with particular reference to behaviours encountered in the company context;
- verifying the Model's actual capacity to prevent the crimes set out in the Decree from being committed;
- proposing Model updates should it become necessary and/or appropriate to make corrections and/or amendments to it, in relation to changes in legislative and/or company conditions.

In carrying out these activities, the SB will fulfil the following obligations:

- collaborating with the competent company management in planning a periodic training plan aimed at promoting knowledge of the provisions set out in the Model, customized according to the role and responsibilities of the recipients;
- collecting, processing, keeping and updating any relevant information for the purposes of verifying compliance with the Model;
- periodically verifying and controlling the areas/operations at risk as identified in the Model.

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- For the purposes of better and more effective execution of its assigned tasks and functions, in carrying out its operational activities the SB may avail itself of the company's Internal Auditing Function and various company structures which, on a case-by-case basis, may be helpful in fulfilling the activities indicated, or turn to specialist external collaborations.

The SB may also decide to delegate one or more specific tasks to individual members of the same, based on their respective skills, subject to the obligation to report back to the SB.

In any case, even with regard to functions delegated by the SB to individual SB members, or actually carried out by other company functions, collective responsibility for the same continues to lie with the SB.

5.3 Supervisory Board reporting

In order to guarantee full autonomy and independence in carrying out its functions, the Supervisory Board reports directly to the Company's Board of Directors on the current state of Model implementation, the results of the supervisory activities carried out and any appropriate interventions for Model implementation:

- continually towards the Board of Directors and, at least every six months, by means of a written report;
- periodically towards the Board of Statutory Auditors, (upon said Board's request) on the activities carried out.

The Technoform Bautech SB meets at least on a quarterly basis and may be convened at any time by the aforementioned bodies or may itself submit a request to this effect, in order to report on the functioning of the Model or specific situations.

5.4 Information flows to the Supervisory Board

The Decree states, among its requirements, that the Model must establish obligations for transmitting information to the Supervisory Board.

These flows concern all the information and documents that must be brought to the Supervisory Board's attention.

For each "area at risk of crime", one or more "Internal Managers" will be identified who, among other things, must provide the SB with the defined periodic flows of information. Even if there have been no significant reports to communicate within the selected time frame, a "negative" report must still be sent.

A communication channel has been set up for communicating with the Supervisory Board, consisting of a dedicated email address:

odv.oisit@technoform.com

to which reports may be sent. This method of reporting is aimed at guaranteeing the confidentiality of whistleblowers, also to prevent retaliatory behaviour towards them.

Reports can be sent to the following postal address:

TECHNOFORM BAUTEC ITALIA SPA

Via Settembrini 80

22020 LAINATE (MI)

The Supervisory Board will evaluate the reports received, and may summon, if deemed appropriate, both the whistleblower, to obtain further information, ensuring the necessary confidentiality, and the alleged author of the infringement, also setting in motion all the checks and investigations necessary to verify the validity of the report.

Reports must be in writing, sent via email or through the whistleblowing channel.

In addition to the aforementioned reports, information must also be sent to the SB concerning:

- measures and/or news from judicial police bodies, or any other authority, including administrative bodies, involving the Company or senior management, from which it can be deduced that investigations have been carried out, even against unknowns, for crimes covered by the Decree, without prejudice to the legal obligations of confidentiality and secrecy;
- requests for legal assistance forwarded by managers and/or employees if legal proceedings are initiated, particularly for crimes covered by the Decree;
- control activities, carried out by the managers of other company departments, from which facts, acts, events or omissions of a critical nature have emerged concerning compliance with the regulations set out in the Decree or the Model;
- changes to the system of proxies and powers of attorney, changes to the articles of association or changes to the company organization chart;
- information concerning the effective implementation, at all company levels, of the Model with evidence of any disciplinary proceedings carried out and any sanctions imposed (including measures against employees), or of the measures for archiving such proceedings with relative reasons;
- reports of serious accidents (manslaughter and culpable serious or very serious injuries and in any case, any accident resulting in a prognosis of more than 40 days) involving employees, maintenance workers, contractors and/or collaborators present in the Company's workplaces.

All information, documentation and reports collected in the performance of institutional tasks must be archived and kept for at least five years by the Supervisory Board. Care must be taken to keep all the documentation and information acquired confidential, also in compliance with privacy laws.

6. CRIMES ATTEMPTED AND COMMITTED ABROAD

The organization is also liable for offences resulting from crimes attempted or committed abroad.

In the case of any attempted perpetration of the crimes covered by the Decree, fines and disqualifications are reduced by between one third and one half, while the application of sanctions is excluded in those cases where the Body voluntarily prevents completion of the crime or realization of the event.

The exclusion of sanctions is justified, in this case, by virtue of interrupting any relationship of identification between the Body and the individuals assuming to act in its name and on its behalf.

Based on the provisions of art. 4 of the Decree, the body, which has its registered office in Italy, may be called upon to answer for crimes (covered by the Decree) committed abroad, so as not to leave frequently occurring criminal conduct unpunished, as well as to prevent easy circumvention of the entire regulatory system in question.

The prerequisites for establishing the organization's liability for crimes committed abroad are:

- the crime must be committed abroad by an individual functionally linked to the body, pursuant to art. 5, para. 1, of the Decree;
- the body must have its main headquarters in Italy;
- the conditions provided for by articles 7, 8, 9 and 10 of the Italian Criminal Code, with reference to the criminal liability for offences committed abroad, must have arisen (Annex B - "Articles of the Criminal Code referred to in art. 4 of the Italian Legislative Decree no. 231/2001" describes the types of crimes);
- no proceedings are taken against the Body in the State in which the crime was committed.

Available annexes:

- Special part 1
- Special Part 2
- Special Part 3
- Special Part 4
- Special part 5
- Special Part 6
- Special Part 7
- Special Part 8
- Special Part 9
- Special Part 10
- Disciplinary System

Lainate, 06/10/2023

Technoform Bautech Italia S.p.A.

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