

**PRINCIPLES OF THE  
ORGANISATIONAL,  
MANAGEMENT AND  
CONTROL MODEL**

**PURSUANT TO LEGISLATIVE  
DECREE NO. 231 OF 2001  
OF POLYGLASS S.P.A.**

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## **1.1 Introduction**

Legislative Decree no. 231 of 8 June 2001 (hereinafter, “Legislative Decree 231/2001” or “Legislative Decree. no. 231 of 2001” or the “Decree”), in implementation of the mandate conferred on the Government with Art. 11 of Law no. 300 of 29 September 2000, introduced legislation on the liability of entities for administrative offences arising from a crime in the Italian legal system, alongside the criminal liability of the natural person who committed the crime. According to this legislation, companies may be held liable, and consequently may be fined, in relation to certain crimes committed or attempted in the interest or to the advantage of the company itself by directors or employees.

The liability of the company is excluded if it has adopted and effectively implemented, prior to the crime being committed, an adequate Organisation, Management and Control Model (hereinafter also “Model”) suitable for preventing such crimes; a Model whose principles may be derived from the Code of Conduct (“Guidelines” prepared by Confindustria (Italian Industry Association)).

Although the principle of the individual nature of criminal liability was not formally modified, the legislation contained in Legislative Decree 231/2001 accompanies any compensation for damages and the civil obligation to pay fines or penalties imposed on natural persons, in the event of insolvency of the material perpetrator of the crime (Arts. 196 and 197 of the Criminal Code). Legislative Decree 231/2001 modifies the Italian legal system in that companies are not extraneous to the possible consequences of criminal proceedings concerning crimes committed to the advantage or in the interest of the companies themselves.

On 25 November 2016, the Board of Directors of Polyglass S.p.A. approved the first version of the “Organisation, Management and Control Model” pursuant to Legislative Decree no. 231 of 8 June 2001. This document, “Principles of the Model” was prepared by Polyglass S.p.A. based on the last version of the Model, approved by the Board of Directors on 30 April 2020.

## 1.2 *Types of crimes*

The types of crimes that are relevant for the purposes of establishing the administrative liability of companies are only those expressly listed in the Decree and can be included in the following categories:

1. crimes against the Public Administration (such as corruption and embezzlement to the detriment of the State, fraud to the detriment of the State and cyber fraud to the detriment of the State, as indicated in Arts. 24 and 25 of Legislative Decree 231/2001), introduction of the crime of “trafficking in unlawful influence” by Law 3/2019;
2. crimes against public faith (such as forgery of money, public credit cards and revenue stamps, as indicated in Art. 25-*bis* of Legislative Decree 231/2001, introduced by Art. 6 of Legislative Decree no. 350/2001, converted into law with amendments by Art. 1 of Law no. 409 of 23 November 2001, regarding “*Urgent provisions in view of the introduction of the Euro*”, amended by Law no. 99/2009 and Legislative Decree 125/2016);
3. corporate crimes. Art 25-*ter* was introduced in Legislative Decree no. 231/2001 by Art. 3 of Legislative Decree no. 61 of 11 April 2002 (as mended by Law no. 190/2012 and by Law 69/2015 and by Legislative Decree no. 38/2017), which, as part of the reform of corporate law, provided for extension of the administrative liability of companies to certain corporate crimes as well;
4. crimes for the purposes of terrorism and subversion of the democratic order (including financing for the above purposes), indicated in Art. 25-*quater* of Legislative Decree 231/2001;
5. crimes against the individual (such as the exploitation of prostitution, child pornography, human trafficking and subjection to and maintenance of slavery, illicit intermediation and exploitation of labour, indicated in Art. 25-*quinquies* of Legislative Decree 231/2001, amended by Law 199/2016 and by Legislative Decree 21/2018);
6. market abuse crimes (abuse of insider information and market manipulation), indicated by Art. 25-*sexies* of Legislative Decree 231/2001, introduced by Art.

- 9 of Law no. 62 of 18 April 2005 (“so-called 2004 Community Law”), as amended by Legislative Decree 107/2018;
7. crimes against life and individual safety (such as the practice of mutilation of female genital organs, referred to by Art. 25-*quater.1* of Legislative Decree 231/2001);
  8. transnational crimes, as indicated in Art. 10 of Law no. 146 of 16 March 2006, “ratifying and implementing the Convention and Protocols of the United Nations against transnational organised crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001”;
  9. crimes of manslaughter and grievous or extremely grievous bodily harm, committed in violation of accident-prevention and occupational health and safety legislation, pursuant to Articles 589 and 590, third paragraph, of the criminal code, indicated in Art 25-*septies* of Legislative Decree 231/2001;
  10. crimes of receiving or laundering goods or benefits of unlawful origin governed by Legislative Decree no. 231 of 21 November 2007 and the crime of self-laundering governed by Law no. 186 of 15 December 2014, in force since 1 January 2015, indicated in Art. 25-*octies*;
  11. cyber crime and unlawful data processing, referred to in Law no. 48 of 18 March 2008, ratifying and executing the Council of Europe Convention on cyber crime, signed in Budapest on 23 November 2001, and legislation for the adaptation of the internal system, referred to in Art. 24 *bis*, amended by Law 133/2019 which introduced new legislation for breaching the national cybersecurity perimeter;
  12. organised crime (pursuant to Articles 416 sixth paragraph, 416-bis, 416-ter, amended by Law no.43/2019, and 630 of the criminal code and Article 407, second paragraph, letter a, no. 5, of the code of criminal procedure indicated in Art. 24-*ter* of Legislative Decree 231/2001, introduced by Law no. 94/2009 and amended by Law 236/2016);
  13. crimes against industry and commerce (pursuant to Articles 513, 514, 515, 516, 517, 517-ter and 517 quater, of the criminal code, indicated in Art. 25-*bis.1* of Legislative Decree 231/2001);
  14. counterfeiting and alteration of trademarks or distinctive signs as well as introduction into the State of products with false signs (pursuant to Articles

- 473 and 474 of the criminal code, indicated in Art. 25-*bis* of Legislative Decree 231/2001);
15. crimes involving copyright infringement (indicated in Art. 25-*novies* of Legislative Decree 231/2001);
  16. instigation not to make statements or to make false statements to judicial authorities (provided for by Art. 25 - *decies* of Legislative Decree 231/2001);
  17. environmental crimes referred to in Art. 25-*undecies* of Legislative Decree 231/2001, introduced by Legislative Decree no. 121/2011 and amended by Law no. 68/2015 and by Legislative Decree 21/2018. The administrative liability of the company is foreseen in relation to the crimes pursuant to Articles 452-bis, 452-quater, 452-sexies, 452-quinquies, 452-octies, 727-bis and 733-bis of the criminal code, certain articles of Legislative Decree no. 152/2006 (Consolidated Law on the Environment), certain articles of Law no. 150/1992 for the protection of animal and plant species in danger of extinction and of dangerous animals, Art. 3, par. 6, of Law no. 549/1993 on the protection of stratospheric ozone and the environment and certain articles of Legislative Decree no. 202/2007 on pollution caused by ships;
  18. employment of citizens of third countries whose stay is illegal, procured entry into the territory of the State and aiding and abetting illegal immigration (provided for in Art. 25-*duodecies* of Legislative Decree 231/2001, as amended by Law 161/2017);
  19. racism and xenophobia, introduced by Law no. 167 of 20 November 2017, referred to in Article 25-*terdecies* of Legislative Decree no. 231/2001 and amended by Legislative Decree no. 21/2018;
  20. fraud in sports competitions, abusive exercise of gaming or betting and gambling exercised by means of prohibited devices introduced by Law 39/2019 under Art. 25 - *quaterdecies*;
  21. tax crimes introduced Law 157/2019 under Art. 25-*quinquiesdecies*.

### **1.3 Attempted crimes**

In the cases of attempting to commit the crimes indicated in Chapter I of Legislative Decree 231/2001, the fines (in terms of amount) and the disqualifications (in terms of time) are reduced between a third and a half, while the imposition of sanctions in the

cases in which the company voluntarily prevents the action being carried out or the event being implemented is excluded (Art. 26).

In this case, the exclusion of sanctions is justified by virtue of the interruption of any relationship of collusion between the company and those who assume to act in its name and on its behalf. This is a particular case of the so-called “pro-active withdrawal”, provided for by Art. 56, paragraph 4, of the criminal code.

#### ***1.4 Perpetrators of the crime: persons in top management positions and persons subject to the management of others***

According to Legislative Decree 231/2001, the company is liable for crimes committed in its interest or to its advantage:

- by “persons who hold positions of representation, administration or management of the company or one of its organisational units having financial and functional autonomy, as well as persons who manage and control the company, including on a de facto basis” (so-called persons in top management positions “top managers”; Art. 5, paragraph 1, letter a), of Legislative Decree 231/2001);
- by persons subject to the management or supervision of one of the persons in a top management position (so-called persons subject to the management of others; Art. 5, paragraph 1, letter b), of Legislative Decree 231/2001).

The company is not liable, by virtue of an express legislative provision (Art. 5, paragraph 2, of Legislative Decree 231/2001), if the persons indicated acted in their own sole interest or that of third parties.

#### ***1.5 Crimes committed abroad***

According to Art. 4 of Legislative Decree 231/2001, the company can be liable in Italy in relation to crimes – again contemplated by Legislative Decree 231/2001 - committed abroad. The Explanatory Report of Legislative Decree 231/2001 underlines the need not to leave a frequently occurring criminal situation without a sanction, also in order to avoid easy circumvention of the entire regulatory system in question.

The prerequisites (provided for by the legislation or inferable from the entire Legislative Decree 231/2001) on which the company's liability for crimes committed abroad is based are indicated in Arts. 7-10 of the criminal code.

### ***1.6 Organisation, Management and Control Model***

A fundamental aspect of Legislative Decree 231/2001 is the express provision of the creation of a Model for the company.

In the event of a crime committed by a person in a top management position, the company is not liable if it proves that (Art. 6, paragraph 1, Legislative Decree 231/2001):

- a) the management body adopted and effectively implemented, before the crime was committed, a Model suitable for preventing crimes of the kind committed;
- b) the task of supervising the functioning of and compliance with the Model and ensuring that it is kept up to date was entrusted to a corporate body with autonomous powers of initiative and control ("Supervisory Board");
- c) the persons committed the crime by fraudulently circumventing the Model;
- d) there has been no omitted or insufficient supervision on the part of the Supervisory Board.

The Explanatory Report of Legislative Decree 231/2001 underlines that: "it is assumed (empirically well-founded) that, in the case of a crime committed by an individual in a top management position, the 'subjective' requirement for the company's liability [i.e. the so-called 'organisational fault' of the company] is met, since the top management expresses and represents the policy of the company; where this is not the case, the company must prove its extraneousness, and it can only do this by proving the existence of a series of concurrent requirements."

In the event, on the other hand, of a crime committed by persons subject to the management or supervision of others, the company is liable (Art. 7, paragraph 1 of Legislative Decree 231/2001) if commission of the crime was facilitated ("made possible") by violation of the management or supervisory obligations with which the company is required to comply.

In any case, the violation of management or supervisory obligations is excluded if the company, before the crime was committed, adopted and effectively implemented a Model capable of preventing crimes of the type committed.

Legislative Decree 231/2001 outlines the content of the Organisation, Management and Control Model, envisaging that, in relation to the extent of the powers delegated and the risk of crimes being committed, it must:

- identify the activities in which crimes may be committed;
- envisage specific protocols aimed at planning the formation and implementation of company decisions in relation to the crimes to be prevented;
- find ways of managing financial resources suitable for preventing crimes from being committed;
- envisage obligations of information to the Supervisory Board responsible for overseeing the functioning of and compliance with the Model;
- introduce a suitable disciplinary system for punishing lack of compliance with the measures indicated in the Model.

The Legislator also defined the requirements for the effective implementation of the above-mentioned Model:

- (i) periodic verification and, where necessary, modification of the Model when significant violations of its provisions are discovered or when changes occur in the organisation of the company and its business;
- (ii) a suitable disciplinary system for punishing lack of compliance with the measures indicated in the Model.

### ***1.7 Recipients of the Model***

The recipients of the Model are all those who work to achieve the purpose and objectives of Polyglass S.p.A.

The recipients of the Model are required to comply with all the provisions and protocols contained therein, as well as with all the procedures for its implementation, with the utmost integrity and diligence.

## *1.8 Assessment of suitability*

Ascertainment of the company's liability, assigned to the criminal court, is carried out (in addition to the opening of an ad hoc trial in which the company is placed on an equal footing with the accused natural person; see below) by means of:

- verification of the existence of the predicate crime for the company's liability;
- assessment of the suitability of the Model adopted.

Assessment of the court with regard to the abstract suitability of the Model in preventing the crimes pursuant to Legislative Decree 231/2001, regardless of the possible revision of the codes of conduct drawn up by the respective trade associations, is conducted according to the so-called "posthumous prognosis" criterion.

In other words, the assessment of suitability is formulated according to an essentially ex ante criterion, whereby the court ideally places itself in the company's situation at the time when the offence occurred in order to test the consistency of the Model adopted.

## ***2. Polyglass Supervisory Board***

### ***2.1 Members***

Based on the provisions of Legislative Decree 231/2001 (Art. 6, paragraph 1, letter b), the party to which the management body must entrust the task of supervising the functioning of and compliance with the Model, as well as ensuring its updating, must be “a body of the entity having autonomous powers of initiative and control” (hereinafter, “Supervisory Board”).

Pursuant to Art. 6, paragraph 1, letter b) of Legislative Decree no. 231/2001, the Supervisory Board has “autonomous powers of initiative and control.”

The necessary autonomy of the Supervisory Board is guaranteed by virtue of the position given to the above-mentioned functions within the context of the corporate organisational chart and the reporting lines assigned to it.

In order to facilitate the definition and performance of the activities for which it is responsible and to allow utmost adherence to the requirements and tasks provided for by law, the Supervisory Board may make recourse to specialist resources existing within the Company and to resources external to it.

### ***2.2 Appointment***

The Polyglass Supervisory Board is established by a Board of Directors’ resolution approving the Model referred to in this document. On appointing it, the Board of Directors must acknowledge the assessment of the existence of the requirements of independence, autonomy, respectability and professionalism of its members.

The composition, changes and additions to the Supervisory Board are approved by a Board of Directors’ resolution.

The term of office of external members is three years; external members fall from office on the date of the Shareholders' Meeting called to approve the financial statements for

the last financial year of their office, although they continue to perform their duties ad interim until the new members of the Supervisory Board have been appointed.

Without prejudice to the possibility of reviewing the role of the Supervisory Board on the basis of the experience acquired, the following constitute grounds for replacing or supplementing the composition of the Supervisory Board:

- assignment of tasks, roles and/or responsibilities within the corporate organisational structure that are not compatible with the requirements of “autonomy and independence” and/or “continuity of action” of the Supervisory Board;
- termination or resignation of a member of the Supervisory Board from the corporate function and/or office held;
- termination or resignation of a member of the Supervisory Board due to personal reasons.

The following constitute grounds for ineligibility and/or disqualification of individual members of the Supervisory Board:

- (i) family, marriage or affinity relationships up to the fourth degree with the Chief Executive Officer or the Chairman of the Board of Directors, persons holding representative, administrative or management positions in the Company or in one of its organisational structures with financial and functional autonomy, as well as persons who exercise management and control over the Company, also on a de facto basis, the Company’s Statutory Auditors and the Independent Auditors, as well as the other persons indicated by law;
- (ii) conflicts of interest, including potential ones, with the Company or its subsidiaries, which compromise independence;
- (iii) direct or indirect ownership of shareholdings such as to allow the exercise of significant influence on the Company or on its subsidiaries;
- (iv) executive directorships held, in the three financial years preceding appointment as a member of the Supervisory Board, in companies subject to bankruptcy, receivership or similar procedures;
- (v) a public employment relationship with central or local administrations during the three years prior to appointment as a member of the Supervisory Board;

(vi) conviction, even if not final, or application of the punishment on request (so-called "plea bargaining"), in Italy or abroad, for violations relevant to the administrative liability of entities pursuant in Legislative Decree No. 231/2001;

(vii) conviction, even if not final, or "plea bargaining" sentence for a punishment that entails disqualification, even temporary, from holding public office, or temporary exclusion from managerial offices of legal entities and businesses.

If any of the above-mentioned reasons for replacement or integration or ineligibility and/or forfeiture should arise in relation to a member, the same shall immediately inform the other members of the Supervisory Board and shall automatically forfeit office. The Supervisory Board shall notify the Board of Directors of the fact and the proposed replacement.

In particularly serious cases, the Chief Executive Officer and/or the Chairman of the Board of Directors may order the suspension of the functions and/or powers of the Supervisory Board and appointment of an interim or revocation of powers. The following shall constitute grounds for suspension or revocation:

- omitted or insufficient supervision on the part of the Supervisory Board resulting from a conviction, even if not final, issued against the Company pursuant to Legislative Decree no. 231 of 2001 or from a sentence of application of a punishment on request (so-called plea bargaining);
- serious breach of the functions and/or powers of the Supervisory Board.

### ***2.3 Functions, powers and budget of the Supervisory Board***

The duties of the Supervisory Board are defined as follows:

- supervision of the effectiveness of the 231 Model; monitoring of the implementation and updating of the 231 Model;
- examination of the adequacy of the 231 Model, i.e., its effectiveness in preventing unlawful conduct;
- analysis of the maintenance, over time, of the requirements of solidity and functionality of the 231 Model; promotion of the necessary updating, in a dynamic sense, of the 231 Model;
- approval of the annual plan of supervisory activities within the Company's structures and functions (hereinafter the "Supervisory Plan"), in line with the

principles and contents of the 231 Model and with the plan for audits and controls on the internal control system; coordination of implementation of the Supervisory Plan and of implementation of scheduled and unscheduled control activities; examination of the results of the activities carried out and the related reporting; drafting of directives for company functions;

- ensuring the information flows under its responsibility with company functions;
- any other task assigned by law or by the 231 Model.

In carrying out its assigned tasks, the Supervisory Board has unrestricted access to corporate information for investigation, analysis and control activities. Any company function, employee and/or member of corporate bodies is required to provide information, in response to requests from the Supervisory Board, or upon the occurrence of events or circumstances relevant to the performance of the activities for which the Supervisory Board is responsible.

The Supervisory Board must have independent spending power, on the basis of the budget assigned to it by the Board of Directors on an annual basis at the proposal of the Supervisory Board itself, commensurate with the tasks to be carried out; this power may be exercised for the needs arising from the performance of the tasks assigned and whenever the Board decides to make recourse to external services or professionals in order to supervise the functioning, effectiveness and compliance with the Model, as well as to ensure its constant and timely updating, within the scope of implementation of the provisions of Legislative Decree 231/2001.

The Supervisory Board has the right, with autonomous powers of representation, to enter into, amend and/or terminate professional assignments to third parties possessing the specific skills necessary for optimal execution of the assignment.

## ***2.4 Information flows from and to the Supervisory Board***

### ***2.4.1 Reporting of the Supervisory Board to corporate bodies***

The Supervisory Board reports on the implementation of the Model, on the emergence of any critical aspects, and on the need to make changes; separate reporting lines are provided for:

The Supervisory Board:

- i) reports to the Board of Directors, informing it, whenever it deems it appropriate, of significant circumstances and facts of its office.
- ii) immediately communicates the occurrence of extraordinary situations (for example: significant violations of the principles contained in the Model, legislative innovations regarding the administrative liability of entities, etc.) and reports received that are of an urgent nature;
- ii) submits a written report, on at least a six-monthly basis, to the Board of Directors, containing at least the following information:
  - a) a summary of the activities carried out during the period and a plan of the activities envisaged for the following period;
  - b) any problems or critical issues that have arisen during the course of the supervisory activity;
  - c) if not covered by previous and specific reports:
    - the corrective actions to be taken in order to ensure the effectiveness and/or efficacy of the Model, including those necessary to remedy the organisational or procedural shortcomings that have been ascertained and which are likely to expose the Company to the risk that crimes relevant to the Decree are committed, including a description of any new “sensitive” activities identified;
    - always in compliance with the terms and methods indicated in the Sanction System adopted by the Company pursuant to the Decree, an indication of conduct ascertained and found to be not in line with the Model, with a simultaneous proposal regarding the sanction deemed most appropriate against the person responsible for the violation or the function and/or process and/or area concerned;
  - d) a list of reports received from internal and external parties, including any direct findings, concerning alleged violations of the provisions of this Model, the prevention protocols and the related implementation procedures, as well as violation of the provisions of the Company’s Code of Ethics, and the outcome of the consequent audits carried out;
  - e) information regarding any commission of crimes relevant for the purposes of the Decree;
  - f) the disciplinary measures and any sanctions applied by the Company, with reference to violations of the provisions of this Model, the prevention protocols

- and the related implementation procedures, as well as violations of the provisions of the Company's Code of Ethics;
- g) notification of any changes in the regulatory framework and/or significant changes in the Company's internal structure and/or in the methods of carrying out business activities that require updating of the Model;
  - h) notification of any conflict of interest, even potential, of a Board member;
  - i) any proposals to update the Model.

In addition to these flows, the Supervisory Board has the duty to report to the Board of Directors – promptly, when necessary, or at least in the six-monthly report – facts, circumstances or organisational deficiencies found in the supervisory activity that make it necessary or appropriate to amend or supplement the Model.

The Board of Directors and the Board of Statutory Auditors have the right to call a meeting of the Supervisory Board at any time to inform them of the activities for which they are responsible.

Meetings with corporate bodies to which the Supervisory Board reports must be documented. The Supervisory Board is responsible for filing the related documentation.

#### ***2.4.2 Information flows to the Supervisory Board***

The Supervisory Board must be promptly informed of those acts, conduct or events which may lead to a violation of the Model or which, more generally, are relevant for the purposes of improving the effectiveness and efficacy of said Model.

All Recipients of the Model must communicate to the Supervisory Board any information useful to facilitate the performance of audits on the correct implementation of the Model. In particular, the Heads of Organisational Units that operate in the context of sensitive activities must transmit to the Supervisory Board: i) at previously agreed intervals, the so-called “information flows”, i.e. the list of operations/transactions that fall within the “sensitive” activities envisaged by the Company's Model; ii) any anomalies or atypical facts found in the information available. Furthermore, if they find areas for

improvement in the definition and/or application of the control standards defined in this Model, they must promptly report such circumstances to the Supervisory Board.

The following general provisions apply in this regard:

- the Supervisory Board assesses, at its discretion and under its responsibility, the reports received and the cases in which it is necessary to take action<sup>1</sup>;
- the determinations regarding the outcome of the assessment must be justified in writing.

The obligation to provide information on any conduct contrary to the provisions contained in the Model is part of the employee's wider duty of diligence and obligation of loyalty. Proper fulfilment of the information obligation by employees cannot give rise to the application of disciplinary measures<sup>2</sup>.

The Company adopts suitable and effective measures in order that confidentiality is always guaranteed regarding the identity of those who transmit information to the Board useful for identifying conduct that is not in compliance with the provisions of the Model, the procedures established for its implementation and the procedures established by the internal control system, without prejudice to legal obligations and protection of the rights of the Company or of persons wrongly accused and/or accused in bad faith.

Any form of retaliation, discrimination or penalisation of those who make reports to the SB in good faith is prohibited. The Company reserves the right to take any action against anyone who makes untrue reports in bad faith.

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<sup>1</sup> “It should be clarified that the information provided to the Supervisory Board aims to improve its control planning activities and does not, on the other hand, involve precise or systematic verification of all phenomena submitted. In other words, the Board is not obliged to act every time there is a report, since it is left to its discretion and responsibility to establish in which cases to act.” Confindustria, *Guidelines*, op. cit. page 45.

<sup>2</sup> “By regulating the methods of fulfilling the obligation to provide information, it is not intended to encourage the phenomenon of reporting so-called “internal rumours (whistleblowing), but rather to implement a reporting system of real facts and/or conduct that does not follow the hierarchical reporting line and allows personnel to report instances of violations of the provisions by others in the entity without fear of retaliation. In this sense, the Board also takes on the characteristics of Ethics Officer, without - however - giving it disciplinary powers, which it is appropriate to confer on a specific committee or, ultimately, on the Board of Directors in the most delicate cases”. Confindustria, *Guidelines*, op. cit. 46.

### *2.4.3 Whistleblowing*

Pursuant to Art. 6, paragraph 2-bis of Legislative Decree no. 231/2001, the recipients of this Model are provided with a reporting system for the purpose of highlighting unlawful conduct, based on precise and concordant facts.

Such conduct may involve violations of the provisions:

- of Legislative Decree 231/01;
- of this Model;
- of the Company's Code of Ethics;
- of the internal documents adopted by the Company to implement the same (e.g. procedures and policies).

Reports will be collected through the following channels:

- via email, to the dedicated SB address ([odv@polyglass.it](mailto:odv@polyglass.it)), a channel that ensures the confidentiality of the whistleblower's identity through IT means;
- in hard copy and reserved form, by post to: Polyglass S.p.A. – FAO The Supervisory Board – Via dell'Artigianato, 34 - 31047 Ponte di Piave (TV));
- on-line Whistleblowing portal which provides a guided procedure for the Whistleblower; the Whistleblowing Portal can be reached at the following web address: <https://segnalazioni.mapei.eu>.

Reports will be managed in line with the provisions of the internal organisational provisions adopted by the Company on Whistleblowing, and, in particular, with the Whistleblowing Policy issued by the Company and published on the company's website in the Whistleblowing Section,

The Company guarantees the confidentiality of the identity of the whistleblower pursuant to Law No. 179/2017.

Direct and indirect retaliatory or discriminatory acts against the whistleblower for reasons directly or indirectly related to the report made are forbidden.

Moreover, it should be noted that, pursuant to Art. 6, paragraph 2-bis, letter d), of Legislative Decree 231/01, in addition to the provisions of Chapter 3 “Structural elements of the disciplinary system”, further sanctions are foreseen “against those who violate the measures for the protection of the whistleblower, as well as against those who make reports that turn out to be unfounded with malice or gross negligence” (for further details please refer to Chapter 3).

### ***3. Structural elements of the disciplinary system***

#### ***3.1 Function of the disciplinary system***

Art. 6, paragraph 2, letter e) and Art. 7, paragraph 4, letter b) of Legislative Decree 231/2001 establish (with reference to top managers, key officers and those subject to the management of others) the need to put in place “*a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model*”.

The definition of sanctions, commensurate with the violation and having a deterrent effect, applicable in the event of violation of the measures contained in the Model, is intended to contribute: (i) to the efficacy of the Model itself, and (ii) to the efficacy of the Supervisory Board’s control activities.

The application of the system is independent of the course and outcome of any criminal proceedings initiated before the competent judicial authority.

#### ***3.2 Measures against employees***

The violation of individual provisions and rules of conduct referred to in the Model by Polyglass employees always constitutes a disciplinary offence.

The Company asks its employees to report any violations, and the Company values the contribution made, even if the person making the report contributed to the violation.

For ascertaining infringements concerning the Model, disciplinary proceedings and imposition of the related sanctions, the powers already conferred on the Chief Executive Officer of Polyglass remain valid, within the limits of the respective powers and responsibilities.

With regard to the type of sanctions that can be imposed, in the case of an employee, any sanction measure must comply with the procedures provided for by Art. 7 of the Workers’ Statute, which is characterised not only by the principle of the type of violations, but also by the provisions of the National Collective Bargaining Agreement in force.

In addition to that detailed in the following paragraphs, pursuant to Art. 6, paragraph 2-bis of Legislative Decree 231/2001 as amended by Law 179/2017, any employee who, in violating the internal procedures provided for by the Model on Whistleblowing, or adopting conduct that does not comply with the requirements of the Model, performs acts of direct or indirect retaliation or discrimination against the whistleblower for reasons directly or indirectly related to the report; or makes reports with malice or gross negligence that turn out to be unfounded, will be punished.

### ***3.3 Measures against non-management personnel***

Any conduct by employees that violates the rules of conduct contained in the Model and in the Company's Code of Ethics constitutes a failure to comply with a primary obligation of the employment relationship itself and, consequently, constitutes a disciplinary offence.

With regard to the measures applicable to non-managerial employees, the Company's system of sanctions finds its primary source in the following National Collective Bargaining Agreements (CCNL) applied, and specifically in the Chemicals CCNL.

It should be noted that the sanction imposed must be proportionate to the severity of the violation committed and, in particular, must take into account:

- the subjective element, i.e. the intentionality of the conduct or the degree of fault (negligence, carelessness or inexperience);
- the overall conduct of the employee with particular regard to the existence or otherwise of disciplinary precedents;
- the level of responsibility and autonomy of the employee who committed the disciplinary offence;
- the involvement of other people;
- the severity of the effects of the disciplinary offence, i.e. the level of risk to which the company may reasonably be exposed as a result of the alleged violation;
- other special circumstances accompanying the offence.

The disciplinary measures to which employees may be subjected in the event of violation of the Model are the following:

- 1) verbal reprimand;

- 2) written warning;
- 3) fine not exceeding the amount of 4 hours' pay;
- 4) suspension from duty and pay up to a maximum of 8 days;
- 5) dismissal with indemnity in lieu of notice (or dismissal for justified subjective reason);
- 6) dismissal without notice (or dismissal for just cause).

Conduct liable to the application of disciplinary sanctions pursuant to Legislative Decree. 231/2001 is described in the list below.

1. Any employee who fails to carry out with due diligence the tasks and duties envisaged by the internal procedures or who violates the prescriptions laid down by the Model and by the documents referred to therein concerning information to the Supervisory Board or the controls to be carried out or who, in any case, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model commits a slight violation for the first time of the provisions of the Model, provided that this violation does not result in a greater negative impact for the company externally.
2. Any employee who, several times fails to carry out with due diligence the tasks and duties envisaged by the internal procedures or who violates the prescriptions laid down by the Model and by the documents referred to therein concerning information to the Supervisory Board or the controls to be carried out or who, in any case, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model adopts several times conduct not in line with the provisions of the Model.
3. Any employee who fails to carry out with due diligence the tasks and duties envisaged by the internal procedures or who violates the prescriptions laid down by the Model and by the documents referred to therein concerning information to the Supervisory Board or the controls to be carried out or who, in any case, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model adopts conduct not in line with the provisions of the Model, carrying out acts contrary to the interest of the company, exposing the same to a situation of danger for the integrity of corporate assets.

4. Any employee who, in violating the internal procedures envisaged by the Model, adopting, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model, conduct not in line with the provisions of the Model, causes damage to the company by carrying out acts contrary to the interests of the same, or any worker who has committed the misconduct referred to in points 1, 2 and 3 more than three times in a year.
5. Any employee who, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model, adopts conduct not in line with the provisions of the Model and aimed solely at committing a crime punished by Legislative Decree 231/2001.
6. Any employee who, in carrying out activities classified as “sensitive” pursuant to and for the purposes of the Model, adopts conduct in violation of the provisions of the Model such as to cause the concrete application against the company of the measures provided for by Legislative Decree 231/2001, as well as any worker who has committed the misconduct referred to in point 4 more than three times in a year.

The conduct described above constitutes misconduct punishable by the disciplinary sanctions provided for by the legislation and collective bargaining agreements in force; the measure to be imposed is assessed on the basis of the severity of the violation and the principle of proportionality.

### ***3.4 Measures against managers***

The Company’s managers, in the performance of their professional activities, are obliged both to comply with and to ensure that their collaborators comply with the provisions contained in the Model.

The National Collective Bargaining Agreement for Industrial Managers applies to the Company’s managerial employees.

By way of example, the following unlawful conduct by a manager is considered punishable for violation of the provisions contained in the Model:

- failure to supervise personnel who hierarchically report to the latter, so as to ensure compliance with the provisions of the Model for the performance of activities in the areas at risk of crime and for activities instrumental to operational processes at risk of crime;
- failure to report non-compliance with and/or anomalies relating to fulfilment of the obligations pursuant to the Model, should the latter become aware of the same, such as to render the Model ineffective with the consequent potential danger for the Company to be subject to the sanctions pursuant to Legislative Decree 231/2001;
- failure to report to the Supervisory Board any critical aspects relating to the performance of activities in the areas at risk of crime, as identified during monitoring by the competent authorities;
- commission by the latter of one or more serious violations of the provisions of the Model, such as to lead to the commission of the crimes contemplated in the Model, thus exposing the Company to the application of sanctions pursuant to Legislative Decree 231/2001.

In the event of violation of the provisions and rules of conduct contained in the Model by a manager, Polyglass, on the basis of the principle of severity, recidivism, direct non-compliance and lack of supervision, will adopt against the same the measure considered most appropriate in accordance with the provisions of the applicable contract and legislation.

If the violation of the Model leads to a deficiency in the relationship of trust between the Company and the Manager, the sanction is dismissal.

### ***3.5 Measures against Directors***

The Supervisory Board informs the Board of Statutory Auditors of notification of any violation of the Model by Directors. The Board of Statutory Auditors proceeds with the necessary assessments and takes the appropriate measures.

### ***3.6 Measures against Statutory Auditors***

In the event of notice of violation of the provisions and rules of conduct of the Model by one or more statutory auditors, the Supervisory Board must promptly inform the other

members of the Board of Statutory Auditors and the Chief Executive Officer of what has happened.

### ***3.7 Measures against the Supervisory Board***

In the event of negligence and/or inexperience on the part of the Supervisory Board in supervising the correct application of the Model and its observance and in failing to identify cases of violation of the Model, defining the necessary corrective actions, the Board of Directors shall take the appropriate measures in accordance with the procedures provided for by current legislation, including revocation of the appointment and without prejudice to a claim for damages.

### ***3.8 Measures against business partners, consultants or other parties having contractual relationships with the Company***

Violation by business partners, consultants, or other parties having contractual relationships with the Company for the performance of activities considered sensitive of the provisions and rules of conduct provided for by the Model applicable to them, or possible commission of the crimes contemplated by Legislative Decree no. 231/2001 by the latter, shall be punished in accordance with the provisions of the specific contractual clauses to be included in the related contracts.

Such clauses, making explicit reference to compliance with the provisions and rules of conduct provided for in the Model, may, for example, envisage an obligation on the part of such third parties not to put in place acts or adopt conduct such as to lead to a violation of the Model by the Company.

In the event of violation of this obligation, the Company shall have the right to terminate the contract with the possible application of penalties.

This obviously without prejudice to the Company's right to claim compensation for damages resulting from the violation of the provisions and rules of conduct provided for by the Model by the aforementioned third parties.

## ***4. General principles of training and communication***

### ***4.1 Foreword***

The contents of the Model shall be widely disseminated inside and outside the company. According to the Confindustria Guidelines, communication and training of personnel are important requirements for the implementation of the Model, as specifically prescribed by Legislative Decree 231/2001. Polyglass undertakes to facilitate and promote the knowledge and understanding of the Model on the part of Key Officers, with a degree of detail that varies according to their position and role within the Company, and to comply with and apply the Model as well as pro-actively participate in keeping employees informed on the Model.

The communication and training activity is supervised by the Supervisory Board, which, inter alia, is assigned tasks of “promoting initiatives for the dissemination of knowledge and understanding of the Model, as well as for personnel training and awareness raising on the principles contained in the Model” and of “promoting communication and training initiatives on the contents of Legislative Decree no. 231/2001, on the impact of the legislation on the company’s activities and on the rules of conduct”.

### ***4.2 Employees***

All employees are required to: i) acquire awareness of the contents of the Model; ii) be aware of the operating procedures with which their activities must be carried out; iii) in relation to their role and responsibilities, pro-actively contribute to the effective implementation of the Model, reporting any of its shortcomings.

In order to ensure an effective and rational communication activity, Polyglass promotes knowledge of the contents and principles of the Model and the implementation procedures within the organisation, with a level of detail that varies according to the position and role held.

Employees and new recruits are given a copy of the 231 Model and a copy of the Company’s Code of Ethics, or are guaranteed the possibility of consulting them, for example, directly on the corporate Intranet in a dedicated area.

In any case, for employees who do not have access to the Intranet, such documentation is made available to them by alternative means, such as attaching it to their pay slip or posting it on company notice boards.

The Heads of the individual Organisational Units shall assist the Supervisory Board in identifying the best way to use training services on the principles and contents of the Model, in particular for those who work in activities considered sensitive in accordance with Legislative Decree no. 231/2001 (for example: staff meetings, online courses, etc.). At the end of the training event, participants must fill in a form, thus certifying that they have received and attended the course.

Filling in and sending the form serves as a declaration of being aware of the contents of the Model.

Appropriate communication tools are adopted to update the recipients of this paragraph on any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

The Supervisory Board monitors the level of implementation of the Model through periodic specific audits.

#### ***4.3 Members of corporate bodies and persons with Company representation functions***

Members of corporate bodies, Key Officers and persons with representation functions (attorneys) of the Company are provided with a hard copy of the full version of the Model and of the Code of Ethics of the Company at the time of acceptance of the office conferred upon them and they will be asked to sign a declaration of compliance with the principles contained therein.

Appropriate communication tools will be adopted to update them on any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

#### ***4.4 Other recipients***

Communication of the contents of the Model shall also be addressed to third parties who have contractually regulated collaboration relationships with the Company (for example:

consultants, business agents and other independent collaborators) with particular reference to those who operate within the scope of activities considered sensitive pursuant to Legislative Decree no. 231/2001.

To this end, the Company shall determine:

- the types of legal relationships with parties external to the Company, to which it is appropriate to apply the provisions of the Model, due to the nature of the activity carried out;
- the methods of communicating the 231 Model and the Code of Ethics of the Company to the external parties concerned and the procedures necessary for compliance with the provisions contained therein, in order to ensure that they are effectively known.