

MODEL OF ORGANIZATION,
MANAGEMENT AND CONTROL
GENERAL PART

LEGISLATIVE DECREE NO. 231 OF JUNE 8, 2001

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For the Administrative Body: _____

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1. LEGISLATIVE DECREE NO. 231/2001

1.1. Summary of regulations

WHAT IT MATTERS: the direct liability of entities/companies as a result of certain crimes committed in its interest or to its advantage (so-called Predicate Crimes");

WHO MAY COMMIT A PRESIDENT CRIME: Top management individuals such as legal representatives, directors and executives, and individuals under their direction or supervision, such as, for example, employees of all ranks, contractors, non-independent consultants;

WHAT ARE THE PREDICATE CRIMES: there are about 200 different crimes that can affect the company's activities; the complete list is **Annex A** to this PG, and mainly covers the areas of occupational safety, environmental protection, tax, corporate and customs compliance, and corruption prevention;

WHAT ARE THE SANCTIONS: there are economic sanctions ranging from 25k euros to 1.5 million euros, disqualifying sanctions such as the blocking of company activities, exclusion, suspension or revocation of public contributions and financing, suspension of authorizations, licenses or concessions, prohibition to contract with the PA and prohibition to advertise goods or services; in addition, there is the publication of the sentence and confiscation, including for equivalent, of the profit (advantage);

WHAT IS MODEL 231: It is the set of procedures and protocols that are adopted by corporate choice for the prevention of predicate offenses and adopt greater (self-)control of the regularity and legality of corporate operations; its adoption and effective implementation allows the entity/company to avoid the application or reduce the extent of penalties in case of the commission of a predicate offense;

HOW IT IS EFFECTIVELY ENFORCED: Model 231 is effectively enforced through adequate supervision (performed by the Supervisory Board) and the application of the disciplinary system, set forth in **Appendix B** of this PG, in case of violations;

THE 231 MODEL IS CONSTANTLY EVOLVING: The 231 Model must maintain its effectiveness over time, and therefore should be periodically updated as 231 regulations change, when significant changes occur in the company's organization, and when significant violations of the 231 Model's procedures and protocols are discovered.

1.2. The construction and adoption of Model 231

Although the adoption of the Model of Organization, Management and Control represents an option and not an obligation, CLIVET S.P.A. (hereinafter also "CLIVET" or "the Company"), sensitive to the need to ensure conditions of fairness, transparency and respect for legality in the conduct of business and its activities, has deemed it in accordance with its corporate *policy* to proceed with the adoption and implementation of the Model. This is for the dual purpose of prevention and protection of the interests of the Shareholders, the Administrative Body and, ultimately, the entire Company from the negative effects resulting from the unexpected application of sanctions.

CLIVET S.P.A. also believes that the adoption of the Model constitutes an important opportunity to verify, revise and integrate the Company's decision-making and application processes, as well as the control systems of the same, strengthening the image of fairness and transparency to which the Company's activities have always been oriented.

To this end, the Administrative Body, availing itself of the assistance and advice of internal structures and external consultants, initiated the construction of the Model, divided into the following phases:

- **mapping of corporate risk areas and relevant crimes;**
- verification of existing operational and control procedures and identification of **improvement actions**, as well as identification of necessary/appropriate changes and additions (**evaluation/construction/adaptation** phase of **the system of preventive controls**);
- **preparation of the Model**, with provision for the progressive and periodic updating of individual operational company procedures and protocols.

All of this is based on the most up-to-date Guidelines of the trade business association, *best practices* and evolving case law.

1.3 . Structure of the Model 231

This Model consists of this **General Part** and Special Parts.

Each special part refers to a specific category of Predicate Offenses.

1.4. Representation of the entity in case of 231 proceedings

Representation of the Company in case of 231 proceedings is that assigned for representation in court, within the scope of the powers conferred by the Articles of

Association, by special resolution of the Shareholders' Meeting or by resolution of the Administrative Body.

In the particular case in which the proceeding related to the predicate offense 231 involves the Legal Representative as identified above¹, the Administrative Body, or the Shareholders' Meeting where necessary in accordance with the provisions of the bylaws, identifies a different person to whom specific power of attorney ad acta is granted to represent the Company in court in the 231 liability proceeding in question, with delegated authority to appoint one or more defense counsel or consultants to defend the interests of the entity in court in the specific 231 proceeding².

2. SUPERVISION OF THE MODEL - THE SUPERVISORY BODY

2.1. Identification and appointment of the Supervisory Board

The Supervisory Board implements the entity's/company's self-control over Model 231 and is appointed by resolution and then by mandate of the Administrative Body.

It may alternatively consist of one person (single-person) or several persons (multi-person). In the case of a single-member Supervisory Board, an external person, such as a freelancer, is appointed, who will be supported by a Company employee, made available to ensure the best information flow between the Board and company functions as well as continuity of action.

If a multi-subjective composition is chosen, however, it may consist of two or three components, of which at least one will be chosen from outside parties.

Appointment normally takes place at the same time as the first adoption of the Model and thereafter at each natural expiration of the term of office or when it becomes necessary to supplement or replace components during the term of office, for the case of termination due to any cause.

In the case of the replacement of a member during the term of office of the multi-subjective SB, the replacement appointment will expire at the same time as the original term of office provided for the other members so that the entire SB ceases to serve concurrently.

The resolution of the Administrative Body is formalized with respect to each appointed

¹ In that case we would in fact be faced with a condition of incompatibility due to conflict of interest of the Legal Representative, as reflected in the absolute prohibition of representation prescribed by Article 39 of Legislative Decree No. 231/2001.

² Cf. most recently by Cass. III Sec. Criminal, sent. July 25, 2023 nr 32110/2023 (hearing 22.03.2023).

member, and must be accepted by the person concerned.

2.2. Requirements of the Supervisory Board

The Supervisory Board must have the following requirements for the entire term of office.

REQUIREMENT	WHAT IT INVOLVES
AUTONOMY	The Supervisory Board has autonomous powers of initiative and control, freedom of action and self-determination. Therefore, the Supervisory Board is not entrusted with operational or managerial tasks, which could impair its objectivity of judgment, in order to preserve it from forms of conditioning by the Company and in particular by corporate <i>management</i> .
INDEPENDENCE	The Supervisory Board is free from conditioning with respect to the entity/company.
PROFESSIONALISM	The Supervisory Board, as a whole, must have sufficient inspection and advisory knowledge to be able to effectively carry out the assigned verification and control activities.
CONTINUITY OF ACTION	The Supervisory Board has a mandate to ensure effective supervision for a period of time congruent with exercising its function. The Supervisory Board meets periodically, calendaring its activities and documenting them.
HONORABILITY AND INCOMPATIBILITY	Individual members of the SB must: <ul style="list-style-type: none"> • Be in possession of the honorability requirements set forth in Article 2 paragraph 1 (a) and (b) and paragraph 2 of Ministerial Decree 162/2000; • Do not fall within the cases of ineligibility under Article 2382 of the Civil Code; • not to be in conflict of interest and/or not to have family relationships with other members of corporate bodies and top management, pursuant to Article 2399 of the Civil Code; • Not being under investigation or having been convicted for the predicate offenses of Legislation 231/2001.

2.3. Term of office, disqualification and revocation of the Supervisory Board

Unless otherwise determined by the Administrative Body with reasons, the Supervisory Board remains in office for a three-year period starting from the act of appointment by the Administrative Body.

In order to avoid *vacancies*, the resolution of the Administrative Body for replacement or confirmation may also take place after the three-year expiration date, provided that it is within a reasonable period of time, and in that case the Supervisory Board will continue to carry out its activities during that period. The members of the Supervisory Board are eligible for re-election.

Any member of the Supervisory Board who intends to resign his or her term of office before

its expiration must do so in writing, by registered letter or by pec addressed to the Legal Representative and to the other members of the Supervisory Board if in multi-person composition. The **resignation takes** effect from the date of receipt by the Legal Representative, unless otherwise indicated or agreed upon.

Upon the termination and revocation of the term of office of the Supervisory Board, the following rules are observed, also in order to ensure its autonomy and independence.

The Administrative Body , having heard the Control Body (Board of Statutory Auditors) with a reasoned resolution declares the **forfeiture of the mandate of** the members of the Supervisory Board for whom the requirements of autonomy and independence, honorability, professionalism or continuity of action necessary for the exercise of this function have ceased to exist or when causes of manifest incompatibility have occurred. The disqualification has immediate effect.

The Administrative Body **may also revoke**, before the natural expiration date, having consulted the Control Body (Board of Statutory Auditors) with a reasoned resolution, the mandate of the members of the Supervisory Board if there is serious omission in the performance of the assigned tasks or there is manifest negligence or inexperience in the performance of the same. The revocation has immediate effect.

Dismissal of any employee who is a member of the Supervisory Board, for the entire duration of the term of office and for six months following the termination of the same, may take place only for just cause or justified reason in accordance with the law, and will be, in the latter two cases, submitted for approval to the Administrative Body, which, having consulted the Control Body (Board of Auditors) will adopt a reasoned resolution. The termination of the employment relationship with the Company by the internal person, for whatever reason, determines the simultaneous forfeiture of the office of member of the Supervisory Board, unless otherwise resolved by the Administrative Body.

2.4. Functions and duties of the Supervisory Board

The Supervisory Board has the following autonomous duties and functions, with related powers of initiative and control:

- a) supervision of compliance with the methods and procedures set forth in the Model and detection of any behavioral deviations that may emerge from the analysis of information flows and reports to which the heads of the various functions are bound;
- b) formulation of proposals to the management body for any updates and adjustments

to the Model, to be implemented through the amendments and additions made necessary by:

- i. Significant violations of the requirements of the Model,
 - ii. major changes in the internal structure of the company and/or business activities or the manner in which they are carried out,
 - iii. Regulatory changes;
- c) where it ascertains any violations of the Model that could result in the entity incurring liability, report the violations to the management body for appropriate action.

2.5. Powers of the Supervisory Board

The Supervisory Board, in order for it to carry out the above tasks, is given autonomous powers of initiative and control.

The Supervisory Board has free access to all company functions in order to obtain any information strictly necessary for the performance of its duties, without prejudice to the duty to observe the prohibition to communicate and/or disseminate the information and/or data acquired, except in cases where the communication and/or dissemination are required by police forces, judicial authorities, security bodies or other public entities for purposes of defense or state security or the prevention, detection or repression of crimes or are, in any case, imposed by current regulations. This is without prejudice, in any case, to the limitation of the circulation and dissemination of sensitive data in accordance with *privacy* legislation. The activities carried out by the Supervisory Board, if in accordance with the assignment received, cannot be reviewed by any other corporate body or structure, it being understood that the management body supervises the adequacy of its intervention, since it is ultimately responsible for the functioning (and effectiveness) of the Organizational Model.

In addition, the SB may, in the exercise of its functions and duties and under its direct supervision and responsibility, avail itself of the assistance of all structures of the company, or external consultants.

2.6. Information flows to the Supervisory Board.

Specific information flows to the Supervisory Board, in terms of news and/or documents, are envisaged for each area of risk of commission of crimes *pursuant to* Legislative Decree no. 231/2011, at the charge of the competent company functions. In the Model or in a specific

procedure, the timing of these communications are indicated, to be transmitted promptly or periodically depending on the type and relevance of the information requested.

In addition, each internal manager, must:

- keep evidence of the application of identified company procedures and the underlying supporting documentation available to the Supervisory Board;
- report to the Supervisory Board and request its assistance for any situation that is considered non-compliant with the company rules on the subject or where a situation of anomaly is in any case highlighted in relation to the risk of committing one of the crimes *pursuant to* Legislative Decree no. 231/2001 and also indicated in the Special Section.

The Supervisory Board may discretely activate itself with controls, audits and inspections, even on a random basis or following a report, of the phases of each operation at risk, avoiding as far as possible to interfere with the company's decision-making processes.

Communications to the SB may be sent to the appropriate e-mail address, disclosed and available to the SB.

2.7. Reports of wrongdoing or violations of the Model - so-called Whistleblowing³

Senior or subordinate persons, as well as other categories of persons in relationship with the company indicated by Article 3 of Legislative Decree no. 24/2023 (for example: self-employed workers and collaborators who carry out their work activities at the company or at third parties who supply goods or services or carry out works for the company, freelancers or consultants of the company, shareholders and directors) may, in order to protect the company's integrity, make circumstantiated reports of unlawful conduct related to 231 offenses or violations of the 231 Model, of which they have become aware within their own work context.

To this end, the company provides the following channels to enable a report to be made in writing, orally, or by meeting at the request of the person concerned:

- 1- the **IT channel**: [whistlelink.com](https://clivet.whistlelink.com/) platform developed by Whistleblowing Solutions AB (<https://clivet.whistlelink.com/>);

³ In the matter, which was already the subject of Law No. 179/2017, Legislative Decree 24/2023 intervened, modifying and/or supplementing, the subject matters of reporting, the audience of stakeholders, the internal, external and public channel of reporting as well as intervening on other aspects of the regulations.

- 2- the **voice messaging system** within the whistlelink.com Platform developed by Whistleblowing Solutions AB;
- 3- the **postal address**: Clivet S.p.A., Via Camp Lonc. n. 25, 32032 Feltre (BL) - Z.I. Villapaiera (to the attention of the Channel Manager); in order to ensure confidentiality, the communication must be sent by the reporter in a sealed envelope with explicit indication on the envelope "Reporting Whistleblowing".

The aforementioned tools ensure, including through the use of encryption tools, the confidentiality of the identity of the reporting person, the person involved, if any, and the person otherwise mentioned in the report, as well as the content of the report and related documentation.

In addition, in application of the provisions of the law, there is an absolute prohibition of retaliatory acts, even if only attempted or threatened, carried out on account of the report, against the reporter as well as persons related to him or her (e.g. facilitators, co-workers, family members working in the same work context). Retaliatory acts are subject to appropriate disciplinary sanctions, as specified in the Disciplinary Code in Annex B of this General Part.

For any further aspects of the application and operation of the Whistleblowing System, please refer to the appropriate Whistleblowing Procedure adopted by the company, which is referred to here in full (**Annex C**).

2.8. Communications from the Supervisory Board.

The Supervisory Board reports periodically and as needed on the audits it has conducted.

The Supervisory Board will inform the Administrative Body:

- by means of a periodic report, on the audits implemented, as well as on the state of implementation of the Model and any recommendations for its updating, [a copy of which is also forwarded to the Board of Auditors]; the obligation to periodically inform the Administrative Body can also be fulfilled by periodically transmitting and/or making available the minutes of the Supervisory Board;
- promptly, about significant violations found of the Model, which may suggest the risk of the commission or attempted commission of crimes from which the application of the sanctions of Decree 231 may result.

Where such violations concern a Legal Representative of the Company, the entire Administrative Body or the majority of its members, the Supervisory Board may refer the

matter to the Assembly, through the Board of Auditors.

Without prejudice to the autonomous powers of initiative and control of the Supervisory Board, the Administrative Body has the power to request further information from the Supervisory Board regarding its activities. This power is also vested in the Assembly.

Regular exchanges of information, while respecting their respective competencies and prerogatives, will be carried out between the Supervisory Board and the Board of Auditors.

2.9. Regulation of activities

The Supervisory Board may, in full autonomy while adhering to the principles contained in this General Section, adopt its own internal regulations to govern the operational aspects of its activities, in particular the manner and keeping of minutes and documentation, frequency of meetings, and scheduling and support for activities.

2.10. Financial resources

In order to strengthen the autonomy and independence of the Supervisory Board, it may use, where necessary, an adequate allocation of financial resources as made available by the Administrative Body. The Supervisory Board will be able to dispose of these independently for any needs necessary to carry out its activities. In this regard, the Supervisory Board will then have the right to directly commit the expenditure, following the organizational procedures provided by the Company in the field of corporate accounting, with the obligation of reporting only. If the SB deems the *budget* made available insufficient, it will forward appropriate reasoned communication to the Administrative Body, which will provide for this.

3. MODEL DISSEMINATION AND RESOURCE TRAINING

3.1. In respect of Top Managers and Employees

This Model is the subject of communication to all corporate stakeholders, in accordance with modes and times defined by the management body in such a way as to promote maximum awareness of the rules of conduct contained herein. Such methods include, by way of example, the delivery of a hard copy, posting on company notice boards at workplaces, publication on the company intranet, posting on the website, and making it available, including electronically, at secretariats or places of aggregation.

However, the Model is available and viewable in its entirety at the Company's headquarters and is available to anyone who is entitled to consult it.

The dissemination of the Model also takes place through periodic training/information programs for company subjects according to the position held, the powers and proxies granted, and the risk level of the activities under their jurisdiction.

3.2. With respect to Consultants / External Collaborators

This Model is the subject of information, normally in contracts, about the behavioral and procedural rules provided for persons working on behalf of the company, especially consultants and/or external collaborators in various capacities, for the case in which they are operating in areas and activities considered to be at risk under the direction and supervision of the Company's top management.

In contractual relationships with such individuals, special clauses are included to protect the company, including for sanction purposes, which allow for the termination of the relationship in case of contravention of the aforementioned behavioral and procedural rules.

4. DISCIPLINARY SYSTEM

As expressly required by law, the Company is equipped with an adequate system of sanctions, commensurate with the violation and with a priority preventive purpose, to protect compliance by all Recipients with the rules of the Code of Ethics as well as with the procedures set forth in this Model.

The application of such disciplinary sanctions is irrespective of the initiation or outcome of any criminal proceedings against the individuals responsible, as it is in the Company's interest to sanction such conduct that is detrimental to the relationship of trust established with the Company.

Details of the Disciplinary System are contained in **Annex B**, to which reference is made.

However, we point out the application of Article 7 of Law 300/1970 (Workers' Statute) and the constitutional principles of the right to defense and proportionality between violation and sanction.

5. THE CODE OF ETHICS

The Code of Ethics, formally adopted by the Administrative Body of the Company, contains the set of rights, duties and ethical principles towards all internal and external "stakeholders." It aims to recommend, promote or prohibit certain behaviors, beyond and independently of what is already provided for at the regulatory level, defining the principles

of "corporate ethics" that CLIVET S.P.A. recognizes as its own and of which it calls all recipients to observe. Although not part of this 231 Organizational Model, the Code of Ethics contains some prevention provisions that are also functional for the prevention of some of the 231 predicate offenses. To violations of the Code of Ethics, as provided therein, the company applies the disciplinary system attached hereto.

ATTACHMENTS:

1. **Annex A:** List of offenses 231.
2. **Annex B:** Disciplinary system.
3. **Annex C:** Whistleblowing Procedure