



**PRINCIPLES OF THE ORGANISATION,  
MANAGEMENT AND CONTROL  
MODEL  
IN COMPLIANCE WITH LEG. DECREE  
No. 231 OF 2001  
OF VINAVIL S.P.A.**

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## **1.1 Introduction**

Legislative decree 8 June 2001 no. 231 (hereinafter, the “Legislative Decree 231/2001” or “Legislative Decree no. 231 of 2001” or the “Decree”), in implementation of the delegation conferred on the Government with art. 11 of the law dated 29 September 2000 no. 300, introduced in the Italian legal system the discipline of the liability of entities for administrative offences dependent on a crime, which goes hand in hand with the criminal liability of the natural person who committed the crime. According to this discipline, companies can be held responsible, and consequently they can be sanctioned on property, in relation to certain crimes committed or attempted in the interest or for the benefit of the company itself by the directors or employees.

The administrative liability of the Company is, however, excluded if the Company has, among other things, adopted and effectively implemented, prior to the commission of the offences, an Organisation, Management and Control Model (hereinafter or the “Model”), suitable for preventing the offences themselves; the Model adopted has to be coherent with the “Guidelines” drawn up by Confindustria (the lead organisation representing the manufacturing, construction, energy, transportation, ITC, tourism and services industries in Italy).

Although the personality principle of criminal liability is not formally modified, the discipline contained in Legislative Decree 231/2001 supports any compensation for damage and the civil obligation to pay fines imposed on individuals, in the event of the insolvency of the material perpetrator of the fact (Articles 196 and 197 of the Criminal Code). Legislative Decree no. 231/2001 amends the Italian legal system as the companies are not unrelated to the possible consequences of criminal proceedings concerning crimes committed for the benefit or in the interest of the companies themselves.

The Board of Directors of Vinavil S.p.A. on 5 May 2017 approved the first version of the “Model of organisation, management and control” pursuant to Legislative Decree no. 231 of 8 June 2001. This document “Principles of the Model” was drafted by Vinavil S.p.A. based on the latest version of the Model, approved by the Board of Directors on 30 April 2020.

## 1.2 *Types of offence*

The entity can be held liable only for the offences expressly referred to in the Decree and these cases may be included in the following categories:

1. Crimes in relations with the Public Administration (such as corruption and malversation against the state, fraud against the state and cyber fraud against the state, as indicated in articles 24 and 25 of Legislative Decree no. 231/2001); 231/2001); introduction of the crime of “trafficking in illegal influences” with Law 3/2019;
2. Offences against public trust, such as forgery of money, public credit cards and revenue stamps, provided for by art. 25-*bis* of legislative decree no. 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, containing “*Urgent provisions in view of the introduction of the Euro*”, amended by Law no. 99/2009 and by Legislative Decree no. 125/2016;
3. Corporate offences. Article 25-*ter* was introduced in Legislative Decree no. 231/2001 by art. 3 of Legislative Decree 11 April 2002, no. 61 (as amended by law no. 190/2012 and by law 69/2015 and Legislative Decree no. 38/2017), which, as part of the corporate law reform, provided for the extension of the administrative liability regime of companies also to certain corporate offences;
4. Crimes for the purposes of terrorism or subversion of the democratic order (including financing for this purposes), referred to in Article 25-*quater* of Legislative Decree no. 231/2001);
5. Crimes against individual freedom (such as the exploitation of prostitution, child pornography, trafficking in persons and the reduction and maintenance of slavery and illicit brokerage and exploitation of work), as indicated in art. 25-*quinqüies* of legislative decree no. 231/2001, amended by law 199/2016 and by Legislative Decree no. 21/2018);
6. Offences relating to market abuse (abuse of other privileged and market manipulation), indicated by art. 25-*sexies* of legislative decree no. 231/2001, introduced by art. 9 of the law 18 April 2005, no. 62 (“so-called Community Law 2004) and subsequently amended by Legislative Decree no. 107/2018);
7. Crimes against life and individual safety (such as the mutilation practices of female genital organs, referred to in art. 25-*quater.1* of legislative decree no. 231/2001);
8. Transnational crime, indicated by art. 10 of the Law dated 16 March 2006, no. 146, on “ratification and execution of the United Nations Convention and Protocols against

Transnational Organised Crime, adopted by the General Assembly on 15 November 2000 and 31 May 2001”;

9. Manslaughter and serious or very serious culpable injuries, committed in violation of the regulations on the protection of health and safety at work, Articles 589 and 590, 3 paragraph, of the Criminal Code, indicated in art. 25--*septies* of legislative decree no. 231/2001);

10. Crimes of receiving stolen goods, money laundering and utilisation of money, goods or benefits of unlawful origin governed by Legislative Decree no. 231 of 21 November 2007 and crime of self-laundering governed by Law no. 186 of 15 December 2014, in force from 1 January 2015, referred to in art. 25-*octies*;

11. computer crimes and unlawful data processing, referred to by law of 18 March 2008 no. 48 on ratification and execution of the Council of Europe Convention on cybercrime made in Budapest on 23 November 2001 and rules for the adaptation of the internal system, indicated in art. 24-*bis*, amended by Law 133/2019 which introduced rules for the violation of the national cyber security perimeter;

12. Organised crime offences (referred to in articles 416, paragraph 6, 416-bis, 416 ter (as amended by Law no. 43/2019) and 630 of the criminal code and in article 407, paragraph 2, letter a, no. 5, of the Code of Criminal Procedure indicated in Article 24-*ter* of Legislative Decree no. 231/2001, introduced by Law no. 94/2009 and amended by Law no. 236/2016;

13. Crimes against industry and trade (referred to in articles 513, 514, 515, 516, 517, 517-ter and 517 quater, of the criminal code, indicated in art. 25--*bis*.1 of Legislative Decree no. 231/2001);

14. Counterfeiting and alteration of trademarks or distinctive signs and introduction into the state of products with false signs (referred to in articles 473 and 474 of the criminal code, as set out in article 25-*bis* of Legislative Decree no. 231/2001);

15. Crimes concerning infringement of copyright (referred to in art. 25-*novies* of Legislative Decree no. 231/2001);

16. Inducement not to make statements or to make false statements to the judicial authority (provided for in Article 25-*decies* of Legislative Decree no. 231/2001);

17. Environmental crimes, recalled by art. 25-*undecies* of Legislative Decree no. 231/2001, introduced by Legislative Decree no. 121/2011 and amended by Law 68/2015 and Legislative Decree no. 21/2018. The administrative liability of the company is envisaged in relation to the offences referred to in articles 452-bis, 452-quater, 452-sexies, 452-quinquies of the criminal code, 452-octies of the criminal code, 727-bis and 733-bis of the criminal

code, some articles envisaged by legislative decree no. 152/2006 (Consolidated Environmental Law), some articles of law no. 150/1992 to protect endangered animal and plant species and dangerous animals, art. 3, par. 6, the law no. 549/1993 on the protection of stratospheric ozone and the environment and some articles of Legislative Decree no. 202/2007 on pollution caused by ships;

18. Employment of third-country nationals with illegal stay (envisaged in Article 25-*duodecies* of Legislative Decree 231/2001, subsequently amended by Law 161/2017);

19. Crimes of racism and xenophobia, introduced by the Law 20 November 2017 no. 167, recalled by art. 25-*terdecies*, Legislative Decree no. 231/2001 and amended by Legislative Decree no. 21/2018.

20. Fraud in sports competitions, illegal gambling or betting and gambling carried out by means of prohibited devices introduced by Law 39/2019, listed in art. 25-*quaterdecies*;

21. Tax offences introduced by Law 157/2019 and listed in art. 25-*quinquiesdecies*.

### **1.3      *Attempted crimes***

In the event of the commission, in the form of an attempt, of offences indicated in Chapter I of Legislative Decree no. 231/2001, the pecuniary sanctions (in terms of amount) and disqualification sanctions (in terms of duration) are reduced by one third to one half, while the imposition of sanctions is excluded in cases in which the company voluntarily prevents the performance of the action or realisation of the event (art. 26).

The exclusion of penalties is justified, in this case, by virtue of the interruption of any relationship of identification between companies and individuals who assume to act in its name and on its behalf. This is a particular hypothesis of the so-called “active withdrawal”, provided by art. 56, paragraph 4 of the criminal code.

### **1.4      *Perpetrators of the offence: persons in top positions and persons subject to the directions of others***

According to Legislative Decree no. 231/2001, the company is responsible for crimes committed in its interest or to its advantage:

- by “persons who hold positions of representation, administration or management of the entity or one of its organisational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the company itself” (the so-called people “in a top position” or “top management”; art. 5, par. 1, lett. a), Legislative Decree no. 231/2001);
- by persons subject to the management or supervision of one of the people in top management position (the so-called subjects subject to the management of others; art. par. 1, lett. b), Legislative Decree no. 231/2001).

It is also appropriate to reiterate that the Company is not liable, by express legislative provision (art. 5, par. 2, Legislative Decree no. 231/2001), if the persons indicated above have acted in their own exclusive interest or in the interest of third parties.

### ***1.5 Offences committed abroad***

According to art. 4 of legislative decree no. 231/2001, the company may be called upon to respond in Italy in relation to crimes - contemplated by the same Legislative Decree no. 231/2001 - committed abroad. The Illustrative Report of Legislative Decree no. 231/2001 underlines the need not to leave a frequently occurring criminological situation without sanction, also in order to avoid easy evasion of the entire regulatory framework.

The conditions (provided for by the law or inferable from the whole of the Legislative Decree no. 231/2001), on which the liability of the company for offences committed abroad is based, are indicated in Articles 7-10 of the Criminal Code.

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

A fundamental aspect of Legislative Decree no. 231/2001 is the express provision for the creation of a Model for the company.

In the event of an offence committed by a person in a top position, the company is not liable if it proves that (article 6, paragraph 1, of Legislative Decree no. 231/2001);

- a) the management body adopted and effectively implemented, before the offence was committed, organisation and management models suitable for preventing offences of the type that have occurred;
- b) the task of supervising the functioning of and compliance with the model and of updating them was entrusted to a Supervisory Body of the Company with autonomous powers of initiative and control (“Supervisory Body”);
- c) the persons committed the offence by fraudulently circumventing the Model;
- d) there was no omission or insufficient supervision by the Supervisory Body.

The Illustrative Report of Legislative Decree no. 231/2001 underlines that: “We start from the presumption (empirically founded) that, in the case of a crime committed by an individual in a top position, the “subjective” requirement of the company's responsibility [i.e. the so-called “Organisational fault” of the company] is satisfied, since the top management expresses and represents the policy of the company; if this does not happen, the company must demonstrate its extraneousness, and this can only be done by proving the existence of a series of competing requirements.”

In the case, on the other hand, of an offence committed by persons subject to the direction or supervision of others, the Company is liable (art. 7, paragraph 1 Legislative Decree no. 231/2001) if the commission of the offence was made possible by the violation of the management or supervision obligations to which the Company is subject.

In any case, the violation of the obligations of management or supervision is excluded if the Company, before the crime was committed, adopted and effectively implemented a Model suitable for preventing crimes of the type of the one that has occurred.

Legislative Decree no. 231/2001 outlines the content of the Organisation, Management and Control Model, providing that the same, in relation to the extension of delegated powers and the risk to commit an offence, must:

- identify the activities in the context in which crimes may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the Company's decisions in relation to the offences to be prevented;



- identify ways of managing financial resources that are suitable for preventing the commission of offences;
- provide for obligations to inform the Supervisory Body responsible for supervising the functioning of and compliance with the Model;
- introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

The Legislator also defined the requirements for the effective implementation of the aforementioned Model:

- (i) the periodic verification and possible modification of the Model when significant violations of the provisions are discovered or when changes in the organisation and activity take place;
- (ii) a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

### ***1.7. Model's Recipients***

All those who work to achieve the purpose and objectives of Vinavil are recipients of the Model.

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

### ***1.8. Examination of suitability***

The Company's liability, attributed to the criminal judge, is ascertained (in addition to the opening of an *ad hoc* process in which the institution is equated to the natural person; see *infra*) by means of:

- verification of the existence of the crime that is a prerequisite for the Company's liability;
- the review of suitability of the adopted Model.

The judge's review of the abstract suitability of the Model to prevent the offences referred to in Legislative Decree no. 231/2001, regardless of the possible revision of the codes of conduct drawn up by the representative trade associations, is performed according to the criterion of the so-called “posthumous prognosis”.

The suitability judgement, in other words, is formulated according to a substantially *ex ante* criterion, for which the judge ideally places themselves in the company situation at the time when the offence occurred to test the congruence of the Model adopted.

## **2. Vinavil Supervisory Body**

### **2.1 Members**

Based on the provisions of Legislative Decree no. 231/2001 (art. 6, par. 1, lett. b), the person to whom the governing body must entrust the task of verifying the functioning and compliance of the model and of taking care of its updating must be “a body of the institution endowed with autonomous powers of Initiative and Control” (hereinafter, “Supervisory Body”).

The Supervisory Body is equipped in accordance with art. 6, par. 1, lett. b), of Legislative Decree no. 231/2001 of “autonomous powers of initiative and control”.

The necessary autonomy of the supervisory body is ensured, because of the position recognised to the functions mentioned in the context of the company organisation chart and of the carrying-over lines attributed to it.

In order to assist the definition and conduct of the activities of competence and to allow maximum adherence to the requirements and duties of law, the Supervisory Body may avail itself of specialised resources existing within the company and of external resources.

### **2.2. Designation**

The Supervisory Body of Vinavil is established with the resolution of the Board of Directors, which approves the Model referred to in this document. Upon appointment, the Board of Directors must acknowledge the assessment of the existence of the requirements of independence, autonomy, integrity and professionalism of its members.

The composition, modifications and integrations of the Supervisory Body are approved by the Board of Directors' deliberation.

The duration in office of the external members is three years, the external members lapse at the date of the Assembly of the Associates convened for the approval of the financial

report relating to the last practice of its role, while continuing to carry on with its role until new appointment of members of the Supervisory Body. In any case, the members of the Supervisory Body terminate their office when the Board of Directors that appointed them expires.

Without prejudice to the hypothesis of a revision of the role of the Supervisory Body on the basis of experience gained, it will form a reason for replacing or integrating the composition of the Supervisory Body:

- the assignment of tasks, roles and/or responsibilities within the organisational structure incompatible with the requirements of “autonomy and independence” and/or “continuity of action” of the Supervisory Body;
- the end or waiver of the Supervisory Body's member to the corporate purpose and/or the role covered;
- the end or waiver of the member of the Supervisory Body imposed by personal motivations.

Constitute grounds for ineligibility and/or revocation of individual members of the Supervisory Body:

- (i) Relations of kinship, family or affinity within the IV degree with the Managing Director or the President of the Board of Directors , persons who have roles of representation, administration or management of the company or of an organisational structure endowed with financial and functional autonomy as well as people exercising-even in fact-the management and control of the company, statutory auditors of the company and the auditing firm;
- (ii) conflicts of interest, including potential ones, with the Company such as to prejudice the independence required by the role and duties of the Supervisory Body;
- (iii) direct or indirect ownership of shareholdings of such a size as to enable them to exercise significant influence over the Company;
- (iv) administration functions - in the three financial years prior to appointment as a member of the Supervisory Body or to the establishment of the consultancy/collaboration relationship with the same Body - of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- (v) public employment at central or local government in the three years preceding the appointment as a member of the Supervisory Body;

(vi) judgement of conviction, also not final judgement, or application of the penalty on request (so-called “plea-bargain”), in Italy or abroad, for the relevant violations for the administrative responsibility of the Entities pursuant to legislative decree no. 231 of 2001;(vii) Conviction, even if not final judgement, that is, a sentence of “plea bargain” to a penalty which imports, even temporarily, the prohibition from the public offices, or the temporary prohibition by the managerial offices of legal persons and undertakings.

Where any of the above-mentioned reasons for replacement or integration or ineligibility and/or revocation were to be borne by a member, they shall give immediate notice to the other members of the Supervisory Body and automatically they will forfeit from their role. The Supervisory Body shall communicate the news and the replacement proposal to the Board of Directors.

In some particular cases, the Managing Director or the President of the Board of Directors may suspend the functions and/or powers of the Supervisory Body and the appointment of an interim or the withdrawal of powers. It shall constitute grounds for suspension or withdrawal:

- omitted or insufficient vigilance on the part of the Supervisory Body resulting from a judgement of conviction, even if not final judgement, issued against the Company pursuant to Legislative Decree no. 231 of 2001 or by sentence of application of the penalty on request (plea for agreement);
- serious failure to fulfil the functions and/or powers of the Supervisory Body.

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

The tasks of the Supervisory Body are defined as:

- the supervision of the effectiveness of the 231 Model; monitoring of the implementation and the updating of the 231 Model;
- the examination of the adequacy of 231 Model, i.e. of its effectiveness in preventing illicit behaviour;

- the analysis on the maintenance, in time, of the solidity and functionality requirements of the 231 Model; the promotion of the necessary update, in a dynamic sense, of the 231 Model;
- the approval of the annual programme of supervisory activities in the framework of the Company's structures and functions (hereinafter the “Supervisory Programme”), in line with the principles and contents of 231 Model and with the verification and control plan for the system of internal control; the coordination of the implementation of the Supervisory Programme and the implementation of planned and unprogrammed control interventions; the examination of the results of the activities carried out and its reporting; elaboration of directives for business functions;
- the handling of the information flows of competence with the company functions;
- any other task attributed by law or 231 Model.

During the execution of the tasks assigned, the Supervisory Body has unrestricted access to company information for investigation, analysis and control activities. Information is required, in the light of any company function, employee and/or component of the social organs, in the face of requests from the Supervisory Body, or the occurrence of relevant events or circumstances, in order to carry out the activities of the Supervisory Body.

The Supervisory Body must be equipped with autonomous spending capacity, based on the budget assigned to it by the BoD on an annual basis on the proposal of the SB itself, brought in line with the tasks to be performed; this capacity may be exercised for the needs deriving from the performance of the assigned tasks and whenever the Body decides to make use of services or external professionals in order to supervise the functioning, effectiveness and observance of the Model, as well as to take care of its constant and timely updating, as part of the implementation of the provisions in compliance with Legislative Decree no. 231/2001.

The Supervisory Body is entitled, with autonomous powers of representation, to conclude, modify and/or resolve professional assignments to third parties possessing the specific competences necessary for the best execution of the task.

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

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

The Supervisory body shall report on the implementation of the Model, the emergence of any critical aspects, the need for amending interventions. There are distinct *reporting* lines:

The Supervisory Body:

i) reports to the Board of Directors, making it aware, whenever it deems appropriate, of significant circumstances and facts of its office.

ii) The Supervisory Body immediately communicates the occurrence of extraordinary situations (for example: significant violations of the principles contained in the Model, legislative innovations in the field of administrative liability of institutions, etc.) and urgent reports;

iii) presents a written report, on a periodic basis at least half-yearly, to the Board of Directors, that shall contain, at least, the following information:

a) the summary of the activities carried out during the period and a plan of the activities envisaged for the following period;

b) any problems or criticality conditions arising during the course of the supervisory activity;

c) if not subject to previous and appropriate warnings:

the corrective actions to apply in order to ensure the efficacy and/or effectiveness of the Model, including those necessary to remedy the organisational or procedural deficiencies established and suitable to expose the company to the danger of relevant crimes being committed for the purposes of the decree, including a description of any new “sensitive” activities identified;

- always respecting the terms and modalities indicated in the system of penalties adopted by the company under the Decree, the indication of the established behaviours and results not in line with the Model, with a contextual proposal about the penalty deemed most appropriate to the person responsible for the infringement or the function and/or process and/or the area concerned;

d) the report of the warnings received from internal and external entities, including as directly found, in order to alleged violations of the forecasts of this Model, the prevention protocols and the related implementation procedures and the infringement of the Code of Ethics, and the outcome of the consequent verifications carried out;

- e) information on the possible commission of crimes relevant to the Decree;
- f) the disciplinary measures and any sanctions applied by the Company, with reference to violations of the forecasts of this model, the prevention protocols and the related implementation procedures, and the violations of the forecasts of the Code of Ethics;
- g) the reporting of any changes in the regulatory framework and/or significant modifications of the Company's internal structure and/or the methods of carrying out business activities that require an update of the Model;
- h) the reporting of any conflict of interest situation, even potential of a member of the Supervisory Body;
- i) Any proposals to update the Model.

In addition to these flows, the Supervisory Body has the duty to report to the Board of Directors– promptly, when necessary, or at least in the semi-annual report – facts, circumstances or organisational deficiencies encountered in the supervisory activity which highlight the need or the opportunity to modify or integrate the Model.

The Board of Directors and the Board of Auditors are empowered to summon the Supervisory Body at any time so that they may inform them of their activities.

Meetings with the corporate bodies to which the Supervisory Body relates must be documented. The Supervisory Body takes care of the archiving of the relevant documentation.

#### ***2.4.2 Reporting to the Supervisory Body***

The Supervisory Body must be promptly informed, by means of a special communication system, of those acts, behaviours or events that may lead to a violation of the Model or which, more generally, are relevant for the purposes of the better efficacy and effectiveness of the Model.



All Recipients of the Model communicate all useful information to the Supervisory Body to facilitate the performance of the checks on the correct implementation of the Model. In particular, the Managers of Organisational Units operating in the context of sensitive activities must transmit to the Supervisory Body: i) at the deadlines previously agreed, 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 atypicalities found within the available information. Furthermore, should they encounter areas of improvement in the definition and/or application of the control standards defined in this Model, they will promptly report these circumstances to the Supervisory Body.

The following general requirements apply in this respect:

- the Supervisory Body evaluates at its discretion and under its responsibility the received reports and the cases in which it is necessary to act<sup>1</sup>;
- the resolutions in order of the outcome of the investigation must be justified in a written form.

The obligation to inform on any contrary behaviour to the provisions contained in the Model is part of the broader duty of diligence and obligation of loyalty of the working provider. The correct fulfilment of the obligation of information on the part of the work provider cannot give rise to the application of disciplinary sanctions<sup>2</sup>.

The Company adopts appropriate and effective measures to ensure that confidentiality is always ensured as to the identity of those who transmit to the Supervisory Body useful information to identify behaviour that is not in accordance with the Model, the procedures established for its implementation and procedures established by the internal control system, without prejudice to statutory obligations and the protection of the rights of the Company or persons wrongly accused and/or in bad faith.

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<sup>1</sup> “It should be clarified that the information provided to the Supervisory Body aims at enabling it to improve its control planning activities and not, instead, to impose on it timely and systematic verification of all the phenomena represented. In other words, the Supervisory Body does not have an obligation to act whenever there is a report, being left to its discretion and responsibility to establish in which cases to take action.” Confindustria, *Guidelines*, cit. page 45.

<sup>2</sup> “By regulating the procedures for fulfilling the obligation to provide information, it is not intended to encourage the phenomenon of the carry-over of the so-called internal rumors (whistleblowing), but rather to create that reporting system of real facts and/or behaviours that does not follow the hierarchical line and that allows staff to report cases of violation of rules by others within the body, without fear of retaliation. In this sense, the Supervisory Body also assumes the characteristics of the Ethic Officer, without - however - giving it disciplinary powers that it will be appropriate to allocate in a special committee or, finally, in the most delicate cases to the Board of Directors.” Confindustria, *Guidelines*, cit page 46.

Any form of retaliation, discrimination or penalisation against those who carry out good faith reports to the Supervisory Body is prohibited. The Company reserves every action against anyone who performs in bad faith untruthful reports.

### **2.4.3 Whistleblowing**

Pursuant to Article 6, paragraph 2-bis of Legislative Decree no. 231/2001, specific reporting channels are made available to the recipients of this Model in order to highlight unlawful conduct based on precise and consistent factual elements.

This can affect possible violations with respect to what is expected:

- by Legislative Decree no. 231/01);
- from this Model;
- the Company's Code of Ethics;
- from the internal documents adopted by the Company in implementation thereof (e.g. procedures and policies).

The warnings will be collected through the following channels:

- through the electronic mail box dedicated to the Supervisory Body (odv@vinavil.it), a channel that guarantees, with computerised methods, the confidentiality of the identity of the reporter;
- in printed and confidential form, by ordinary mail addressing them to: Vinavil S.p.A. - FAO Supervisory Body - Via Valtellina, 63 - 20159 Milan (MI));
- online Whistleblowing portal which provides a guided path for the Whistleblower; the Whistleblowing Portal can be reached at the following web address:<https://segnalazioni.mapei.eu>

The reports will be handled 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 website in the Whistleblowing Section.

The company guarantees the confidentiality of the identity of the reporter under Law no. 179/2017.

It is also prohibited to retaliate or discriminate, whether directly or indirectly, against the informer reasons connected, directly or indirectly, to the reporting.

It is also pointed out that, under art. 6, paragraph 2-bis, letter d), of Legislative Decree no. 231/01, in addition to the provisions of Chapter 5 “Elements of the Structure of the Disciplinary System”, there are additional sanctions “against those who violate the measures of protection of the whistleblower, as well as those who carry out with malicious or guilty reports that are found to be unfounded” (see Chapter 5 for more details).

### **3. *Elements of the disciplinary system***

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

Art. 6, paragraph 2, lett. e) and art. 7, paragraph 4, lett. b) of Legislative Decree no. 231/2001 establish (with reference to subjects in top positions, Key Officers and subjects subject to other management) the necessary preparation of “*a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model*”.

The definition of penalties, commensurate with the violation and equipped with deterrence, applicable in the event of a violation of the measures contained in the Model, is intended to contribute: (i) to the effectiveness of the Model itself, and (ii) to the effectiveness of the control action of the Supervisory Body.

The application of the system is independent of the conduct and of the outcome of the criminal proceedings, which may have been initiated by the competent judicial Authority.

#### **3.2 *Measures against employed persons***

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

The Company asks its employees to report any violations and the same evaluates in a positive way the contribution made, even if the person who made the report contributed to that violation.

For the investigation of the infringements concerning the Model, the disciplinary proceedings and the enforcement of the related sanctions, the powers already granted, within the limits of the respective proxies and powers, to Vinavil's Managing Director remain valid.

Regarding the type of penalties imposed, in the case of a subordinate employment relationship, any sanction must comply with the procedures provided by art. 7 of the Workers' Statute, characterised, in addition to the principle of typical violations, also by the principle of typical sanctions.

In addition to the details in the following paragraphs, pursuant to art. 6, paragraph 2-bis of Legislative Decree no. 231/2001, as amended by Law no. 179/2017, the employee is punished if, in breach of the internal procedures provided by the Model in matters of Whistleblowing, or by adopting a conduct that does not comply with the requirements of the Model, acts of retaliation or discrimination, direct or indirect, against the reporter for related reasons, directly or indirectly, to the reporting; or makes serious reports with misconduct or gross negligence that prove to be unfounded.

### ***3.3 Measures against non-executive employees***

The conduct of employees in violation of the behavioural rules contained in the Model and Code of Ethics constitutes non-compliance with a primary obligation of the relationship and, consequently, constitutes a disciplinary offence.

In relation to the measures applicable to non-executive employees, the Company's sanction system finds its primary source in the following National Collective Labour Agreements (CCNL) applied: Chemical National Collective Labour Agreement;

It should be stated that the penalty imposed must be proportionate to the seriousness of the violation committed and, in particular, it will have to take into account:

- the subjective element, thus, the intentionality of the behaviour or degree of guilt (negligence, recklessness or impertinence);
- the overall behaviour of the employee with particular attention to whether or not disciplinary precedents subsist;
- the level of responsibility and autonomy of the employee who is the perpetrator of the disciplinary offence;
- the involvement of other people;
- the seriousness of the effects of disciplinary offence, that is the level of risk to which the company can reasonably be exposed as a result of the disputed breach;
- other special circumstances that are related to the offence.

The disciplinary measures that employees may incur in the event of a violation of the Model are, according to methods and criteria of graduality proportional to the violations committed, those envisaged by the applicable legislation and reference negotiation.

Behaviours subject to the application of disciplinary sanctions pursuant to Legislative Decree no. 231/2001 are described in the list below.

1. The employee who omits to perform with due diligence the tasks and duties provided by internal procedures or violates the requirements of the Model and the documents to which it refers in relation to information to the Supervisory Body or controls to be performed or that, in any case, in the performance of activities classified as “sensitive” to the senses and effects of the Model incur shall incur a slight violation for the first time of the provisions of the Model, provided that from that violation does not fall for the company externally have a greater negative impact.

In the conduct in question, a lack of punishment is found to be punishable by the disciplinary sanction of verbal or written reprimand depending on the seriousness of the violation committed.

2. The employee who, on several occasions, omits to perform with due diligence the tasks and tasks provided by internal procedures or violates the requirements of the Model and the documents to which it refers in relation to information to the Supervisory Body or controls to be carried out or that, in any case, in the performance of activities classified as “sensitive” to the senses and effects of the Model, repeatedly adopts a non-compliant behaviour that does not comply with the requirements of the Model.

The behaviour in question is recognised as a fault punishable by the disciplinary sanction of a fine.

3. The employee who omits to perform with due diligence the tasks and duties provided by internal procedures or violates the requirements of the Model and the documents to which it refers in relation to information to the Supervisory Body or controls to be carried out or that, in any case, in the performance of activities classified as “sensitive” to the senses and effects of the Model, adopts a behaviour that does not comply with the requirements of the Model, carrying out acts contrary to the interest of the company, exposing the a situation of danger to the integrity of the company's assets.

This behaviour can be punished with a disciplinary sanction of suspension up to 1 day.

4. The employee who, in violating the internal procedures provided by the Model, by adopting, in the performance of activities classified as “sensitive” to the senses and

effects of the Model, a behaviour that does not comply with the requirements of the Model, causes damage to the company by performing acts contrary to the interest of the same, i.e. the worker who is re-offending more than the third time in the year in the shortcomings referred to points 1, 2 and 3.

The behaviour in question is identified as a fault punishable by the disciplinary sanction of the suspension from the service and from the 3-day remuneration.

5. The employee who adopts, in the performance of activities classified as “sensitive” to the senses and effects of the Model, a conduct that does not comply with the requirements of the Model and is uniquely directed to the fulfilment of a crime sanctioned by Legislative Decree no. 231/2001.

The behaviour in question is recognised as a fault punishable by the disciplinary sanction of dismissal with notice (dismissal for justified subjective reason).

6. The employee who adopts, in the performance of activities classified as “sensitive” to the senses and effects of the Model, a conduct in violation of the requirements of the Model such as to determine the concrete application of the company of Legislative Decree no. 231/2001, as well as the worker who is a repeat offender more than the three times in a year of the shortcomings referred to in paragraph 4.

The behaviour can be punished with the disciplinary sanction of dismissal without notice (dismissal for good cause).

### ***3.4 Measures against executives***

The Company's executives, in the course of their professional activity, have an obligation both to comply and to enforce the requirements contained in the Model to their employees.

The Company enforces the National Collective Labour Agreement for Industry Executives for Executive Employees.

It is to be considered sanctionable, as an example, for violation of the provisions contained in the Model, the misconduct carried out by the executive who:

- omits to supervise the staff of whom they are hierarchically superior, to ensure compliance with the provisions of the Model for the conduct of activities in areas at risk of crime and for instrumental activities in operational processes at risk of crime;
- does not report any observances and/or anomalies related to the fulfilment of the obligations referred to in the Model, if they know, such as to render ineffective the Model, resulting in potential danger to the Company imposition of sanctions referred to in Legislative Decree no. 231/2001;
- does not report to the Supervisory Body critical issues concerning the conduct of activities in areas at risk of crime, which are found during the monitoring by the authorities in charge;
- incurs one or more serious violations of the provisions of the Model, such as to result in the commission of the crimes covered in the Model, thus exposing the Company to the application of sanction pursuant to Legislative Decree no. 231/2001.

In the event of a breach of the provisions and rules of conduct contained in the Model by an executive, Vinavil, on the basis of the principle of seriousness, recidivism, direct non-compliance, non-supervision, adopts the measure deemed most appropriate in accordance with the provisions of the contractual regulations and applicable legislation.

If the violation of the Model defined from the lack of the relationship of trust between the Company and the Executive, the penalty is identified in the dismissal.

### ***3.5 Measures against the Board members***

The Supervisory Body informs the Board of Auditors (Collegio Sindacale) of the news of a violation of the Model committed by the Board members. The Board of Auditors undertakes the necessary investigations and takes appropriate action.

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

On the news of the violation of the regulations and rules of conduct of the Model by one or more statutory auditor, the Supervisory Body must promptly inform the other members of the Board of Auditors and the Managing Director.



### **3.7 *Measures against the Supervisory Body***

In the case of negligence and/or impertinence of the Supervisory Body in monitoring the correct application of the Model and its compliance and in not having been able to identify cases of violation at the same, defining the necessary corrective actions, the Board of Directors will take appropriate action in accordance with the current legislation, including the revocation of the role and save the compensation claim.

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

The violation by commercial partners, consultants, or other subjects having contractual relationships with the Company for carrying out activities deemed sensitive to the provisions and rules of conduct provided by the Model applicable thereto, or the possible commission of the crimes contemplated by Legislative Decree no. 231/2001 by the same, will be sanctioned in accordance with the specific contractual clauses that will be included in the relative contracts.

These clauses, making explicit reference to compliance with the provisions and rules of conduct set out in the Model, may provide, for example, for the obligation on the part of these third parties not to adopt acts or behave in such a way as to result in a violation of the Model by the Company.

In the event of a breach of this obligation, the Company must be entitled to terminate the contract with possible application of penalties.

The right of the Company to provide for the application of sanctions in the event of violation of such obligations and to request compensation for damages remains unaffected.

## **4. Training and communication general principles**

### **4.1 Introduction**

Wide disclosure is given, inside and outside the structure, of the content in the Model. According to the Confindustria Guidelines, communication to and training of the staff are important requirements for the implementation of the Model, as specifically prescribed by Legislative Decree no. 231/2001. Vinavil is committed to facilitating and promoting Key Officer knowledge and understanding of the Model, with a degree of diversity in which it differs depending on the position and roles within the Company, and to respect and apply the Model as well as to proactively participate in keeping employees informed.

The communication and training activity is supervised by the Supervisory Body, which is assigned, among others, the tasks of “promoting initiatives for the dissemination of knowledge and understanding of the Model, as well as for the training of the awareness of the same to comply with the principles contained in the Model” and to “promote communication and training on the contents of Legislative Decree no. 231/2001, on the impacts of the legislation on the company's business activities and behavioural standards.”

### **4.2 Employees**

Each employee is required to: i) acquire awareness of the contents of the Model, ii) know the operating methods with which their activities must be carried out; iii) actively contribute, in relation to their role and responsibilities, to the effective implementation of Model, pointing out any shortcomings found in it.

In order to guarantee an effective and rational communication activity, the Company promotes the knowledge of the contents and principles of the Model and of the implementation procedures within the organisation applicable to them, with a different degree of detail depending on the position and the role covered.

Employees and new hires are guaranteed the availability of consultation of the 231 Model and the Company's Code of Ethics, for example directly on the company *intranet* in a dedicated area. In any case, for employees who do not have access to the Intranet, this

documentation must be made available to them by alternative means such as posting on company notice boards.

The managers of the individual Organisational Units assist the Supervisory Body in identifying the best way to use the Model's principles and content training services, in particular for those working in the field of activities considered sensitive under Legislative Decree no. 231/2001 (e.g. *staff meetings, on line* courses, etc.).

At the end of the training event, the participants fill out a form, thus confirming the receipt and attendance of the course.

The compiling and sending of the form will serve as a declaration of knowledge and observance of the contents of the Model.

Appropriate communication tools will be adopted to update the addressees of this paragraph about any changes made to the Model, as well as any significant procedural, regulatory or organisational changes.

The Supervisory Body monitors the level of implementation of the Model through periodic specific checks.

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

The members of the corporate bodies, Key Officers and persons with representation functions (attorneys) of the Company are made available a paper copy of the full version of the Model and of the Code of Ethics at the time of acceptance of the office assigned to them and will be made to sign their declaration of observance of the principles contained in them.

Suitable communication tools will be adopted to update them about any changes made to the Model, as well as any relevant procedural, regulatory or organisational change.

#### **4.4**     *Other recipients*

The activity of communicating the contents of the Model must also be addressed to third parties who have contractual relations with the Company (for example: consultants, brokers and other independent collaborators) with particular reference to those who operate in the scope of activities deemed sensitive pursuant to Legislative Decree no. 231/2001.

To this end, the Company determines:

the types of legal relationships with persons outside the Company, to which the Model's requirements should be applied, due to the nature of the activity;

the communication methods of the 231 Model and the Code of Ethics of the Company to the external stakeholders and the procedures necessary to comply with the rules contained in them in order to ensure their actual knowledge.