



ARREGHINI
ITALIAN PAINTS SINCE 1950

ORGANISATION AND CONTROL
MODEL PURSUANT TO
LEGISLATIVE DECREE 231/2001

GENERAL SECTION

Version no. 2 Approved by
the Board of Directors on
23 September 2025

Cap Arreghini S.p.A.

Organisational, Management and Control Model pursuant to Legislative Decree 231/01

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1. Introduction

1.1 Cap Arreghini S.p.A.

Colorificio Arreghini Portogruaro- Società per Azioni (hereinafter referred to as "CAP ARREGHINI") was founded in 1950 when its founder, Adolfo Arreghini, a painter and expert restorer trained in Venice, began producing the colours he needed for his profession.

Over the years, the company has grown, evolving and adapting to market needs, satisfying and even anticipating them, becoming a joint-stock company in 1988.

CAP ARREGHINI has been able to interpret the transformations of society by combining technological evolution with the tradition of reliability and responsible business practices.

The company designs, manufactures and distributes paint products for buildings, wooden and iron structures, ensuring aesthetic appeal, attention to human well-being and respect for the environment.

In particular, CAP ARREGHINI manufactures and markets paints, enamels, varnishes and similar products, as well as all materials related to the construction sector for wall covering and/or decoration, stucco and mortar for the building market and, since 2013, also for industry and anti-corrosion.

Today, CAP ARREGHINI, with its 70 years of experience and advanced know-how, is an efficient and well-structured company that devotes great attention to technological innovation, research and development of solutions that offer high performance, excellent results and maximum safety, with particular regard to environmental issues.

All production is 100% Made in Italy, a value that expresses the company's great commitment to the entire production cycle and its complexities.

In addition, the company has also developed the 'CAP ACADEMY', the result of a corporate philosophy that has always considered training to be a cornerstone of its policy, viewing it as one of the tools for responding to market developments and promoting the success and competitiveness of its customers. A comprehensive and detailed training programme to ensure continuous growth and development opportunities for retailers and applicators.

Face-to-face courses are held in specific sessions throughout the year at the CAP ACADEMY at the CAP ARREGHINI headquarters in Portogruaro (VE), where ad hoc spaces have been designed with a layout intended to make training increasingly effective and engaging.

Courses are also organised at retailers and partners in Italy and abroad, with the aim of bringing training as close as possible to the professional.

CAP ARREGHINI plays a proactive role in promoting environmental ethics.

In this regard, the company has obtained numerous certifications, including:

- LEED certification for the building, which certifies that 27 products meet the most complex criteria;
- EPD product certification according to ISO 14025 (7 products), (product environmental data sheet demonstrating the sustainability of the products and communicating the company's environmental commitment to stakeholders);



- EAD (European Assessment Document) certification for the thermal insulation system;
- CE marking for concrete protectors (uni en 1504-2);
- HACCP certification for numerous products in the field of food hygiene and safety;
- Class A and A+ product certifications;
- Numerous Indoor Air Comfort Gold certified products that guarantee the total absence of substances that are harmful to health.

1.2 Legislative Decree 231/01

On 8 June 2001, Legislative Decree No. 231/2001 (hereinafter also referred to as the "Decree" or "**Decree 231**") was issued, which came into force on 4 July 2001. The purpose of this decree was to bring Italian legislation on the liability of legal persons into line with certain international conventions to which Italy had long been a party, such as the Brussels Convention of 26 July 1995 on the protection of the European Communities' financial interests, the Brussels Convention of 26 May 1997 on the fight against corruption involving officials of the European Community or officials of Member States, and the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.

With this Decree, entitled "*Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality*", a system of administrative liability (referable to criminal liability) was finally introduced into the Italian legal system for entities for certain offences (or categories of offences) committed **in their interest** or to their **advantage**:

- (i) **Senior managers (Article 6 of Legislative Decree 231/2001)**: natural persons who hold positions of representation, administration or management within the entities themselves or within one of their organisational units with financial and functional autonomy, as well as natural persons who exercise, even de facto, the management and control of the entities themselves (Article 5, paragraph 1, letter a); and
- (ii) **Subordinates (Art. 7 of Legislative Decree 231/2001)**: natural persons subject to the management or supervision of one of the above-mentioned persons. This liability is in addition to that of the natural person who materially committed the act (Art. 5, paragraph 1, letter b).

In this regard, the offences included in the list of administrative offences and predicate offences referred to in the Decree, even if only attempted, generate the liability provided for in the Decree for the entity.

The extension of liability tends to involve, in the punishment of certain criminal offences, entities that have **benefited** or **gained** from the commission of the offence.

Among the **penalties** provided for, the most serious are *disqualification measures* such as the suspension or revocation of licences and concessions, the prohibition of contracting with the public administration, the disqualification from exercising the activity, the exclusion or revocation of funding and contributions, and the prohibition of advertising goods and services. In the event of conviction, financial penalties are also provided for.

Furthermore, the liability provided for in the Decree also applies to offences committed abroad, provided that the State where the offence was committed does not prosecute them.



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As regards the types of offences that constitute the aforementioned administrative liability regime for entities, the original text of the Decree referred to a series of offences committed in relations with the public administration.

In the years following the entry into force of the Decree, several legislative measures were introduced to expand the list of predicate offences and broaden the scope of the new legislation.

In particular, the following predicate offences have been included in the Decree:

- Art. 24: undue receipt of payments, fraud against the State or a public body or for the purpose of obtaining public payments, computer fraud against the State or a public body, and fraud in public procurement;
- Art. 24 *bis*: computer crimes and unlawful data processing;
- Art. 24 *ter*: organised crime offences;
- Art. 25: embezzlement, misappropriation of money or movable property, extortion, undue inducement to give or promise benefits, corruption;
- Art. 25 *bis*: counterfeiting of currency, public credit cards, revenue stamps and identification instruments or marks;
- Art. 25 *bis* 1: crimes against industry and commerce;
- Art. 25 *ter*: corporate offences;
- Art. 25 *quater*: crimes for the purpose of terrorism or subversion of the democratic order;
- Art. 25 *quater* 1: practices of female genital mutilation;
- Art. 25 *quinquies*: crimes against the individual;
- Art. 25 *sexies*: market abuse;
- Art. 25 *septies*: manslaughter or serious or very serious injury committed in violation of health and safety at work regulations;
- Art. 25-*octies*: receiving, laundering and using money, goods or benefits of illegal origin, as well as self-laundering;
- Art. 25-*octies*.1: offences relating to non-cash payment instruments and fraudulent transfer of assets;
- Art. 25 *nonies*: offences relating to copyright infringement;
- Art. 25 *decies*: inducement not to make statements or to make false statements to the judicial authorities ;
- Art. 25 *undecies*: environmental offences;
- Art. 25 *duodecies*: employment of third-country nationals whose stay is irregular;
- Art. 25 *terdecies*: racism and xenophobia;
- Art. 25 *quaterdecies*: fraud in sports competitions, illegal gambling or betting and gambling carried out using prohibited devices;
- Art. 25 *quinqesdecies*: tax offences;
- Art. 25 *sexiesdecies*: smuggling;
- Art. 25 *septiesdecies*: crimes against cultural heritage;
- Art. 25-*duodevicies*: laundering of cultural property and devastation and looting of cultural and landscape heritage;
- Art. 25 *undevicies*: Crimes against animals;
- Art. 26: attempted crimes.



For the sake of completeness, it should also be noted that, in accordance with Legislative Decree 231/2001, the list of predicate offences includes:

- Art. 187-quinquies TUF: other cases of market abuse;
- Art. 12, Law no. 9/2013: liability of entities for administrative offences resulting from crimes *[These constitute a prerequisite for entities operating in the virgin olive oil supply chain]*;
- Law No. 146/2006: transnational offences *[The following offences, if committed in a transnational manner, constitute grounds for the administrative liability of entities]*.
- Adaptation of national legislation to Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets and amending Regulations (EU) No. 1093/2010 and (EU) No. 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 (Legislative Decree No. 129/2024).

Finally, it should be noted that this Organisation, Management and Control Model has been updated to include the latest regulatory changes, most recently with the introduction of Article 25-undecies on crimes against animals and Decree Law "Terra dei Fuochi" (Land of Fires), which amended Article 25-undecies of Legislative Decree 231/2001 on environmental crimes.

1.3 Sanctions

If the legal entity is found liable, the criminal court may impose the relevant sanctions, which are divided into financial penalties and disqualification sanctions, the latter also applicable as a precautionary measure.

There are therefore two types of penalties: **financial** penalties, which are always applied and range from a minimum of **€25,822.84** to a maximum of **€1,549,370.60**, and the following **disqualification** penalties, which may also be applied as a precautionary measure, pursuant to Articles 45 et seq. of Decree 231:

- a) disqualification from exercising the activity;
- b) the suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- c) prohibition from contracting with the Public Administration, except for the provision of a public service;
- d) exclusion from benefits, financing, contributions or subsidies and the possible revocation of those already granted;
- e) the prohibition of advertising goods or services.

In addition to these, there is the **confiscation** of the price or profit of the offence and the **publication of the sentence**.

Finally, it should be noted that Article 26, paragraph 1, of the Decree establishes that, in the case of attempted offences, financial penalties and disqualifications are reduced by one third to one half, while they are excluded in cases where the Entity, pursuant to Article 26, *'voluntarily prevents the action or event from taking place'*.



1.4 The adoption of the 'Organisation and Management Model' as a possible exemption from administrative liability

Article 6 of the Decree, in introducing the regime of administrative liability of the entity, provides, at the a form of **exemption** from such liability when the company demonstrates that:

- i.** the governing body of the Entity has adopted and effectively implemented, prior to the commission of the offence,
organisation and management models suitable for preventing offences of the type that occurred;
- ii.** the task of supervising the functioning and observance of the models and ensuring their updating has been entrusted to a body within the entity with autonomous powers of initiative and control;
- iii.** the persons who committed the offence acted by fraudulently circumventing the organisational and management models;
- iv.** there was no omission or insufficient supervision by the body referred to in point ii above.

The **content** of the *organisational and management model* is identified in Article 6, which, in paragraph 2, provides that the entity must:

- i. identify** the activities in which there is a possibility that the offences provided for in the Decree may be committed;
- ii. provide for** specific protocols aimed at planning the formation and implementation of the entity's decisions in relation to the offences to be prevented;
- iii. identify** the methods of managing financial resources suitable for preventing the commission of such offences;
- iv. provide** for reporting obligations to the Control Body responsible for supervising the functioning and compliance with the Model;
- v. introduce** an internal disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

2. Adoption of the Organisation and Management Model by Cap Arreghini

2.1 Objectives pursued with the adoption of the Organisation and Management Model

Cap Arreghini believes that compliance with ethical rules and transparency in the conclusion of business transactions is a basic and necessary condition, as well as a competitive advantage for pursuing and achieving its objectives, including the protection of its position and image, as well as the expectations and work of its employees.

In fact, the company's founding values undoubtedly include moral integrity, personal honesty and fairness in internal and external relations. Furthermore, transparency towards *stakeholders*, i.e. all parties with an interest in the company, respect for employees (with the simultaneous enhancement of their professional skills), social commitment and the protection of health, safety in the workplace and the environment are also important.

Cap Arreghini supports and promotes the creation of an environment characterised by a strong sense of ethical integrity

, in the firm belief that this contributes decisively to the effectiveness of control policies and systems



, influencing behaviours that could escape even the most sophisticated surveillance mechanisms.

Cap Arreghini – notwithstanding the provisions of the Decree, which qualify it as optional and not mandatory – has therefore deemed it appropriate and essential to adopt and issue an Organisation and Control Model pursuant to Legislative Decree 231/2001, which can clarify the qualities that must characterise the conduct of all those who, at various levels of responsibility, contribute with their actions to the performance of its activities, including external recipients, however named.

The Model has been prepared taking into account, in addition to the provisions of the Decree, the *guidelines* developed on the subject by trade associations.

2.2 Function of the Organisation and Management Model

The purpose of this Model is to build a structured and organic system of procedures and control activities, to be carried out also as a preventive measure, aimed at preventing the commission of the various types of offences covered by the Decree.

In particular, by identifying Areas at Risk and their subsequent proceduralisation, the Model aims to:

- **make** all those who work in the name and on behalf of Cap Arreghini in the Risk Areas aware that, in the event of a violation of the relevant provisions, they may be liable for an offence (criminal or administrative), with penalties (criminal or administrative) imposed on both the individual and the Entity;
- **to reiterate** that such forms of unlawful behaviour are strongly condemned by the Company since (even where the Company is potentially in a position to benefit from them) they are in any case contrary to the provisions of the law and the ethical and social principles that Cap Arreghini intends to adhere to in the conduct of its business activities;
- enable Cap Arreghini, through monitoring of Areas at Risk, to intervene promptly to prevent or combat the commission of such offences.

In addition to the principles already mentioned, **the key points** of Model 231 are:

- **raising awareness** and **disseminating** the established rules of conduct and procedures at all levels of the company;
- the **mapping of Risk Areas**, i.e. those specific activities in which the possibility of *offences* (provided for in Decree 231) or, in any case, *illegal acts* being committed is considered to be higher;
- **risk prevention**, through the adoption of specific procedural principles aimed at planning the formation and implementation of the Company's decisions in relation to the offences and illegal acts to be prevented;
- the provision – including through reference to company procedures adopted by Cap Arreghini – of methods for managing financial resources that allow each individual transaction to be **traced**;
- compliance with the principle of **separation of duties**;
- the definition of **authorisation powers** consistent with the **responsibilities** assigned;



- **verification** of company conduct, as well as the functioning of the Organisation and Management Model, and constant periodic updating;
- the adoption of a specific **disciplinary system** suitable for sanctioning non-compliance with the organisational measures and procedures adopted by Cap Arreghini;
- the assignment **to the Supervisory Body** of specific tasks of supervising the effective and correct functioning of the Model.

3. Risk Assessment: Identification of Sensitive Processes and 231 Assessment

In drafting this 231 Model, the Company and its consultants proceeded as follows the process described below.

3.1 First operational phase

The activities that characterised the first operational phase of the drafting of this Model were aimed at defining and organising the methods for implementing the M.o.G. project.

In particular, the following activities were carried out:

- a) **project organisation**, with reference to the company subjects to be involved and/or established (internal contacts and company figures involved), the timing, the methods of data and information collection, and progress monitoring;
- b) **sharing** with employees and *legal advisers* and **detailing the methodology for approaching** the project;
- c) **requests for documentation** from Cap Arreghini company entities, for analysis purposes;
- d) **presentation of the project** to the company entities involved in the analysis and to senior management;
- e) constant **monitoring** of the correct performance of project activities according to the work programme.

3.2 Second operational phase: identification of corporate risks

The second phase of the project involved identifying the main **business risks** (known as *Risk Self-Assessment*) in accordance with the Decree, in order to accurately identify **sensitive activities**.

The Confindustria *Guidelines* define 'risk' as '*any variable or factor within the company, either alone or in conjunction with other variables, that may adversely affect the achievement of the objectives set out in Decree 231 (in particular in Article 6, paragraph 1, letter a); therefore, depending on the type of offence, the areas of activity at risk may be more or less extensive*'.

In particular, the risk of committing 231 offences can be **considered** 'acceptable' when the additional controls have a higher cost than the resource to be protected: with reference to Decree 231, the conceptual threshold of 'acceptability', in cases of intentional offences, is represented by a prevention system structured in such a way that it cannot be circumvented or violated except fraudulently.

The acceptable **residual risk (RR)** is given by the ideal subtraction **of the adequacy of the control system** from **the inherent risk (IR)**.

In this regard, the inherent risk associated with a given sensitive activity indicates the level of risk associated with the activity itself, regardless of the action of the Control System put in place: Cap Arreghini calculated the IR by taking into account the elements **of probability** and **impact**. More precisely.



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Probability assessment indices	Impact assessment indices
• Frequency of the activity (frequency of activity) • History (have irregularities or violations already occurred in the past) • Economic value economic (economic impact economic of the activity) • External external (subjection of the activity to external factors) • Discretion of the activity • Process complexity (the process is complex enough to involve multiple functions) • Sector (the sector in which Cap Arreghini operates is characterised by specific risks of predicate offences being committed)	• Economic impact (maximum amount of financial penalties provided for by Decree 231) • Reputational impact (impact of the dissemination of news regarding the hypothetical 231 offence committed) • Management impact (impact of a possible disqualification penalty) • Organisational impact (impact of a violation of procedures or regulations)

The residual risk (RR) **value** is obtained by reducing the initial inherent risk value in proportion proportional to the strength of the Control System that characterises the activity in question.

The *Risk Self-Assessment* was carried out through **interviews** with the heads of the various company departments, in accordance with the techniques set out in the Confindustria *guidelines*. In particular, the *Risk Self-Assessment* involved:

- identification of sensitive 231 processes and activities;
- identification of potentially applicable 231 offences;
- identification of possible methods of committing the offence;
- assessment of perceived risk and inherent risk.

In general terms, the **mapping of sensitive processes** identified the types of offences that could potentially apply to Cap Arreghini:

OFFENCES	APPLICABLE	
	YES	NO
Art. 24: undue receipt of payments, fraud against the State or a public body or for the purpose of obtaining public payments, and computer fraud against the State or a public body;	☒	☐
Art. 24 bis: computer crimes and unlawful data processing;	☒	☐



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Art. 24 ter: organised crime offences;	☒	☐
Art. 25: embezzlement, misappropriation of money or movable property, extortion, undue inducement to give or promise benefits, corruption;	☒	☐
Art. 25 bis: counterfeiting of currency, public credit cards, revenue stamps and identification instruments or marks;	☒	☐
Art. 25 bis 1: offences against industry and commerce;	☒	☐
Art. 25 ter: corporate offences	☒	☐
Art. 25 quater: offences committed for the purposes of terrorism or subversion of the democratic order ;	☒	☐
Art. 25 quater 1: female genital mutilation practices;	☐	☒
Art. 25 quinquies: crimes against the individual;	☒	☐
Art. 25 sexies: market abuse;	☐	☒
Art. 25 septies: manslaughter or serious or very serious injury committed in violation of the rules on health and safety at work;	☒	☐
Art. 25-octies: receiving, laundering and using money, goods or benefits of illegal origin;	☒	☐
Art. 25 octies.1: offences relating to non-cash payment instruments;	☒	☐
Art. 25 novies: offences relating to copyright infringement;	☒	☐
Art. 25 decies: inducement not to make statements or to make false statements false statements to the judicial authorities;	☒	☐
Art. 25-undecies: environmental offences;	☒	☐
Art. 25 duodecies: employment of third-country nationals whose stay is irregular;	☒	☐
Art. 25 terdecies: Racism and Xenophobia;	☒	☐
Art. 25 quaterdecies: Sports fraud;	☐	☒
Art. 25 quinquedecies: tax offences;	☒	☐
Art. 25 sexiesdecies: Smuggling;	☒	☐
Art. 25 septiesdecies: crimes against cultural heritage;	☐	☒

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Art. 25-duodevices: Money laundering of cultural property and devastation and looting of cultural and landscape heritage;	☐	☒
Art. 25 undevices: Crimes against animals.	☐	☒

The 'preliminary' assessment of the 231 Offence Risks was determined as follows:

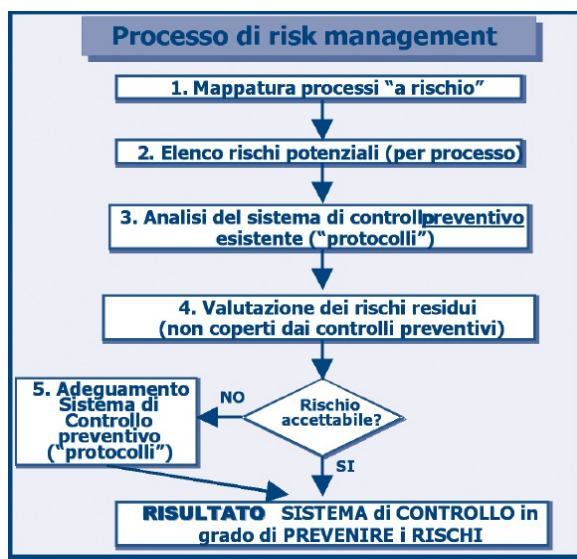
- **High risk:** high probability of the offence being committed (frequent and repetitive activities or operations that are prerequisites for the offence), high penalties resulting from the commission of the offence for Cap Arreghini and for the recipients, and risk events that have occurred in the past;
- **Medium risk:** medium possibility of the offence being committed (infrequent and moderately repetitive activities or operations that are prerequisites for the offence) and medium/high impact of sanctions resulting from the commission of the offence for the Company and for the recipients, and no risk events in the past;
- **Low risk:** low probability of the offence being committed (few or scarce activities or operations that are prerequisites for the offence), medium impact of sanctions resulting from the commission of the offence for the Entity and for the recipients, and no risk events in the past;
- **Unrealizable risk:** offence only theoretically possible, the ethical values of reference and the operating context in which the company operates are such as not to create the conditions and/or not to allow and/or not to tolerate the commission of similar offences;
- **Non-applicable risk:** there are no objective conditions or regulatory applicability for the commission of the offence in question.

3.3 Third operational phase: gap analysis

Once the company risks had been defined and identified, a *gap analysis* was carried out to verify the level of internal regulation of activities at risk under 231 (in coordination with *Risk Assessment*). Once the corporate risks had been identified and the level of internal regulation within the Company had been verified, the organisational and 231 *compliance gaps* were identified, and all the necessary remedial actions to mitigate the 231 risk and thus improve the architecture of the Company's **Control System** were indicated and subsequently implemented.

The Confindustria *guidelines*, to which the Company has consistently complied, specified that the design of the Control System requires an assessment of the existing system within the Entity for the prevention of offences and its possible adaptation in terms of its ability to effectively counteract, i.e. reduce to an acceptable level, the identified risks. From a conceptual point of view, reducing a risk involves intervening – jointly or separately – on two determining factors: (i) the probability of the event occurring and (ii) the impact of the event itself.

On this point, inspiration was drawn from the '*Integrity Risk Management*' model, used as a reference for the analysis and assessment of the adequacy of the Control System aimed at preventing the commission of offences. This includes a methodology for identifying control processes and procedures for the prevention of irregularities, classified and assessed on the basis of eight components, as shown below.



3.4 Fourth operational phase: definition of the M.o.G.

Finally, the body of the Organisation and Management Model was defined, in line with *best practice* and the guidelines drawn up by Confindustria.

The Organisation and Management Model consists of:

- General Section** containing: this document, the Code of Ethics and Disciplinary Code, and the Whistleblowing Regulations;
- Special Section** divided into individual annexes relating to the different types of offences covered by Decree 231, as well as the Information Flows annex.

In light of the above assessments, after careful analysis of the company's situation, it was decided to draw up specific Special Parts in relation to offences presenting a low, medium or high level of risk. As for offences with a 'non-realizable' risk, given the absence of particular areas of risk for the commission of such offences, it was decided not to draft specific Special Sections, considering the measures already adopted by the Company (including the implementation of the principles set out in the Code of Ethics) to be sufficient to prevent the commission of such offences.

Cap Arreghini updates the Model thus drawn up in relation to the adaptation requirements that may arise over time.

Given that this Model is an "*act issued by the management body*" (in accordance with Article 6, paragraph 1, letter a, of Legislative Decree 231/2001), any subsequent substantial amendments and additions to Model 231 itself are the responsibility of the Board of Directors.

Furthermore, the Board of Directors is granted the possibility to make any changes that may become necessary or, in any case, appropriate as a result of regulatory or organisational changes, as well as to adopt additional Special Parts.

These powers are considered justified by the need to ensure the constant and timely adaptation of Model 231 to any regulatory, operational and/or organisational changes within the Company.



Proposals for amendments and additions to Model 231 may also be submitted by the Company's Supervisory Body to the Board of Directors.

Supervisory Body to the Board of Directors.

4. Company structure

An organisational structure that is suitable for the preventive purposes of the Decree must be characterised by the following principles:

- a clear and precise determination of duties, the responsibilities associated with them, and the internal hierarchy within the company;
- the attribution of powers of representation of the entity within the limits strictly necessary and in any case within limits consistent and compatible with the duties performed by the reference figure to whom they are attributed;
- spending powers entrusted with spending limits and/or joint signature of several persons.

Taking note of the framework resulting from a careful assessment of the context, the control environment and the identification of risks, subjects and potential offences, the Company has equipped itself with specific prevention and protection systems and mechanisms, which are better articulated below.

4.1 Corporate bodies

4.1.1 Administrative Body

The powers of the corporate bodies are governed by the Articles of Association and applicable laws.

The Company is managed by a Board of Directors composed of three to five members, who may also be non-shareholders.

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration of the Company. It therefore has the power to perform all acts, including disposals, that it deems appropriate for the achievement of the corporate purpose, excluding only those that the law or the Articles of Association reserve for the Shareholders' Meeting.

The Board of Directors may establish assets intended for a specific business within the limits and in accordance with the procedures set out in Articles 2447-*bis* et seq. of the Italian Civil Code.

The Board of Directors is also responsible for resolutions relating to the reduction of share capital in cases of withdrawal of shareholders as provided for in Article 26 of the Articles of Association and the adaptation of the Articles of Association to regulatory provisions.

The legal representation of the Company, vis-à-vis third parties and in court, is the responsibility of the Chairman of the Board of Directors as well as, if appointed, the Vice-Chairman and the Chief Executive Officer.

Without the need for any authorising resolution by the Board of Directors, each of the representatives may, even separately: (i) perform all acts of ordinary administration falling within the corporate purpose, as well as those of extraordinary administration relating to the acquisition, sale and exchange of capital goods; (ii) appoint and revoke agents and attorneys, determining their powers; (iii) bring or support legal actions on behalf of the Company, whether as plaintiff or defendant, in any civil, criminal or administrative court and at any level of jurisdiction, including before the Constitutional Court, the Court of

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Cassation, the Council of State, the Superior Court of Public Waters, regional courts and any other court, including special courts, as well as in revocation and third-party opposition proceedings, appoint or dismiss solicitors and barristers for this purpose; (iv) entrust, for all legal purposes, the responsibilities for the organisation and management of certain areas of the company's activities to employees of the Company, granting them all the necessary powers.

The legal representation of the Company may also be conferred by the Board of Directors, in accordance with the law, on one or more General Managers, Co-General Managers or Deputy General Managers. In the relevant resolution, the Board shall also determine the powers of each individual.

The Board of Directors is composed as follows:

Position	Name	Term of office
Chairman of the Board of Directors and Company Representative	GIGLIOLA ARREGHINI	In office until approval of the financial statements for 31 December 2026
Director	ROSANNA ARREGHINI	In office until approval of the financial statements for the year ending 31 December 2026
Director	RENATO TESOLIN	In office until approval of the financial statements for the year ending 31 December 2026

The following powers were confirmed to the Chairman of the Board of Directors in the minutes of 27 June 2024:

- a) to perform all acts of ordinary administration falling within the scope of the company's purpose, as well as those of extraordinary administration relating to the acquisition, sale and exchange, including financial leasing, of capital goods, including those registered in public registers.
- b) appointing and dismissing agents and attorneys, determining their powers;
- c) to bring or support legal actions on behalf of the Company, whether as plaintiff or defendant, in any civil, criminal or administrative court and at any level of jurisdiction, including before the Constitutional Court, the Court of Cassation, the Council of State, the Superior Court of Public Waters, regional courts and any other courts, including special courts, as well as in revocation and opposition proceedings involving third parties; appoint or dismiss solicitors and special attorneys for this purpose;
- d) entrust, for all legal purposes, the responsibilities for the organisation and management of certain areas of the company's activities to employees of the Company, granting them all the necessary powers, with the exception of the non-delegable powers referred to in Articles 2420-ter, 2423, 2443, 2446, 2447, 2501-ter and 2506-bis of the Italian Civil Code.

The Board of Directors also resolved to grant the Chief Executive Officer, Gigliola Arreghini, the broadest powers of ordinary administration relating to the corporate purpose and, in particular, the powers, duties and responsibilities set out below, in addition to those highlighted above:

1. purchasing, selling, exchanging, transferring companies or business units, entering into contracts for the lease, sublease or usufruct of companies;
2. enter into, amend, terminate and renew leases with a duration of more than nine years;



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3. purchase shares or equity interests in other companies with a similar or related purpose to that of the Company;
4. carry out, without any prior resolution by the shareholders' meeting or board of directors, any transaction with banks in order to obtain credit facilities (credit lines), credits, loans and advances in any form, in favour of the company, including the drawing of cheques on current accounts, up to a maximum limit of €600,000.00 (six hundred thousand/00) for each transaction indicated above;
5. carry out the following transactions using the Company's existing funds or within the limits of the credit lines granted by any bank or credit institution:
 - enter into, amend or terminate current account agreements with credit institutions and post offices;
 - issue cheques on the Company's current accounts and transfer funds by bank transfer;
 - issue, draw, endorse, demand, discount and accept bills of exchange issued or endorsed in favour of the Company;
 - make payment delegations;
6. collect credits, money orders, cheques, postal orders, sums and securities for any reason or amount due to the Company, issuing receipts in full discharge;
7. make payments, demand and receipt any sum and value for any reason owed by the Company; make and withdraw deposits and generally carry out any other similar transaction;
8. assign receivables without recourse and with recourse;
9. enter into, amend, terminate and renew insurance contracts and represent the Company in all transactions with insurance companies;
10. the powers, duties and responsibilities, without exception, relating to compliance with and application of tax regulations pertaining to the Company's activities, and therefore, in particular, but without the list being exhaustive, powers, duties and responsibilities relating to the keeping and storage of accounts and company books, the preparation and submission of declarations, reports and documents of any kind to public offices and the Tax Administration of the Italian Republic or foreign countries, and the keeping and storage of any register or document required by civil and tax regulations;
11. to enter into, amend and terminate contracts relating to employment, including those relating to administrative staff, to set their remuneration, to promote, suspend, revoke and dismiss them; intervene in disputes of any kind and degree concerning employment relationships and reach appropriate settlements and agreements, in addition to taking care of and assuming responsibility for compliance with obligations and requirements relating to employment and social security and contribution obligations, as well as obligations arising from the application of national collective labour agreements concerning employees;
12. enter into, amend, terminate and renew contracts for the provision of services, utilities, works and contracts for any work, including professional work;
13. sign and submit to the competent civil and military authorities applications for concessions, sub-concessions, authorisations, licences, permits, clearances, etc., or for modifications or extensions of similar acts;
14. promote and deal with tax matters and procedures before the competent offices, administrations and commissions, and settle them, including periodic tax returns on behalf of the Company for tax compliance purposes, as well as the signing of tax returns, communications or other documents for legal compliance purposes; request refunds of taxes, duties and contributions and anything else due to the Company, with the power to collect and receipt any amount; discuss before the tax commissions in any venue and at any level, with the power to settle, compromise and agree;
15. represent the Company before any civil or military authority, commission or administrative office, sign applications, appeals, complaints and agreements for any purpose;



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16. carry out any transaction and perform any procedure at the treasuries, including those of Regions, Provinces, Municipalities, Public Bodies, post offices and, in general, at any public or private office public or private office, with the power to demand sums, securities, payment orders, securities of any kind, interest, postal and telegraphic orders, for any amount, issuing receipts and discharges; receive refunds; establish, release and withdraw deposits or guarantees of any kind pertaining to the Company, issuing receipts in the name and on behalf of the Company; collect goods, parcels, packages, correspondence, including registered or insured mail, and anything else pertaining to the Company for any reason, without limits on amount or value; issue receipts releasing the aforementioned treasuries and offices from any liability regarding payment or delivery;

17. execute the resolutions of the Board of Directors;

18. the powers, duties and responsibilities inherent in and resulting from the implementation of the new legislation on the processing of personal data referred to in EU Regulation No. 2016/679 (GDPR) and related obligations, with the possibility of identifying the organisational figures, including external ones, responsible for and/or in charge of the processing itself and defining their functions and/or responsibilities in accordance with the aforementioned legislation, without prejudice to the

powers and responsibilities attributed to the Company itself as the data controller;

19. the powers, care and responsibilities, exclusively and without exception, relating to compliance with and application of the mandatory rules in relations with the C.C.I.A.A. (Chamber of Commerce, Industry, Crafts and Agriculture) with territorial jurisdiction with regard to the requirements and obligations relating to the register of companies, with the consequent assumption, always exclusively, of the related financial liability for administrative fines for any violations committed by the Company against the aforementioned C.C.I.A.A. with territorial jurisdiction;

20. the powers, duties and responsibilities associated with the role of 'employer' as defined by current and future legislation, as well as the related obligations imposed by accident prevention legislation, including the powers, duties and responsibilities associated with compliance with the requirements imposed by Legislative Decree no. 81/2008 and subsequent amendments and additions, by the related decrees and implementing measures, regarding workplace safety in general; the powers, duties and responsibilities associated with compliance with tax, labour, social security and contribution obligations, as well as the obligations arising from the application of national collective labour agreements concerning blue-collar and white-collar workers. To this end, within the scope of the powers conferred upon him, the Chief Executive Officer may adopt the measures and order the interventions necessary and/or useful to comply with the laws and regulations on the health and safety of workers.

In order to carry out the above tasks, the Chief Executive Officer is granted the decision-making and spending powers necessary to fulfil the responsibilities delegated to him/her, with the obligation to report periodically to the Board of Directors. These powers are defined as follows:

- the power to purchase, modify, maintain and repair plant, machinery, work equipment, means of transport (including those subject to registration with the P.R.A.) and lifting equipment, materials intended for temporary works;

- the power to purchase raw materials, goods and consumables, goods and products in general, energy supplies, and anything else that is or may be necessary to ensure the health and safety of workers in the workplace, without the need for prior authorisation (excluding, in any case, interventions involving structural innovations within the company); with the power to directly commit expenditure (without any limitation) or to make payments, subject to compliance with internal company procedures (understood only as implementation methods) defined separately;



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- the power to suspend, even partially, work activities if their continuation violates accident prevention and occupational health regulations, or if there is a serious and immediate danger to the health and safety of employees, or if the plant, machinery, work equipment, means of transport and lifting, materials intended for temporary works, and protective devices do not meet the essential safety requirements set out in current and future legislation and regulations, with the simultaneous obligation to immediately notify the Board of Directors;

- power to comply – where deemed legitimate – with the requirements imposed by the Supervisory Body – where established – taking into account subsequent regulations and additions, for contraventions ascertained against the delegating party, by agreeing to the consequent payment, at the administrative headquarters, of the amount set, as well as to comply with the warnings and instructions issued by labour inspectors pursuant to Presidential Decree no. 520/55 and subsequent amendments and additions (without prejudice to any concurrent or independent personal liability for conduct that is criminally relevant in terms of negligence or intent);

21. to establish, register and renew mortgages and liens against third parties and for the benefit of the Company; to allow cancellations, reductions or postponements of mortgages against third parties and for the benefit of the Company due to the extinction or reduction of the related obligations; to carry out any mortgage transaction against third parties and for the benefit of the Company, indemnifying the competent land registry officials from any and all liability;

22. represent the Company as a shareholder, partner or associate at ordinary and extraordinary meetings of other companies, as well as in existing and future associations and/or consortia, in order to implement the directives expressed by the Board of Directors.

Furthermore, by resolution dated 27 June 2024, Director Rosanna Arreghini was assigned the following duties:

- Promoting the development of the Company through communication, advertising and product promotion;
- Prepare budgets, establishing investments and the annual communication plan, taking care of the strategic definition of marketing and promotion initiatives;
- Manage internal and external relations, privileged relationships and communication;
- Identify sponsorships;
- Manage the press office, maintaining relations with journalists and newspapers;
- Selecting suppliers;
- Organise participation in trade fairs, meetings and conferences;
- Manage communication and product display within sales dealerships;
- Manage gifts, gadgets and colour samples.

4.1.2 Board of Statutory Auditors and Auditors

Position		Name	Term of office
Chair	of	Board of	
Auditors		RENATO MURER	In office until approval of the financial statements for 31 December 2026


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Auditor	CARLO DE BORTOLI	In office until approval of the financial statements for the year ending 31 December 2026
Auditor	ALESSANDRO PREISSINOTTO	In office until approval of the financial statements for the year ending 31 December 2026
Deputy Auditor	SIMONE FRANCHETTO	In office until approval of the financial statements on 31 December 2026
Deputy Auditor	FEDERICO DEL VECCHIO	In office until approval of the financial statements for the year ending 31 December 2026

Position	Name	Term of office
Auditing firm	REVISIUM S.r.l. Auditing and legal firm	In office until approval of the financial statements for 31 December 2026

4.1.3 Powers and proxies

The Company does not currently have any attorneys or delegates.

Any powers and delegations will be expressly conferred by the Sole Director in relation to specific operational requirements.

Delegations must associate each management power with the relevant responsibility and an appropriate position in the corporate organisation system, as well as being constantly updated in relation to organisational changes that may occur within the Entity. In order to be valid, each delegation must specifically and unambiguously define the powers attributed to the delegate and the entity – body or individual – to which the delegate reports. The management powers assigned by the delegations must be consistent with the objectives pursued by Cap Arreghini.

The delegate must have adequate spending powers consistent with the functions assigned to them.

4.2 Management System

The management system is a set of rules and procedures, defined in an internationally recognised standard, which a company can apply in order to achieve defined objectives. The objective is generally to implement tools that enable the Company to keep its processes and activities under control. Furthermore, the adoption of a Management System is voluntary and a third party body can certify its effectiveness. That said, the Management System serves to organise, develop and maintain the achievement of the objectives determined by the Company through the definition of roles and responsibilities, as well as the management of operational activities and their constant monitoring.

In accordance with Article 30 of Legislative Decree 81/2008, this Model also implements a management system for occupational safety management system, with the aim of ensuring:



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- the reduction of costs arising from accidents, injuries and work-related illnesses by minimising the risks to which employees and, in general, all persons who may be involved with the company (customers/users, suppliers, etc.) may be exposed
- improved levels of health and safety at work
- maximum ease in producing all the documentation required by the new regulations

Cap Arreghini guarantees the continuous improvement and effectiveness of its Management System, not only through the definition of company policies and objectives, but also through the monitoring of applicable regulations and the results of internal audits, data analysis and consequent corrective and preventive actions, management reviews, self-assessment and the direct involvement of its staff.

Furthermore, considering the company's core business, it has decided to obtain the following certifications:

Certification	Certifying body	Certificate number
UNI EN ISO 14001:2015	DNV BUSINESS ASSURANCE ITALY S.r.l.	
UNI EN ISO 9001:2015	DNV BUSINESS ASSURANCE ITALY S.r.l.	
S.P-06162 PAINTS FOR INTERIOR AND EXTERIOR	DNV BUSINESS ASSURANCE ITALY S.P.A	C550496-ACCREDIA
S-P-05360 EXTERIOR PAINTS	DNV BUSINESS ASSURANCE ITALY S.P.A	C550495-ACCREDIA
S-P-06163 INTERIOR PAINTS	DNV BUSINESS ASSURANCE ITALY S.P.A	C497228-ACCREDIA

5. Internal control system

The internal control system is based not only on the rules of conduct set out in this Model, on a set of tools, organisational structures and company procedures, and has the following objectives:

- To guarantee the effectiveness and efficiency of company processes;
- Ensuring compliance with laws and regulations as well as company rules and procedures;
- Safeguard the value of company assets and corporate heritage;
- To guarantee the quality and reliability of the information provided by the Company, especially in the economic and financial fields.



The internal control system is governed by general principles, the scope of which extends continuously across the various organisational levels and operating units, as follows:

- **Representative powers** must be conferred by defining limits in relation to the normal size of the operations involved and according to areas of activity closely linked to the tasks assigned and the organisational structure;
- **Responsibilities** must be defined and duly distributed, avoiding functional overlaps or operational allocations that concentrate critical activities on a single person;
- **Adequate authorisation** is required for each significant operation for the operating units;
- Operational tasks are assigned to individuals other than those with control tasks, in order to **reduce the risk of conflicts of interest**;
- The **traceability** of operational decisions in terms of characteristics and motivations must be ensured, and those who authorised, carried out and verified the individual activities must be identifiable;
- The exchange of information must be carried out in such a way as to ensure the **completeness and integrity of the data managed**;
- Human resources must be selected, hired and managed according to criteria of transparency and consistency with the ethical values and objectives defined by the company;
- The acquisition of goods and services for company operations must be based on an analysis of needs and from appropriately selected and monitored sources;
- The behaviour of employees in pursuing objectives and concluding each transaction must be inspired by the principles of honesty, transparency, loyalty, integrity and fairness. **The belief that one is acting in the interests of Cap Arreghini must in no way justify the use of unfair practices or behaviour that conflicts with the principles listed in this Model.**

6. External control system: Supervisory Body

6.1 Identification of the Supervisory Body

The Supervisory Body (also referred to as SB in this text) is a body that must supervise the functioning and observance of the model (including its updating) and must have powers of initiative and control. The SB of Cap Arreghini is entrusted, in general terms, with the task and function of supervising:

- a) compliance with the requirements of the Organisation and Management Model by the Recipients, in relation to the various types of offences covered by Decree 231;
- b) the actual effectiveness and effective capacity of the Organisation and Management Model, in relation to the company structure, to prevent the commission of the offences referred to in the Decree;
- c) the advisability of updating the Organisation and Management Model in relation to changes in company conditions and new legislation and regulations.

The members of the SB must meet the requirements of autonomy, independence, professionalism, continuity of action, as well as integrity and absence of conflicts of interest.

In this regard, it should be noted that:

- **autonomy** should not be understood in a purely formal sense. The SB must have effective powers of inspection and control, access to relevant company information,

be equipped with adequate resources and be able to make use of tools, support and experts in carrying out its monitoring activities;

- as regards **independence**, members of the Supervisory Body must not be in a position, even potentially, of conflict of interest with Cap Arreghini, nor hold executive functions within the company.

In the case of individuals within the company structure, the member must also hold an organisational position appropriate to the company and have independent powers of initiative and control and the professional skills appropriate to the role performed.

- With regard to **professionalism**, the SB function must be performed by individuals with adequate professional skills in legal matters and in the control and management of corporate risks.

The SB may also avail itself of external professionals to equip itself with resources competent in specific technical areas.

6.2 Tasks of the Supervisory Body

On an operational level, the Supervisory Body of Cap Arreghini is responsible for:

- a) **Implementing procedures to verify and control the application of the Model**, bearing in mind that primary responsibility for controlling activities, including those relating to Risk Areas, remains with operational *management* and forms an integral part of the company process ("line control").

This confirms the importance of staff training;

- b) **Conducting surveys** of company activities for the purpose of updating the mapping of Risk Areas and carrying out targeted checks on specific operations or acts carried out within the Risk Areas;

- c) **Promoting initiatives to disseminate** knowledge and understanding of the Organisation and Management Model and preparing organisational documentation containing instructions, clarifications or updates for the functioning of the Model itself and, in any case, verifying the periodic training and information provided to employees on both the content of the Organisational Model and the regulations referred to therein;

- d) **Verify the constant updating of** the Organisation and Management Model where there is a need to adapt it;

- e) **Collect, process and store** relevant **information** regarding compliance with the Organisation and Management Model, as well as check the actual presence, regular maintenance and effectiveness of the documentation required in accordance with the provisions of the individual Special Parts of Model 231 for the various types of offences.

In addition, update the list of information that must be sent to or kept at the disposal of the SB;

- f) **Coordinate with company departments** to monitor activities in Areas at Risk.

To this end, the SB is kept constantly informed of developments in activities in Risk Areas and has free access to all relevant company documentation, including the relevant update data



. *The management* must also report to the SB any situations in company activities that may expose the company to the risk of crime must also be reported to the SB;

- g) **Conduct internal investigations** to ascertain alleged violations of the provisions of this Model, including with the assistance of the control structures provided within the Company, ensuring the confidentiality of those who report violations and providing for deterrent measures against any distracting or improper information;
- h) **Verify that the elements provided for in the individual Special Parts of the Model for the various types of offences are adequate** and meet the requirements of compliance with the provisions of Decree 231, updating the elements themselves if this is not the case;

For the rest, the SB regulates its internal functioning through specific regulations.

6.3 Information to and from the Supervisory Body

Article 6, paragraph 2, letter d) of Legislative Decree 231/2001 stipulates that Model 231 must provide for:

'information obligations

to the body responsible for supervising the functioning and observance of the models".

Information flows are a fundamental element in enabling the Supervisory Body to perform its tasks correctly, allowing the necessary passage of communications from the Company to the SB and vice versa.

There are two types of information flow: (i) the first concerns flows to the Supervisory Body, i.e. **reporting to the SB**; (ii) the second concerns flows from the SB itself to the corporate bodies (**reporting to the corporate bodies**).

6.3.1 Reporting to the Supervisory Body

Within the company, in addition to the documentation indicated in the Information Flows annex, any other information of any kind, including that originating from third parties and relating to the implementation of Model 231 in the Risk Areas, must be brought to the attention of the SB.

Company Representatives always have a duty to report to the SB:

- any fact or news relating to events that could, even potentially, determine the Company's liability, pursuant to Legislative Decree 231/2001;
- the initiation of legal proceedings against managers or employees who are charged with offences under Legislative Decree 231/2001 or Law 146/2006;
- violations of Model 231 or the Code of Ethics, as well as conduct that could give rise to suspicion of an unlawful act or conduct that does not comply with the principles, procedures and rules set out in this Model;
- information relating to disciplinary proceedings and any measures imposed (including measures against Company Representatives) or the dismissal of such



proceedings with the relevant reasons, if they are related to the commission of offences or violations of the rules of conduct or procedures of the Model.

- any anomalies or atypicalities with respect to the principles outlined in the Model.

6.3.2 Reporting to Corporate Bodies

On a half-yearly basis, the SB sends the Administrative Body a written report detailing the content of the checks carried out, any problems encountered and the measures taken as a result.

In addition, the SB holds regular meetings, generally on a monthly basis, with the company representative identified as the 231 Contact Person, also involving other relevant company figures on a case-by-case basis. The *reporting* covers, among other things, the verification of the mapping of risk areas, the adequacy of and compliance with the Model, the adoption of appropriate staff training initiatives, reconnaissance meetings, and regulatory updates.

The SB also maintains ongoing contact, even outside the aforementioned meetings, with the company's 231 Contact Person on 231 matters.

7. Appointment of the entity's defence counsel when the legal representative is under investigation or charged with the predicate offence

Article 39, paragraph 1, of Legislative Decree No. 231/2001 ("**Representation of the entity**") provides that *"the entity shall participate in criminal proceedings through its legal representative, unless the latter is charged with the offence on which the administrative offence depends"*.

Case law is adamant in establishing a general and absolute prohibition on representation by a legal representative who is himself under investigation or charged, justified by the suspicion that the appointment of a defence counsel for the company under investigation could be *"potentially damaging in terms of the strategic choices of the entity's defence, which could conflict with the divergent defence strategies of the legal representative under investigation"*.

Therefore, Cap Arreghini, in order to avoid the incompatibility provided for in Article 39 of Legislative Decree 231/2001 in the event that the legal representative of the company is under investigation or charged with the predicate offence, has defined the procedures for appointing its defence counsel.

In particular, if the Chairman of the Board of Directors is unable or incompatible, the appointment of the Entity's defence counsel will be the responsibility of the Board of Directors (with the abstention of the person under investigation or charged) or, if this is not possible, the Shareholders' Meeting.

8. Whistleblowing

On 29 December 2017, Law 179/2107 came into force, containing "*Provisions for the protection of persons reporting crimes or irregularities of which they have become aware in the context of a public or private employment relationship*", which, pursuant to Article 1, amended the aforementioned Article 54-bis a n d , at the same time, introduced a new provision in Legislative Decree

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231/2001 - which regulates the Organisation and Management Model and, in general, the administrative liability of the entity - concerning the submission and management of reports.

Subsequently, Legislative Decree No. 24/2023, published in the Official Gazette on 15 March and in force since 30 March 2023, transposed EU Directive 2019/1937 on the "*Protection of individuals who report breaches of EU rules*" and amended paragraph 2 *bis* and repealed paragraphs 2 *ter* and 2 *quater* of the aforementioned Article 6 of Decree 231 and repealed Article 3 of Law No. 179/2017.

More specifically, Legislative Decree No. 24/2023 extended the scope of application of the *whistleblowing* regulations, not only expanding the list of recipients required to comply with the regulations on the protection of whistleblowers, but also increasing the number of violations that can be reported. In this way, protection has been extended not only to whistleblowers, but also to so-called '*facilitators*', i.e. those who assist '*a whistleblower in the reporting process in a work context and whose assistance must be confidential*', and to third parties connected with whistleblowers, such as colleagues or family members, as well as legal entities connected with the whistleblower.

Cap Arreghini has already adopted, in compliance with the terms of the law, the 'Whistleblowing' system provided for by Legislative Decree 24/2023.

The aforementioned Whistleblowing system, which is an integral part of this Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, has also been adopted for the purpose of identifying and combating possible violations of the Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and the Policies and Procedures adopted by the Company, as well as other illegal or irregular conduct that could undermine the integrity of the Entity.

In order to effectively achieve the objectives of the current regulations, and thus safeguard the integrity of the Company and protect the Whistleblower, the person responsible for managing the Report is an individual external to the Company (i.e. the Supervisory Body - appointed pursuant to Article 6 of Legislative Decree 231/2001).

The person responsible for managing the report, for the purposes of managing the report, has specific training and guarantees the requirement of autonomy (pursuant to Article 4 of Legislative Decree 24/2023).

In accordance with the regulations, several channels have been set up to allow reports to be made for the protection of the organisation. These reporting channels also guarantee the confidentiality of the reporter's identity. Reports may be made in writing or orally and may be brought to the attention of the manager through specific confidential channels.

For a more detailed analysis, please refer to the Whistleblowing Policy attached to this Model.

The Reporting Manager will acknowledge receipt of the report within 7 days of receiving it and, after examining the reports received, will assess the investigations to be carried out, requesting information from the reporting person and/or the person to whom the report is attributed; the decision to proceed with a thorough internal investigation or to dismiss the report must be justified in writing.

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In any case, attention will also be paid to anonymous reports, provided that they are adequately detailed and provide sufficient information, i.e. that they are able to bring out facts and situations by relating them to specific contexts. After gathering information on the reported facts, the Reporting Officer will assess whether or not to proceed with a further investigation.

All recipients of the Model are required to report the presence of situations within the company that are '*at risk*' of crime or illegal activity. In particular, administrative, accounting, civil or criminal offences must be reported.

Cap Arreghini is fully aware that the implementation of mechanisms to protect whistleblowers from retaliation is a strong incentive for the emergence of illegal practices within the organisation, which would otherwise remain hidden, and that whistleblowers should therefore be identified as individuals who contribute to restoring legality within their organisation.