



**Organization, management, and control model pursuant  
to  
Legislative Decree 231/2001**

## **Disciplinary System**

Public Document

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**LIST OF REVISIONS**

REV.	DATE	NATURE OF CHANGES	APPROVAL
00	05/26/2025	Adoption	Board of Directors

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## 1. SANCTION SYSTEM

### 1.1 Introduction

The Disciplinary System designed to sanction non-compliance with the Code of Ethics and the Organization, Management, and Control Model is to be considered an indispensable element of the Model itself and a tool that guarantees its effective implementation.

In this regard, it should be noted that Article 6, paragraph 2, letter e) of Legislative Decree 231/2001 stipulates that the Organization and Management Models must "introduce a Disciplinary System suitable for sanctioning non-compliance with the measures indicated in the Model."

The following Article 7, paragraph 4, letter b) of the Decree also establishes that the effective implementation of the Model also requires "a Disciplinary System suitable for sanctioning non-compliance with the measures indicated in the Model."

ISVAL S.p.A. (hereinafter also referred to as "ISVAL" or "the Company"), in accordance with the provisions of the aforementioned regulations, has developed its own Disciplinary System, set out in this document, based on the provisions of the above-mentioned articles, case law rulings, and the guidelines provided by Confindustria.

The Disciplinary System is disseminated to all employees and is also brought to the attention of the recipients by posting it on company notice boards.

### 1.2 The main regulatory references in the disciplinary system

- Article 7 of Law 300/70 (Workers' Statute), Article 2104 of the Italian Civil Code (employee diligence), Article 2105 of the Italian Civil Code (duty of loyalty), Article 2106 of the Italian Civil Code (disciplinary sanctions) Article 2118 of the Italian Civil Code (termination of contract) and Article 2119 of the Italian Civil Code (termination for just cause);
- provisions of applicable collective agreements (National Collective Labor Agreement for the Metalworking Industry)
- Article 1176 of the Italian Civil Code (diligence in performance), Article 1218 of the Italian Civil Code (liability of the debtor) and Article 1456 (express termination clause);
- Art. 1382 of the Italian Civil Code (effects of the penalty clause) and Art. 1456 of the Italian Civil Code (express termination clause);
- regulations relating to health and safety in the workplace (Article 20 of Legislative Decree 81/08);
- Legislative Decree 24/2023 "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019, on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law";
- ANAC Guidelines on the protection of persons reporting breaches of Union law and the protection of persons reporting breaches of national law.

### 1.3 Principles of the disciplinary system

The Disciplinary System has a preventive function: failure to comply with the Model and the Code of Ethics will result in the activation of a timely and immediate internal sanctioning mechanism by ISVAL.

The application of disciplinary sanctions is independent of the outcome of any criminal proceedings, in order to combat any conduct that may lead to the commission of offenses under Legislative Decree 231/2001.

The sanction is determined in accordance with the principles of adequacy and proportionality in relation to the seriousness of the offense or, in any case, of the violation committed, ensuring, in the cases provided for by law and by the National Collective Labor Agreement, the involvement of the person concerned, who is guaranteed the opportunity to justify their behavior after the charge has been brought, including through the right to be assisted by a representative of the trade union to which they belong or to which they have given a mandate.

#### 1.4 Content and recipients of the Disciplinary System

This Disciplinary System sets out:

- the facts that are considered relevant for disciplinary purposes;
- the related sanctions, in accordance with the law and the National Collective Labor Agreements;
- the procedures for contesting and imposing sanctions.

The sanctions identified in this Disciplinary System apply, with specific aspects, to:

- employees (who do not hold managerial positions);
- managers;
- members of the Board of Directors and supervisory bodies;
- partners;
- external parties acting on behalf of the Company (self-employed workers, quasi-employees, suppliers, professionals, etc.).

## 2. APPLICABLE MEASURES

### 2.1 Employees

The sanctions that may be imposed on employees (managers, white-collar workers, and blue-collar workers), in compliance with the provisions of the Civil Code, the procedures referred to in Article 7 of Law No. 300 of May 30, 1970 (Workers' Statute), and the relevant National Collective Labor Agreements, may be:

- a) verbal warning;
- b) written warning;
- c) fine not exceeding the amount of three hours' pay;
- d) suspension from work and pay for a period not exceeding 3 days of actual work;
- e) individual dismissal.

The following conduct is considered punishable under this Disciplinary System and in accordance with the provisions of the Civil Code, the procedures referred to in Article 7 of Law No. 300 of May 30, 1970 (Workers' Statute) and the applicable National Collective Bargaining Agreement:

- *failure to comply with the principles and rules of conduct set out in the Code of Ethics adopted by the Company;*
- *failure to comply with procedures, protocols (general and specific), and regulations set forth and referred to in the Organization, Management, and Control Model;*
- *failure to comply with the documentation requirements for activities provided for in the procedures referred to in the Organization, Management, and Control Model for processes at risk;*

- *failure to comply with the obligations arising from Article 20 of Legislative Decree 81/08 on health and safety in the workplace;*
- *obstruction or evasion of the Supervisory Body's controls, prevention of access to information and documentation by those responsible for controls;*
- *failure to inform the Supervisory Body and the management body regarding the information flows specified in the Model;*
- *failure to report non-compliance or irregularities committed by other workers and senior managers;*
- *violation of all provisions provided for and regulated pursuant to Legislative Decree 24/2023;*
- *violation of the measures adopted by the Company to protect whistleblowers pursuant to Legislative Decree 24/2023, including the confidentiality of the whistleblower and/or any acts of retaliation against the whistleblower;*
- *the making (intentional or grossly negligent) of biased, discriminatory, or otherwise unfounded reports, when it is established, including by a first instance judgment, the civil liability of the reporting person for defamation or slander in cases of intent or gross negligence, unless the same person has already been convicted, even in the first instance, for the crimes of defamation or slander or in any case for the same crimes committed with the report to the judicial or accounting authorities.*

In the case of criminally relevant conduct, the Company reserves the right to file a complaint or lawsuit, in accordance with the provisions of the relevant laws.

The type and extent of each of the above sanctions shall be commensurate, in accordance with the provisions of the Disciplinary System and without prejudice to compliance with the applicable National Collective Labor Agreement, in relation to:

- the intentionality of the conduct or degree of negligence, imprudence, or incompetence, also taking into account the predictability of the event;
- the overall conduct of the employee, with particular regard to the existence or otherwise of previous disciplinary measures against them, within the limits permitted by law;
- the worker's duties;
- the functional position of the persons involved in the events constituting the misconduct;
- other particular circumstances accompanying the disciplinary violation.

Complaints that give rise to sanctions other than a simple verbal warning must be made in writing in order to ensure the traceability of the application and the previous record of the person sanctioned.

## 2.2 Executives and

In the case of managers who have committed a violation of the Code of Ethics, the Model, or the procedures established in implementation thereof, the function with disciplinary power shall initiate the relevant proceedings to issue the relevant complaints and apply the most appropriate sanctions, in accordance with the provisions of the relevant National Collective Labor Agreement and, where necessary, in compliance with the procedures set out in Article 7 of Law No. 300 of May 30, 1970.

The conduct subject to sanctions is the same as that attributable to employees specified in the previous paragraph.

Sanctions must be applied in accordance with the principles of graduality and proportionality with respect to the seriousness of the offense and the fault or possible intent. Among other things, the charge may be accompanied by the precautionary revocation of any powers of attorney entrusted to the person

concerned, up to and including the termination of the relationship in the event of violations so serious as to undermine the relationship of trust with the Company.

### 2.3 Directors and Statutory Auditors

The following sanctions may be applied to directors and auditors, in proportion to the seriousness of the offense committed:

- verbal warning;
- written warning;
- dismissal for just cause.

In accordance with the provisions of the Italian Civil Code, dismissal for just cause pursuant to Articles 2383, paragraph c.c., and 2400, paragraph 2 c.c., is the penalty to be imposed for more serious infringements, which compromise the relationship of trust between the Company and the director or auditors.

Disciplinary power over directors and auditors lies with the Shareholders' Meeting which, in accordance with the provisions of the Civil Code and the Articles of Association and subsequent amendments thereto, is called upon to decide on any dismissal or liability action against them.

The conduct subject to sanctions is the same as that attributable to employees specified in the previous paragraphs.

The assessment and choice of the sanction to be imposed from among those possible must take into account the seriousness and repetition of the conduct. The repetition of the conduct reported above is an indication of the greater seriousness of the violations.

### 2.4 Shareholders

In the event of a serious violation of the Model or the Code of Ethics by the Company's shareholders, the Supervisory Board shall inform the entire Board of Directors, the Statutory Auditor, the Board of Statutory Auditors, and the Shareholders' Meeting, which shall take the appropriate measures provided for by current legislation and the Articles of Association.

The exclusion of a member shall be decided by the Board of Directors in the cases provided for by law and the Articles of Association.

### 2.5 External Parties (external collaborators, partners, suppliers)

If conduct in violation of the Model or the Code of Ethics is carried out by self-employed workers, suppliers, or other parties operating under contracts concluded with ISVAL, the only applicable measure is the termination of the contract pursuant to Article 1456 of the Italian Civil Code.

The Company's top management has no disciplinary power over such parties, but the specific contractual clauses and current legislation applicable to the relationship will apply.

The sanctions shall correspond to the provisions of the specific contractual clauses and the relevant laws applicable to each relationship (express termination clauses that make explicit reference to compliance with the provisions of the Model and the Code of Ethics pursuant to Article 1456 of the Italian Civil Code, where applicable, and/or the application of penalties pursuant to Article 1382 of the Italian Civil Code).

### 2.6 Measures against members of the Supervisory Body

Any measures to be taken against members of the Supervisory Body for conduct in violation of the Code of Ethics and/or the Model shall be the responsibility of the Board of Directors. In the event of serious

violations, the fact may be considered just cause for dismissal, without prejudice to the application of any disciplinary sanctions provided for in existing contracts.

### 3. INVESTIGATION AND APPLICATION OF SANCTIONS

Upon notification of conduct contrary to the provisions of the Model and/or the Code of Ethics and/or Legislative Decree 24/2023, the Body responsible for receiving whistleblowing reports, and possibly the Supervisory Body in the case of significant violations pursuant to Legislative Decree 231/01, shall proceed with the opening of an investigation phase aimed at verifying the truthfulness or validity of the violations reported.

The designated Body shall examine all reports in order to verify the validity of the information.

During the preliminary investigation phase, information, documents, and data may be requested from the various company departments. At the conclusion of the preliminary investigation phase, the persons in charge make their own assessments as to whether or not the violation has occurred, the causes thereof, and any need for corrective measures or actions.

With regard to the person who committed the violation, the body responsible for receiving whistleblowing reports and the Supervisory Body, in the case of the latter's involvement in violations referred to in Legislative Decree 231/01, shall forward the results of the investigation to the bodies responsible for proceeding with the contestation phase, namely:

- in the case of violations committed by employees, to the body exercising disciplinary power, which, within the scope of its powers, will impose sanctions;
- in the case of violations committed by directors, the Statutory Auditor, and the Board of Statutory Auditors, to the Shareholders' Meeting for the purposes of appropriate resolutions;
- in the case of violations committed by shareholders, to the Board of Directors, the Shareholders' Meeting, the Statutory Auditor, and the Board of Statutory Auditors for the purposes of appropriate resolutions;
- in the event of violations committed by members of the Supervisory Board, to the Board of Directors for the purposes of appropriate resolutions;
- in the event of violations committed by external parties, to the Board of Directors, which will initiate the procedure for imposing sanctions as indicated in the previous paragraphs.

The dispute phase and any imposition of sanctions will be conducted in accordance with the provisions of the Civil Code, the Workers' Statute, and the applicable National Collective Bargaining Agreement.