

Implementation Regulation of the CO.R.ER.TEX. Statute

Article 1 – Purpose

1. This regulation is approved pursuant to Art. 30 of the Statute of CO.R.ER.TEX. – Consortium for Reuse and Recycling (hereinafter “the Consortium”), to implement the Statute and ensure the best functioning of the Consortium.
2. Unless otherwise specified, the terms and definitions contained in the Consortium's Statute apply in this Regulation.

Article 2 - Membership

1. The application for membership in the Consortium must be signed by the legal representative of the company or entity wishing to join and must be addressed to CORERTEX, in the person of the President of the Board of Directors, at the registered office, or via certified email to the address listed in the business register, or other official lists, using forms prepared by the Consortium, accompanied by the following documentation:

- updated chamber of commerce certificate, no older than three months, indicating bankruptcy procedures in the last 5 years;
- copy of the current social statute;
- balance sheets of the last three financial years;
- criminal record certificate of administrators and members, if private companies or entities;
- pending charges certificate of administrators and members, if private companies or entities;
- declaration of compliance with labor and social security regulations, as well as those related to workplace safety and waste management.

1.bis The criminal record certificate of administrators and members, and the pending charges certificate of administrators and members, may be replaced by self-certifications, unless specifically requested by the Board of Directors, which may request it for the first time even after admission.

2. Admission to the Consortium is subject to a resolution by the Board of Directors, after careful and thoughtful evaluation of the submitted documentation. The Board of Directors decides on the application at the first useful meeting, to be held within 60 (sixty) days from the submission of the application accompanied by all the required documents.
3. The Board of Directors may request additional documentation within 15 (fifteen) working days from the meeting held to deliberate on the received application. In this case, the Board of Directors must meet again to deliberate on the application within 30 (thirty) working days from the receipt of the additional documentation.
4. The decision made by the Board of Directors is communicated to the applicant within 5 (five) working days from the resolution mentioned in point 2.2 above or, if applicable, in point 2.3 above and can be provided by any means that allows the applicant to become aware of it.

5. Simultaneously with the acceptance of the application, the Board of Directors provisionally determines the participation share attributable to the new member, as well as the amount the member must pay to the consortium fund pursuant to Art. 6 of the Statute.
6. Membership begins on the day of payment of the membership fee following the acceptance of the application in the amount indicated in Art. 3 of this Regulation and is valid for one calendar year.
7. Against the admission resolution, within the peremptory term of 15 (fifteen) days from its adoption, only the members can appeal to the Board of Arbitrators, specifying the reasons. The decision of the Board of Arbitrators is unappealable. The rejection resolution cannot be challenged but does not preclude the re-proposal of the application.

Article 3 – Annual Contribution and Management of Default

1. The amount and timing for the payment of the annual contribution (Annual Contribution) are determined by a specific resolution adopted by the Board of Directors. The amount of the payment, also set for categories of companies, must be linked to the annual budget forecast, taking into account any surpluses from the previous year, and must consist of a fixed share (Annual Fixed Share) and a variable share (Annual Variable Share).
2. The Annual Fixed Share, subsequent to the first one, which will be due by all new members in the fixed amount of €5,000.00 (five thousand euros), or another amount established by the board also for categories of companies, will be calculated based on the average turnover of the five-year period and determined based on turnover brackets.

3. The Annual Variable Share must be commensurate with:

- for companies whose main activity is the reuse of clothes or used accessories, the quantity of waste entering through the Consortium in the year preceding the payment year;
- for companies whose main activity is the recycling of secondary raw materials and textile waste, the quantity of goods purchased from other member recyclers in the year preceding the payment year.

Subject to other evaluations by the Board of Directors, even in the absence or shortage of this requirement. 4. The Board of Directors may determine a minimum fixed contribution for smaller companies and non-profit entities, and a contribution proportional to turnover or assets for companies and entities for which the criterion in point 3.3 above does not apply.

5. In the event of non-payment of membership fees within 2 (two) months from the deadline set by the Board of Directors, the member is formally put in default with a registered letter or certified email. After 3 (three) months from the payment deadline of the Annual Contribution, interest pursuant to Legislative Decree 231/2002 and subsequent amendments will be applied to the entire amount.
6. For the period during which the default status remains, the member is suspended from all services and from any social activity, and legal procedures will be activated to recover the contributions and accrued surcharges, even through judicial means.

7. After 12 (twelve) months from the payment deadline, the company still partially or totally in default can be expelled from the Consortium, following a specific resolution by the Board of Directors, without this affecting the accrued contribution obligations and their accessories until the day of exclusion.
8. In the event of resignation during the first membership period, the contribution is still due until the first expiration.
9. As for the contribution fees of new members, in case of membership during the first half of the fiscal year, the contribution to be paid will be the full amount calculated based on the parameters provided for the relevant sector as stipulated in this article; companies or entities joining in the second half will pay 50% (fifty percent) of the full membership amount. It remains that the contribution must be paid in a single installment, regardless of the membership semester.

Article 4 – Obligations of Members During the Relationship

1. Each member must conduct themselves with principles of loyalty and correctness towards other members and strictly comply with applicable regulations. In particular, each member must constantly comply with labor and social security regulations, as well as workplace safety and waste regulations, unless otherwise specified by the Administrative Body.
2. Each member is obliged to promptly inform the Board of Directors of any administrative or judicial authority reports or measures taken against them.
3. If a member believes they are not fully compliant with the regulations or are subject to inspections by the Consortium's Inspecting Body or Public Administration, which highlight non-compliance, they will be given a deadline to comply by the Board of Directors, which will decide whether to suspend the member's rights and activities until compliance, based on the severity of the non-compliance. The suspension decision can be appealed to the Board of Arbitrators within 15 (fifteen) continuous days from receipt of the communication.

Article 5 – Termination of Membership: Causes and Methods

1. A member can withdraw at any time by registered letter or certified email sent to the registered office. The withdrawal results in the immediate and simultaneous cessation of all rights and duties, except for the payment of the contribution for the current and following year if the withdrawal is communicated after November 30.
2. A member is automatically excluded when:
 - they lose the requirements to be a member;
 - bankruptcy occurs, starting from the filing of the bankruptcy declaration.

3. The Board of Directors may exclude a member in case of repeated violations of this Regulation and/or the Code of Ethics, once approved, or for serious reasons preventing the continuation of the consortium relationship, including non-payment of contributions as provided in Article 3.7 above. The exclusion decision can be appealed to the Board of Arbitrators within 15 (fifteen) continuous days from receipt of the communication.
4. The Board of Directors has the power to suspend the consortium relationship in cases provided by this Regulation and in the event of liquidation, bankruptcy proceedings, including preventive arrangements, controlled administration, also affecting contribution obligations. In these cases, the Board of Directors can also exclude the member from the consortium.
5. The transformation of the company does not terminate the consortium relationship.

Article 6 – Consortium Activities

1. In relations with companies, consortia, public or private entities with which the Consortium negotiates the transfer of materials or textile waste, clothes, or used accessories, the obtained goods will be distributed among the members in the reuse category who are in good standing with consortium contributions and meet other criteria required by statute and regulation and possess other requirements requested by the entity transferring the material.
2. The distribution criterion will be proportional to the number of employees of the interested member as recorded in the Unified Labor Book in the quarter preceding the agreement for the transfer of goods.
3. Members in the recycling category have priority in receiving goods of interest from members in the reuse category and have the right to the same proportional price reduction obtained by the Consortium for the benefit of the reuse category members.
4. The Board of Directors will regulate the methods and tools through which members in the recycling category request the availability of goods from reuse category members and verify the compliance of both.
5. Selling such materials to third parties in the presence of a request, made in the manner indicated by the Board of Directors, by one or more recycling category members constitutes a violation of this Regulation and can be sanctioned.
6. A reuse category member benefiting from the transfer of goods through the Consortium cannot transfer these goods to third parties without processing them for more than 10% of the amount obtained.

Article 7 – Supervision and Controls

1. The Board of Directors oversees compliance with legal, statutory, and regulatory norms by all members and can request documents and carry out checks it deems useful for this purpose, determining the methods.
2. The Board of Directors can delegate the supervisory function to one or more of its members or third parties, constituting an Inspecting Body, possibly with decision-making and spending

autonomy, regulating procedures, while remaining responsible to the members and the Consortium.

Article 8 – Sanctions

1. Companies and/or entities that fail to comply with the duties and obligations set forth in the Consortium Statute and this Regulation and the Code of Ethics, once approved, are subject to sanctions proportionate to the severity of the breach, imposed by the competent association bodies: a. Censure by the President. Orally or in writing, directed to the interested party, for inadequate behavior by the member but not substantially affecting the consortium relationship; b. Pecuniary Sanction. Determined by the Board of Directors for more serious violations or behaviors, up to a maximum of 20% of the annual contribution; c. Suspension of the company or entity from participating in the Consortium Assembly and all services and activities, or those determined by the Board of Directors, case by case, for a maximum of 6 (six) months, with contribution obligations remaining; suspension can also apply in case of contribution default for at least 6 (six) months; d. Exclusion.
2. The Board of Directors, by a qualified majority of 2/3, can exclude a member in case of severe and repeated violations of association obligations as provided in Art. 5.3 above, when no other solution is practicable, or the severity of the behavior or breach prevents the continuation of the consortium relationship; exclusion can be decided by a simple majority of the Board in case of contribution default for at least 12 (twelve) months, except in cases of severe and proven inability to fulfill contribution obligations due to specific critical events assessed by the Board and in the cases indicated in Art. 5.4 above.
3. The Board of Directors can declare the forfeiture of representatives of companies or entities holding positions in consortium bodies or holding executive or representation positions for serious reasons rendering the continuation of the held position incompatible.
4. Sanctions can be appealed to the Board of Arbitrators within 15 (fifteen) continuous days from the notification of the decision. The appeal does not have a suspensive effect. The decision of the Board of Arbitrators is informal and unappealable. If it overturns the Board of Directors' decision, it must be unanimous.

Article 9 – Consortium Bodies

1. The Assembly is regulated by the Statute in all its prerogatives, obligations, and methods of convocation and voting.
2. The Board of Directors consists of representatives of the Founding Members or their common representatives and other subjects appointed by the Assembly, as provided by the Statute, determining its powers along with this Regulation and methods of meeting and voting.
3. The President of the Board of Directors must be indicated among subjects related to companies whose main activity is the reuse of clothes or used accessories, and the Vice President can be indicated among subjects related to companies whose main activity is the recycling of secondary raw materials and textile waste.
4. The President and Vice President are re-eligible and fall with the Board of Directors that appointed them.

5. The Executive Committee and General Director are optional bodies, delegated by the Board of Directors, determining powers and delegation scope, unless otherwise stated in the Consortium Statute.
6. The Inspecting Body is provided by point 7.2 of this Regulation.
7. The Board of Arbitrators consists of 3 (three) members, serving for three years, appointed by the Board of Directors, deciding on possible compensations, from subjects not belonging to the Founding Members, and can include non-consortium members. The Board of Arbitrators meets and has decision-making powers in case of appeals against Board of Directors' resolutions strictly indicated in this Regulation and the Code of Ethics, and can include subjects not directly related to members. Minutes of each Board of Arbitrators meeting must be signed by all board members and kept by the Board President, designated by them.
8. The Control Body is regulated by the Statute.
9. The Scientific Committee can be appointed by the Board of Directors, specifying its functions and compensations, among subjects not necessarily directly related to members, who for capacity, experience, and in-depth knowledge of the sector's work type and regulatory and bureaucratic dynamics, can contribute to the Consortium's development, promoting technical improvements and interfacing with public and private entities to adapt sector legislation to practical category issues.
10. Committees can be formed among subjects in the same category to address specific issues of that category and unify their requests and indications. The spokesperson is elected among committee members, with freedom of form.
11. Individuals related to companies or entities not in compliance with contributions or with confirmed criminal records are not eligible for social positions. This is unless the Board of Directors determines otherwise, evaluating the type of previous record and providing a reasoned decision. Against the resolution of such individuals' appointments, within the peremptory term of 15 (fifteen) continuous days from its adoption, members can appeal to the Board of Arbitrators, specifying the reasons. The decision of the Board of Arbitrators is unappealable.