



ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO THE LEGISLATIVE DECREE 231/2001

GENERAL SECTION

VERSION NO. 2 -2022

APPROVED BY ASO H&P S.R.L. BY RESOLUTION OF THE BOARD OF DIRECTORS ON 15/06/2022

**The Chairman of the Board of Directors
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1. PREAMBLE

This Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter also referred to as "MODEL") has been adopted with the purpose of preventing the committing, in the interest or to the advantage of ASO H&P S.r.l. (hereinafter also ASO H&P or the Company), of crimes falling within the scope of application of the aforementioned decree by the following subjects:

- natural persons holding functions of representation, administration or management of the company, as well as persons who carry out, also de facto, the management and the control of the company ("top management")
- persons subject to the direction or supervision of the aforementioned top management.

The MODEL is a *compliance* system consisting in a set of rules, procedures and protocols aimed at effectively combatting, that is to reduce to an acceptable level, the risks of the committing of the aforesaid crimes, by intervening on two determining factors: i) the probability of the occurrence of the event and ii) the impact of the event itself.

Therefore, the system was developed taking into account the legal, organisational and operational reality of ASO H&P

ASO H&P has adopted the MODEL as an exemption from the responsibility of the crimes of the entities provided for by the Legislative Decree No. 231/2001, but the path of development, adoption and implementation responds to the need to guarantee, to all the stakeholders who interface with the Company, a sustainable organisation, which respects legality and transparency and is marked by continuous improvement. This MODEL consequently applies to all the activities managed by ASO H&P.

With reference to the addressees, the present MODEL applies to all the persons who, within ASO H&P, can be qualified as "top management" and to the persons subject to the direction or supervision of the latter.

With a view to prevention and responsibility, the Company may proceed to make all the provisions of this MODEL or parts of it binding also towards persons who, although not belonging to the previous categories, may assist the company in operations identified as "sensitive activities" in the Special Sections of this MODEL.

In drafting this model, the Guidelines dictated on the subject by Confindustria and the organisational model pursuant to Legislative Decree 231/2001 already adopted by ASO H&P S.r.l. , the sole shareholder of ASO H&P S.r.l. have been followed.

2. REGULATORY FRAMEWORK

2.1. Synthesis of the regulations

The Legislative Decree No. 231 of 8 June 2001 introduced into our legal system the so-called administrative liability of the Companies regarding predetermined crimes (so-called *predicated crimes*), committed, in the interest of or to the advantage of the Company, by certain persons, top

management, persons in charge, employees or other persons in any case, even if only in a functional relationship with the Company itself. This liability is added to the criminal liability of the natural person who materially committed the crime, and, although it is autonomous and direct, it derives from the conduct of the person who materially committed the crime.

In particular, such a person can be:

- a "top management", meaning by this definition a Director or a person who performs roles of representation, administration, management of the company or of one of its organisational units; the essential characteristic is the real management and decision-making autonomy that they may have;
- a "subordinate", meaning by this definition employees, collaborators, secretarial staff, etc., that is persons subject to the supervision and direction of others, having a relationship of close dependence with the persons placed in a top position; such persons lack decision-making and organisational autonomy.

The purpose that the legislator wished to pursue is to involve the assets of the Company and, ultimately, the economic interests of the shareholders, in the punishment of certain criminal crimes committed by certain persons in the interest or to the advantage of the Company, so as to call the persons concerned to a greater (self)control of the regularity and legality of the Company's operations, also as a preventive measure.

According to the principle of legality, only the crimes expressly referred to in the Legislative Decree No. 231/2001 can generate a liability of companies. Since the decree came into force, the legislator has intervened on several occasions to extend the scope of the legislation.

The crimes that determine the application of the regulations of the Legislative Decree No. 231/2001 are, to date, the following:

- **Undue receipt of funds, fraud to the detriment of the State or of a public body or the European Union or to obtain public funds and computer fraud to the detriment of the State or of a public body (Art. 24 Legislative Decree 231/2001):** Embezzlement to the detriment of the State (art. 316-bis of the Criminal Code); Unlawful receipt of public grants to the detriment of the State (art. 316-ter of the Criminal Code); Fraud in public procurement (art. 356 of the Criminal Code), Fraud to the detriment of the State or other public body or the European Communities (art. 640, para. 2, no. 1, of the Criminal Code); Aggravated fraud to obtain public funds (art. 640-bis of the Criminal Code); Computer fraud to the detriment of the State or other public body (art. 640-ter of the Criminal Code);
- **Computer crimes and unlawful processing of data (Art. 24-bis of Legislative Decree No. 231/2001):** Falsification of a public IT document or one having evidential effectiveness (art. 491-bis of the Criminal Code); Unlawful access to an IT or telematic system (art. 615-ter of the Criminal Code); Unlawful possession and diffusion of IT or telematic system access codes (art. 615-quater of the Criminal Code); Diffusion of equipment, devices or IT programs aimed at damaging or interrupting an IT or telematic system (art. 615-quinquies of the Criminal Code); Unlawful interception, impediment or interruption of IT or telematic communications (art. 617-quater of the Criminal Code); Installation of

equipment aimed at intercepting, impeding or interrupting IT or telematic communications (art. 617-quinquies of the Criminal Code); Damage to information, data and IT programs (art 635-bis of the Criminal Code); Damage to information, data and IT programs used by the State or other public bodies or otherwise of public utility (art. 635-ter of the Criminal Code); Damage to IT or telematic systems (art. 635-quater of the Criminal Code); Damage to IT or telematic systems of public utility (art. 635-quinquies of the Criminal Code); Computer fraud by the subject providing electronic signature-certifying services (art. 640-quinquies of the Criminal Code); Crimes referred to in article 1. para. 11 of the Legislative Decree 105/2019;

- **Organized crime offences (Art. 24-ter Legislative Decree 231/2001):** Criminal association (art. 416 of the Criminal Procedure Code); Criminal association of a mafia type (art. 416-bis of the Criminal Code); Electoral exchange between mafia members and politicians (art. 416-ter of the Criminal Code); Kidnapping for ransom (art. 630 of the Criminal Code); Association for the illegal trafficking of narcotic drugs or psychotropic substances (art. 74 Presidential Decree no. 309 of 9 October 1990); All offences if committed by exploiting the conditions provided for in Article 416-bis of the Criminal Code to facilitate the activities of the associations provided for in the same Article (Law 203/91); Illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or a place open to the public of weapons of war or warlike weapons or parts of them, explosives, clandestine weapons as well as several common firing weapons (art. 407, para. 2, lett. a), number 5), of the Criminal Procedure Code);
- **Extortion, undue incitement into giving or promising other benefits and bribery (Art. 25 Legislative Decree 231/2001):** Extortion (art. 317 of the Criminal Code); Bribery in the performance of official duties (art. 318 of the Criminal Code); Corruption for an act contrary to official duties (art. 319 of the Criminal Code); Aggravating circumstances (art. 319-bis of the Criminal Code); Corruption in judicial proceedings (art. 319-ter of the Criminal Code); Undue incitement to give or promise benefits (art. 319-quater); Bribery of a person in charge of a public service (art. 320 of the Criminal Code); Penalties for the corruptor (art. 321 of the Criminal Code); Incitement to corruption (art. 322 of the Criminal Code); Embezzlement, extortion, undue inducement to give or promise benefits, corruption and incitement to corruption of members of bodies of the European Communities and of officials of the European Communities and of foreign State (art. 322 bis of the Criminal Code); Trafficking in unlawful influence (art. 346 bis of the Criminal Code); Embezzlement (art. 314 of the Criminal Code), Embezzlement by profiting from the error of others (art. 316 of the Criminal Code); Abuse of office (art. 323 of the Criminal Code);
- **Forgery of currency, public credit cards, revenue stamps and identification instruments or signs (Art. 25-bis Legislative Decree 231/2001):** Forgery of currency, spending and introduction into the State, subject to agreement, of forged currency (art. 453 of the Criminal Code); Forgery of currency (art. 454 of the Criminal Code); Spending and introduction into the State, without agreement, of forged currency (art. 455 of the

Criminal Code); Spending of forged currency received in good faith (art. 457 of the Criminal Code); Counterfeiting of revenue stamps, introduction into the State, purchase, possession or putting into circulation of counterfeit revenue stamps (art. 459 of the Criminal Code); Counterfeiting of watermarked paper in use for the manufacture of public credit cards or revenue stamps (art. 460 of the Criminal Code); Manufacture or possession of watermarks or instruments intended for the counterfeiting of money, revenue stamps or watermarked paper (art. 461 of the Criminal Code); Use of counterfeit or altered revenue stamps (art. 464 of the Criminal Code); Forgery, alteration or use of trademarks or distinctive signs or of patents, models and designs (art. 473 of the Criminal Code); Introduction into the State and trade of products with false signs (art. 474 of the Criminal Code);

- **Crimes against industry and trade (Art. 25-bis.1 Legislative Decree 231/2001):** Disruption of the freedom of industry or trade (art. 513 of the Criminal Code); Unlawful competition with threat or violence” (art. 513-bis of the Criminal Code); Fraud against national industries (art. 514); Fraud in the exercise of trade (art. 515 of the Criminal Code); Sale of non-genuine food as genuine (art. 516 of the Criminal Code); Sale of industrial products with untruthful marks (art. 517 of the Criminal Code); Manufacturing and trade of goods made encroaching upon industrial property rights (art. 517-ter of the Criminal Code); Infringement of geographic indications or designations of origin of agricultural and food products (art. 517-quater of the Criminal Code);
- **Corporate crimes (Art. 25-ter Legislative Decree 231/2001):** False statements in corporate records (art. 2621 Civil Code); False statements in corporate records of moderate extent (art. 2621-bis Civil Code); False statements in corporate records in prejudice to shareholders or creditors (art. 2622); Obstruction of control activities (art. 2625, para. 2, Civil Code); Undue reimbursement of contributions (art. 2626 Civil Code); Illegal allocation of profits or reserves among shareholders (art. 2627 Civil Code); Unlawful transactions in the stock of the company or its controlling company (art. 2628 Civil Code); Transactions prejudicial to creditors (art. 2629 Civil Code); Failure to disclose a conflict of interest (art. 2629-bis Civil Code); Fictitious formation of corporate capital (art. 2632 Civil Code); Undue distribution of corporate assets by liquidators (art. 2633 Civil Code); Corruption in the private sector (art. 2635, para. 3, Civil Code); Incitement to corruption in the private sector (art. 2635 bis Civil Code); Unlawful influence on shareholders’ meetings (art. 2636 Civil Code); Stock jobbing (art. 2637 Civil Code); Obstruction of activity of public regulatory authorities (art. 2638, para. 1 and 2, Civil Code);
- **Crimes for the purpose of terrorism or subversion of the democratic order provided for by the Criminal Code and by the special laws (Art. 25-quater, Legislative Decree 231/2001):** Subversive associations (art. 270 of the Criminal Code); Associations for the purposes of terrorism, including international terrorism or subversion of the democratic order (art. 270 bis of the Criminal Code); Assistance for the shareholders (art. 270 ter of the Criminal Code); Enlisting for the purposes of terrorism, including international

terrorism (art. 270 quater of the Criminal Code); Training for the purposes of terrorism, including international terrorism (art. 270 quinquies of the Criminal Code); Conduct for the purposes of terrorism (art. 270 sexies of the Criminal Code); Attacks for the purposes of terrorism or subversion (art. 280 of the Criminal Code); Act of terrorism with deadly or explosive devices (art. 280 bis of the Criminal Code); Kidnapping for the purposes of terrorism or subversion (art. 289 bis of the Criminal Code); Incitement to commit any of the offences provided for in Chapters 1 and 2 (art. 302 of the Criminal Code); Political conspiracy by agreement (art. 304 of the Criminal Code); Political conspiracy by association (art. 305 of the Criminal Code); Armed gangs: formation and participation (art. 306 of the Criminal Code); Assistance to participants in conspiracies or armed gangs (art. 307 of the Criminal Code); Possession, hijacking and destruction of an aircraft (Law No. 342/1976, art. 1); Damage to ground facilities (Law No. 342/1976, art. 2); Sanctions (Law No. 422/1989, art. 3); Voluntary repentance (Legislative Decree No. 625/1979, art. 5); New York Convention of 9 December 1999 (art. 2);

- **Female genital mutilation practices (Art. 25-quater.1 Legislative Decree 231/2001)** (art. 583-bis of the Criminal Code);
- **Crimes against individuals (Art. 25-quinquies Legislative Decree 231/2001)**: Reduction to or maintenance in slavery or servitude (art. 600 of the Criminal Code); Child prostitution (art. 600-bis of the Criminal Code); Child pornography (art. 600-ter of the Criminal Code); Possession of child pornography (art. 600-quater); Virtual pornography (art. 600-quater.1 of the Criminal Code) [added by art. 10, Law No. 38 of 6 February 2006]; Tourism initiatives for the purposes of exploiting child prostitution (art. 600-quinquies of the Criminal Code); Trafficking in human beings (art. 601 of the Criminal Code); Sale and purchase of slaves (art. 602 of the Criminal Code); Illegal intermediation and exploitation of labour (art. 603 bis of the Criminal Code), Solicitation of minors (art. 609-undecies);
- **Market abuse crimes (Art. 25-sexies Legislative Decree 231/2001)**: Abuse of inside information (art. 184 Legislative Decree No. 58/1998); Market manipulation (art. 185 Legislative Decree No. 58/1998);
- **Crimes of culpable homicide and grievous or very grievous bodily harm, committed in breach of the rules on accident prevention and health and safety at work (Art. 25-septies Legislative Decree 231/2001)**: Manslaughter (art. 589 of the Criminal Code); Negligent personal injuries (art. 590 of the Criminal Code);
 - **Handling stolen goods, money laundering and use of money, assets or utilities of illicit origin, and self-laundering (Art. 25-octies, Legislative Decree 231/2001)**: Handling stolen goods (art. 648 of the Criminal Code); Money laundering (art. 648-bis of the Criminal Code); Use of money, assets or utilities of illicit origin (art. 648-ter of the Criminal Code); Self-laundering (art. 648-ter.1 of the Criminal Code)¹;

¹ With effect from 4 July 2017, the Legislative Decree No. 90/2017, by rewriting art. 25 octies of Legislative Decree 231/2001, seemed to have eliminated from the list of predicate offences for the liability of entities, the crime of self-laundering, inserted by Law No. 186/2014. The communication dated 28 June 2017, published in the Official Gazette, confirmed instead the non-repealing of the crime of self-laundering and its inclusion in the list of predicate offences for the liability of entities.

- **Crimes related to payment instruments other than cash (art. 25 octies 1, Legislative Decree 231/01)**, in relation to the crimes of Unlawful use and forgery of credit and payment cards (art. 493 ter of the Criminal Code), of possession and distribution of IT equipment, devices or programmes aimed at committing offences relating to payment instruments other than cash (art. 493 quater of the Criminal Code), as well as in relation to the committing of any other crime against public faith, against property or which in any case offends property provided for by the Criminal Code, when it relates to non-cash payment instruments;
- **Crimes relating to violation of copyright (Art. 25-novies Legislative Decree 231/2001):** Making available to the public, in a system of telematic networks, through connections of any kind, a protected intellectual work, or part of it (art. 171, Law No. 633/1941 para. 1 lett. a) bis); Crimes referred to in the previous point committed on other people's works not intended for publication if their honour or reputation is offended (art. 171, Law No. 633/1941 para. 3); Unauthorised duplication, for profit, of computer programmes; import, distribution, sale or possession for commercial or entrepreneurial purposes or rental of programmes contained in media not marked by the SIAE; Preparation of means for removing or circumventing the protection devices of computer programmes (art. 171-bis Law No. 633/1941 para. 1); Reproduction, transfer to another medium, distribution, communication, presentation or demonstration in public, of the contents of a database; extraction or re-utilisation of the database; distribution, sale or lease of databases (art. 171-bis Law No. 633/1941 para. 2); Unauthorised duplication, reproduction, transmission or dissemination in public by any means, in whole or in part, of intellectual works intended for television, cinema, sale or rental of records, tapes or similar media or any other media containing phonograms or pictures of musical, cinematographic or similar audiovisual works or sequences of moving images; literary, dramatic, scientific or didactic, musical or dramatic-musical, multimedia works, even if included in collective or composite works or databases; unauthorised reproduction, duplication, transmission or dissemination, sale or trade, transfer for any reason or unauthorised import of more than fifty copies or samples of works protected by copyright and related rights; Introduction into a system of telematic networks, through connections of any kind, of an intellectual work protected by copyright, or part of it (art. 171-ter Law No. 633/1941); Failure to notify the SIAE of the identification data of media not subject to the mark or false declaration (art. 171-septies Law No. 633/1941); Fraudulent production, sale, import, promotion, installation, modification, usage for public and private use of apparatus or parts of apparatus suitable for decoding audiovisual transmissions with conditional access made over the air, via satellite, via cable, in both analogue and digital form (art. 171-octies Law No. 633/1941);
- **Incitement not to give declarations or to give mendacious declarations to the judicial authorities (Art. 25-decies Legislative Decree 231/2001)** (art. 377-bis of the Criminal

Code);

- **Environmental crimes (Art. 25-undecies Legislative Decree 231/01):** Environmental pollution (art. 452-bis of the Criminal Code); Environmental disaster (art. 452-quater of the Criminal Code); Culpable offences against the environment (art. 452-quinquies of the Criminal Code); Trade and dereliction of high radioactive material (art. 452-sexies of the Criminal Code); Aggravating circumstances (art. 452-octies of the Criminal Code); Killing, destruction, catching, taking, and possession of protected wild animal and vegetable species (art. 727-bis of the Criminal Code); Destruction or deterioration of habitats within a protected site (art. 733-bis of the Criminal Code); Import, export, possession, use for profit, purchase, sale, display or possession for sale or commercial purposes of protected species (Law No. 150/92, art. 1, art. 2, art. 3-bis and art. 6); Discharges of industrial waste water containing hazardous substances; discharges into the soil, subsoil and groundwater; discharges into the sea from ships or aircraft (Legislative Decree No. 152/06, art. 137); Unauthorised waste management activities (Legislative Decree No. 152/06, art. 256); Pollution of soil, subsoil, surface water or groundwater (Legislative Decree No. 152/06, art. 257); Illegal waste trafficking (Legislative Decree No. 152/06, art. 259); Breach of communication obligations, keeping of compulsory registers and forms (Legislative Decree No. 152/06, art. 258); Organised activities for the illegal trafficking of waste (art. 452-quaterdecies of the Criminal Code); Sanctions (Legislative Decree No. 152/06, art. 279); Malicious pollution caused by ships (Legislative Decree No. 202/07, art. 8); Negligent pollution caused by ships (Legislative Decree No. 202/07, art. 9); Cessation and reduction of the use of harmful substances (Law No. 549/93 art. 3)²;
- **Illegal immigration and employment of third-country nationals whose stay is irregular (Art. 25-duodecies, Legislative Decree 231/2001)** in relation to the committing of the crimes referred to in art. 22, para. 12 bis³ and in art. 12, para. 3, 3 bis, 3 ter and para. 5 Legislative Decree No. 286/98;
- **Racism and xenophobia (Art. 25-terdecies, Legislative Decree 231/2001)** in in relation to the committing of the crimes of Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination (art. 604-bis of the Criminal Code);
- **Fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices (Art. 25-quaterdecies, Legislative Decree 231/2001)** in relation to the

²With legislative decree No. 135/2018, as of 1.1.2019, SISTRI was repealed; Consequently, violations concerning SISTRI (False information on the nature, composition and chemical/physical characteristics of waste in the preparation of a waste analysis certificate; inclusion in SISTRI of a false waste analysis certificate; omission or fraudulent alteration of the hard copy of the SISTRI form - handling area in the transport of waste; Legislative Decree No. 152/06, article 260-bis) are deemed to have been removed from the list of predicate offences for the liability of entities.

³ “12. An employer who employs foreign workers who do not hold the residence permit provided for in this Article, or whose permit has expired and whose renewal, revocation or cancellation has not been requested within the legal deadlines, shall be punished by imprisonment from six months to three years and a fine of 5,000 Euros for each worker employed.

12-bis. The penalties for the act provided for in paragraph 12 shall be increased by one third to one half:

a) if the number of workers employed is higher than three;

b) if the employed workers are minors of non-working age;

c) if the employed workers are subjected to other particularly exploitative working conditions referred to in the third paragraph of Article 603-bis of the Criminal Code”.

committing of the crimes of Fraud in sporting competitions and Unlawful gaming or betting (art. 1 and 4 of Law 401/1989);

- **Tax crimes (Art. 25 quinquiesdecies, Legislative Decree 231/2001)** in relation to the committing of the offences of fraudulent declaration through the use of invoices or other documents for non-existent transactions (art. 2 para. 1 and 2 bis Legislative Decree 74/2000); fraudulent declaration by other means (art. 3 para. 1 Legislative Decree 74/2000), issuing invoices or other conduct for non-existent transactions (art. 8 para. 1 and 2 bis Legislative Decree 74/2000); concealment and destruction of accounting documents (art. 10 Legislative Decree 74/2000); fraudulent evasion of tax payment (art. 11 Legislative Decree 74/2000); crimes of unfaithful tax return (art. 4 Legislative Decree 74/2000), omission of declaration (art. 5 Legislative Decree 74/2000), undue compensation (art. 10 quater Legislative Decree 74/2000);
- **Smuggling (Art. 25 sexiesdecies, Legislative Decree 231/2001)** in relation to the committing of crimes provided for in the Presidential Decree 43/1973;
- **Crimes against cultural heritage (Art. 25 septiesdecies, Legislative Decree 231/2001)** in relation to the committing of the crimes of theft of cultural goods (art. 518 bis, of the Criminal Code); embezzlement of cultural goods (art. 518 ter of the Criminal Code), handling of stolen cultural goods (art. 518 quater of the Criminal Code); falsification in private agreement of cultural goods (art. 518 octies of the Criminal Code); infringements relating to the alienation of cultural goods (art. 518 novies of the Criminal Code); unlawful import of cultural goods (art. 518 decies of the Criminal Code); unlawful exit or export of cultural goods (art. 518 undecies of the Criminal Code); destruction, dispersal, deterioration, defacement, defacement and unlawful use of cultural goods or landscapes (art. 518 duodecies of the Criminal Code) and counterfeiting of works of art (art. 518 quaterdecies of the Criminal Code)
- **Laundering of cultural goods and devastation and plundering of cultural goods and landscapes (Art. 25 octiesdecies, Legislative Decree 231/2001)** in relation to the committing of the crimes of laundering of cultural goods (art. 518 sexies of the Criminal Code) and devastation and plundering of cultural goods and landscapes (art. 518 terdecies of the Criminal Code);
- **Transnational crimes (Law No. 146/2006), which represent alleged transnational predicate crimes:** Provisions against illegal immigration (art. 12, para. 3, 3-bis, 3-ter e 5, of the consolidated act referred to in the Legislative Decree No. 286 of 25 July 1998); Association for the illegal trafficking of narcotic drugs or psychotropic substances (art. 74 of the consolidated act referred to in the Presidential Decree No. 309 of 9 October 1990); Criminal association for the purposes of smuggling foreign processed tobacco (art. 291-quater of the consolidated act referred to in the Presidential Decree No. 43 of 23 January 1973); Incitement not to give declarations or to give mendacious declarations to the judicial authorities (art. 377-bis of the Criminal Code); Aiding and abetting (art. 378 of the Criminal Code); Criminal association (art. 416 of the Criminal Code); Mafia-type association (art. 416-bis of the Criminal Code).

The provisions of the Legislative Decree 231/2001 are also referred to by other sector regulations, in some cases to identify new predicate offences, in other cases to regulate different forms of liability. In particular:

- **art. 187 quinquies of the Legislative Decree 58/98** provided for the extension to entities of the administrative offences provided for in Part V, Title II, Chapter III of the aforesaid decree, pursuant to Articles 6, 7, 8, and 12 of the Legislative Decree No. 231/2001;
- **art. 12 of Law No. 9/13** provided for the applicability of liability pursuant to Legislative Decree No. 231/2001 to *“entities operating within the virgin olive oil sector”* for the offences referred to in Articles 440 (adulteration or counterfeiting of food substances), 442 (trade in counterfeit or adulterated food substances), 444 (trade in harmful food substances) of the Criminal Code, as well as articles 473, 474, 515, 516, 517 and 517-quater of the Criminal Code (the latter already predicate offences under Article 25-bis of Legislative Decree No. 231/2001);
- **art. 192 of the Legislative Decree 152/06** provided that, in the event of breach of the prohibition against abandoning waste, if *“the responsibility for the unlawful act is attributable to directors or representatives of a legal person”, “the legal person and the persons who have taken over the rights of the legal person, in accordance with the provisions of Legislative Decree No. 231 of 8 June 2001”* are jointly and severally obliged to remove, recover or dispose of the waste and restore the state of the places.

Article 26 of the Legislative Decree 231/2001 also provides for the applicability of liability pursuant to the Legislative Decree 231/2001 in the event of an **attempt** to commit the predicate offence; in this case, a reduced penalty is applicable⁴. Finally, the entity may not be punished when it *“voluntarily prevents the performance of the action or the realization of the event”*.

According to article 4 of Legislative Decree 231/2001, the aforementioned offences are a source of liability for entities with their head office in the national territory **even if they are committed abroad**, provided that the State of the place where the offence was committed does not prosecute them⁵.

2.2. Sanctions

The recognition of the liability of the entity pursuant to Legislative Decree 231/2001 may lead to the application of:

- A. *financial sanctions;*
- B. *banning sanctions;*
- C. *the confiscation of the profit from which the entity benefited from the committing of the offence;*
- D. *the publication of the conviction of the entity.*

⁴ The financial and banning sanctions are reduced from a third to a half in relation to the committing, in the form of an attempt, of the offences indicated in this chapter of the decree.

⁵ This under the conditions provided for in articles 7, 8, 9 and 10 of the Criminal Code. Moreover, “in cases where the law provides that the offender is punished at the request of the Minister of Justice, proceedings are brought against the entity only if the request is also made against the latter”.

The **financial sanction** is provided for each predicate offence and is calculated in "quotas": for each offence, the financial sanction cannot be less than one hundred quotas and cannot be more than one thousand. The judge determines the number of quotas, within the minimum and maximum limits laid down for the specific offence, taking into account the seriousness of the offence, the degree of liability of the entity and the activity carried out to eliminate or mitigate the consequences of the offence and to prevent the committing of further offences.

As provided for in article 11 of the Legislative Decree 231/2001, the amount of the individual quota varies from a minimum of EUR 258.22 to a maximum of EUR 1,549.37 and is established by the judge on the basis of the economic and asset conditions of the entity, in order to ensure the effectiveness of the sanction.

The **banning sanctions** may last for no less than three months and no more than two years (except for the cases provided for in art. 16 of the Legislative Decree 231/2001 of definitive application) and they are applied only in relation to the offences for which they are expressly provided for. For the application of this type of sanctions, at least one of the following conditions must be met:

- the entity has gained a significant profit from the offence and the offence was committed by persons in a top management position, or the offence was committed by persons subject to the direction or supervision of the top management and the committing of the offence was determined or facilitated by serious organisational deficiencies;
- in case of repetition of the offences.

The application of banning sanctions may entail: a ban on exercising the activity, the suspension or revocation of licenses, concessions, authorizations, a ban on contracting with the P.A., a ban on advertising goods and services, exclusion from financing, contributions and subsidies and possible revocation of those granted.

The banning sanctions may also be applied as a precautionary measure.

The **confiscation of the price or profit of the offence**, except for the part that can be returned to the injured party, is always ordered with the conviction of the entity.

The **publication of the conviction** at the entity's expense may be ordered by the judge when a banning sanction is imposed on the entity.

3. THE ORGANISATIONAL MODEL

3.1. The Company

ASO H&P S.r.l. is a company active in the field of the development and marketing of chrome and nickel-plated tubes and bars, which are produced by its subsidiary FSF SRL.

ASO H&P SRL, founded in 1971 under the name of Acciai Speciali Ospitaletto and developed over time also through the acquisition of other companies, addresses its products to the markets in more than 80 countries.

With regard to the subsidiary FDF SRL, as well as other companies in the ASO Group, ASO H&P SRL manages the following processes:

- administration;
- management control;
- personnel management;

- logistics planning;
- procurement of consumables;
- general services (management of legal affairs, custody of documents, management of ancillary cleaning services);
- Q-Team continuous improvement and quality assurance.

CERTIFICATIONS: quality according to standard 9001, environmental according to standard 14000, occupational safety according to standard 18001.

The governing bodies of ASO H&P S.r.l. are the following:

Shareholders' Meeting

It has the powers defined by law and by the Articles of Incorporation.

The Shareholders' Meeting decides on the approval of the financial statements and the allocation of profits; on amendments to the Articles of Association.

The Shareholders' Meeting also decides upon the actions of the Board of Directors in accordance with legislation in force.

The Managing Body

The Board of Directors is in charge of the functions and responsibility for strategic and organisational guidelines, as well as of the verification of the existence of the necessary controls to monitor the management performance.

The powers assigned to the Board of Directors derive from the deed of appointment. Within the Board of Directors, specific powers have been assigned to a Managing Director

General Manager and Authorized Representative

The General Manager, by virtue of a specific power of attorney and delegation of functions, has been assigned with all ordinary management activities

The Control Bodies

Shareholders' Meeting appointed, in accordance with the Articles of Incorporation, a Board of Auditors (composed of three regular members and two substitutes) and a Statutory Auditor.

3.2. The identification of risks and protocols

In consideration of the purposes to which the Organisation, Management and Control Model must respond, the identification of potential risks associated with the committing of predicate offences is preliminary to the construction of the control system.

The analysis aimed at identifying the specific risks related to the entity's reality (legal, economic, operational and geographical reality) presupposed a preliminary **context analysis and checkup**, in order to assess:

- i) the internal organisational context of the entity (corporate purpose and activities performed, *mission, governance*, organisational structure, roles and responsibilities, policy, formalized rules and guidelines concerning the organisational structure and the internal control systems; identification of operational processes);
- ii) the external context of the entity (presence of external subjects capable of influencing the entity's governance, relationships with entities, adherence to associations/networks, territorial articulation, main *stakeholders*).

The Company has, therefore, proceeded with:

- **the identification of the predicate offences** that could potentially be committed in the interest or to the advantage of the entity (in relation to the corporate purpose, the activity performed, the territorial scope of operations, the subjective qualifications held by the top or subordinate natural persons, and the history of the entity);
- **the identification of:**
 - i) **the areas of activity/processes affected by the potential committing of the predicate offences**, both those affected directly and those affected indirectly as preparatory or preliminary activities to the processes at risk, taking into consideration the possible ways in which the offences may be committed, aimed at correctly designing the preventive measures (so-called sensitive activities);
 - ii) **the persons** to be subjected to monitoring and control activities (distinguishing persons with decision-making powers from those with operational powers);
 - iii) the **gross risk** associated with the committing of offences (understood as the risk relating to the committing of the relevant offences, without considering the presence of control measures and systems).

The **gross risk RL** has been quantitatively defined in the following terms:

$$\text{Gross risk (RL)} = P \times G$$

- **P** is the **probability** that a certain type of offence may be committed within the activity or process considered at risk. The probability is directly related to the following factors:

1. field to which the organisation belongs and territorial field for performing the activity considered at risk;
2. degree of regulatory legislation of the process or activity;
3. presence of precedents (criminal or administrative sanctions relating to the performance of the activities considered at risk);
4. frequency in the performance of the sensitive activity;
5. economic impact of the activity or process at risk (on the entity or its stakeholders);

- **G** is the **gravity** and represents the potential damage that the committing of the predicate offence could cause to the entity. The gravity is directly proportional both to the sanction provided for in the Legislative Decree 231/2001 as well as to the criminal sanction provided for the predicate offence, and to the harm caused to the fundamental principles and values pursued by the entity.

5 levels of probability and 5 levels of gravity have been defined: (1): remote; (2) low; (3) medium; (4) medium-high; (5) high.

The identification of the levels of probability and gravity also takes into account the subjective evaluations expressed by the entity's management during the analysis activities. Due to the type of risks considered (relating to the possible committing of the predicate offences in the context of sensitive activities), the assessment of the components of the RL, carried out by the external consultant, capable of guiding and facilitating the *risk assessment* process, is, in fact, mediated by the indications provided

by the persons operating within the scope of the activities considered at risk.

Based on the different levels of probability and gravity, the RL can have the following values:

RL=P×G	G=1	G=2	G=3	G=4	G=5
P=1	RL=1	RL=2	RL=3	RL=4	RL=5
P=2	RL=2	RL=4	RL=6	RL=8	RL=10
P=3	RL=3	RL=6	RL=9	RL=12	RL=15
P=4	RL=4	RL=8	RL=12	RL=16	RL=20
P=5	RL=5	RL=10	RL=15	RL=20	RL=25

The level of Gross Risk will, therefore, be assessed in the following terms:

- $25 \geq RL \geq 16$ high risk;
- $15 \geq RL \geq 10$ medium risk;
- $9 \geq RL \geq 4$ moderate risk;
- $4 > RL = 3$ modest risk;
- $2 \geq RL \geq 1$ remote risk.

Therefore, the Company has proceeded to assess the **preventive effectiveness of the existing control measures (MCE) with respect to the committing of the predicate offences**, taking into consideration:

1. powers of attorney and delegation of functions;
2. rules of hierarchical dependence and diversification of the tasks based on the segregation of activities, observing the following control principles:
“every operation, transaction, action, must be: verifiable, documented, consistent and congruous”
“no one can manage an entire process independently”
“the controls must be documented”
3. formalized rules of conduct (e.g. in a Code of Ethics);
4. formalized organisational procedures;
5. communication to the staff and documented training;
6. integrated monitoring and control systems.

With regard to hygiene and safety in the workplace, the characteristics that a safety management system must possess in order to be effective in exempting from criminal liability in the event of the committing of the offences set out in Article 25 *septies* of Legislative Decree 231/2001 are governed by the legislation in force (Article 30 of the Legislative Decree 81/2008).

The suitability of the protocols aimed at preventing intentional offences, pursuant to the Legislative Decree 231/2001, is measured against the implementation of a control system such that it cannot be avoided except fraudulently.

A risk related to the committing of predicate offences could therefore be **acceptable** if it appears remote in relation to the low probability of occurrence with respect to the specific organisational reality. A risk that is more likely to materialise in the committing of offences could also be deemed acceptable if it is adequately mitigated by the presence of suitable control measures.

4. SUPERVISORY BODY (SB)

The national legislation in force does not impose to the entities specific rules concerning the composition of the SB (single-person or multi-person) or the origin of its members (employees, collaborators of the Company or external), nor does it define the content of the “*autonomous powers of initiative and control*” the SB must be entrusted with.

The Company's Supervisory Body may therefore be either single- or multi-person. In the case of a single-person SB, as a rule, only an external person not belonging to the corporate structure may be called upon to be a member, for instance a freelance professional, who may possibly make use of an employee of the Company in order to ensure the best information flow between the Body and the corporate functions, as well as in order to guarantee the continuity of action.

4.1. Requirements of the Supervisory Body

Although the Legislative Decree 231/2001 does not provide for specific requirements, ASO H&P S.r.l. in order to guarantee the autonomous powers of initiative and control of the Supervisory Body, in line with the recommendations of the Guidelines of the most representative industry associations, considers appropriate for the Supervisory Body to meet the following requirements:

REQUIREMENT	WHAT IT INVOLVES
AUTONOMY AND INDEPENDENCE	<p>The SB as a body of ASO H&P S.R.L. is characterised as a staff unit (without operational, administrative or disciplinary tasks in the entity), placed in the highest possible hierarchical position, reporting directly to the Managing Body. The position held by the SB is designed to ensure the absence of interference or conditioning by any component of the entity.</p> <p>In order to be granted autonomy and independence, the SB must meet the following requirements:</p> <ul style="list-style-type: none"> · absence of conflicts of interest, even potential, with the Company or with entities controlled by it, which would compromise its independence; · not having family relationships with other members of the bodies of ASO H&P S.R.L., pursuant to Article 2399 Civil Code; · not having held executive director positions, up to the three financial years prior to appointment as a member of the SB, in companies that are bankrupt or subject to compulsory administrative liquidation or other insolvency procedures; · not having been in a public employment relationship with central or local administrations in the three years preceding the appointment as member of the SB.
PROFESSIONALISM	<p>The Supervisory Body, as a whole, must have inspection and advisory knowledge such as to be able to effectively perform the assigned verification and control activities.</p> <p>The Company chooses the members of its SB by punctually verifying the possession of technical and professional skills such as to ensure the effectiveness of the powers and functions assigned to them.</p> <p>The external members of the SB are professionals with proven expertise and experience in the issues of corporate criminal liability, and may come from the fields of economics, law, business organisation or technical-scientific consulting.</p> <p>In any case, at least one of the members of the SB has expertise in the analysis of control systems and legal issues.</p> <p>The SB, for the best performance of its activities, may make use of all internal structures (including the RSPP and the Competent Doctor), as well as any external consultants.</p>
CONTINUITY OF ACTION	<p>The SB must be able to carry out a constant monitoring activity on the MODEL, with such a periodicity as to allow the SB to detect any anomalous situations in real time, as well as in a systematic way (through the tools of scheduling of activities, planning, control and documentation provided by this MODEL).</p> <p>The Company strengthens the continuity of action of its SB alternatively through the presence of:</p> <ul style="list-style-type: none"> · one or more internal members in the composition of the SB; · a technical secretariat, also inter-functional, capable of coordinating the activities of the SB and of ensuring the constant identification of a reference structure within the Company. <p>Permanent information flows are active between the SB, the bodies of ASO H&P S.R.L. and the addressees of the MODEL.</p>
HONOURABILITY	<p>In order for the requirements of honourability to be met, the members of the SB must:</p> <ul style="list-style-type: none"> - not fall within the cases of ineligibility or disqualification provided for in article 2382 of the Civil Code; - not be under investigation or convicted for the predicate offences; - not be subject to a conviction, even if not final, or to a plea bargaining sentence, with a penalty involving disqualification, even temporary, from public office, or temporary disqualification from the executive offices of legal persons and companies; - meet the requirements of honourability set out in art. 2, para. 1, letters a) and b) and para. 2 of the Ministerial Decree 162/2000. <p>Failure to meet or the loss of the above-mentioned requirements automatically results in the ineligibility/disqualification of the member of the SB.</p>

4.2. Appointment of the Supervisory Body

As a rule, the appointment takes place at the same time as the first adoption of the model and subsequently at each natural expiry of the term of office or when it becomes necessary to supplement or replace members during the term of office.

The appointment is made by resolution of the Managing Body. The proposed candidates must meet the requirements set out in the preceding point, which can be verified by means of a personal curriculum.

4.3. Term of office, forfeiture and revocation of the Supervisory Body

The Supervisory Body remains in office for a period of three years as a rule, starting from its appointment by the Managing Body of the Company. In any case, in order to avoid *vacatio* situations, the Supervisory Body remains in office until the date of the next resolution of the Managing Body that provides for its replacement or confirmation.

A member of the Supervisory Body who intends to resign before the expiry date must do so in writing, by registered letter or by pec addressed to the legal representative of the Managing Body. The resignation takes effect, unless otherwise indicated by the person concerned or otherwise agreed with the Company, from the date of receipt by the legal representative of the Managing Body.

Also for the purpose of guaranteeing their autonomy and independence, the following rules shall be observed for forfeiture or removal from office.

The Managing Body, by means of a justified resolution, declares the forfeiture of the mandate of the Supervisory Body for which the requirements of autonomy and independence, honourability, professionalism and continuity of action necessary for the exercise of such function have ceased to exist, or when causes of manifest incompatibility have arisen. The forfeiture shall take immediate effect.

4.4. Functions and tasks of the Supervisory Body

The Supervisory Body has the following autonomous tasks and functions as well as the related powers of initiative and control:

- a) to supervise the effectiveness of the Model, that is, to verify the consistency between the concrete behaviours of the addressees and the established Model;
- b) to supervise the maintenance over time of the requirements of adequacy for prevention purposes, taking care of the updating of the Model in a dynamic sense, in the event that the analyses conducted require corrections and adjustments to be made by submitting suggestions and proposals for adjustments to the Managing Body, where necessary as a result of:
 - i. the significant breaches of the prescriptions of the Model,
 - ii. the significant changes in the internal structure of the company and/or business activities or in the manner in which they are carried out,
 - iii. the regulatory changes that change the risk for the company;
- c) to take care of the relevant information flows with the corporate bodies, organisational functions and other addressee of the MODEL;
- d) to promote and monitor information and training initiatives aimed at favouring the knowledge of the MODEL by the addressees, raising their awareness of the observance of the principles contained therein, as well as the correct compliance with specific rules of conduct, procedures and organisational protocols contained in the MODEL;
- e) to request the competent functions in the adoption of disciplinary actions and in the application of the sanctions, in cases considered breaches of the MODEL;
- f) in the exercise of its autonomous powers of initiative, to adopt a regulation of the SB which, in

the implementation of the provisions of the MODEL, regulates the following activities: identification and functions of the President in the case of a multi-person SB; modalities for convening the meetings; methods of taking minutes of the meetings and keeping the minute books; determination of the time frames of the controls;

g) approve and execute the Plan of Activities, in which the verification and control activities that the SB intends to carry out in the calendar year of reference are identified and planned, with the indication of human, instrumental and financial resources;

h) any other task assigned by law or the Model.

4.5. Powers of the Supervisory Body

The Supervisory Body, in order to carry out the above tasks, is granted autonomous powers of initiative and control.

For the fulfilment of the above tasks, the SB:

- has access to all the information of the company. All the addressees of the MODEL are required to provide the SB with the information requested by the latter;
- can convene the persons responsible of the organisational functions, in order to be informed about the issues, events or circumstances relevant to the performance of the activities of competence and to exchange data and evaluations related to them;
- has secretarial staff and technical means deemed necessary, as well as the use of suitable premises in order to guarantee the efficiency and the confidentiality of meetings, gatherings, hearings or training activities;
- is granted an adequate annual budget defined by the Managing Body, which can be used through the relevant internal functions.

5. CODE OF ETHICS

The adoption by ASO H&P S.R.L. through the Code of Ethics, of ethical principles, relevant to the transparency and fairness of the Entity's activities and useful for the prevention of offenses pursuant to the Legislative Decree 231/2001, is an essential element of the preventive control system.

These principles are included in the Code of Ethics, which is an integral part of this Model; it is a document formally adopted by the Managing Body of the Entity, containing the set of rights, obligations and ethical principles adopted by the entity towards "stakeholders" (employees, suppliers, customers, Public Administration, third parties).

It aims to recommend, promote or forbid certain behaviours, beyond and independently of what is provided at the legislative level, defining the principles of "corporate ethics" that ASO H&P S.R.L. recognizes as its own and which must be observed by all the addressees.

6. DISCIPLINARY SYSTEM

6.1. Objectives of the disciplinary system

The definition of sanctions commensurate with the infringement and applicable in case of infringement of the MODEL is intended to contribute to:

- i. the effectiveness of the MODEL;
- ii. the effectiveness of the action of the SB.

For this reason, a disciplinary system has been prepared that is suitable for sanctioning the non-compliance with the prescriptions indicated in the MODEL, with reference both to persons in a top position as well as to subordinates. The application of the disciplinary system is autonomous with respect to the conduct and outcome of any proceedings initiated before the judicial authority.

This MODEL, as provided for in art. 6, para. 2, lett. e) of the Legislative Decree 231/2001, introduces a disciplinary system suitable for sanctioning the non-compliance with the measures indicated in the model, outlined according to the following principles:

- prevention: the sanctioning measures are adopted regardless of the existence of sanctions for the same facts on the civil, criminal and administrative levels and aim to stop dangerous behaviours before they are substantiated in the committing of offenses; the system does not aim to punish but to direct behaviour towards compliance with the rules set forth in the MODEL, as well as to bring out critical application issues, promoting the efficiency and updating of the MODEL;
- proportionality: sanctions are commensurate with the extent of the contested infringement, the relevance of the obligations breached, the intentionality of the behaviour, the degree of negligence, imprudence or inexperience, the foreseeability of the event, the presence of recidivism and precedents, the level of hierarchical and/or technical responsibility, the autonomy of the person who has put in place the contested infringement, and the actual or potential consequences for the entity;
- principle of adversarial proceedings (audi alteram partem): the person receiving the charge may always put forward justifications in defence of his or her behaviour.

The SB notifies the competent functions about the breach of the MODEL and monitors the application of the disciplinary sanctions.

For the contestation, investigation of infringements and application of the disciplinary sanctions, the powers already granted to the company's management, within the limits of the respective delegated powers and competence, remain valid.

6.2. The structure of the disciplinary system and the sanctionable infringements

The disciplinary system established herein has an essentially preventive function and it is divided into sanctions, of a conservative or resolute nature depending on the seriousness and on the eventual repetition of the infringements ascertained, as well as the justifications given. Since the disciplinary system observes the principles of proportionality of the sanction, as well as the principle of adversarial proceedings (audi alteram partem), in line with the consolidated orientation at the constitutional level, the identification of the sanction in relation to the infringement can only take place in concrete terms and taking into consideration the multiple circumstances emerging from the disciplinary procedure. Moreover, the disciplinary system provided herein and aimed at sanctioning infringements of the Code of Ethics and the of Model, both by persons in top management positions (directors) and subordinates (employees or self-employed persons), cannot disregard the respective binding legal provisions on the subject and

therefore it harmonizes with the provisions of Law 300/1970 (Workers' Statute), the C.C.N.L. Metalmeccanici - National Collective Bargaining Agreement for Metalworkers, the Civil Code and the Company's Articles of Association.

The following conduct by the addressees constitutes infringements of the MODEL, in order of increasing seriousness:

- A. the implementation of actions or behaviours that do not comply with the prescriptions of the Code of Ethics or the MODEL, or the omission of actions or behaviours prescribed by the Code of Ethics and the MODEL (including the omitted supervision, omitted control and omitted monitoring of compliance with the procedures and prescriptions of the Model by one's subordinates, as well as the omitted reporting or the tolerance of irregularities committed by one's subordinates or other personnel with regard to compliance with the procedures and prescriptions of the Model);
- B. the implementation of actions or behaviours that do not comply with the prescriptions of the Code of Ethics or the MODEL, or the omission of actions or behaviours prescribed by the Code of Ethics and the MODEL such as to:
 - obstruct the controls or to prevent access to information and documentation by the SB, or other conducts in any case suitable to the infringement or avoidance of the control system, such as the destruction or alteration of the documentation provided for by the Model.
 - involve the fraudulent evasion of the behavioural rules provided for by the operating procedures referred to by the MODEL;
 - involve an objective situation of risk of committing one of the predicate offences in the interest or to the advantage of ASO H&P;
 - appear to be unequivocally directed to the committing of one or more predicate offences in the interest or to the advantage of ASO H&P;
 - the implementation of actions or behaviour which do not comply with the provisions of the Code of Ethics or the MODEL, or the omission of actions or behaviour provided for by the Code of Ethics and the MODEL such as to result in the committing of one of the predicate offences involving the application against ASO H&P of sanctions provided for by the Legislative Decree 231/2001.

A breach of this MODEL, liable to be sanctioned according to the criteria of increasing seriousness set out in the previous points, constitutes a breach of the whistleblower policy and of the measures for the protection of the whistleblower, as well as the malicious or grossly negligent making of reports that turn out to be unfounded.

6.3. Sanctions against the Employees

For each ascertained breach of the MODEL and of the Code of Ethics, the sanction to be imposed is identified and inflicted, respectively for its own areas of competence, by the Company's Employer, also upon report of the SB, in the measures and forms provided for by the collective agreement applied to the employment relationship of the employee concerned, in compliance with the general applicable regulatory provisions.

The identification of the sanctions that can be imposed, pursuant to Article 8 et seq. of *Title Seven - Relations within the Company* CCNL Metalmeccanici, is contained in a specific document posted

in the appropriate spaces (notice boards), in accordance with the provisions of Article 7 of the Workers' Statute.

The application of the sanction or the decision not to apply it must be communicated to the SB.

Any **employee** who violates the principles and rules of the Code of Ethics and of the Model adopted by the Company, pursuant to the Legislative Decree 231/2001 (MODEL), adopted by the Company, as well as the provisions of the organisational procedures referred to therein, **may be subject to the disciplinary sanctions provided for by article 7 of Law No. 300/70 and by articles 8 et seq. of Title Seven - Relations within the Company CCNL Metalmeccanici.**

The **applicable sanctions**, in order of increasing seriousness, are as follows:

1. Sanctions that imply job retention:

- a. verbal warning – for infringements of the provisions of the Code of Ethics, the MODEL and the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behavioural protocols), which represent a failure to comply with the instructions given by superiors to the employee;
- b. written warning – if a breach of the Code of Ethics, the MODEL and/or the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behaviour protocols) is repeated for the second time in the same calendar year.

However, the written warning will always be applied from the first infringement:

- to safety responsible who fail to report to the competent functions: i) infringements, even minor, of the rules and instructions on hygiene and safety at the workplace by the subordinate workers; ii) sources of danger present in the workplace, such as malfunctions or breakdowns of installations, machines and equipment;
 - in general, to all the workers, if the infringement is deemed particularly significant given the effects it could have had on the Entity, its staff or third parties;
- c. fine not exceeding three hours of pay, calculated at the base pay – if a breach of the provisions of the Code of Ethics, of the MODEL and of the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behaviour protocols), involving a written warning, is repeated, more than the third time in the same calendar year;

However, it will always be applied from the first infringement if:

- reports are made with gross negligence to the SB concerning unlawful conduct as well as infringements of the Code of Ethics or of the MODEL, which turn out to be unfounded;
 - the breach is considered particularly relevant in view of the effects it could have had on the Entity, its staff or users;
- d. suspension from work, without pay, up to a maximum of three days – if a breach of the provisions of the Code of Ethics, of the MODEL and of the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behaviour protocols) are repeated more than the fifth time in the same calendar year. However, this sanction will always be applied from the first infringement, in cases where the infringement consists in the fraudulent circumvention of the organisational measures and control points

provided by the MODEL adopted by the Entity or serious infringements of the supervisory obligations, such as, by way of example:

- breach of the whistleblower policy and of the measures provided by the MODEL to protect those who report to the SB, by means of timely and punctual reports, unlawful conduct based on precise and concordant factual elements, or infringements of the Code of Ethics or of the MODEL, of which they have become aware;
- the malicious making of reports to the SB concerning unlawful conduct, as well as infringements of the Code of Ethics or of the MODEL, which turn out to be unfounded;
- the prearranged and fraudulent transmission to the SB of false news, statements or reports aimed at misleading or preventing the control activity of the aforesaid Body;
- the prearranged and fraudulent registration or recording of incorrect information in the registration documents provided by the procedures adopted within the MODEL;
- the forcing, removal or circumvention of: i) devices or measures aimed at ensuring the security of installations, machines and equipment; ii) security measures on IT systems and data processing systems prepared by the Entity;
- any other infringement that may imply an objective situation of risk of one of the offences giving rise to liability under the Legislative Decree 231/2001 being committed in the interest or to the advantage of the Entity.

2. Sanctions that imply termination of the employment relationship:

a. *dismissal*, may be imposed in the event of a serious breach of the employee's contractual obligations. The following are considered serious infringements of the aforementioned obligations:

- repetition of infringements of the Code of Ethics, of the MODEL and of the prevention organisational measures referred to therein (rules, provisions, organisational procedures, behavioural protocols) entailing the application of the sanctions referred to in point 1.d;
- adoption of behaviours indicated by the Code of Ethics as serious or very serious violations of the principles and rules defined therein;
- any other infringement of the Code of Ethics, of the MODEL and of the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behavioural protocols) that appears to be unequivocally directed to the fulfilment of one or more predicate offences triggering liability pursuant to the Legislative Decree 231/01 in the interest or to the advantage of the Entity;
- in the event of behaviour that causes serious moral or material damage or in the event that actions constituting a crime in the terms of the law are committed in connection with the performance of the employment relationship. This type of behaviour includes any breach of the Code of Ethics, of the MODEL and of the organisational prevention measures referred to therein (rules, provisions, organisational procedures, behavioural protocols) that may lead to the application against the Entity of sanctions provided by the Legislative Decree 231/01.

The disciplinary measures shall be imposed in accordance with the provisions of this General

Section of the Model pursuant to the Legislative Decree 231/2001 and in full compliance with the substantive and procedural regulations set forth by the provisions in force. **The disciplinary sanctions provided for by Article 7 of Law No. 300/70 and by articles 8 et seq. of Title Seven - Relations within the Company CCNL Metalmeccanici shall apply, to the extent that they are compatible.**

6.4. Sanctions against the Management

In addition to the provisions of the preceding paragraph, also the following actions are a disciplinary offence for the Management:

- the failure to supervise, control and monitor, in their capacity as "hierarchical manager" the observance of the procedures and provisions of the Model by their subordinates with a view to verifying their actions in the areas at risk of offences;
- the failure to report or tolerance of irregularities committed by one's subordinates or other personnel with regard to the observance of the procedures and provisions of the Model;
- the failure to comply with internal procedures for taking and implementing management decisions;
- the non-observance of the provisions regarding the power to sign and of the system of delegated powers/proxies assigned.

The same sanctions shall also apply where the Manager has prevented, even negligently, the discovery of infringements of the Model or, in the most serious cases, the committing of offences relevant for the purposes of the Decree, as well as where he/she has failed to supervise, by reason of his/her professional skills and of the hierarchical and functional powers corresponding to the nature of the position, the observance, by the subordinate staff, of the provisions of the law, of this Model and of the Code of Ethics.

For the infringements considered more serious, the sanction of disciplinary dismissal shall be applied to the Manager in accordance with the provisions of art. 7 of Law 300/1970 and of the applicable C.C.N.L..

Also in compliance with the principle of proportionality and preservation of the employment relationship, conservative disciplinary sanctions are deemed applicable to the Manager, in the case of infringements considered less serious than those that justify the termination of the relationship, even if not provided for in the general terms of the applicable C.C.N.L..

For this purpose, the following conservatory sanctions against the Manager are identified, in order of progressive seriousness of the infringement,

- written warning,
- fine not exceeding three hours of pay calculated at the base pay,
- suspension from work, without pay, up to a maximum of three days,
- dismissal for just cause.

6.5. Sanctions against the Directors

In the event of an ascertained infringement of the MODEL and of the Code of Ethics by individual Directors, the Board of Directors, with the abstention of the person involved, shall take the most appropriate measures, also upon report of the SB, based on the seriousness of the infringements. Such measures may include:

- the censure of the director's conduct to be formally indicated in the minutes of the meeting of the deliberating body;
- in the case of a Managing Director, the revocation (also as a precautionary measure) of the delegated powers;
- the suspension of the remuneration;
- possible replacement.

If the infringement is committed by two or more directors, in the event of inaction by the Board of Directors or in the event of infringement committed by the Sole Director, the SB shall report directly to the Shareholders' Meeting, which shall take the most appropriate initiatives. This is without prejudice to any liability action against the directors pursuant to the law.

The same sanctions also apply where, through inexperience or negligence, the Directors have prevented or not facilitated the discovery of infringements of the Model or, in the most serious cases, the committing of offences relevant for the purposes of the Decree, as well as where they have failed to supervise the compliance by the ASO H&P personnel, of the legislation, of this Model and of the Code of Ethics.

The supervision by the Board of Directors of the activities of the persons subject to its direction and supervision, within the scope of the provisions and tasks set forth in the Civil Code, is mainly carried out through the verification and control systems provided by this Model, through the activities of the Supervisory Body and of the other operational structures in charge of control activities, as well as of all the periodic and occasional reports provided to the Directors by the aforesaid persons.

6.6. Sanctions against the Supervisory Board

In the event of negligence and/or incapacity of the Supervisory Board in supervising the correct application of the Model and the observance thereof and in failing to identify cases of infringement thereof, defining the necessary corrective actions, the Managing Body shall take the appropriate measures according to the procedures set forth by the regulations in force, including the revocation of the appointment and without prejudice to any claim for damages.

In order to guarantee the full exercise of the right of defence, a deadline must be set for the persons concerned to submit justifications and/or documents for defence purposes and to be heard.

6.7. Sanctions against the Consultants/external collaborators

The infringement by business *partners*, consultants, or other persons having contractual relations with the Company for the performance of activities deemed sensitive by the provisions and behavioural rules provided for by the Model applicable to them, or the possible committing by

them of the offences specified in the Legislative Decree No. 231/2001, shall be sanctioned in accordance with the provisions of the specific contractual clauses that shall be included in the relevant contracts.

These clauses, with explicit reference to the compliance of the provisions and behavioural rules provided for by the Model, may for example state an obligation for these third parties not to make actions or behave in such a way as to determine the Company to infringe the Model.

In the event of infringement of this obligation, the Company shall have the right to suspend or terminate the contract pursuant to art. 1456 of the Civil Code (Express termination clause), with the possible application of penalties. This is obviously without prejudice to the Company's prerogative to claim compensation for damages arising from the infringement of the provisions and rules of conduct provided by the Model by the aforementioned third parties, as well as the Company's prerogative to take further action in this respect (e.g. criminal prosecution).

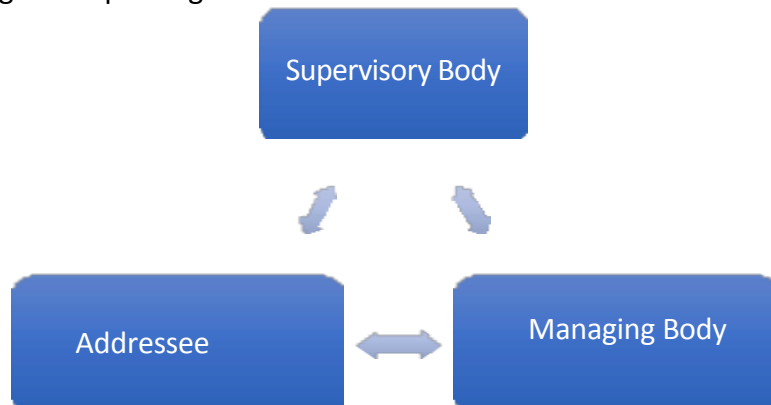
The aforementioned instruments will be activated by the Company, always in proportion to the seriousness of the infringement observed.

7. INFORMATION FLOWS

7.1. Information flows and *whistleblower protection policy*

The Company, in the spirit of organisational efficiency and social responsibility that characterises it, has decided to define and implement a circular structure of information flows involving the SB, the Managing Body and the addressees of the MODEL in order to:

- A. make all organisational levels responsible for the observance of the MODEL;
- B. improve transparency and internal *accountability*;
- C. encourage the updating of the MODEL and the refinement of control procedures.



7.2. Information flows to the Supervisory Body

Three categories of information are transmitted to the SB:

- A. reports of infringements by the addressees of the rules defines by the MODEL; this information allows the SB to assess and detect possible infringements;
- B. reports of sensitive events; the purpose of this information is to inform the SB about the occurrence of sensitive events;

C. residual information, which do not include direct infringements of the provisions of the MODEL or sensitive activities; such information may facilitate the strengthening of prevention protocols or the identification of sensitive activities not previously identified as such.

The information provided to the SB is intended to facilitate and improve the effectiveness of the control activities, but does not impose a systematic and punctual verification of all the phenomena represented. Unless otherwise provided for in this MODEL, it is, therefore, left to the discretion and responsibility of the SB to establish in which cases to take action.

The SB may always set up information channels and consultation moments dedicated to the discussion of relevant issues with the responsible persons of the competent functional units.

A. Reports of infringements

All the addressees of the MODEL are obliged to inform the SB, by means of timely and punctual reports, in the event of unlawful conduct based on precise and concordant factual elements or about infringements of the Code of Ethics or of the MODEL, of which they have become aware.

For the reception of reports, a dedicated mailbox has been set up for the SB (odv.ASO H&P@aso hp.com). Reports may also be sent by post. All the created channels are designed to ensure the confidentiality of the identity of the reporting party, which is also ensured by the SB throughout the entire reporting process.

The details and references of the physical mail address and any other communication channels are indicated in a specific internal announcement (forwarded to staff and posted on the Company notice boards).

Reports to the SB must be nominative (i.e. it must be possible to identify the identity of the reporting person). However, reports submitted anonymously will be taken into account, subject to a reliability check by the SB.

Upon the receipt of the report, the SB shall:

- record the report in its evidence register;
- subject the report to an initial assessment as to its grounds;
- carry out investigations regarding the actual presence of infringements (by way of example, the SB may always summon the whistleblower for clarifications, confer with the alleged perpetrators of the infringement or with other persons who may be informed of the facts) at the outcome of which it may alternatively decide:
 - to dismiss the report (of which the reporting party is notified);
 - for the assessment of relevance, thus proposing to the competent corporate bodies/departments the adoption of a specific measure (of a sanctioning and/or corrective/reparation/preventive nature).

Whistleblower protection policy

- ✓ The SB records in the evidence register the details of the report (name of the reporting person, content of the report, date of receipt);
- ✓ The confidentiality of the identity of the reporting person is ensured in the minutes and documents of the SB that may be viewed by persons not belonging to the said Body (such as the reports to the Managing Body and the minutes of SB meetings);
- ✓ The report is processed by the SB in compliance with the provisions of the EU Regulation 2016/679 and of the Legislative Decree 196/2003 as subsequently amended and supplemented;
- ✓ **Whoever reports infringements of the MODEL is guaranteed against any form of retaliation.** In particular:
 - retaliatory or discriminatory dismissal of the reporting person is null and void. A change of job within the meaning of Article 2103 Civil Code, as well as any other retaliatory or discriminatory measure taken against the reporting person, shall also be null and void;
 - it is the obligation of the employer, in the event of disputes regarding the imposition of disciplinary sanctions or the downgrading, dismissals, transfers or subjecting the reporting person to other organisational measures having a direct or indirect negative impact on the working conditions, following the submission of the report, to demonstrate that such measures are based on reasons unrelated to the report itself;
 - the adoption of discriminatory measures against the reporting persons may be reported to the National Labour Inspectorate, for the measures within its competence, not only by the reporting person, but also by the trade union organisation indicated by him/her.

The sanctioning measures provided by the disciplinary system are also applicable to punish the infringement of the confidentiality obligations or the committing of retaliatory or discriminatory actions against the reporting person.

Always without prejudice to any contrary obligations provided by the legislation in force, as well as to the protection of the rights of the persons unfairly harmed by erroneous reports made in bad faith.

B. Reports of sensitive activities

The sensitive positions are required to report to the SB the performance of sensitive activities, in the form and manner defined by the Special Sections of the MODEL and by the organisational procedures referred to therein. The sensitive activities can be reported to the SB:

- by sending a punctual and timely report when the event occurs;
- by sending a periodical report.

The Managing Body must, in any case, promptly report to the SB:

- any proceedings initiated by the judiciary in relation to the offences provided by the Legislative Decree No. 231/2001;
- measures and/or news from the judicial police or any other authority, from which it can be deduced that investigations are being conducted, even against unknown persons, for the offences provided by the Legislative Decree No. 231/2001.

C. Transmission of residual information

All the organisational positions and the addressees of the MODEL can formally or informally report the presence of operational and management difficulties or risks of a legal nature connected to the performance of the activities of the Company, as well as possible difficulties in the fulfilment of the rules, procedures and protocols defined by the MODEL.

The transmission of such information, even though it is not compulsory, can favour the monitoring activity of the SB and its ability to evaluate the opportunity to extend/reform/eliminate/update the MODEL's provisions.

7.3. Reporting of the Supervisory Board

The Supervisory Board reports periodically and if necessary, on the verifications carried out.

The Supervisory Body shall, in fact, keep the Managing Body informed, normally through its legal representative:

- by means of a periodic report, normally every six months, on the progress of the programme of periodic and sample verifications, as well as on the state of implementation of the Model; a copy of this report is also sent to the Board of Auditors (where present); the obligation to periodically report to the Managing Body may also be fulfilled by periodically transmitting and/or making available the minutes of the Supervisory Body;
- promptly, on significant infringements of the Model that may suggest the risk of the committing or attempted committing of offences which may result in the application of Decree 231. If such infringements concern the Managing Body, the Supervisory Board may report directly to the Shareholders.

Without prejudice to the autonomous powers of initiative and control of the Supervisory Board, the Managing Body has the power to request further information from the Supervisory Board concerning its activities. This right also belongs to the Shareholders.

Without prejudice to the obligations of the Supervisory Board to report directly to the authorities as provided for by the law on the suppression of money laundering.

7.3. Storage of information

The Supervisory Body shall document its activities:

- A. in the **Minute Register** (the place of conservation of which is regulated by the Supervisory Body in its **Regulations**), a hard copy register composed of progressively numbered sheets, in which the activities carried out by the Supervisory Body are recorded, and in particular: the minutes of meetings and supervisory activities, dated and signed; the Activity Plans; the reports forwarded to the Managing Body of ASO H&P; the main communications; the minutes of meetings with bodies of ASO H&P and personnel;
- B. by keeping an **Evidence Register**, in which the following are stored and/or reported: documents collected during the activities carried out by the Supervisory Body; the reports received; the notes relating to the hearing of addressees.

8. TRAINING AND COMMUNICATION OF THE ORGANISATIONAL MODEL

This Organisational Model will be saved on the company server.

It will be posted on the company notice board and supplied to human resources, who will be trained in respect of its contents and updated when changes are made through special events.

9. UPDATING AND AMENDMENT OF THE ORGANISATIONAL MODEL

This organisational model is subject to revision on an annual or shorter basis by the Managing Body..