



PM OIL&STEEL SPA

ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL PURSUANT TO
LEGISLATIVE DECREE 231/01 ON HEALTH AND SAFETY IN THE
WORKPLACE

Summary document

Adopted by PM Oil&Steel Spa by resolution of the Board of Directors on 15 December 2023 and revised following a resolution of the Board of Directors dated 11 December 2024

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DEFINITIONS:

- “High-Risk Activities”: a stage of the Sensitive Process during which conditions or potential for the commission of a criminal offence may arise;
- “Instrumental Activities”: activities through which it is possible to commit the predicate offences;
- “CCNL”: National Collective Labour Agreement currently in force and applied by PM Oil&Steel Spa;
- “Code of Conduct”: Code of Ethics adopted by the company;
- “Consultants”: those acting in the name and/or on behalf of PM Oil&Steel Spa on the basis of a mandate or other collaborative relationship, including a coordinated one;
- “Recipients”: Corporate Bodies, Employees, Service Companies, Consultants and Partners (including suppliers, customers and other third parties intended to cooperate with the company in the context of Sensitive Processes);
- “Employees”: all employees of PM Oil&Steel Spa (including managers);
- “Legislative Decree 231/01”: Legislative Decree No. 231 of 8 June 2001, as amended;
- “Gap Analysis”: a set of activities enabling a comparison between the current position (*as-is*) and the desired position (*to-be*) with reference to industry *best practice*, voluntary standards, legislation and internal objectives;
- “Reference Guidelines”: the Guidelines for the development of organisational, management and control models *pursuant* to Legislative Decree 231/01, approved by Confindustria on 7 March 2002, as amended and supplemented;
- “Models” or “Model”: the organisational, management and control models provided for by Legislative Decree 231/01;
- “Sensitive Transaction”: a transaction or act falling within the scope of Sensitive Processes and which may be of a commercial, financial or corporate nature (examples of the latter category include: capital reductions, mergers, demergers, transactions involving the shares of the parent company, contributions, returns to shareholders, etc.);
- “Corporate Bodies”: the members of the Board of Directors and the Board of Statutory Auditors of PM Oil&Steel Spa;
- “Supervisory Body”: the body responsible for supervising the functioning of and compliance with the Model and for its updating,
 - endowed with independent powers of initiative and control;
- “Public Administration”: the Public Administration, including its officials and persons entrusted with public service duties;
- “Partner”: natural or legal persons with whom PM Oil&Steel Spa enters into any form of contractually regulated collaboration, or the contractual counterparty or counterparties of PM Oil&Steel Spa, whether natural or legal persons (suppliers, customers, agents), where they are intended to cooperate on an ongoing basis with the company within the scope of Sensitive Processes;
- “Sensitive Processes”: activities of PM Oil&Steel Spa in which there is a risk of offences being committed;
- “Offences”: the Offences to which the provisions of Legislative Decree 231/01 apply (including any additions made in the future);

GENERAL PART SECTION I

INTRODUCTION

1. Legislative Decree No. 231/01 and relevant legislation

On 8 June 2001, Legislative Decree 231/01 was issued – in implementation of the delegation referred to in Article 11 of Law No. 300 of 29 September 2000. Having entered into force on 4 July of that year, it brought domestic legislation on the liability of legal persons into line with certain international conventions to which Italy has long been a party.

Legislative Decree 231/01, entitled “*Regulation of the administrative liability of legal persons, companies and associations, including those without legal personality*”, introduced for the first time in Italy the criminal liability of organisations for certain offences committed in their interest or to their advantage. The provisions contained therein identify as active perpetrators of the offence persons holding representative, administrative or managerial functions within the entity or within one of its organisational units endowed with financial and functional autonomy, as well as persons who exercise, even de facto, the management and control of the entity and, finally, persons subject to the management or supervision of one of the aforementioned persons. This liability is in addition to that of the natural person who actually committed the offence.

Legislative Decree 231/01 provides that, in the case of certain criminal offences, the assets of organisations that have derived an interest or benefit from such offences may be subject to penalties. A financial penalty is always imposed for all offences committed; in the most serious cases, disqualification measures are also provided for, such as the suspension or revocation of licences and concessions, a ban on contracting with the public administration, disqualification from carrying out business activities, the exclusion or revocation of funding and grants, and a ban on advertising goods and services.

The Decree provides for a form of exemption from administrative liability which applies where the entity demonstrates that, prior to the commission of the offence, it had adopted and effectively implemented an Organisation and Control Model suitable for preventing offences of the type that occurred, entrusted to a body with autonomous powers of initiative and control (Supervisory Body) with the task of monitoring the functioning of and compliance with the Model itself; that the offence was committed by fraudulently circumventing the Model; and that there was no omission or failure of supervision on the part of the Supervisory Body.

2. The function of the Model pursuant to Legislative Decree 231/01

The adoption of the Model, which is provided for by law as optional rather than mandatory, has been regarded by PM Oil&Steel Spa as a significant opportunity to implement ‘active’ crime prevention, through the strengthening of its *Corporate Governance* and Internal Control System, as well as the dissemination of appropriate ethical and behavioural principles.

The Model sets out the rules and procedures that must be observed by all Addressees, namely those—such as Employees, Corporate Bodies, Service Companies, Consultants and Partners—who act on behalf of or in the interests of the Company within the scope of Processes Sensitive to the commission of offences giving rise to liability under Legislative Decree 231/01.

The Supervisory Body, appointed for this purpose, ensures constant oversight of the implementation of the Model, through monitoring activities and the imposition of disciplinary or contractual sanctions where necessary, aimed at effectively addressing any unlawful conduct.

3. 's Reference Guidelines

In drawing up this Model, PM Oil&Steel Spa has drawn inspiration from the Confindustria Guidelines, the principles of which are referred to in the text of this Model.

It is understood that the Model, having to be drawn up with reference to the specific circumstances of the company, may well deviate from the relevant Guidelines which, by their nature, are of a general nature.

SECTION II

THE STRUCTURE OF THE MODEL

1. Principles, guiding principles and objectives of the PM Oil&Steel Spa Model

Although the adoption of this Code is a “discretionary option” and not an obligation, PM Oil&Steel Spa has chosen to proceed with its preparation and adoption, as it recognises that this system represents an opportunity to strengthen its *corporate governance*, whilst at the same time using the work carried out to raise awareness amongst staff regarding the control of business processes, with the aim of “actively” preventing offences relating to the health and safety of its workers and third parties (Article 25-*septies* of Legislative Decree 231/01).

PM OIL & STEEL S.P.A. was formed through the merger by incorporation of the companies OIL & STEEL S.P.A., VAT No. 02313650364, and AIR SERVICE S.R.L., VAT No. 02868420361, into the company PM GROUP S.P.A., VAT No. 03520360961. The incorporated companies were already part of the same corporate group, as one was controlled directly and the other indirectly by PM GROUP S.P.A.; therefore, the transaction represents the result of an operational reorganisation of the Group, which has enabled the integration of the activities carried out by the three companies with a view to improving overall business efficiency.

The merger was completed on 2 November 2018 and, following this, the acquiring company, PM GROUP S.P.A., changed its name to PM OIL & STEEL S.P.A.

PM Group S.p.A. and Oil & Steel S.p.A. had both previously achieved ISO 9001 certification. PM Group S.p.A. had already obtained the BS OHSAS 18001:2007 certificate, and following the merger by incorporation, this Organisational Model, drawn up in accordance with Legislative Decree 231/01, is therefore integrated with existing, operational and certified occupational health and safety management systems (hereinafter also “OHSMS”) and Quality management systems (hereinafter also “QMS 9001”), with the aim of providing an operational, immediate and effective tool accessible to all its recipients in order to understand, comprehend and correctly implement the risk control measures contained therein.

Compared to existing management systems, the Organisational Model represents an evolution aimed at strengthening the procedures contained therein to make them suitable for the prevention of predicate offences.

The marked operational focus of this Organisational Model is also the reason why PM Oil&Steel Spa has intended to apply it exclusively to the prevention of offences relating to health and safety at work (Article 25-*septies* of Legislative Decree 231/01).

This Model therefore has the primary objective of creating – by integrating with and complementing existing Management Systems – an effective tool for eliminating and (where this is not possible) reducing risks.

In drawing up this Model, account has been taken not only of the provisions of Legislative Decree 231/01, but also of the procedures and control systems (identified during the ‘as-is’ phase) already in operation within the company as a result of the previous adoption of Management Systems and deemed suitable to serve also as measures for the prevention of offences and for the control of Sensitive Processes.

In particular, the following were found to be in operation at PM Oil&Steel Spa:

- the “Quality, Safety and Environment Policy”, which sets out the company’s ethical principles;
- the “Quality Management System”, which describes the organisation of PM Oil&Steel Spa and the Safety and Quality Management System established to achieve the objectives set out in the Safety and Quality Policy and issued by the Company, for the prevention of accidents and occupational diseases and the pursuit of continuous improvement;
- the system procedures and operating instructions contained in the SGSL 45001 and SGQ 9001 systems;
- the documentation and provisions relating to the company’s hierarchical, functional and organisational structure;
- the *auditing* and Management Review system;
- the rules governing the administrative, accounting, financial and *reporting* systems;
- internal communication and staff training and information;
- the disciplinary system referred to in the National Collective Labour Agreements;
- in general, applicable Italian and foreign legislation (including, for example, regulations on health and safety at work).

1.1 The characteristics of the PM Oil&Steel Spa Model

In line with the provisions of Legislative Decree 231/01, this Model is characterised by the elements of *effectiveness*, *specificity* and *timeliness*.

Effectiveness

The effectiveness of an Organisational Model depends on its practical ability to prevent, or at least significantly reduce, the risk of the offences provided for in Legislative Decree 231/01 being committed. This suitability is guaranteed by the existence of decision-making and preventive and subsequent control mechanisms capable of identifying transactions with anomalous characteristics, of flagging conduct falling within risk areas, and the consequent tools for

timely intervention. The effectiveness of an organisational model, in fact, also depends on the efficiency of the tools capable of identifying 'signs of wrongdoing'.

Specificity

Specificity is one of the elements that characterises the effectiveness of the Model, pursuant to Article 6, paragraph 2, letters a and b.

The specificity of the Model relates to the areas at risk – and requires a review of the activities within which offences may be committed – and to the processes for formulating and implementing the organisation's decisions in 'sensitive' sectors.

Similarly, the Model must also identify appropriate methods for managing financial resources, provide for reporting obligations and an adequate disciplinary system, as well as take into account the characteristics and size of the company, the type of activity carried out, and the company's history.

Current developments

In this regard, a Compliance Model is effective in mitigating the risks of criminal offences provided that it is continually adapted to the specific characteristics of the company's structure and business activities.

The effective implementation of the Model requires, in accordance with Article 7 of Legislative Decree 231/01, its periodic review and, where necessary, amendment in the event that any breaches are discovered or changes occur in the business or organisational structure of the company/entity.

Article 6 of Legislative Decree 231/01 assigns the task of updating the Model to the Supervisory Body, as the holder of independent powers of initiative and control.

1.2 The definition of the PM Oil&Steel Spa Model

The preparation of this Model was preceded by a complex series of preparatory activities divided into different phases, all aimed at establishing a risk prevention and management system in line with the provisions of Legislative Decree 231/01, based on SGSL 45001 and SGQ 9001 and inspired not only by the standards contained therein but also by the relevant Guidelines.

1) Identification of Sensitive Processes ("as-is analysis")

PM Oil&Steel's business consists of the design, construction, modification, installation, maintenance and repair of lifting equipment, in particular cranes and aerial work platforms, mechanical, hydraulic and oil-hydraulic systems and equipment of any kind, and in any case of metal materials and structures in general within the hydraulic and oil-hydraulic engineering sector for the lifting of goods and/or persons; the manufacture of fittings, including special fittings, for transport vehicles and the conversion of industrial vehicles; the hire and leasing, in any form, excluding finance leases, of the above-mentioned goods as well as other products relating to the metalworking sector.

The activities described above are carried out at the following production sites located at:

- Via Verdi, 22 San Cesario sul Panaro (Modena)
- Via Modenese, 4985 San Cesario sul Panaro (Modena)

In order to identify the sectors in which the risk of offences being committed is most likely to arise and the ways in which these may occur, we examined the company's documentation (including organisational charts, activities carried out, key processes, minutes of board meetings, powers of attorney, organisational provisions, risk assessment documents, etc.) and to interview key individuals within the company structure (*Employer, Quality Manager, Production Manager, Purchasing Manager, Technical Manager, In-house Legal Counsel, HR Manager, Health and Safety Manager, etc.*) with questions aimed at gaining a deeper understanding of Sensitive Processes and the controls in place for them (existing procedures, documentation of operations and controls, segregation of duties, etc.).

In particular, the work was carried out in close collaboration with the organisation's 'HSEQ' (Health, Safety, Environment, Quality) department and with the Health and Safety Manager.

This unit is, in fact, the organisation's main point of contact for the identification, planning and implementation of all activities relating to the health and safety of PM Oil&Steel Spa's workers, as well as product safety.

Furthermore, the HSEQ department actively contributed, during the initial certification process, to the implementation of SGSL 45001 and SGQ 9001 and is now one of the key players in maintaining the certification, ensuring its continuous development and its effective day-to-day application.

2) Creation of *the 'gap analysis'*

Based on existing controls and procedures relating to Sensitive Processes and the provisions and objectives of Legislative Decree 231/01, actions have been identified to improve the current Management Systems and the essential organisational requirements for defining a "specific" model of organisation, management and monitoring in accordance with Legislative Decree 231/01.

In particular, protocols and procedures were identified, the Code of Ethics was adopted, a disciplinary system was defined, the Supervisory Body was appointed, and all personnel working within the Organisation were trained on the principles and measures of the Model, in accordance with their respective roles.

3) Structure of the Model

This Model is structured into sections containing principles and rules of conduct, designed to prevent the commission of the offences covered by Legislative Decree 231/01 and listed in Annex A, as well as references to the protocols contained in the Management Systems.

4) Updating the Model

In order to support the Supervisory Body in updating the Model, PM Oil&Steel Spa has developed a methodological framework which, through a *self-assessment* process, enables the identification of Sensitive Processes.

Pursuant to Article 6, paragraph 1, letter a, of Legislative Decree 231/2001, the adoption of the organisational and management model is the responsibility of the Company's management body.

This means that the Board of Directors is responsible for approving this Model. Similarly, the same body is responsible for any amendments and/or additions that may be necessary in order to:

- (i) implement the Model;
- (ii) improve the effectiveness and efficiency of the Model itself;
- (iii) adapt the Model to changes in the regulatory framework and/or the Company's organisational structure.

This Model is subject to two types of review, which must be carried out by the Supervisory Body:

- (i) documentary checks: periodic checks are carried out on the main corporate documents and the most significant contracts entered into by the company in areas of activity at risk;
- (ii) Procedural checks: the effective functioning of this Model is periodically verified. In addition, a review is carried out of all reports received during the year, all relevant parties, events considered to pose a risk, and staff awareness of the offences covered by Legislative Decree 231/2001, including random interviews.

Following the review, a report is drawn up for submission to the Board of Directors, highlighting any potential shortcomings and suggesting actions to be taken.

The Board of Directors, in accordance with the provisions of Article 2381 of the Italian Civil Code, may delegate some or all of the powers to update the aforementioned Model to individual directors.

The Board of Directors shall make the necessary updates to the Model only after first consulting the Supervisory Body and on the basis of the latter's recommendations.

In any event, pursuant to Article 7(4) of Legislative Decree 231/2001, the Model must be amended whenever significant breaches of the requirements (protocols) occur or when changes in the company's organisation or activities take place.

1.3 The adoption of the PM Oil&Steel Spa Model and its subsequent amendments

This Model was adopted by resolution of the Board of Directors of PM Oil&Steel Spa, which also established the Supervisory Body.

Each member of the Board of Directors, as well as the Company's Board of Statutory Auditors, has undertaken to comply with this Model.

As this Model is a document issued by the governing body (in accordance with the provisions of Article 6, paragraph 1, letter a) of Legislative Decree 231/01), amendments and additions fall within the remit of the Board of Directors.

The Board of Directors may delegate specific amendments to individual directors, provided that it ratifies any amendments made on an annual basis.

2. THE SUPERVISORY BODY

2.1 Identification of the Supervisory Body: appointment and revocation

Legislative Decree 231/01 provides that the body entrusted with the task of supervising the functioning and compliance with the Model, as well as ensuring its updating, must be a body within the company endowed with autonomous powers of initiative and control (Article 6.1(b) of Legislative Decree 231/01).

The Confindustria Guidelines suggest that this should be a body within the organisation distinct from the Board of Directors, characterised by autonomy, independence, professionalism and continuity of action, as well as integrity and the absence of conflicts of interest.

Applying these principles to the corporate structure of PM Oil&Steel Spa and in view of the specific nature of the tasks assigned to the Supervisory Body, the role has been entrusted to three members—one external and two internal—who have been recognised as the most suitable to assume this role, given the following requirements that each of them meets, in line with the provisions of Legislative Decree 231/01, the Guidelines and case law:

- autonomy and independence.
The most appropriate solution to ensure the autonomy of the oversight function from any form of interference and/or influence by any member of the organisation appears to be the placement of the Supervisory Body at the highest possible hierarchical level, as well as the provision for it to report exclusively to the highest level of management (Chief Executive Officer, Board of Directors, Employer and Board of Statutory Auditors). It is also essential that the Supervisory Body does not perform operational tasks, i.e. it is not directly involved in the management activities that constitute the subject of its supervisory role;
- good repute.
In particular, no member of the Supervisory Body has been convicted of any criminal offence, even if not yet final, or has entered into a plea bargain for offences involving disqualification from public office or falling within the scope of Legislative Decree 231/01;
- proven professionalism.
The Supervisory Body possesses specific expertise in the areas of inspection and consultancy, as well as the technical and professional skills required to carry out analyses of control systems and to perform legal and criminal law-related functions: given that the relevant legislation is essentially criminal in nature and that the Supervisory Body's activities are aimed at preventing the commission of offences, knowledge of individual cases is essential; this may be ensured by the Supervisory Body through the use of company resources or external consultancy. With regard to occupational health and safety issues, the Supervisory Body must make use of all the resources deployed to manage the relevant aspects (RSPP – Head of the Prevention and Protection Service, ASPP – Prevention and Protection Service Officers, RLS – Workers' Safety Representative, MC – Competent Doctor,

first aid officers, fire emergency officers). These individuals and the Supervisory Body carry out their duties at different levels, within an integrated system of checks and balances between them. In particular, the Head of the Prevention and Protection Service carries out technical and operational checks (first-level checks), whilst the Supervisory Body monitors the efficiency and effectiveness of the relevant procedures pursuant to Legislative Decree 231/01 (second-level checks).

- continuity of action.

The Supervisory Body continuously carries out the activities necessary for the supervision of the Model with due diligence and the necessary investigative powers; and a structure reporting to the company, so as to ensure the necessary continuity in supervisory activities,

- availability of the organisational and financial resources necessary for the performance of its functions.

The independence of the Supervisory Body is, furthermore, ensured by the obligation of the management body to approve, as part of the company budget process, an adequate allocation of financial resources, proposed by the Supervisory Body itself, which the latter may use for any purpose necessary for the proper performance of its duties (e.g. specialist consultancy, travel, etc.).

Members from within or outside the organisation may be appointed to the Supervisory Body, provided that each of them meets the above requirements of autonomy and independence. In the case of a mixed composition, as total independence from the organisation cannot be required of members from within, the degree of independence of the body must be assessed as a whole.

The aforementioned individuals exercise their decision-making powers separately, establishing a mechanism to prevent conflicting decisions, which provides for resolution by the Chief Executive Officer or the Board of Directors.

The definition of matters relating to the continuity of the Supervisory Body's operations, such as the scheduling of activities, the recording of minutes of meetings and the regulation of information flows by company departments, is entrusted to the Supervisory Body itself, which may regulate its internal functioning through specific rules governing its activities (determination of the frequency of checks, identification of criteria and analysis procedures, etc.).

The appointment of the Supervisory Body and the revocation of its mandate fall within the remit of the Board of Directors, which is authorised to delegate the company's legal representatives to make the necessary replacements in the event of the Supervisory Body's resignation and/or organisational changes, reporting to the Board of Directors itself, which must ratify any new appointment.

2.2 Functions and powers of the Supervisory Body

The Supervisory Body is responsible for monitoring:

- compliance with the Model by Employees, Corporate Bodies, Service Providers, Consultants and Partners;

- the effectiveness and adequacy of the Model in relation to the company's structure and actual ability to prevent the commission of offences;
- the need to update the Model, where there is a requirement to adapt it in light of changes in corporate conditions and/or regulations.

To this end, the Supervisory Body is guaranteed free access – across all Company departments, without the need for prior consent – to any information, data or corporate document deemed relevant to the performance of its duties and must be kept constantly informed by management:

- a) regarding aspects of the Company's activities that may expose PM Oil&Steel Spa to the risk of committing one of the offences set out in this Model;
- b) regarding relations with Consultants and Partners acting on behalf of the company in connection with Sensitive Transactions.

In particular, the Supervisory Body:

- conducts reviews of company activities for the purpose of updating the mapping of Sensitive Processes;
- verifies compliance with the methods and procedures set out in the Model and identifies any behavioural deviations that may emerge from the analysis of information flows and from the reports that the heads of the various departments are required to submit;
- collects, processes and retains relevant information regarding compliance with the Model, and updates the list of information that must be submitted to it or kept at its disposal;
- coordinates with company departments (including through specific meetings) to ensure the best possible monitoring of activities in relation to the procedures set out in the Model and to assess the adequacy of the Model and any need for updates;
- interprets the relevant legislation and verifies the Model's compliance with such regulatory requirements;
- makes proposals to the management body regarding any amendments and/or additions that may become necessary as a result of significant breaches of the Model's provisions, significant changes to the Company's internal structure and/or the way in which business activities are conducted, as well as regulatory changes;
- carries out periodic targeted checks on certain transactions or specific actions undertaken by the Company, particularly in the context of Sensitive Processes, the results of which must be summarised in a specific report to be presented during *reporting* to the relevant corporate bodies;
- reports to the management body any established breaches of the Organisational Model that may give rise to liability on the part of the organisation and coordinates with company management to assess the imposition of any disciplinary sanctions, without prejudice to the latter's authority to impose the sanction and conduct the relevant disciplinary proceedings;
- coordinates with the head of the department responsible for managing Human Resources to define training and information programmes for

staff and the content of periodic communications to be sent to Employees and Corporate Bodies, including via the company's intranet, aimed at providing them with the necessary awareness and basic knowledge of the legislation referred to in Legislative Decree 231/01;

- initiates and conducts internal investigations, liaising as required with the relevant company departments to gather further evidence (e.g. with the department responsible for managing Human Resources regarding the application of disciplinary sanctions, etc.);
- periodically reviews, with the support of other relevant departments, the system of delegations and powers of attorney in force and their consistency with the overall organisational communication system, recommending any amendments should management authority and/or position not correspond to the powers of representation conferred on the attorney or should other anomalies arise.

The activities carried out by the Supervisory Body may not be reviewed by any other corporate body or structure; however, the management body is in any case required to monitor the adequacy of its actions, as the management body bears ultimate responsibility for the functioning of the organisational model.

2.3 Reporting by the Supervisory Body to the company's top management and th

The Supervisory Body reports on the implementation of the Model and on the emergence of any critical issues.

The Supervisory Body has a reporting structure:

- the first, to the Board of Directors, the Employer and the Board of Statutory Auditors, reporting at least annually to the Board of Directors, and at every meeting to the Employer, on the activities carried out (checks performed and their outcomes, the specific verifications referred to in point 3 below and their outcomes, any updates to the mapping of Sensitive Processes, etc.);
Should the Supervisory Body identify any issues relating to a member of the Board of Directors or the Board of Statutory Auditors, the relevant report must be promptly forwarded to one of the other parties not involved.

Meetings with the bodies to which the Supervisory Body reports must be minuted, and copies of the minutes must be kept by the Supervisory Body and by the bodies involved on each occasion.

The Board of Statutory Auditors, the Board of Directors and the Chief Executive Officer, acting separately, have the right to convene the Supervisory Body at any time; the Supervisory Body, in turn, has the right to request, through the relevant departments or persons, the convening of the aforementioned bodies for urgent reasons.

2.4 Information flows to the Supervisory Body and the whistleblowing and compliance system

2.4.1. tions to the Supervisory Body

Decree 231/2001 sets out, among the requirements that the Model must meet, the establishment of reporting obligations to the Supervisory Body. These flows concern all information and documents that must be brought to the attention of the Supervisory Body, including in accordance with the protocols.

Any information, documentation and/or communication, including that from third parties, which may affect the Company's organisation and this Model or is otherwise relevant to operations carried out by the Company itself in areas of activity at risk, must be forwarded to the Supervisory Body. In particular, all reports relating to the commission of offences under Decree 231/2001 in connection with the Company's activities, and in any case information regarding conduct not in line with the rules of conduct adopted by the Company itself, must be sent to the Supervisory Body.

In addition to the reports, including informal ones, referred to above, the following information must also be submitted to the Supervisory Body:

- measures and information from judicial police bodies, or from any other authority, indicating that investigations are being carried out, including against unknown persons, for the offences referred to in Decree 231/2001;
- requests for legal assistance submitted by managers or employees in the event of legal proceedings being initiated for offences under Decree 231/2001;
- reports prepared by the heads of other company departments as part of their control activities, from which facts, events or omissions may emerge that raise concerns regarding compliance with the provisions of Decree 231/2001;
- any changes to the system of delegations and powers of attorney, any amendments to the Articles of Association or any changes to the company organisation chart, as well as any changes to the processes or activities carried out by the Company;
- information regarding the effective implementation, at all levels of the company, of the Model, including details of disciplinary proceedings conducted and any sanctions imposed (including measures taken against employees) or decisions to close such proceedings, together with the relevant reasons.

Reports must be submitted in writing, without this giving rise to any form of retaliation, discrimination or penalty against the person making the report.

For this purpose, a communication channel has been established with the Supervisory Body, consisting of a dedicated email address, namely odv@pm-group.eu, to which any reports may be sent. Furthermore, reports may be sent to the following address: Supervisory Body c/o Pm Oil & Steel S.p.A., Via G. Verdi 22, San Cesario sul Panaro, 41018 - Modena.

All information, documentation and reports collected in the course of carrying out institutional duties must be archived and retained for at least 10 years by the Supervisory Body

, in compliance with data protection legislation, taking care to keep the identity of the whistleblower and the documents and information obtained confidential, subject to legal obligations and the protection of the rights of the company or of persons accused erroneously or in bad faith.

The Supervisory Body assesses the reports received and any consequent measures at its discretion, hearing, where necessary, the author of the report and/or the person responsible for the alleged breach in order to obtain further information, carrying out or coordinating and requesting the checks and investigations necessary to ascertain the validity of the report, and providing written reasons for any refusal to proceed.

2.4.2 Whistleblowing

Legislative Decree No. 24 of 10 March 2023 (the so-called Whistleblowing Decree), concerning the implementation of European Directive 1937/2019, strengthens whistleblower protection mechanisms, virtually eliminating the differences between the regulations applicable in the public sector and those applicable in the private sector.

With specific reference to the interrelationship between Legislative Decree 24/2023 and Legislative Decree 231/2001, the new legislation provides that the violations referred to in Legislative Decree 231/2001 are only some of the types of conduct subject to reporting.

Indeed, with the Whistleblowing Decree, the legislator has broadened the scope of the legislation by giving relevance to all reports concerning any violation (of national or European law) of which the whistleblower has become aware in their working context.

Furthermore, the Legislative Decree extends the types of retaliatory conduct protected by the law and requires private-sector entities with an Internal Model to include a provision regarding sanctions against those found to be responsible for such unlawful conduct.

The measure has also broadened the definition of a whistleblower (expressly including external parties) and, consequently, the subjective scope of application of the relevant legislation.

The legislator has also provided for new types of reporting channels and has described their characteristics, how they operate and the related obligations regarding the protection of confidentiality.

Furthermore, the amendment identifies ANAC as the sole body, including for the private sector, authorised to receive complaints regarding retaliatory or discriminatory conduct against whistleblowers or otherwise unlawful conduct, as well as the sole body responsible for assessing the evidence gathered for the purpose of imposing administrative sanctions.

The new legislation has:

- expanded the scope of persons covered;
- extended the objective scope, giving relevance to all reports concerning violations (of national and European law) of which the whistleblower has become aware in their work context;
- provided for two different reporting channels, the operation of which has been described:
 - internal;
 - external, via a report to ANAC;
- provision has been made for the management of the internal reporting channel to be entrusted to:

- to an individual within the company;
 - to a department within the company;
 - to an external party.
- ANAC has been identified as the sole competent body, including for the private sector, for receiving reports regarding any retaliatory or discriminatory conduct towards the whistleblower or otherwise unlawful conduct, as well as the sole body responsible for assessing the evidence gathered for the purpose of imposing administrative sanctions.

The Decree, in order to ensure the informed, accurate and professional handling of reports, aims to raise awareness – including through training and information activities – amongst internal and external parties involved in various capacities regarding the ethical, legal and confidentiality implications arising from the reporting procedures.

In light of the legislative changes made, the Model provides, as a requirement for compliance, for the implementation of a specific procedure (hereinafter the 'Whistleblowing Procedure'), an integral part of this MOG, in order to regulate the aforementioned *whistleblowing* system, through which members of the corporate bodies and supervisory bodies, employees and collaborators of the Company, in addition to the *reporting* system referred to in paragraph 8.1 above, may communicate and report non-compliance with the Code and/or the commission of offences in relation to the activities carried out by the Company of which they have become aware within the context of their work.

The purpose of establishing specific rules on whistleblowing is to protect the whistleblower from any act of retaliation and to ensure compliance with confidentiality obligations in the handling of information relating to the management of reports.

In order to ensure compliance with the requirements of impartiality and independence, the Company has established that the body responsible for managing reports shall consist **of the Chair of the 231 Supervisory Board and the Legal Department.**

The Company has established an internal reporting channel:

- in writing: by means of a letter to be sent in accordance with the procedures set out in the Whistleblowing Procedure;
- orally: via dedicated telephone lines or through a face-to-face meeting with the Reporting Manager.

WHISTLEBLOWING PROCEDURE

The Whistleblowing Procedure is attached to the Organisational Model and forms an integral part thereof.

Assessments of the Model's adequacy

The Supervisory Body carries out periodic checks on the Model's actual ability to prevent the commission of offences, normally with the support of other internal functions that may be required for this purpose from time to time.

This activity takes the form of spot checks, including unannounced inspections, on the activities carried out by PM Oil&Steel Spa in relation to Sensitive Processes and their compliance with the rules set out in this Model, as well as on the awareness among Employees and Corporate Bodies of the issue of corporate criminal liability. A *review* is also carried out of reports received during the year, of actions taken by the Supervisory Body, and of events considered to pose a risk.

TION SECTION III

DISSEMINATION OF THE MODEL

Knowledge of this Model is essential to raise awareness among all recipients acting on behalf of and/or in the interests of the Company within sensitive processes that they may commit offences liable to criminal consequences, not only for themselves but also for the Company, in the event of conduct contrary to the provisions of Legislative Decree 231/01, the Organisational Model, and the SGSL 45001.

1. Training and information

PM Oil&Steel Spa intends to ensure proper information and training on the content of this Model, as well as the protocols contained therein, and on SGSL 45001, for both existing staff and new recruits, with varying levels of detail depending on the degree of involvement in Sensitive Processes.

The information and training system is supervised and integrated by the activities of the Supervisory Body in collaboration with the head of the department responsible for managing Human Resources and with the heads of the other departments involved from time to time in the application of the Model.

- Initial communication

The adoption of this Model is communicated to all staff members within the company at the time of its adoption.

New recruits will be provided with an information pack (National Collective Labour Agreement, Organisational Model, Legislative Decree 231/01, main procedures and operational instructions contained in the Management Systems), to ensure they are aware of the key information.

- Training

Training is designed to raise awareness of the legislation referred to in Legislative Decree 231/01 and varies, in terms of content and delivery methods, according to the role of the recipients, the level of risk in the area in which they operate, and whether or not they hold a representative role within the Company.

In particular, the Company has established different levels of information and training through appropriate dissemination tools.

The Supervisory Body is responsible for monitoring the content of the training programmes as described above.

All training programmes will have a minimum common content consisting of an explanation of the principles of Legislative Decree 231/01, the constituent elements of the Model, the specific offences provided for by Legislative Decree 231/01 and contained in the Model, and the behaviours considered sensitive in relation to the commission of the aforementioned offences.

In addition to this common framework, each training programme will be tailored to provide participants with the tools necessary to fully comply with the provisions of Legislative Decree 231/01 in relation to the scope of operations and duties of the programme's target audience. Training planning is the responsibility of the Human Resources Department, in collaboration with the Supervisory Body.

Participation in the training programmes described above is mandatory, and the Supervisory Body is responsible for monitoring actual attendance.

- Training and information for employees

The Human Resources Department is responsible, on the basis of the recommendations and proposals put forward by the Supervisory Body, for providing staff training on the provisions of Legislative Decree 231/2001, the Organisation and Management Model, and the company's Code of Ethics. In this regard, staff training must be based on the following Guidelines:

1. senior management and those with representative functions within the company (so-called 'key personnel'):

- communication of the Organisation and Management Model and the Code of Ethics to all managers and heads of departments; every person receiving such communication is required to sign a declaration of awareness and adherence to the Organisation and Management Model and the Code of Ethics, to be kept on file by the Supervisory Body itself;

- initial training, repeated for every new recruit;

- periodic refresher training;

- publication on the company intranet of the text of Legislative Decree 231/2001, as well as the Organisation and Management Model and the Code of Ethics, to be carried out by the Human Resources department in consultation with the Information Systems department and the Supervisory Body;

- sending of update emails, to be carried out by the Head of Human Resources in consultation with the Supervisory Body;

- inclusion of appropriate information in letters of appointment, to be carried out by the Human Resources department in consultation with the Supervisory Body;

2. other staff (so-called non-executive personnel):

- posting the text of Legislative Decree 231/2001, as well as the Organisation and Management Model and the Code of Ethics, on the company intranet, to be carried out by the Human Resources department in consultation with the Information Systems department and the Supervisory Body;

- initial training, repeated for every new recruit;

- periodic refresher training;

- inclusion of appropriate information in letters of appointment, to be provided by the Head of Human Resources in consultation with the Supervisory Body.

2. Information for Service Providers, Consultants and Partners

Service Companies, Consultants and Partners must be informed of the adoption and content of the Model and of PM Oil&Steel Spa's requirement that their conduct complies with the provisions of Legislative Decree 231/01.

Service Companies, Consultants and Partners, depending on their specific operations and duties, shall, upon order confirmation or contract signing, issue

a declaration in which they confirm that they have read the information relating to the content of the Model, that they are fully aware of it, and a declaration of commitment to comply with it. Specific clauses must be included within the contract or order confirmation to ensure compliance with the contents of the Model and the Code of Ethics

The preparation, integration and adaptation of the relevant content within contracts and orders are the responsibility of the Internal Legal Department, whilst day-to-day management is the responsibility of the Contract Manager or the person issuing the order.

3. Information for Directors and Statutory Auditors

This Model is provided to each Director and Statutory Auditor, who undertakes to comply with it.

E SECTION IV

Y AND DISCIPLINARY SYSTEM

1. Introduction

Pursuant to Article 6, paragraph 2, letter e), of Legislative Decree 231/2001, the Organisation and Management Model must include an appropriate disciplinary system designed to ensure its effectiveness and efficiency.

This is also an essential requirement for the exemption from administrative liability of the entity, as provided for in Article 30(3) of Legislative Decree 81/08. The mandatory content is defined in this document both through the description of controls and measures in place and through the specific wording of the protocols in the Regulatory Mapping.

The penalty system provided for is proportionate to the violation(s) and is intended to act as a deterrent.

Such an internal regulatory framework, particularly with regard to disciplinary measures, must at the same time comply with the labour law provisions currently in force in our legal system. To this end, in accordance with the provisions of Article 7 of Law 300/1970 (the so-called Workers' Statute), the Human Resources Department, in coordination with the Supervisory Body, has taken responsibility for ensuring full awareness not only of the Organisation and Management Model but also of the sanctions framework, including through the continuous display of the same in locations accessible to all employees.

The disciplinary measures, which make up the disciplinary system as a whole, are determined in accordance with the principles of proportionality and effectiveness (based on their suitability to act as a deterrent and, subsequently, as an actual sanction) and taking into account the different roles of the individuals to whom they apply (employees or managers, directors or statutory auditors, contractors or suppliers).

Sanctions are imposed by the HR department, in accordance with the provisions of the law, each contract signed with suppliers, and the collective bargaining agreements applied within the Company.

2. Measures against workers and employees of

Any single breach of any of the provisions contained in this Organisation and Management Model is considered a disciplinary offence on the part of the offender. Failure by an employee to comply with the provisions contained in the Organisation and Management Model may give rise, in accordance with the principle of proportionality, to the application of the following measures:

- a) verbal warning;
- b) written warning;
- c) a fine not exceeding three hours' hourly pay;
- d) suspension from work and pay for up to a maximum of three days of actual work;
- e) dismissal without notice.

Consequently, the following applies:

- the disciplinary sanction of a verbal warning or a written warning shall be imposed on any employee who breaches the procedures set out in the Organisation and Management Model or behaves in a manner inconsistent with the provisions of that Model;
- a disciplinary fine not exceeding three hours' hourly pay, for an employee who repeatedly violates, more than six months after the previous violation, the procedures set out in the Organisation and Management Model or repeatedly adopts, more than six months after the previous conduct, behaviour that does not comply with the provisions of the same Model;
- a disciplinary sanction of suspension from work and pay for up to a maximum of three days of actual work, for an employee who: 1) repeatedly breaches, within six months of being fined for the same breach, the procedures set out in the Organisation and Management Model, or repeatedly adopts, within six months of being fined for the same conduct, behaviour that does not comply with the provisions of that model; 2) breaches, even for the first time, the procedures set out in the Organisation and Management Model or adopts, even for the first time, conduct that does not comply with the provisions of the same Model, thereby causing damage to the company or otherwise exposing it to the risk of damage;
- In the event of disciplinary dismissal without notice, an employee who behaves in a manner inconsistent with the provisions of the Organisation and Management Model, and such as to result in the application, against the company, of the measures provided for in Legislative Decree 231/2001.

The Supervisory Body oversees the disciplinary system and draws up any proposals for amendments to be submitted to the Board of Directors.

The authority to apply disciplinary measures remains with the Human Resources Department, which initiates disciplinary proceedings upon notification by the Supervisory Body.

The disciplinary proceedings, the imposition of the sanction, its enforcement, the notification thereof and any appeal against it are governed in accordance with the provisions of the Workers' Statute and the applicable National Collective Labour Agreement.

In particular, with regard to disciplinary sanctions such as verbal or written warnings, fines, and suspension from work and pay, the National Collective Labour Agreement applies, as well as the provisions of Article 7 of the Workers' Statute, and therefore:

1. the company may not take any disciplinary action against an employee without first notifying them of the charge and hearing their defence; the notification must take place only after the necessary preliminary investigation has been completed;
2. except in the case of a verbal warning, the formal notice must be given in writing and disciplinary measures may not be imposed until five days have elapsed since the formal notice was given, during which time the employee may submit their defence;
3. the disciplinary measure must in any event be imposed within thirty days of receipt of such justifications;
4. the employee may submit their defence with the assistance, if required, of a representative of the trade union to which they belong or to whom they have given a mandate;
5. the imposition of the disciplinary measure of dismissal must be justified and communicated in writing;
6. without prejudice to the right to bring the matter before the courts, an employee against whom a disciplinary sanction has been imposed may, within the following twenty days, including through the trade union to which they belong or have authorised, the establishment, through the provincial labour and employment office, of a conciliation and arbitration board, comprising one representative from each party and a third member chosen by mutual agreement or, failing such agreement, appointed by the director of the labour office. In such a case, the disciplinary sanction shall be suspended until the board has issued its ruling;
7. if the company fails, within ten days of the invitation issued by the labour office, to appoint its representative to the board referred to in the preceding paragraph, the disciplinary sanction shall have no effect;
8. if the employee brings the matter before the courts, the disciplinary sanction shall remain suspended until the conclusion of the proceedings;
9. disciplinary sanctions may not be taken into account for any purpose two years after their imposition.

With regard to the sanction of dismissal without notice, the provisions of the National Collective Labour Agreement (CCNL), Article 7, paragraphs 1, 2 and 3 of the Workers' Statute, and Article 7 of Law 604/1966 shall apply, and therefore:

1. the Company may not impose the sanction of disciplinary dismissal without notice on the employee without first notifying them of the charge and without hearing their defence; the notification must take place only after the necessary preliminary investigation has been completed;
2. the formal notice must be given in writing and disciplinary measures may not be imposed until five days have elapsed, during which time the employee may submit his his justifications;
3. the disciplinary measure must in any event be imposed within thirty days of receipt of such justifications;

4. the employee may present their defence with the assistance, if any, of a representative of the trade union to which they belong or to whom they have given a mandate;
5. without prejudice to the right to bring the matter before the courts, an employee who has been subject to the disciplinary sanction of summary dismissal may, within twenty days of being notified of the dismissal or of the reasons for it (where these are not provided at the same time as the notice of dismissal), initiate conciliation proceedings at the provincial labour and employment office; the parties may, in such proceedings, be assisted by the trade unions to which they belong or to which they have given a mandate;
6. should the aforementioned conciliation attempt prove unsuccessful, the parties may mutually agree the dispute by ad hoc ;
7. furthermore, as an alternative to or following the aforementioned attempt at conciliation and informal arbitration, the dismissal may be challenged by the employee in accordance with the timeframes and procedures set out in Article 6 of Law 604/1966 (including recourse to the court acting as a labour tribunal).

3. Measures against executive-level s

In the event of breaches committed by managers, the sanctions deemed most appropriate shall apply, in accordance with the law and the provisions of the applicable collective agreement or individual contract signed by the parties.

In any event, depending on the seriousness of the breaches committed, the following measures may be applied:

- suspension of the validity of the authorisation granted;
- revocation of the delegation of authority granted;
- revocation of the appointment with dismissal *ad nutum*, due to a breach of trust.

Dismissal may be ordered if the conduct in question is such as to undermine the relationship of trust with the Company, taking into account the scope of the powers conferred on the executive.

The power to impose disciplinary measures rests with the Board of Directors, which initiates disciplinary proceedings upon notification by the Supervisory Body.

4. Measures against directors and members of the Board of Statutory Auditors

With regard to members of the Board of Directors, in the event of reports of breaches contained in the Model, the Supervisory Body informs the Board of Statutory Auditors and the entire Board of Directors so that they may take appropriate measures, including:

- a formal written warning;
- total or partial revocation of any powers of attorney or delegated authority granted;
- suspension from office;
- dismissal for just cause.

The power to impose disciplinary measures remains with the Board of Directors, which may initiate disciplinary proceedings upon notification by the Supervisory Body; however, the revocation of the appointment, which follows the most serious breaches, must be resolved by the general meeting.

Should company directors be found to have breached the procedures set out in this Code or to have acted in a manner inconsistent with its provisions, the Supervisory Body shall, without delay, inform the Board of Directors and the Board of Statutory Auditors so that any measures deemed appropriate and compatible with current legislation may be taken.

5. Measures regarding third-party contractors, suppliers and collaborators

Reports of breaches of the Code by collaborators, suppliers or other external parties (the term “external” referring to those who are not employees of the Company, including those in senior positions), to whom the Code applies, shall be communicated to the Supervisory Body, the Head of Human Resources and the Head of the department to which the contract relates, as well as, in the case of particularly serious breaches, to the Board of Directors.

The breach is sanctioned in accordance with the specific contractual clauses included in the relevant contracts.

This is without prejudice to any claim for damages by the Company.

Where specific clauses are included in contracts entered into by the Company with third parties – such as consultants, suppliers and business partners – any breach by the latter of the provisions of this Code may result in the consequences provided for in those clauses, including, by way of example, the termination and cancellation of the contract and compensation for damages.

6. Measures in cases of breach of the Whistleblowing Regulations

ANAC, with regard to the system of sanctions against the natural person identified as responsible for retaliation, has provided for the following administrative sanctions:

- a) from €10,000 to €50,000 where it is established that the individual identified as responsible has committed retaliation;
- b) from €10,000 to €50,000 where it is established that the individual identified as responsible has obstructed the report or attempted to obstruct it;
- c) from €10,000 to €50,000 where it is established that the natural person identified as responsible has breached the duty of confidentiality referred to in Article 12 of Legislative Decree 24/2023. This is without prejudice to the sanctions applied by the Data Protection Authority for matters falling within its remit under the legislation on personal data
- d) from €10,000 to €50,000 where it is established that no reporting channels have been established; in such cases, the governing body is deemed responsible in both public and private sector entities;
- e) from €10,000 to €50,000 where it ascertains that procedures for the handling and management of reports have not been adopted, or that the adoption of such procedures does not comply with the provisions of the decree; in such cases, the governing body is deemed liable in both public and private sector entities;
- f) from €10,000 to €50,000 where it is established that the received reports have not been verified and analysed; in such cases, the report manager is held liable;
- g) from €500 to €2,500, where it is established, including by a first-instance judgment, that the reporting person is civilly liable for defamation or slander in cases of wilful misconduct or gross negligence, unless the same person has been convicted, including at first instance, of the offences of defamation and slander or, in any event, of the same offences committed

through the report to the judicial authorities.

The Decree provides that disciplinary sanctions must be imposed where the reporting person's liability has been established, even by a first-instance judgment, for the offences of defamation or slander, or their civil liability in cases of wilful misconduct or gross negligence

**SPECIAL SECTION ON
THE ORGANISATIONAL MODEL OF PM OIL&STEEL SPA FOR THE ORGANISATIONAL
PROTECTION OF THE HEALTH AND SAFETY OF EMPLOYEES AND THIRD PARTIES**

Introduction

The most significant obligations and responsibilities regarding workplace safety – as well as the scenario provided for in Article 25-*septies* of Legislative Decree 231/01 – although falling, by law, primarily on the Employer and Managers, may also involve other parties (Legal Representative/Manufacturer, Supervisors, RSPP, Competent Doctor, etc.) and, in general, in various capacities, all workers covered by the safety organisation chart.

Responsibilities regarding health and safety at work are, therefore, of a 'cross-cutting' nature, as they relate to multiple roles within the organisation, including in cases of negligent cooperation between them.

In fact, all the above-mentioned parties are required to comply with the health and safety at work regulations set out in Legislative Decree 81/08, as well as the legislative and regulatory provisions in force for the protection of workers and third-party users of goods placed on the market by the company or, in any case, of those who come into contact with such goods, the breach of which may constitute an offence punishable under Legislative Decree 231/01.

Administrative liability may be established where the harmful event (injury or death) is caused (or is causally linked to) a breach of the applicable health and safety regulations (Legislative Decree 81/08, as amended) committed through acts or omissions by senior or non-senior management, where there is an interest or advantage for the entity.

It has been clarified that the concepts of 'interest' and 'advantage' are distinct, since: they concern legally different concepts, each with its own conceptual autonomy, where the former refers to the interest envisaged 'upstream' as undue enrichment resulting from the offence, and the latter to the advantage actually obtained from its commission.

An advantage may be identified where a person acts on behalf of the entity, systematically breaching precautionary regulations in such a way that such conduct forms part of a corporate policy aimed at undermining safety management, with a consequent reduction in the costs and expenses associated with the adoption and implementation of accident prevention measures, as well as the optimisation of profits.

The requirement of interest is met when the natural person, whilst not intending the death or injury of the worker to occur, has knowingly acted with the aim of securing a benefit for the legal person; this occurs, for example, when the failure to adopt accident prevention measures is the result (not of a mere underestimation of risks or a poor assessment of the necessary preventive measures, but) of a decision specifically aimed at saving on business costs: although not intending for the accident to occur to the detriment of the worker, the perpetrator of the offence knowingly breached the safety regulations with the aim of serving the entity's interests (for example, to enable the company to make savings on prevention costs). The requirement of benefit is met when the natural person acting on behalf of the entity (), whilst not wishing for the death or injury of the worker to occur, has systematically breached safety regulations and, therefore, has implemented a corporate policy that disregards occupational safety, thereby

enabling cost reduction and expenditure control with the consequent maximisation of profit; the criterion of advantage, understood in this way, undoubtedly appears to be the most appropriate for establishing a link between the entity and the unlawful act committed by its senior management or by employees subject to the direction or supervision of the former.

As regards the areas where such incidents may occur, whilst production departments are the areas most exposed to risk, it cannot be ruled out that cases relevant for the purposes of applying the Model may also occur within offices.

Furthermore, the entity's liability may also be established in cases of events causing harm to third parties who use or otherwise come into contact with goods placed on the market by the company.

In order to eliminate the risk of committing the predicate offences provided for in Article 25-*septies* of Legislative Decree 231/01, it is therefore ultimately necessary that all employees, directors and third parties who have dealings with PM Oil&Steel Spa comply with health and safety regulations, all the protocols contained in this Organisational Model, all the procedures and operational instructions contained in the Company Management System, insofar as they fall within their respective remit, as well as all applicable regulations that may in any way have an impact on workplace safety and product reliability.

In order to ensure the effectiveness of the internal rules and to prevent, as far as possible, any breaches thereof (whilst recognising that fraudulent behaviour, by its very nature, cannot be prevented by any organisational model, nor indeed by even the most diligent Supervisory Body), constant vigilance is required, with sanctions imposed on anyone found guilty of deliberate or negligent evasive conduct that may facilitate the commission of offences.

In the context of the activities and conduct of all those involved in company functions, with reference to the risk area relating to health and safety at work, the following scenarios have been identified as risk areas:

Risk area	Description of incident
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<p>Causing death by negligence and/or serious or very serious personal injury committed in breach of accident prevention regulations and regulations protecting health and safety at work, to the detriment of employees / contractors / suppliers.</p>	<p>Accidents involving workers (in the broadest sense) causally linked to the breach by persons in positions of responsibility (senior management and/or those subject to supervision by others) of the provisions set out in Legislative Decree 81/08:</p> <ul style="list-style-type: none"> - Article 15(z), - Title II, Articles 63, 64, 65, 66 and 67 (workplaces); - Title III, Articles 69, 70, 71 and 72 (use of work equipment and devices for); - Title VIII, Articles 180–198 (physical agents); - Title IX, Chapter I, Articles 221–232 (hazardous substances); - Title X, Articles 266–270 (exposure to biological agents).
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<p>Causing death by negligence and/or causing serious or very serious bodily harm by negligence in breach of accident prevention regulations and regulations on health and safety at work, to the detriment of third parties who use goods placed on the market by the company or who otherwise come into contact with such goods.</p>	<p>accidents involving workers (in the broadest sense) and/or third parties using goods placed on the market by the company – or, in any event, causing harm to those who come into contact with such goods – causally linked to a breach by persons in positions of responsibility (senior management and/or those subject to the supervision of others):</p> <p>-the provisions of Legislative Decree 81/08, specifically:</p> <ul style="list-style-type: none"> - Art. 22 (obligations of designers); - Art. 23 (obligations of manufacturers and suppliers); <p>- Directive 2006/42/EC at topic on the design and construction of machinery and the relevant technical standards.</p>
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Such offences relating to health and safety at work are provided for and punishable under Articles 589 and 590(3) of the Italian Criminal Code and are relevant for the purposes of the administrative liability of legal entities pursuant to the reference contained in Article 25-*septies* of Legislative

Decree 231/01.

Article 589 of the Italian Criminal Code: "Manslaughter".

Anyone who causes the death of another person through negligence shall be punished with imprisonment for a term of between six months and five years. If the offence is committed in breach of road traffic regulations or regulations on the prevention of accidents at work, the penalty shall be imprisonment for a term of between two and seven years. A prison sentence of between three and ten years shall apply if the offence is committed in breach of road traffic regulations by: 1) a person under the influence of alcohol within the meaning of Article 186(2)(c) of Legislative Decree No 285 of 30 April 1992, as amended; 2) a person under the influence of narcotic or psychotropic substances. In the event of the death of more than one person, or the death of one or more persons and injury to one or more persons, the penalty applicable to the most serious of the offences committed shall be imposed, increased up to threefold, but the penalty may not exceed fifteen years.

This offence therefore applies in all cases where the perpetrator, through negligence, imprudence, incompetence or breach of laws or regulations, commits an act resulting in the death of a person; this is a case of culpable conduct, i.e. committed without intent, without the will to kill or to cause the event resulting in death.

Section 590(3) of the Criminal Code: "Aggravated negligent causing of serious and very serious personal injury".

Anyone who causes personal injury to another through negligence shall be punished ...

If the acts referred to in the second paragraph are committed in breach of the regulations ... for the prevention of accidents at work, the penalty for serious injury is imprisonment for a term of between three months and one year or a fine of between €500 and €2,000, and the penalty for very serious injury is imprisonment for a term of between one and three years.

The offence of causing serious or very serious bodily harm through negligence (pursuant to Article 583 of the Criminal Code, an injury is serious if the act results in an illness that endangers the victim's life, or an illness or inability to attend to ordinary duties for a period exceeding forty days, or if the act causes the permanent impairment of a sense or an organ; an injury is, however, very serious if the act results in an illness that is certainly or probably incurable, the loss of a sense, the loss of a limb or a mutilation rendering the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious speech impediment, or disfigurement, or permanent scarring of the face), as referred to in Legislative Decree 231/01, differs from manslaughter only in terms of the harm caused, which in this case consists of serious or very serious injury.

MAPPING OF AREAS AND ACTIVITIES AT HIGH -RISK

High-risk activities may be defined with reference to any act or omission that:

- involves a breach of accident prevention regulations and/or regulations designed to safeguard safety in the use of the product, resulting in death or serious or very serious personal injury;
- is such as to serve the interests of the organisation or to confer an advantage upon it.

The essential element of the various possible forms of liability and the related areas of risk for

the organisation is the failure to adopt all safety and prevention measures that are technically possible and practically feasible at a given point in time, in the light of experience and the most advanced technical and scientific knowledge, as well as the failure to comply with the safety rules adopted by the organisation.

The rules of conduct adopted to eliminate or at least minimise the aforementioned risks, in their specific and potential forms of implementation, correspond, in fact, to those resulting from the risk assessment carried out in accordance with Article 28 of Legislative Decree 81/08, and set out, together with the relevant safety measures, in the Risk Assessment Document, as well as from the management procedures and operational instructions contained in the Company Management System (which must be considered an integral part of this Model and must be disseminated and understood).

PM Oil&Steel Spa's decision to adopt this Organisation, Management and Control Model stems from a careful organisational assessment aimed at identifying areas of responsibility regarding health and safety at work and the main sources of risk, with the objective of establishing procedures, protocols and controls that enable the establishment of an efficient system aimed at achieving high standards of protection, as well as safeguarding the company against any administrative liability.

The adoption of this Model by PM Oil&Steel Spa is aimed at achieving the objective of eliminating and, where this is not possible, reducing the risk of harmful events (accidents and/or occupational diseases) occurring to its workers or third parties.

This objective can be achieved:

- by establishing a structure of functions that ensures the technical expertise and powers necessary for the verification, assessment, management and control of risk, as well as an effective allocation of the duties prescribed by law;
- by ensuring the correct management, fulfilment and recording of the obligations laid down by current legislation on the matter through specific protocols;
- by establishing an effective system to monitor compliance with the formal requirements for the conduct of its business;
- by establishing an effective control system for the supply chain of components necessary for the manufacture of the company's products;
- providing for a system of periodic verification of the application and effectiveness of the protocols adopted and of review of *compliance* with the relevant legislation;
- effectively sanctioning failure to comply with the protocols set out in the model;
- requiring all Addressees to comply with current legislation on the matter, as well as with the management procedures and operational instructions contained in the Company Management System.

GENERAL ENVIRONMENT OF MANAGEMENT AND CONTROL

To ensure the achievement of the set objective, the Company's organisational system must comply with the fundamental requirements of:

- formalisation and clarity;
- communication and publicity;
- separation of roles;
- competence;
- effectiveness;
- effectiveness,

including with regard to the allocation of responsibilities, powers of representation, the definition of reporting lines and operational activities.

The Company must be equipped with organisational tools (organisational charts, organisational communications, protocols, procedures, guidelines, *best practices*, etc.) based on general principles of :

- transparency;
- effectiveness;
- effectiveness;
- clarity and formal definition of roles and functions;
- clarity in the description of reporting lines.

Internal protocols must be characterised by the following elements:

- clarity, unambiguity and conciseness;
- separation, within each process, between the person who initiates the decision, the person who executes and completes it, and the person who monitors it;
- written traceability of each relevant step in the process;
- an appropriate level of formalisation.

PM Oil&Steel Spa, with a view to identifying preventive measures and planning their effective implementation, improvement and monitoring, has adopted protocols based on safety management procedures, instructions and operating procedures contained within the existing Company Management System, as well as on the provisions of Article 30 of Legislative Decree 81/2008.

CODE OF ETHICS OF PM OIL&STEEL SPA

PREAMBLE

This Code of Ethics of PM Oil&Steel Spa sets out the primary corporate values to which the company intends to adhere in its day-to-day operations.

The Code's provisions are set out by outlining the rights, duties and responsibilities of all those who, in any capacity, work at PM Oil&Steel Spa, in relation to all stakeholders, including employees, directors, auditors, consultants, business partners, the Public Administration, public servants, shareholders and, more generally, all parties with a relationship with the company (so-called "Collaborators").

The adoption of the Code reflects a corporate choice, establishing as a guiding principle for PM Oil&Steel Spa the recommendation of high *standards* of professionalism for all its representatives and the prohibition of conduct that conflicts with legislative provisions in general, as well as with the ethical values of sound business practice that PM Oil&Steel Spa promotes.

The Code also forms an integral part of the Organisation, Management and Control Model, as provided for in Article 6 of Legislative Decree 231/2001 on the "Regulation of the administrative liability of legal persons", adopted on 10 April 2019 by the Board of Directors of PM Oil&Steel Spa.

PM Oil&Steel Spa undertakes to disseminate this Code, by whatever means and in whatever manner it deems possible and appropriate, making it known to all those who come into contact with the company.

GENERAL PROVISIONS AND FUNDAMENTAL PRINCIPLES

Art. 1 Principles of high business integrity

In all its commercial dealings with private and public parties, PM Oil&Steel Spa is guided by principles of loyalty, fairness and transparency.

Employees and external collaborators are aware that they are part of a business environment characterised not only by the pursuit of commercial objectives, but also by ethical and moral principles.

Art. 2 The value of a good reputation and fiduciary duties

PM Oil&Steel Spa regards a proven good reputation, in every area of its operations, as a key asset for its business. The cornerstones of this good reputation are active investment flows, customer loyalty, the ability to attract the best talent, the confidence of suppliers, and reliability towards creditors. Internally, it aims to implement decisions inspired by the moral integrity of the working relationships between all staff at every level, as well as to organise work without unjustified or bureaucratic controls involving excessive use of authority.

Art. 3 Applicability and Compliance with the Code of Ethics

The Code of Ethics applies to all staff within PM Oil&Steel Spa, which undertakes to implement specific procedures, regulations or instructions designed to ensure that the values set out in this Code of Ethics are reflected in individual conduct, including specific contractual clauses for consultants, business partners and agents, as well as appropriate disciplinary measures for any breaches of the Code itself.

ETHICAL PRINCIPLES AND GENERAL

Art. 4 Honesty and compliance with the law and the Organisation and Management Model In carrying out their professional activities, PM Oil&Steel Spa employees are required to comply with all applicable laws and regulations, as well as the Code of Ethics and all internal regulations, including the Organisation and Management Model.

Under no circumstances may the pursuit of PM Oil&Steel Spa's interests justify conduct that fails to comply with the principle set out herein.

Art. 5 – Ethical Conduct

Employees and representatives of PM Oil&Steel Spa shall take the utmost care to avoid situations in which parties involved in commercial or contractual transactions find themselves in a conflict of interest, even if only potential, or which may interfere with their ability to make impartial decisions in the company's interest and in full compliance with the provisions of the Code of Ethics.

Furthermore, in order to ensure the utmost transparency of the company's operations and to eliminate any possible suspicion of misconduct on the part of its staff, every employee or representative of PM Oil&Steel Spa must also refrain from deriving personal advantage from the disposal of company assets or from business opportunities, or from deriving benefits or other advantages from situations of which they have become aware in the course of performing their duties.

The company recognises and respects the right of its employees, collaborators and directors to participate in investments, business ventures or other activities outside those carried out in the company's interest, provided that such activities are not prohibited by law or contractual provisions and are compatible with the obligations undertaken as employees, collaborators or directors, in full compliance with this Code of Ethics.

Any situation that may constitute or give rise to a conflict of interest must be promptly reported to one's line manager or internal contact and to the Supervisory Body in accordance with the procedures set out in the Model. In particular, all employees, collaborators and directors of the company are required to avoid conflicts of interest between their personal and family financial activities and the duties they perform within their respective departments.

By way of example, but not limited to, the following situations give rise to conflicts of interest:

- holding senior positions (e.g. managing director, director) or having economic or financial interests in the company's suppliers, customers, competitors or business partners;
- using information acquired in the course of one's work in a way that could create a conflict between one's personal interests and the interests of the company;
- carrying out work of any kind for customers, suppliers, competitors, public bodies, or organisations of public interest; accepting or offering money, favours or benefits from/to individuals or companies that are, or intend to enter into, business relations with the company, or that have contractual relations of various kinds with the company;
- take advantage of one's role and position within the company or use the company's name to gain benefits or other advantages for personal purposes;
- hold public office within bodies that may have dealings with the company, thereby creating the conditions for a potential conflict of interest.

Art. 6 Fair Competition

PM Oil&Steel Spa has confidence in the high quality of its products and in the ability and commitment of its employees and representatives; it recognises the value of free, open and fair competition and refrains from unlawful agreements, unfair practices and any abuse of a dominant position.

Art. 7 Fairness and integrity in contract management

With regard to existing relationships, anyone acting in the name and on behalf of PM Oil&Steel Spa must resolutely refrain from exploiting any contractual loopholes or unforeseen events to renegotiate agreements by taking advantage of the position of dependence and inferiority in which the other party finds itself. The same principle must apply to anyone who, even if only on behalf of, and not in the name of, PM Oil&Steel Spa, finds themselves actually implementing contractual agreements; in such cases too, therefore, any interpretation or implementation of the contract which, by exploiting any contractual loopholes, takes advantage of the position of dependence and inferiority in which the other party finds itself must be avoided.

Art. 8 Value of Human Resources

Employees and Contractors represent a fundamental and irreplaceable asset of PM Oil&Steel Spa, which therefore protects and promotes the value of its human resources with the aim of improving and enhancing their skills. Without prejudice to compliance with the constitutional principles safeguarding the individual and the worker, as well as the provisions of the relevant applicable national and EU legislation and the Organisation and Management Model, it is in the primary interest of PM Oil&Steel Spa to foster the development of each employee's potential and their professional growth through:

- respect, including during the recruitment process, for the personality and dignity of each individual, avoiding the creation of situations in which people may find themselves in uncomfortable circumstances, including in terms of freedom of expression;
- the prevention of discrimination and abuse of any kind, on the grounds of race, religious belief, political or trade union affiliation, language, gender, sexual orientation and disability;
- training appropriate to the role held;
- the prudent, balanced and objective exercise, by those responsible for specific activities, of the powers associated with the authority delegated to them, including those relating to internal disciplinary management;
- the correct and confidential use of personal data.

Art. 9 - Protection of personal integrity

PM Oil&Steel Spa attaches great importance to the physical and moral integrity of its Employees, and Collaborators, to working conditions that respect individual dignity, and to workplaces that must be safe and healthy.

Art. 10 Impartiality

In its dealings with its counterparts, PM Oil&Steel Spa avoids any form of discrimination based on age, gender, sexual orientation, health status, race, nationality, political views or religious beliefs of those with whom it interacts.

Art. 11 Confidentiality and the processing of data and information

PM Oil&Steel Spa guarantees the confidentiality of any information in its possession and refrains from seeking or processing confidential data, except where explicit and informed authorisation has been given or in accordance with applicable legal provisions.

In addition, its Employees and Contractors are required not to use confidential information for purposes unrelated to the performance of their professional duties.

The management of information and documents is carried out in accordance with applicable legislation and internal regulations, including the Organisation and Management Model, and in any case always in such a way as to safeguard and not compromise the value of the company.

Art. 12 Environmental protection

PM Oil&Steel Spa plans its activities by seeking the best balance between economic initiatives and environmental requirements.

PM Oil&Steel Spa is committed to preventing risks to the environment in compliance with current legislation, whilst also taking into account developments in scientific research and best practices in this field.

ND CONDUCT STANDARDS

Art. 13 Towards customers

PM Oil&Steel Spa aims to satisfy its customers by providing them with quality products and services at fair terms and prices, in full compliance with the rules and regulations applicable in the markets in which it operates.

PM Oil&Steel Spa is committed to ensuring that attentiveness, fairness and clarity of communication are distinctive features of its customer relations. In particular, sales staff must conduct themselves in a transparent and impartial manner.

Art. 14 Suppliers

In its procurement policies, PM Oil&Steel Spa aims to source products, materials, works and services on the most advantageous terms in terms of value for money. This objective must be balanced with the need to establish relationships with suppliers that ensure operating practices compatible with respect for human rights, workers' rights, health and safety in the workplace, and the environment.

In any case, the company's employees and, in particular, those responsible for procurement must base their conduct on criteria of transparency and impartiality.

Art. 15 Use of IT or telecommunications tools

The use of IT or telecommunications tools and services provided by the company must take place in full compliance with applicable regulations (particularly regarding cybercrime, IT security, privacy and copyright) and any internal procedures approved and issued by the company, avoiding exposing the company to any form of liability and/or sanction.

Art. 16 Public Administration

In accordance with their respective roles and functions, and in a spirit of full cooperation, PM

Oil&Steel Spa may maintain relations with State administrations, regulatory and supervisory authorities, public bodies, local authorities and administrations, public-law organisations, public works or public service concessionaires, and private entities subject to public law.

In particular, relations with regulatory and supervisory authorities must be based on criteria of maximum transparency and full professionalism, and on recognition of their respective roles and organisational structures, including for the purposes of constructive dialogue aimed at ensuring full compliance with applicable legislation.

Art. 17 Ethical Commitment of the Governing Bodies

The proper and effective application of this Code of Ethics is made possible through the commitment and collaboration of the entire organisation of PM Oil&Steel Spa.

For this reason, every governing body of the company must base its conduct on the ethical principles of this Code and cooperate with the bodies responsible for the implementation and monitoring process, namely:

- the Board of Directors and the Board of Statutory Auditors
- the Supervisory Body provided for in the Organisation and Management Model.

Art. 18 Responsibilities of the Board of Directors

The Board of Directors of PM Oil&Steel Spa, with regard to the Code of Ethics:

- receives the Supervisory Body's periodic work plan and internal audit reports, which shall contain information on the effectiveness, adequacy and status of implementation and compliance with the Code of Ethics and the Model, together with the relevant proposals for revision, supplementation and amendment;
- receives from the Supervisory Body reports of any breaches of the Code of Ethics and the Model, together with a periodic summary report and the suggested sanctions;
- assesses, on a regular basis, the communication and ethics training plans;
- decides on each of the above points, as well as on how to improve the implementation and training arrangements for the Code of Ethics, either directly or, alternatively, by entrusting such assessments and decisions to a specific body which will also be responsible for implementing the decisions taken.

Art. 19 Communication and internal training

Specific communication activities are planned to promote awareness of the Code of Ethics among all employees and internal and external collaborators of PM Oil&Steel Spa.

These activities form an integral part of the institutional internal and external communication plan drawn up by the respective company departments responsible for this and are implemented upon the first publication of the Code of Ethics and on the occasion of all subsequent revisions. To promote a proper understanding of the Code of Ethics by Employees and Collaborators, the Human Resources Department disseminates knowledge of the ethical principles and rules of conduct.

All Collaborators will be made aware of this Code of Ethics.

As with the communication regarding the adoption of the Code of Ethics, training will be repeated on the occasion of significant revisions to the Code and the system associated with it.

Art. 20 Reference

For matters not expressly provided for in this Code of Ethics, reference is made to the contents of the Organisation and Management Model.

In the event of any conflict between this Code of Ethics and the Organisation and Management Model, the latter shall prevail.

San Cesario sul Panaro (MO), 15 December 2023

Approved by the Board of Directors of PM Oil&Steel Spa on 15

December 2023