

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

GENERAL INFORMATION

1. The Company

General information concerning COGNE ACCIAI SPECIALI S.p.A. (herein also referred to as "CAS" or "COGNE" or "Company") is as follow:

Name COGNE ACCIAI SPECIALI S.p.A.
Headquarters AOSTA
Via Paravera no. 16
Local Units Cornaredo (Milan) - Via Pitagora n. 3
Mirano (Fraz. di Ballò di Mirano) Venice - Via Stazione no. 80
C.F. 02187360967
VAT NUMBER 00571320076
REA Number AO - 50474
Share Capital 265,000,000.00
Website www.cogne.com

1.1. Corporate objectives

Cogne Acciai Speciali is one of the leading producers of stainless steel long products in Europe and worldwide. More specifically, the Company's objectives are:

- a) the exercise, under any form, including through the leasing of companies, of the iron and steel, metallurgical and mining industry as well as of complementary, accessory, auxiliary and similar industries; the undertaking of activities in which its products or by-products are used or which concern raw materials, energy or materials necessary for its processing;
- b) the trade in general of all the products of the aforesaid industries and their derivatives, even if manufactured by others
- c) the acquisition and transfer of patents "know how"; the application for and acquisition of government concessions for the performance of its activities
- d) the acquisition of shareholdings and interests in companies or enterprises having objects equal, similar, complementary, accessory, auxiliary or similar to its own, either directly or indirectly, in any form whatsoever, including by contribution of assets in kind
- e) the employment of agencies, representations and mandates, in whatever form, for the improvement of activities, including management, administration and direction of companies or enterprises carrying out the activities listed in points a) and b) above or serving the same, in relation both to the total activity of the mandators and to individual activities of the same
- f) the performance, on a non-prevailing basis, of any industrial, commercial, financial, securities and real estate transaction, aimed at achieving the corporate purposes, including leasing activities; transactions of a financial nature may not be carried out with the public;
- g) The performance of chemical-physical, metallographic, metallurgical and mechanical analyses and controls applied to the iron and steel industry, as well as any complementary and accessory operations.
- h) It should be noted that the company has no recourse to the venture capital market.

1.2. The Governance Model

The CAS management system is traditional , with a Board of Directors of six members. More precisely, the Board has identified from among its members a Chairman, a Vice Chairman, a Managing Director and a Special Prosecutor.

The Board of Directors is vested with all powers of ordinary and extraordinary administration that are not reserved by law to the Shareholders' Meeting and not subject to delegation. The Board of Directors has the non-exclusive power to adopt resolutions concerning: i) mergers in the case provided for in Article 2505-bis, ii) the establishment or closure of secondary offices, iii) the designation of directors to represent the

Company, iv) the reduction of share capital in the case of shareholder withdrawal, v) adjustments to the Articles of Association to comply with regulatory provisions, vi) the transfer of the registered office within Italy, except for those cases where the law provides that the Shareholders' Meeting has mandatory jurisdiction.

The administrative body may appoint a General Manager, proxies and attorneys for certain acts or categories of acts.

The representation of the company is vested in the Chairman of the Board of Directors and the Managing Directors, jointly or severally, as established by the appointment resolution. The power of representation is general, subject to the limitations resulting from the resolutions of appointment.

The Board of Directors, within the limits set forth in Article 2381 of the Italian Civil Code, has delegated part of its powers individually to several Directors, as follows.

The following powers have been attributed to the Chairman, with single and joint signature:

1. convene the Shareholders' Meeting and the Board of Directors, setting the agenda;
2. to ensure that adequate information on the items on the agenda is provided to all Board Members
3. preside over the Shareholders' Meeting and the Board of Directors and co-ordinate their work;
4. supervise the correct recording of the Board of Directors' meetings and sign, together with the Secretary, the minutes;
5. to represent the Company in institutional relations with States, Ministries, Regions, Provinces, Municipalities, Public Authorities, Administrations, Institutions and Italian, foreign, international and supranational entities;
6. to represent the Company, also abroad, in institutional relations with financial, banking and insurance institutions, Foundations, companies, Consortia and Associations ;
7. to delegate, also on a permanent basis, a Director to call the Board of Directors' meetings and set the agenda.

The Chief Executive Officer has been delegated the following powers, with single and separate signature:

1. to represent the Company in Italy and abroad towards States, Ministries, Regions, Provinces, Municipalities, Public Authorities, Administrations, Institutions and Italian, foreign, international and supranational Bodies, as well as towards Associations, Consortia, companies, Foundations and individuals within the scope of and for the exercise of the powers conferred;
2. to represent the Company, also abroad, towards financial, banking, insurance institutions, Foundations, companies, Consortia and Associations within the scope and for the exercise of the powers conferred;
3. to represent the Company in Shareholders' Meetings and Boards of Companies, Associations, Consortia and other entities in which the Company has shareholdings;
4. perform at customs offices, UTIF offices, at FFSS offices, at transport companies in general and at PPTT offices any operation of shipment, release and withdrawal of goods, valuables, parcels, effects, letters, including registered and insured letters;
5. to negotiate, supervise, manage the establishment of companies, consortia, groups of companies, joint ventures, temporary associations of companies;
6. supervise the management of companies, consortia, associations, groupings or other forms of association, in which the company has shareholdings, representing the company in the relative assemblies, boards and/or informal meetings, or conferring on third parties, including those unrelated to the company, the relative powers and taking care of the direction, control and coordination of their activities;
7. sign deeds and transactions, as well as declarations, relating to requests for news, information and documents, requests for certificates and attestations to public bodies, requests for clarifications and reminders relating to offers from suppliers;
8. sign, within the scope of the powers conferred, correspondence and deeds of the company;

9. purchasing, selling, signing, exchanging, modifying, terminating, assigning and acquiring by assignment, sale and purchase agreements, finance leases and/or licences relating to movable assets, also registered, industrial and intellectual property rights covered and not covered by patents, including, purely by way of example, know how, industrial processes, engineering projects and in general, determining the relative economic and other conditions of the relative contracts, up to a maximum amount of euro 5,000,000.00 per individual transaction;
10. negotiate, stipulate, amend, terminate and cancel contracts for the purchase of materials and goods of any nature pertaining to the company's production, including raw materials, and components necessary for plant maintenance, up to a maximum value of 5,000,000.00 euro per individual contract for consideration in the case of annual or multi-year contracts, excluding the purchase of real estate;
11. negotiating, entering into, renewing, amending, terminating, and terminating contracts or agreements for the supply of utilities with public entities and/or private companies, up to a maximum amount of €5,000,000.00 per individual contract and/or single annuity of consideration in the case of multi-year contracts;
12. negotiating, entering into, renewing, amending, terminating and terminating tender, supply and performance contracts and service contracts, up to a maximum amount of €5,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts
13. negotiate, enter into, amend, terminate and cancel any other contract pertaining to the Company's business, where not included in the foregoing points and provided that it is within the scope of the Company's ordinary operations, with single and separate signature up to a maximum amount (in terms of expenditure commitment or economic exposure) of euro 5,000,000 in the aggregate per individual contract;
14. to appoint and revoke proxies and attorneys, granting them powers within the limits of the powers granted;
15. to issue all deeds and declarations, assuming all relative commitments necessary to sign reports of ascertainment and progress of works, to accept and contradict disputes and/or contest any defaults, and to proceed with settlements with suppliers and contractors;
16. negotiate, enter into, renew, amend, terminate and revoke agency mandates, with representation and without time limitation, and mediation, commission and/or business procurement contracts, up to a maximum amount of Euro 2,000,000.00 per individual contract and/or single annuities of consideration in the case of multi-year contracts ;
17. represent the company before any ordinary and special, national and regional Judicial Authority in any state and at any level, in all proceedings, both active and passive, with the power to institute, conciliate, settle individual disputes, renounce and/or accept waivers of both the action and the deeds of judgement, and to answer free and formal interrogation on the facts of the case, with the power to be substituted, limited to individual judgements, by its special attorneys, for the execution of the powers conferred;
18. to appoint lawyers and attorneys for litigation in any proceedings, including executive proceedings, at any stage and level, before ordinary and special, national and regional Judicial Authorities, to appoint lawyers and attorneys for the constitution of a civil party in criminal proceedings in relation to the disputes referred to in the preceding point;
19. have protests or injunctions issued, proceed with conservative and executive acts, intervene in bankruptcy proceedings, file claims in bankruptcies, demand partial and final distributions, intervene in composition agreements;
20. represent the Company in dealings with financial, tax, customs and tax authorities, sign, present appeals and pleadings before any tax and administrative authority, including tax litigation bodies, reach agreements and settlements by appearing before revenue offices, VAT offices, direct tax district offices, the tax authorities and any other customs or tax authority or tax collector;

21. to allow subrogations, postponements, cancellations, annotations of mortgages, privileges, to waive legal mortgages, to settle and compromise in arbitrations, also amicable, composite in cases not forbidden by law, for a maximum amount equal to euro 2,000,000.00 per individual transaction;
22. constitute, amend and extinguish easements, both active and passive, and grant the use of premises for connection to public supply networks and/or for technical installations
23. to execute, with public administrations, bodies and public offices and any appointed body, all acts and operations necessary to obtain concessions, licenses and authorising deeds in general, to enter into and sign specifications, conventions, deeds of submission or any other preparatory deed to the foregoing, and to fulfil all related obligations
24. negotiate, enter into, renew, cancel, amend and terminate any contract instrumental to the performance of the activity where not included in the preceding points, including insurance contracts, advertising contracts, service concessions in general, collaboration, leases with a duration of no more than nine years, subletting, renting, loan for use and processing up to a maximum amount of Euro 5,000,000.00 per individual contract and/or for single annuities in the case of multi-year contracts;
25. negotiate, stipulate, renew, cancel, amend and terminate legal, tax, fiscal and technical consultancy contracts up to a maximum amount of Euro 1,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
26. sell finished, semi-finished and finished products manufactured by the Company as part of its ordinary business activities up to a maximum amount of € 5,000,000.00 per individual contract and/or for single annuities of consideration in the case of multi-year contracts;
27. sell machinery and equipment owned by the company and raw materials used in production up to a maximum amount of € 1,000,000.00 per individual contract and/or for single annuities of consideration in the case of multi-year contracts;
28. sell various materials and equipment owned by the company up to a maximum amount of euro 500,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
29. purchase, sell and exchange motor vehicles, determining the economic and other conditions of the relative contracts, up to a maximum amount of euro 2,000,000.00 per individual transaction, signing the relative contract orders and documents, as well as performing all the acts necessary to register the same in the name of the Company and make any other corresponding registration in the public vehicle register;
30. negotiate, stipulate, amend, cancel and terminate any lease and financial leasing contract, up to a maximum amount of Euro 5,000,000.00 per individual contract and/or for individual annuities in the case of multi-year contracts;
31. to issue secured guarantees and letters of patronage, in the interest of the Company or subsidiary or associated companies, and/or to waive said guarantees issued by third parties up to a maximum amount of Euro 2,000,000.00 per individual transaction;
32. carry out financial transactions on derivatives to hedge interest rate and/or exchange rate risks up to a maximum amount of Euro 5,000,000.00 per individual contract;
33. grant intra-group loans to wholly-owned subsidiaries of the Company, up to a maximum amount of Euro 2,000,000.00 per individual transaction;
34. make any transaction with the public debt administration or with any Deposits and Loan Funds for the pledging and release of securities or valuables up to a maximum unit amount of euro 5,000,000.00 per individual transaction;
35. open and close bank and postal current accounts, collect sums of money, collect debts, withdraw valuables from anyone and for any reason whatsoever due to the Company, receive and withdraw deposits of sums of money, securities, both registered and bearer, and valuables as security,

- guarantee, custody, or in administration, issuing and receiving releases and receipts, within the limits of the Company's short-term credit;
36. to assign credits (either without recourse or with recourse), of any kind, including trade receivables, without limitation of amounts;
 37. endorse, negotiate and collect cheques, cheques, postal, telegraphic and bank money orders, and any other commercial security or effect, issued in favour of the Company, for any reason whatsoever, including bills of exchange (drafts and promissory notes), signing the relative documents and endorsements and issuing the necessary receipts;
 38. make security deposits as well as collect them in repayment, issuing receipts ;
 39. to make security deposits as well as to collect them in repayment and issue receipts ;
 40. to demand and collect any sum due to the Company and issue receipts;
 41. to draw drafts for the collection of debts and to discount the portfolio of the Company by signing the necessary endorsements;
 42. to carry out transfer operations on the accounts in the name of the Company without limit of amounts;
 43. perform, with respect to the Public Administrations in charge of town planning, building, hygiene and health, public safety, as well as with respect to the bodies that provide public supplies and services (gas, water, electricity, waste collection) and the technical, tax, land and urban cadastre, state property and Revenue offices, all acts, operations and formalities, issuing all appropriate declarations;
 44. requesting and withdrawing concessions and authorisations, also in derogation, licences, permits, nullaosta- (authorisation) certifications and authorising acts in general, issuing all declarations, assuming all commitments and signing all necessary deeds and documents;
 45. provide for the payment of taxes and duties owed by the Company without limitation of amounts;
 46. to sign declarations, certifications and reports required by tax and fiscal regulations;
 47. to receive and withdraw public and/or community contributions, to accept the inherent conditions, to sign the necessary documents, issuing and receiving releases and receipts without limit of amounts;
 48. sign communications to chambers of commerce, company registers, stock exchanges, ministries and other public and private bodies and offices, concerning obligations imposed on the Company by laws or regulations;
 49. administer personnel, also from a disciplinary point of view, with express power to represent the Company before labour inspectorates, trade unions, social security, welfare, insurance, accident and other entities;
 50. make the banking arrangements necessary to pay salaries and other amounts due (e.g. social security and insurance contributions, etc.) in respect of the Company's personnel;
 51. settle and reconcile disputes relating to employment relationships with non-management personnel
 52. carry out everything required by trade unions, insurance, social security, mutual insurance and accident insurance provisions and regulations;
 53. hiring, transferring, suspending, dismissing and reinstating non-managerial personnel and fixing and amending their conditions, duties, qualifications, categories and grades, as well as determining their remuneration, compensation, awards, bonuses and gratuities.

The Deputy Chairman is granted the power to coordinate and supervise the management and development of the Company's current foreign production subsidiaries.

The Board member, who has been appointed General Manager, has been granted the powers, with single and separate signature, detailed below:

1. represent the Company in Italy and abroad within the limits and for the exercise of the powers conferred;

2. represent the company, nationally and abroad, in dealings with financial, banking and insurance institutions, foundations, companies, consortia and associations within the scope and for the exercise of the powers conferred;
3. represent the company in meetings and councils of companies, associations, consortia and other entities in which the company has holdings;
4. perform company tasks at customs offices, Revenue offices, at FFSS (State Railways) , at transport companies in general and at PPTT (Postal Offices) any operation of dispatch, release and collection of goods, valuables, parcels, effects, letters, including registered and insured letters;
5. negotiate, supervise manage the establishment of companies, consortia, groups of companies, joint ventures, temporary associations of companies;
6. oversee the management of companies, consortia, associations, groupings or other forms of association, in which the company has shareholdings, representing the company in the relative board and/or informal meetings, or conferring on third parties, including those extraneous to the company, the relative powers and taking care of the direction, control and coordination of their activities;
7. signing deeds and transactions, as well as declarations, relating to requests for news, information and documents, requests for certificates and attestations to public bodies, requests for clarifications and reminders relating to supplier offers;
8. sign, within the scope and limits of the powers conferred, correspondence and deeds of the company;
9. purchase, sell, sign, exchange, modify, terminate, assign and acquire by assignment, sale and purchase agreements, finance leases and/or licences relating to movable property, even if registered, industrial and intellectual property rights covered and not covered by patents, including, purely by way of example, know how, industrial processes, engineering projects and in general, determining the relative economic and other conditions of the relative contracts, up to a maximum amount of euro 5,000,000.00 per individual transaction;
10. negotiate, stipulate, amend, resolve and terminating contracts for the purchase of materials and goods of any nature pertaining to company production, including raw materials, and components necessary for plant maintenance, up to a maximum value of Euro 5,000,000.00 per individual contract for consideration in the case of annual or multi-year contracts, excluding the purchase of real estate;
11. negotiate, stipulate, renew, amend, resolve and terminate contracts or agreements for the supply of utilities with public entities and/or private companies, up to a maximum amount of €5,000,000.00 per individual contract and/or individual annuities of consideration in the case of multi-year contracts;
12. negotiate, stipulate, renew, amend, cancel and terminate with any company or private law entity tender, supply and performance of works and services contracts, up to a maximum amount equal to €5,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
13. negotiate, stipulate, amend, terminate and resolve with any company or private law entity any other contract pertaining to the Company's business, where not included in the foregoing points and provided that it is within the scope of the Company's ordinary management, with single and separate signature up to a maximum amount (in terms of expenditure commitment or economic exposure) of €5,000,000 in the aggregate per individual contract;
14. appoint and revoke proxies and attorneys, granting them powers within the limits of the powers attributed to the same;
15. issue all deeds and declarations, assuming all relative commitments, necessary to sign reports of ascertainment and progress of works, accept and contradict disputes and/or contest any defaults and proceed to settlements with suppliers and contractors;

16. negotiate, stipulate, renew, amend, terminate and revoke agency mandates, with representation and without time limitation, and mediation, commission and/or business procurement contracts, up to a maximum amount of Euro 2,000,000.00 per individual contract and/or single annuities of consideration in the case of multi-year contracts;
17. negotiate, stipulate, renew, amend, resolve and terminate monetary credit lines (self-liquidating) deposits, import and other similar forms, up to a maximum amount of Euro 55,000,000 per credit institution;
18. negotiate, stipulate, renew, amend, resolve and terminate signature lines in the form of surety bonds, foreign exchange, interest rate and commodities hedging lines and other similar forms, up to a maximum amount of Euro 20,000,000, per individual line for each credit institution;
19. represent the company before any ordinary and special, national and regional judicial authority, at any stage and level, in all proceedings, both active and passive, with the power to institute, conciliate, settle individual disputes, renounce and/or accept waivers of both the action and the deeds of judgement, and to answer free and formal interrogatories on the facts of the case, with the power to be substituted, limited to individual judgements, by its special attorneys, for the execution of the powers conferred upon it;
20. appoint lawyers and attorneys to litigate in any proceedings, including executive proceedings, at any stage and level, before ordinary and special, national and regional judicial authorities, appointing lawyers and attorneys to act as civil plaintiffs in criminal proceedings in relation to the disputes referred to in the preceding point;
21. issue protests or injunctions, proceed with conservative and executive acts, intervene in bankruptcy proceedings, file claims in bankruptcies, demand partial and final distributions, intervene in preventive agreements;
22. represent the company in dealings with financial, tax, customs and tax authorities, sign, present appeals and pleadings before any tax and administrative authority, including tax litigation bodies, reach agreements and settlements by appearing before tax offices, VAT offices, direct tax district offices, the tax authorities and any other tax, customs or other taxing office or body;
23. consent subrogations, postponements, cancellations, annotations of mortgages, privileges, waiving of legal mortgages, settling and compromising in arbitrations, including amicable, composite arbitrations in cases not prohibited by law, for a maximum amount of Euro 2,000,000.00 per individual transaction;
24. constitute, modify, and extinguish active and passive easements, as well as granting the use of premises for connection to public supply networks and/or for technical installations;
25. perform, with local government, bodies and public offices and any appointed body, all acts and operations necessary to obtain concessions, licences and authorising deeds in general, to enter into and sign specifications, conventions, deeds of submission or any other preparatory deed to the foregoing, and to fulfil all related obligations;
26. negotiate, stipulate, renew, cancel, amend and terminate with any company or entity governed by private law any contract instrumental to the performance of the activity where not included in the preceding points, including insurance contracts, advertising contracts, service concessions in general, collaboration, leases of a duration not exceeding nine years, subletting, renting, right of use, deposit, loan for use and processing up to a maximum amount of Euro 5,000,000.00 per individual contract and/or for individual annuities in the case of contracts with a duration of several years;
27. negotiate, stipulate, renew, cancel, amend and terminate legal, tax, fiscal and technical consultancy contracts up to a maximum amount of Euro 1,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
28. sell finished, semi-finished and finished products manufactured by the company in the course of its ordinary business activity, up to a maximum amount of Euro 5,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;

29. sell machinery and plant owned by the company and raw materials used in production up to a maximum amount of Euro 1,000,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
30. sell various materials and equipment owned by the company up to a maximum amount of Euro 500,000.00 per individual contract and/or per single annuity of consideration in the case of multi-year contracts;
31. Buying, selling and exchanging motor vehicles, determining the economic and other conditions of the relative contracts, up to a maximum amount of Euro 2,000,000.00 per individual transaction, sign the relative orders, contracts and documents, as well as performing all acts necessary to register the same in the name of the company and make all other corresponding registrations in the public motor vehicle register;
32. negotiate, stipulate, amend, terminate, and resolve with any company or subject of private law any lease and financial leasing contract, up to a maximum amount of Euro 5,000,000.00 per individual contract and/or for single annuities of consideration in the case of contracts with a duration of several years;
33. issue secured guarantees and letters of patronage, in the interest of the company or subsidiary or associated companies, and/or to waive such guarantees issued by third parties, up to a maximum amount of Euro 2,000,000.00 per individual transaction;
34. perform financial transactions on derivatives to hedge interest rate and/or exchange rate risks up to a maximum amount of Euro 5,000,000.00 per individual contract;
35. grant intra-group loans to the Company's wholly-owned subsidiaries, up to a maximum amount of Euro 2,000,000.00 per individual transaction;
36. make any transaction with banks and/or financial institutions for pledging and releasing securities or valuables up to a maximum unit amount of euro 5,000,000.00 per individual transaction;
37. Open and close bank and postal current accounts, collect sums of money, collect debts, withdraw sums of money from anyone for any reason whatsoever due to the company, receive and withdraw deposits of sums of money, securities, both registered and bearer, and securities as security, guarantee, custody, or administration, issuing and receiving releases and receipts, within the limits of the company's short-term credit lines;
38. assign receivables (both without and with recourse), of any kind, including trade receivables, without limit of amount;
39. endorse, negotiate and collect cheques, cheques, postal, telegraphic and bank money orders, and any other commercial instruments or bills of exchange, issued in favour of the company, for whatever reason, including bills of exchange (drafts and promissory notes), signing the related documents and endorsements and issuing the necessary receipts;
40. make security deposits as well as collecting them in repayment and issuing receipts;
41. demand and collect any sum due to the Company and to issue receipts;
42. draw drafts for the collection of debts and to discount the portfolio of the company by signing the necessary endorsements;
43. effect fundraiser transfers to the accounts in the name of the company without limit of amount;
44. perform, with respect to the local government in charge of town planning, construction, hygiene and health, public safety, as well as with respect to the entities providing public supplies and services (gas, water, electricity, refuse collection) and the technical, tax, land and urban cadastre, state property and Revenue offices, all acts, operations and formalities, issuing all appropriate declarations;
45. request and withdraw concessions and authorisations, also in derogation, licences, permits, nullaosta, certifications and authorising acts in general, issuing all appropriate declarations, assuming all commitments and signing all necessary deeds and documentation;
46. provide for the payment of taxes and duties owed by the company without limitation of amount;
47. sign declarations, certifications, and reports required by tax and fiscal regulations;

48. sign notifications to chambers of commerce, company registers, stock exchanges, ministries and other public and private bodies and offices, concerning obligations imposed on the company by laws or regulations;
49. administer the personnel, also from a disciplinary point of view, with the express power to represent the company before labour inspectorates, trade unions, social security, welfare, insurance, accident and other entities;
50. make the banking arrangements necessary to pay salaries and other amounts due (e.g. social security and insurance contributions, etc.) to the company's personnel;
51. settle and reconcile disputes in respect of employment relationships with non-managerial staff;
52. comply with all requirements of trade union, insurance, social security, mutual insurance and accident insurance provisions and regulations;
53. hire, transfer, suspend, dismiss and reinstate non-managerial staff, set and modify conditions, duties, qualifications, categories and grades, as well as determine remuneration, compensation, awards, bonuses and gratuities.

In addition, the General Manager is exclusively vested with the powers and duties of the employer pursuant to Article 2 of Legislative Decree 81/2008, of the principal pursuant to Legislative Decree 81/2008, as well as of the legal representative and manager in environmental matters and pursuant to the regulations on major accident hazards, also confirming the attribution of all the broadest powers (including without limitation the power of expenditure), necessary to implement the regulations on health and safety in the workplace, environment and protection of the external environment and territory, as well as the duties provided for by the regulations on major accident hazards. It is anticipated that, as better specified in the following paragraph, the General Manager has delegated part of the above-mentioned powers, pursuant to Article 16 of Legislative Decree 81/2008, to certain persons within the company.

In addition, a Board Member has been constituted as Special Attorney, so that in the name, behalf and interest of the Company he may perform the following transactions:

1. sell finished products, semi-finished and finished products owned by the Company up to a maximum amount of Euro 3,000,000 (three million) per individual contract and/or for single annuities of consideration in the case of multi-year contracts;
2. sign the Company's correspondence, excluding correspondence involving the acknowledgement or amendment of commitments;
3. sign confirmations of orders to be sent to customers;
4. sign documents and correspondence concerning the application and/or execution of the regulations issued by the competent bodies of the European Union, as well as to sign documents and correspondence concerning the application and/or execution of the agreements stipulated by the steel producers in the Community, within the framework of the associations set up for this purpose by the same;
5. sign applications for export licences in the context of the agreements concluded by the competent bodies of the European Union with third countries, concerning trade in steel products, with the obligation to have the signature preceded by a stamp or other wording bearing the name of the company.

At the time of the adoption of the last update of the Model, the control body is the Board of Statutory Auditors, composed of five auditors, three of whom are regular auditors and two alternates, who all meet the necessary legal requirements. The causes of ineligibility, disqualification, incompatibility, as well as the appointment, termination and replacement of auditors are regulated by law.

The accounts are audited by an Auditing Company, whose appointment is conferred by the Shareholders' Meeting.

1.3. Organisational structure and system of delegated powers

The organisational structure concerns the areas into which corporate activities are divided through the precise identification of the functions in charge and the relations between the various sectors.

In order to make the role and responsibilities of each individual within the company's decision-making process immediately clear, CAS has drawn up a chart outlining its organisational structure.

The Organigram specifies in particular:

- the areas into which the company's activities are divided;
- company hierarchy.

The organisational chart is officially communicated to all Company personnel by means of special organisational notices and is updated according to the changes that have actually occurred in the organisational structure.

The first-level Organigram can be summarised as follows.

The CEO (Chief Executive Officer) supervises the General Manager (General Manager), to whom the following Departments report:

- Quality and Innovation Quality and Innovation Direction, headed by a Manager who has been granted the appropriate power of attorney;
- Industrial (Industrial Direction): headed by a Manager who has been granted the appropriate power of attorney;
- Commercial & Marketing (Chief Sales Officer): headed by a manager who has been granted the appropriate power of attorney;
- Purchasing and Warehousing (Purchasing & Procurement Direction): headed by a manager who has been granted the appropriate power of attorney;
- Administration, Finance and Control (Administration, Finance and Control Direction): headed by a manager who has been granted power of attorney;
- Human Resources and Communications (Human Resources and Academy Direction): headed by a manager who has been granted the appropriate power of attorney;
- Information and Communication Technology.

The following also report to the General Manager: i) Sustainability and Corporate Affairs, ii) Management Assistant, iii) Lean, iv) Public Relations.

Various corporate functions, as detailed in the Organigram (Annex I), depend on the aforementioned Departments.

N.B. the main powers of the corporate Departments and Functions are indicated in the Document "Map of COGNE ACCIAI SPECIALI processes".

For a description of the powers conferred on the Company's proxies, reference should be made to the powers of attorney listed in the Company's Chamber of Commerce. With regard to the powers of attorney in the field of workplace safety and environmental protection, herein, it is anticipated that the Director who holds the role of General Manager - in their capacity as employer pursuant to Article 2 of Legislative Decree 81/2008, principal pursuant to Legislative Decree 81/2008, as well as legal representative and manager in the field of environmental protection and pursuant to the regulations on major accident hazards - has conferred two powers of attorney, pursuant to Article 16 of Legislative Decree 81/2008, by means of special power of attorney. In particular, one delegation of authority was conferred on the Manager of the Aosta Plant, who was assigned the powers and duties of the employer that can also be delegated on the subject of major accidents for the Aosta site, who, in turn, conferred sub-delegations, pursuant to Article 16, paragraph 3-bis of Legislative Decree 81/2008, to the safety managers in charge of the various corporate areas; the second delegation was conferred on the Manager of the Italian Distribution Service Centre, who was assigned the powers and duties of the Employer that can be delegated, pursuant to Article 16 of Legislative Decree 81/2008 with regard to the Cornaredo and Mirano sites.

1.4. Management Systems

In order to pursue corporate objectives and create a solid and efficient organisational structure, CAS has adopted specific Management Systems for Quality, Health, Environment - in compliance with ISO 14001:2015, ISO 45001:2018 and ISO 9001:2015 standards.

The various systems coexist and have been designed by optimising processes and providing common objectives, with a view to achieving total quality.

Via the various management systems, the Company intends to

- guarantee the quality of its products, processes and organisation in order to satisfy customer requirements;
- ensure compliance with the Quality, Health, Environment, Occupational Safety and Major Accidents Prevention Policy;
- establish continuous improvement objectives taking into account what is prescribed in the Quality, Health, Environment, Occupational Safety and Major Accidents Prevention Policy;
- monitor processes and activities that may generate impacts related to Quality, Health, Environment, Occupational Safety and Major Accident Prevention;
- apply, maintain and improve its performance to continuously increase customer satisfaction.

In addition, special certifications have been obtained for the production of bars and semi-finished products, stainless steels, hot-rolled bars and forged bars, as well as for the specific sectors of Automotive, Oil & Gas, Aerospace, Civil Construction and Shipbuilding.

All certifications, product approvals and accreditations obtained by the Company are indicated on the Company's website.

1.5. I.T. System

Of the various elements that make up the control environment, the I.T. System plays a significant role.

The I.T. System used by CAS is of the traditional type based on a client - server architecture, managed centrally by the System Administrators.

In order to guarantee the security of the IT system, the Company has adopted appropriate security measures and specific procedures.

It should be noted that, as part of the process of adapting to the provisions of the European Data Protection Regulation (GDPR), the Company has implemented the Information System increased IT security standards to protect data, through the adoption of cutting-edge technological measures, which guarantee constant verification of their confidentiality, integrity and availability.

1.6. Inter-group relations

Cogne Acciai Speciali S.p.A. controls 100% of the Group Companies located abroad.

In particular, the following production and distribution companies: i) Cogne México, S.A. de C.V (Mexico), ii) Cogne Stainless Bars S.A (Switzerland), iii) Dong Guan Cogne Steel Products Co Ltd (China).

In addition, the Company has also opened distribution centres in China, Korea, France, Germany, the UK, Switzerland, Brazil, Mexico, Turkey and the U.S.A. CAS wholly owns the following distribution companies: i) Cogne France SA, ii) Cogne Speciality Steel USA Inc, iii) Cogne UK Ltd, iv) Cogne Celik Sany Ve Ticaret, v) Cogne Edelstahl GmbH, vi) Metalinox Acos and Metals Ltd, vii) _Cogne SG Pte. Ltd, viii) Cogne Hong Kong Ltd.

It should be noted that CAS provides IT services to the following Group Companies: i). Cogne Edelstahl GmbH, ii) Cogne France SA, iii) Cogne UK Ltd, iv) Cogne Stainless Bars S.A, v) Cogne Speciality Steel USA Inc, vi) Dong Guan Cogne Steel Products Co Ltd.

1.7. The Code of Ethics

CAS has adopted its own Code of Ethics which forms an integral part of the Model (Appendix II).

The Code of Ethics expresses the ethical commitments and responsibilities in the conduct of company business and activities undertaken by employees, collaborators in various capacities, or members of corporate bodies of CAS.

Its principles constitute a useful interpretative reference in the concrete application of the Model in relation to company dynamics.

The Model responds to the need to prevent, as far as possible, the commission of the offences set out in Legislative Decree 231/2001 through the provision of specific rules of conduct.

From this emerges the difference with the Code of Ethics, which is an instrument of general scope, aimed at promoting a 'company deontology' but lacking a specific procedural framework. Indeed, the effectiveness of the internal control system depends on the integrity and ethical values of the people working in the organisation and certainly of those who administer and monitor the controls. However, it is necessary to achieve a close integration between the Organisational Model and the Code of Ethics in order to form a body of internal rules aimed at fostering a culture of ethics and corporate transparency.

The Code of Ethics is therefore binding regarding addressees.

2. The Organisation, Management and Control Model

Regarding indications provided by Legislative Decree 231/01, (see Annex III - Document summarising regulatory principles) CAS has deemed it compliant with its corporate policy to proceed with the implementation of the Organisation, Management and Control Model (hereinafter referred to as the "Model" or "Organisational Model") as of 20 December 2005.

Over the years, the Model has been subject to numerous updates, on the one hand, taking into account the legislative provisions on the subject of Legislative Decree 231/2001 issued from time to time and, on the other, by virtue of changes to the company's organisation. In particular, updates to the Model were adopted with the following board resolutions: 17 December 2007, 24 June 2010, 20 December 2011, 14 October 2013, 9 September 2014, 30 March 2016, 26 February 2018, 17 December 2018, 25 March 2019 and 22 October 2020.

It should be noted that the update of the Model adopted by resolution of the Board of Directors of 12 October 2020 entailed a general review of all the documents of the Model and the risk assessment in order to verify the topicality of what was already envisaged and, on the other hand, to assess the impact, for the purposes of Legislative Decree no. 231/2001, of the organisational changes and new regulations introduced up to Legislative Decree no. 75/2020.

Subsequently, this Model, was updated regarding changes that have taken place at the governance level, and was adopted with a Board resolution of 22 March 2021.

The current Model, which constitutes the latest update, was adopted by the Board of Directors on 22 November 2022, in order to incorporate, on the one hand, certain corporate organisational changes, and, on the other hand, the following legislative changes with regard to Legislative Decree 231/2001

- i. Legislative Decree 184/2021 - in implementation of Directive (EU) 2019/713 on "combating fraud and counterfeiting of non-cash means of payment" - which introduced into Legislative Decree 231/2001 the new Article 25-octies.1 entitled "Crimes relating to non-cash means of payment";
- ii. Legislative Decree 195/2021 - implementing Directive (EU) 2018/1673 on "combating money laundering by means of criminal law" - which provided for amendments to the offences referred to in Article 25-octies of Legislative Decree. Legislative Decree 231/2001, i.e. receiving stolen goods (Article 648 of the Criminal Code), money laundering (Article 648-bis of the Criminal Code), use of money, goods or other benefits of unlawful origin (Article 648-ter of the Criminal Code) and self-money laundering (Article 648-ter 1 of the Criminal Code);
- iii. Law 238/2021 "Provisions for the fulfilment of obligations deriving from Italy's membership of the European Union - European Law 2019-2020", which provided for the amendment of certain offences included in Legislative Decree 231/2001, in particular: i) computer crimes under Article 24 bis, ii) offences against the individual under Article 25 quinquies and iii) market abuse offences under Article 25 sexies;
- iv. Law 22/2022 "Provisions on offences against the cultural heritage", which included in Legislative Decree 231/2001 Article 25-septiesdecies "Crimes against the cultural heritage" and Article 25-

- duodevicies "Laundering of cultural assets and devastation and looting of cultural and landscape assets"
- v. Decree Law 4/2022 - converted, with amendments, into Law 25/2022 - which amended certain offences in relations with the Public Administration referred to in Article 24 of Legislative Decree 231/2001;
 - vi. Legislative Decree 156/2022, 'Corrective and supplementary provisions to Legislative Decree No. 75 of 14 July 2020, implementing Directive (EU) 2017/1371 on combating fraud affecting the financial interests of the Union by means of criminal law', which made certain amendments in relation to tax offences and in relations with the Local Government.

With the updating of the Model, a general review of the risk assessment was also carried out, which covered the new incriminatory provisions, organisational changes and what was already provided for in the Model.

CAS affirms that the adoption of the Model constitutes, together with the codification of precise rules of conduct, an effective tool to raise awareness among all those who work in the interest of the Company, so that in the performance of their activities they are induced to conduct themselves in an ethical manner and in line with the rules and procedures contained in the Model.

The purpose of the Model is therefore to establish a structured and organic system of prevention, deterrence and control, aimed at reducing the risk of offences being committed by identifying sensitive activities and their consequent regulation.

The Organisational Model is "an act of issuance by the management body", pursuant to art. 6 co. 1 lett. a) of Legislative Decree 231/2001, and, therefore, the competence for any amendments and additions to the Model itself is the prerogative of the CAS Board of Directors.

In particular, it will be necessary to amend and supplement the Model in the event of particular circumstances such as, by way of example but not limited to, legislative interventions included in legislative decree 231/01, new offenses of interest to the Company, significant changes to the corporate structure, the involvement of the Company in proceedings relating to the ascertainment of its responsibility, and the revision of the procedures referred to in the Model.

The Supervisory Board, in cooperation with any functions concerned, may propose to the Board of Directors any amendments or additions to the Model that may be deemed appropriate as a result of the performance of its functions.

Amendments of a non-substantial nature will be communicated to the Board of Directors on an annual basis and ratified by the latter.

2.1. Aims and objectives

The adoption of the Model for CAS is not only a way to benefit from the exemption provided for in Decree 231, but also a tool to improve its own system for managing and controlling activity.

Furthermore, thanks to the identification of "sensitive processes" consisting of the activities most at "risk of offence" and their consequent proceduralization, the Company aims to

- make all those who work in the interest of the Company fully aware that unlawful behaviour is strongly condemned and contrary to the interests of CAS, even when it could apparently benefit from it, since it is behaviour contrary to the ethical-social principles of the same as well as the provisions of the law;
- make these individuals aware that in the event of violation of the provisions contained in this document, they may incur an offence liable to penal and administrative sanctions;
- determine full awareness that unlawful conduct may also entail administrative sanctions against the Company;
- enable the Company, through constant monitoring of sensitive processes and thus of the risks of offences, corporate crime, being committed, to react promptly in order to prevent and counteract the commission of such offences.

2.2. Relevant parties

The following are relevant parties of the Model, with the consequent commitment to constant compliance therewith:

1. members of the Board of Directors, the Statutory Auditors and the Auditors;
2. managers and employees
3. agents and consultants of CAS, if they operate in the so-called sensitive areas of activity
4. suppliers and business partners within the limits and in the manner described in paragraph 3.3 below.

2.3. Preliminary activity for the creation of the Organisational Model

The elements that must characterise an Organisational Model, in order to be effective according to the provisions of Legislative Decree 231/01, are effectiveness and adequacy.

Effectiveness is achieved through the proper adoption and application of the Model, also through the activity of the Supervisory Board, which operates in the verification and monitoring actions and, therefore, assesses the consistency between the concrete conduct and the established Model.

Adequacy, on the other hand, depends on the suitability, in concrete terms, of the Model to prevent the offences contemplated in the decree.

Thus it is guaranteed by preventive and corrective control mechanisms, so as to identify those operations or 'sensitive processes' that possess anomalous characteristics.

Therefore, the preparation of the Model, as well as its updating, required a series of activities aimed at building and verifying a risk prevention and management system, in line with the provisions of Legislative Decree 231/2001.

Therefore, the following have been analysed and re-evaluated on the occasion of updates to the Model

- the Governance Model
- the Chamber of Commerce certificate;
- the Statute;
- the company organisational chart;
- the organisational structure and the system of delegated powers;
- the corporate procedures adopted;
- the management systems;
- intra-group relations;
- the IT system;
- the Environment, Safety and Quality management systems.

Once the above-mentioned elements had been assessed, the entire CAS activity was analysed in order to identify, among the 'predicate offences' provided for by Decree 231, those that, albeit hypothetically and abstractly, may occur.

This activity was performed regarding the documents concerning the aspects listed above and also via interviews with the Company's top management.

Assessment in question cannot be based solely on the concept of 'acceptable risk' as normally understood in the economic-corporate context.

From an economic standpoint, the risk is considered 'acceptable' when the additional controls 'cost' more than the resource to be protected.

Obviously, this logical path is not sufficient to satisfy the principles laid down in Decree 231.

However, it is essential to identify a risk threshold, since otherwise the amount of preventive controls would become virtually infinite, with obvious consequences, on the one hand, on the effectiveness of the Model and, on the other, on the operational continuity of the Company.

With reference to intentional offences, it is considered that the risk is adequately addressed when the preventive control system is such that it cannot be circumvented except in a fraudulent manner, thus adhering to the regulatory provisions of Decree 231.

As for culpable offences, on the other hand, the conceptual threshold of acceptability is represented by the perpetration of conduct, obviously characterised by involuntariness and not conforming to the principles and rules provided for by the Model, despite the provision of specific protocols and the timely observance of the supervisory obligations provided for by the Decree by the Supervisory Board.

Therefore, given that the Model must deal with both intentional and culpable hypotheses, the first objective to be pursued is the regulation and supervision of the activities that entail a risk of offence in order to prevent them from being committed.

Applying this logic, areas potentially exposed to the risk of offences were mapped, the reference point in question being "best practices" and the indications provided by the Confindustria guidelines.

The activity took the form of a number of interviews with the Company's top management, the analysis of internal documents from which relevant information could be gleaned, and the analysis of any organisational controls already in place, as specified in the following paragraph.

The mapping and risk assessment activities also entailed the evaluation of procedures, operating instructions or documents capable of providing evidence of the internal processes and methods of exercising control activities, in order to take into due consideration what the Company has already put in place and to assess their suitability also as crime prevention and control measures for sensitive processes.

Therefore, in the face of at-risk activities that were not sufficiently supervised, interventions were identified that were considered effective and suitable to fully address the risk.

On the basis of the risk analysis activity (summarised in the "risk mapping and gap analysis" document - Annex IV), the procedures necessary to control the potential areas of risk-crime were drawn up or implemented for the purposes of Decree 231, in compliance with the following principles

- the Company's internal organisation must generally comply with the fundamental requirements of formalisation and clarity, communication and separation of roles, with specific reference to the allocation of powers of representation and operational functions;
- the system of delegation and articulation of powers must be characterised by elements of "certainty" in relation to the identification of the powers attributed and allow, in any case, the efficient management of corporate activities
- internal procedures and protocols must be characterised by the following elements
- as far as possible, considering the streamlined structure of the Company, separation within each process (so-called segregation of functions), between the person who takes the decision (decision-making impetus), the person who authorises it, the person who executes that decision and the person entrusted with controlling the process
- written record of each relevant step in the process, including control (so-called 'traceability');
- adequate level of formalisation and dissemination.

The conduct procedures referable to the Model shall, of course, be integrated with the internal regulations already in force, with the organisation charts, and with the management system adopted and operating within the Company.

Should critical factors emerge in the context of application practice, the Company will provide for a timely adaptation of the same to make them conform to the requirements underlying the application of Decree 231.

For an examination of the procedures, please refer to the individual Special Sections, in which are indicated the procedures adopted in order to monitor the areas at risk of offences.

2.4. The structure of the CAS organisational model

The Model, the final document of the company's analysis, is composed of:

- The General Information which describes the Company, illustrates the function and principles of the Model, identifying its essential components, including the sanctions system and the Supervisory Body.

The General Section also consists of the following documents, identified as 'Annexes', described as follows:

ANNEX I: Organigram and security organisation chart;

ANNEX II: Code of Ethics;

ANNEX III: Regulatory principles of Legislative Decree 231/01;

ANNEX IV - Mapping and Gap Analysis;

- The individual Special Sections, which illustrate and detail the Company's operational activities in relation to certain categories of offences provided for by the Decree, where potential offence-risk profiles have been identified, following the identification of "sensitive" areas, with an indication of the controls aimed at containing the risk itself. In this regard, it should be pointed out as of now that the main risk profiles (classified as specific and, in some cases, residual) refer to the following categories of crime
 - A) offences in relations with the Local Government,
 - B) corporate offences and bribery between private individuals,
 - C) culpable offences relating to hygiene and safety at work,
 - D) computer offences and unlawful data processing,
 - E) offences of receiving stolen goods, money laundering and use of money, goods or utilities of unlawful origin, as well as self-laundering,
 - F) environmental offences,
 - G) offences involving the employment of non-EU citizens whose stay is irregular,
 - H) tax offences
 - I) smuggling offences;
- Company procedures and all other documents indicated and/or referred to in the various documents listed above and that make up the Model, which govern the "sensitive processes" in relation to what emerged and reported in the risk mapping. In particular, it should be noted that the procedure "Information flows to the Supervisory Body" (PR-OGC.ODV) is an integral part of the Model.

3. Diffusion of the Organisational Model

CAS promotes the diffusion and knowledge of the Model by all its Addressees, as specified in paragraph 2.2 above.

The methods of dissemination are implemented through

- the sending of a communication to all personnel, signed by the Managing Director, which illustrates the principles underlying the Model and its contents, as well as indicating the composition and role of the Supervisory Body (hereinafter also "SB"), and the reports to be sent to the SB itself
- the publication of the entire Model on the company's intranet and the storage of the hard copy of the Model at the headquarters, for easy consultation by all personnel.

Furthermore, for the purpose of dissemination to third parties that have business relations with CAS, the Code of Ethics is published on the Company's website.

3.1. Employee training

For the purposes of the effectiveness of this Model, it is the Company's objective to ensure that both the resources already present in the company and those to be recruited are properly acquainted with the rules of conduct contained herein, with different degrees of detail depending on the different levels of involvement of these resources in "sensitive" areas and processes.

Therefore, all training programmes will have a common minimum content consisting of an illustration of the principles of legislative decree 231/01, the constituent elements of the Model, the individual cases of 'predicate offence' and the conduct considered sensitive in relation to the aforementioned.

In addition to this common matrix, then, each training programme will be modulated in order to provide its users with the tools necessary for full compliance with the dictates of Legislative Decree No. 231/2001 in relation to the scope of operations and the duties of the recipients of the programme itself.

Participation in the training programmes described above, which may be delivered in the classroom or in e-learning mode, is compulsory and, therefore, attendance is required. At the end of the courses, it is also envisaged that the participants will be submitted a learning assessment questionnaire.

3.2. Information to the members of the Board of Directors, Statutory Auditors and Audit Firm

This Model is delivered to each Director and to the Statutory Auditors. In addition, the auditing company is informed of its adoption.

3.3. Information to third parties

Appropriate information is provided to third parties (suppliers, consultants, agents, external collaborators and business partners) on the Company's compliance with the provisions of Legislative Decree 231/2001, on the adoption of the Code of Ethics, as well as on the consequences that conduct contrary to the regulations in force or to said Code may have on contractual relations.

As stated in the following section of this Model concerning the sanctions system, specific clauses are included in contracts with third parties to regulate these aspects. It should be noted that the aforementioned clauses stipulate that third parties must abide by the principles of the Model, especially with regard to those relevant to the activity carried out in the interest of CAS, set out in the Code of Ethics.

4. The disciplinary system

The definition of a system of penalties commensurate with the violation and with deterrence applicable in the event of violation of the rules set out in this Model constitutes, in accordance with art. 6 second paragraph letter e) of Legislative Decree 231/2001, an essential requirement of the same and guarantees its effectiveness.

The application of disciplinary sanctions is irrespective of the outcome of the conclusion of the criminal proceedings initiated by the Judicial Authority in the event that the conduct to be censured may be relevant in criminal proceedings.

All employees, managers, corporate bodies, third parties operating in the interest of the Company (by way of example, agents, procurers, consultants and business partners) are subject to the disciplinary system set out in this Model.

The procedure for the imposition of the sanctions referred to in this disciplinary system takes into account the particularities deriving from the legal status of the person against whom proceedings are brought.

For the purposes of the application of the disciplinary system, the following are considered, by way of example, punishable behaviours

- 1) the commission of offences provided for by Legislative Decree no. 231/01
- 2) the violation of provisions and internal procedures provided for by the Model (e.g. non-compliance with procedures, failure to communicate prescribed information to the Supervisory Board, etc.)
- 3) the adoption, in the performance of activities connected with 'sensitive processes', of conduct that does not comply with the prescriptions of the Model;
- 4) violations of the general rules of conduct contained in the Code of Ethics.

The disciplinary sanctions set out in this chapter also apply to anyone who violates the protection measures adopted for reports to the Supervisory Board (as set out in paragraph 5.4. below and in the procedure "Information flows to the Supervisory Board"), as well as to anyone who makes, with malice or gross negligence, whistleblowing reports that turn out to be unfounded.

4.1. Measures-employees

Violation by employees of the individual rules of conduct set out in this Model constitutes a disciplinary offence.

Article 2104 of the Civil Code, identifying the duty of "obedience" incumbent on the worker, provides that the employee must, in the performance of his or her duties, observe the instructions given by the entrepreneur and the entrepreneur's collaborators on whom he or she is hierarchically dependent.

Compliance with the prescriptions of this Model and the Code of Ethics is part of the general obligation of the worker to comply with the provisions established by the management to meet the technical, organisational and production requirements of the Company.

The sanctions that may be imposed fall within those provided for by current legislation and by the collective bargaining agreement applied in the company, in compliance with current legislation and the procedures provided for by Law No. 300 of 30 May 1970 (Workers' Statute).

Infringements will be ascertained, and the consequent disciplinary proceedings initiated, in accordance with the above-mentioned legislation.

Workers will therefore be subject to the following measures

- verbal warning
- written warning;
- fine of no more than three hours' hourly pay calculated on the minimum wage;
- suspension from work and pay up to a maximum of three days;
- dismissal with notice;
- dismissal without notice.

It should be noted that

- a worker who violates the Code of Ethics or adopts, in the performance of his activities, a conduct that does not comply with the provisions of the Model (e.g. who fails to observe the prescribed procedures, omits to carry out controls, etc.) shall incur the measures of verbal warning or written warning, depending on the seriousness of the violation
- the measure of a fine or suspension from work shall be applied to any worker who, in violating the Code of Ethics or adopting, in the performance of his activity, a conduct that does not comply with the prescriptions of the Model, as well as performing acts contrary to the interests of the Company, engages in conduct deemed more serious than that sanctioned in point a)
- the measure of dismissal with notice shall be applied to any worker who adopts, in the performance of his activity, a conduct which does not comply with the prescriptions of the Model and which is unequivocally directed towards the commission of an offence
- the measure of dismissal without notice shall be applied to any worker who adopts, in the performance of his activities, a conduct that does not comply with the provisions of the Model itself and which is such as to determine the concrete application against the Company, even if only as a precautionary measure, of the measures laid down in the Decree.
- The procedure for the application of the disciplinary sanction shall be carried out in compliance with the provisions of the CCNL and of the applicable legislation; reference is made here to
- the obligation - in relation to the application of any disciplinary measure - of the prior notification of the charge to the employee and of hearing the latter's defence
- the obligation - except in the case of a verbal warning - that the objection be made in writing and that the measure not be issued until five days have elapsed since the objection was made (during which the employee may present his justification)
- the obligation to justify to the employee and communicate in writing the imposition of the measure;
- the relevance, for the purposes of graduating the sanction, of previous disciplinary proceedings against the employee and the intentionality of the conduct.

The types and extent of the sanctions applied in each case of violation shall be proportionate to the seriousness of the misconduct; in particular, the seriousness of the conduct shall be taken into account, also in light of the employee's previous disciplinary record, the duties performed by him/her and the circumstances in which the action or omission occurred.

The disciplinary system is subject to constant verification by the Personnel Manager, who is responsible for the concrete application of the disciplinary measures outlined on the possible report of the Supervisory Body and after consultation with the hierarchical superior of the author of the censured conduct.

4.2. Measures- managers

The violation, by executives, of the procedures provided for by this Model or the adoption, in the performance of the activities within the scope of the "sensitive processes", of conduct that does not comply with the prescriptions of the Model, also taking into account the particular fiduciary nature of the employment relationship, shall result in the application of the appropriate measures in accordance with the provisions of the laws in force and the National Collective Labour Agreement for the category applied.

4.3. Measures- members of the Board of Directors, Statutory Auditors and Auditors

Upon receiving notice of violations of the Organisational Model by members of the Board of Directors, the Supervisory Board is required to promptly inform the entire Board of Directors and the Statutory Auditors, for the adoption of the appropriate measures, including, for example, convening the Shareholders' Meeting in order to adopt the most suitable measures.

Upon receiving notice of violations of the Organisational Model by the Statutory Auditors, the Supervisory Board notifies the Chairman of the Board of Directors of the violation committed. The Board of Directors urgently convenes the Shareholders' Meeting to order any revocation pursuant to Article 2400, paragraph 2, of the Civil Code.

Upon receiving notice of violations of the Organisational Model (insofar as applicable) by the Auditors, the Supervisory Board is required to promptly inform the Board of Directors and the Auditors for the adoption of the appropriate measures, including, for example, convening the Shareholders' Meeting in order to adopt the most suitable measures.

4.4. Measures- third parties

The violation of this Model by third parties (suppliers, agents, external consultants, business partners) in the event of conduct such as to determine the risk of commission of an offence sanctioned by Legislative Decree No. 231/2001 may entail, in relation to the provisions of the specific contractual clauses included in the letters of appointment and/or contracts, the termination of the contractual relationship.

5. The Supervisory Board (SB)

Decree 231 foresees, for the purposes of the effectiveness of the exemption provided for in Article 6, for the establishment of a Supervisory Body, within the entity, endowed with autonomous powers of initiative and control.

5.1. Supervisory Board

In the light of the above and of the tasks that Decree No. 231 places on the Supervisory Board, the latter must meet the following requirements:

A. Autonomy, independence and impartiality

The requirements of autonomy and independence are fundamental and presuppose that the Supervisory Board is not directly involved in the management activities that are the subject of its control activities, thus avoiding any conditioning due to the performance of corporate operational tasks.

A further guarantee is provided by the fact that the Supervisory Board reports to the top management of the company, i.e. the Board of Directors.

B. Professionalism

The Supervisory Board must possess the technical and professional skills appropriate to the functions it is called upon to perform. These characteristics, together with the independence and autonomy described above, guarantee objectivity of judgement.

C. Honourability

The members of the Supervisory Board have not been convicted, even if not final, of any offence provided for in Legislative Decree 231/01, or have been sentenced to a punishment entailing

disqualification, even temporary, from holding public office or temporary disqualification from holding management offices in legal persons or companies.

D. Continuity of action

The Supervisory Board must constantly monitor the application of the Model, guaranteeing the continuity of this activity.

Compliance with the requirements that the Supervisory Board must have is also ensured by the provision to it of an expense fund, approved - within the overall corporate budget - by the Board of Directors, which it can draw on for any need functional to the proper performance of its duties.

Therefore, should professional expertise of a specific and additional type to that of its members become necessary, the Supervisory Board may avail itself of the aid of external consultants appointed by it at its own discretion.

Furthermore, in the performance of its supervisory and control duties, the Supervisory Board may make use of all the Company's internal staff functions.

In compliance with the above-mentioned principles and in the light of the necessary autonomy that the Supervisory Board must possess for the effectiveness of the Model, the CAS Board of Directors has appointed a Supervisory Board made up of four members from outside the Company.

The characteristics of the members are detailed and described in the minutes of the Board of Directors' approval of the Model and simultaneous appointment of the Supervisory Board.

The definition of aspects pertaining to the manner in which the Supervisory Board performs its duties, such as the scheduling of activities, the minuting of meetings and the regulation of information flows by the corporate functions concerned is left to the Supervisory Board itself, which will regulate its own internal functioning by means of specific Regulations.

5.2. Terms of office, revocation and disqualification

The appointment and dismissal of the Supervisory Board is the responsibility of the Board of Directors.

In order to guarantee the effective and constant implementation of the Model, as well as continuity of action, the term of office coincides with that of the Board of Directors.

The term of office may be renewed.

The members of the Supervisory Board are required to immediately inform the Board of Directors and the Board itself, of the occurrence of any conditions hindering the continuance of the eligibility and honourableness requirements for the office of member of the Board.

If the characteristics of the members of the Supervisory Board should cease to exist during the term of office, the Board of Directors shall proceed to revoke the appointment and replace it with a different person who meets the requirements.

The revocation of the appointment may occur for just cause, for unforeseen impossibility or when the requirements of impartiality, autonomy, independence and honourableness are no longer met by the members of the SB.

Just cause for revocation shall be understood as

- disqualification or incapacitation, or a serious infirmity that renders one of the members of the Supervisory Board unfit to perform his supervisory duties, or an infirmity that, in any case, entails an absence for a period exceeding six months
- a serious breach of their duties as defined in this Model;
- a conviction of the Company pursuant to the Decree, which has become final, or criminal proceedings concluded through so-called "plea bargaining", where the documents show "omitted or insufficient supervision" on the part of the Supervisory Board, pursuant to Article 6(1)(d) of the Decree;
- a final and definitive conviction of one of the members of the Supervisory Board for having personally committed one of the offences set out in the Decree;

- a final and definitive conviction against one of the members of the Supervisory Board for a sentence entailing disqualification, even temporary, from public offices, or temporary disqualification from the executive offices of legal persons and companies.

In the cases described above, the Board of Directors will appoint a new member of the Supervisory Board to replace the member whose mandate has been revoked.

If, on the other hand, revocation is exercised, again for just cause, against all the members of the Supervisory Board, the Board of Directors shall appoint a new Supervisory Board.

Withdrawal by the members of the Supervisory Board may be exercised at any time and must be communicated to the Board of Directors in writing, together with the reasons for it.

5.3. Functions and powers

The Supervisory Board is entrusted with the task of monitoring

- 1) compliance with the provisions of the Model by the directors, managers and employees, consultants and partners;
- 2) the effectiveness and adequacy of the Model in relation to the corporate structure
- 3) on the appropriateness of updating the Model, should it be necessary to adapt it in relation to changes in regulations and company conditions.

To this end, the SB is also entrusted with the tasks of

- verifying compliance with the Organisational Model and the relevant procedures and protocols, considering that, in any case, primary responsibility for control remains with the management operating within the sensitive processes
- periodically carry out, with the coordination of the corporate functions involved from time to time, targeted checks aimed at ascertaining compliance with the provisions of the Model. In particular, the aforementioned checks must ascertain that the procedures and controls provided for are carried out and documented in a compliant manner and that the ethical principles are respected;
- agree with the managers of the area concerned by the verification activity described above on appropriate corrective actions, if critical situations are found;
- promote appropriate initiatives for the dissemination of knowledge and understanding of the Model, also preparing any instructions for use, clarifications or updates thereof
- provide information of which it becomes aware in the course of the performance of its duties to the Head of Disciplinary Action if it considers that there are grounds for initiating disciplinary proceedings.
- conduct reconnaissance of company activities in order to update the mapping of "sensitive processes", in particular in the event of activation of new business activities and new company processes;
- constantly verify the adequacy of the Model to regulatory requirements and, in cooperation with the corporate functions (also through specific meetings), assess the adequacy and the need to update the Model.

In the performance of its activities, it is envisaged that the SB

- may issue provisions and service orders aimed at regulating the activity of the Supervisory Board as well as the flow of information to and from it
- may avail itself of the assistance of all the structures of the Company or of external consultants
- may call upon all the persons having specific functions within the Company in order to obtain any information or data deemed necessary for the performance of the tasks provided for by Legislative Decree No. 231/2001 and by this Model
- is authorised to meet periodically with the Board of Statutory Auditors for the purpose of a joint examination of the company situation, from the point of view of compliance with Legislative Decree No. 231/2001
- is authorised to acquire and process all the information, data, documents and correspondence concerning the activities carried out in the individual corporate areas and deemed necessary for

the performance of its activities, in compliance with the applicable laws on the processing of personal data

- is sufficiently protected against any form of retaliation to his detriment that might occur following the performance or conclusion of investigations undertaken
- complies with the obligation of confidentiality incumbent because of the extent of the type of information received during the performance of his duties.

5.4. Information flows to the Supervisory Board and Whistle-blowing

Legislative Decree No. 231/2001 sets out, among the requirements that the Model must meet, the establishment of specific information obligations vis-à-vis the Supervisory Board by the Company's corporate functions, aimed at enabling the Board to perform its supervisory and verification activities.

Therefore, each Director, manager, and employee of the Company is obliged to transmit to the Supervisory Body all information deemed useful to facilitate the supervisory activity on the effectiveness of the Model, or relating to events that could generate or have generated violations of the Model, of its general principles and of the Code of Ethics, as well as on their unsuitability, ineffectiveness and any other aspect potentially relevant for such purposes.

By way of example, the following must be reported to the Supervisory Body

- on a periodical basis: information, data, news and documents as identified in the protocols and procedures set forth in this Organisational Model and, specifically, in the individual Special Sections
- on an occasional basis: any other information, of any nature whatsoever, pertaining to the implementation of the Model in the areas of activity at risk of offences, which may be useful for the performance of the duties of the Body, as well as what has been formally requested by the same to the individual corporate functions, in accordance with the procedures and timeframes defined by the Body.
- Furthermore, information concerning the following must be mandatorily and immediately forwarded to the Supervisory Board
- anomalies, atypicality and violations of the Model found in the performance of the working activities included in the 'risk areas';
- circumstantiated reports of unlawful conduct or violations of the Organisational Model, relevant pursuant to Legislative Decree 231/2001 and based on precise and concordant elements of fact
- measures and/or news coming from judicial police bodies, or any other authority, from which it is inferred that investigations are being carried out, even against unknown persons, for the offences indicated by the Decree;
- visits, inspections and assessments initiated by the competent bodies (by way of example only: ASL, INPS, INAIL, Guardia di Finanza, etc. LHA; Revenue office, Health and Safety etc) and, upon their conclusion, any findings and sanctions imposed
- requests for legal assistance made by managers and employees in the event of legal proceedings being initiated for the offences indicated in the Decree;
- reports prepared by the heads of other corporate functions as part of their control activities and from which facts, acts, events or omissions may emerge with critical profiles with respect to compliance with the rules of the Decree;
- internal reports from which the responsibilities of corporate persons for the offences provided for in the Decree may emerge;
- information on disciplinary proceedings carried out and any sanctions imposed (including measures against employees) or measures to dismiss such proceedings, including the relevant reasons.

The Supervisory Board must also be promptly informed of

- changes in the composition of corporate bodies
- changes in the corporate organisational structure;
- participation in the establishment of companies and joint venture agreements.

In order to improve the flow of information to the Supervisory Board, a communication channel has been set up, namely odv@cogne.com to which any reports may be sent and access to which is restricted to the members of the Board only.

The Supervisory Board shall assess the reports it receives and may summon, if it deems it appropriate, both the reporting party in order to obtain further information and the alleged perpetrator of the breach, and shall also carry out all the checks and investigations necessary to ascertain whether the report is well-founded.

- Any information acquired by the Supervisory Board will be treated in such a way as to ensure
- respect for the confidentiality of the person making the report and the report forwarded;
- the non-occurrence of acts of retaliation, penalisation or discrimination against whistle-blowers;
- protection of the rights of persons in relation to whom reports were made in bad faith and subsequently proved to be unfounded, without prejudice to the possibility of taking appropriate action against those who intentionally made the false report.

The Company has adopted a specific procedure "Information flows towards the Supervisory Body" (PR-OGC.ODV) in order to regulate the communications, also on the subject of whistleblowing relevant pursuant to Legislative Decree no. 231/2001, which must be forwarded by all personnel belonging to CAS to the Supervisory Body.

It should be pointed out that the Company: i) has set up and made available to company personnel an IT system for sending whistleblowing reports concerning any ethical issues or issues of compliance with national laws related to CAS business activities and work environment, governed by the whistle-blowing policy, ii) by board resolution of 16 September 2019, set up an Ethics Committee in charge of analysing the reports sent by CAS personnel on the subject of whistleblowing that do not fall within the scope of Legislative Decree 231/2001.

Therefore, the Supervisory Board retains exclusive responsibility for whistleblowing relevant reports pursuant to Legislative Decree 231/01 according to the procedures set out in this paragraph and in the procedure governing the flow of information to the Supervisory Board, in accordance with the provisions of Article 6 of Legislative Decree 231/01. In the event of a report relevant under Legislative Decree 231/2001 received by the Ethics Committee, the latter is obliged to promptly forward the report to the SB.

Therefore, it is necessary to keep the two systems, which have different characteristics and purposes, separate.

5.5. The collection and storage of information

All the information, notifications and reports provided for in this Model are kept by the SB in a strictly confidential file for a period of 10 years.

5.6. Reporting to the corporate bodies

The SB reports on the implementation of the Model and the emergence of any critical issues, in particular, an annual reporting line to the Board of Directors has been established.

The reporting relates to the activities carried out by the SB and any critical issues that emerge both in terms of conduct or events within the Company, and in terms of the effectiveness of the Model.

The Supervisory Board proposes to the Board of Directors, on the basis of the critical issues found, the corrective actions deemed appropriate to improve the effectiveness of the Model.

Meetings with the bodies to which the SB reports must be minuted, and copies of the minutes must be kept by the SB at the Company's headquarters.

The Board of Directors, the Chairman and the Managing Director have the power to convene the SB at any time, which, in turn, has the power to request, through the competent functions or individuals, the convocation of the aforementioned