
ROMARS SRL

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ORGANISATION, MANAGEMENT AND CONTROL MODEL

in accordance with Legislative Decree No. 231 of 8 June 2001 on "Administrative Liability of Companies"

ATTACHMENT "B"

PENALTY SYSTEM

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1 FOREWORD - DEFINITIONS

The disciplinary and sanctions system is an integral part of the Organisational Model of ROMARS SRL. Contained in this document shall have the meaning attributed to them in the General Section of the Model (Paragraph 'A').

The Company, in compliance with the provisions of Articles 6 and 7 of Decree 231, in order to ensure the respect, effectiveness and application of the principles and rules of conduct contained in the Model (including the Code of Ethics) has adopted this disciplinary and sanctioning system (hereinafter referred to as the “**Disciplinary System**”), which contains a set of rules defining the types of ‘sanctions’ in the event of violation of the provisions of the Model and the Code of Ethics by Employees, Collaborators, Suppliers, Directors, Senior Management and Persons subject to the direction of others and/or any other person having professional or commercial relations with the Company.

This Disciplinary System is aimed at sanctioning the violation and non-compliance with rules of conduct and behaviour that may lead to (or be instrumental to) the commission of Offences and/or the violation and non-compliance with corporate procedures, processes and policies set up to protect the Areas at risk of offences, as already indicated in the definitions (Paragraph ‘A’ of the ‘General Section’), the reference to the ‘Code of Ethics’ contained in this document is therefore intended to be limited exclusively to those rules of conduct and behaviour (provided for therein) whose violation and/or non-compliance may lead to (or be instrumental to) the commission of an Offence.

The application of the ‘disciplinary sanctions’ and measures provided for herein, according to the Decree, is irrespective of the outcome of any criminal proceedings against the author of the violation, since the rules of conduct imposed by the Model (including the Code of Ethics) are voluntarily adopted by the Company in full autonomy, regardless of whether any conduct may constitute an offence or whether it is prosecuted by the judicial authorities.

The Disciplinary System adopted by the Company, in order for the Model to have an exempting effect for the Company according to Article 6, paragraph 2 of the Decree, is inspired by the principles of specificity and autonomy (since it is aimed at sanctioning each breach of the Model, regardless of whether an offence has actually been committed) as well as proportionality (since the applicable sanctions must be commensurate with the breaches alleged). Moreover, this System provides for a procedure for ascertaining and imposing disciplinary sanctions that is compatible with the laws in force on the protection of workers, as well as with the provisions contained in the CCNL.

2 SANCTIONS FOR EMPLOYEES AND MANAGERS

2.1 General principles and punishable conduct

Compliance by employees (including managers) of the Company with the provisions contained in the Model, the Code of Ethics, company protocols and the procedures provided for by the Model or referred to therein, constitutes a fundamental part of their contractual obligations according to to and for the purposes of Article 2104 of the Civil Code.

Violation of these provisions, therefore, shall constitute a breach of the obligations arising from the employment relationship on the part of the employee and shall entail the imposition of sanctions and/or measures of a disciplinary nature, in compliance with the principle of gradualness and proportionality, as well as with the procedures prescribed by the applicable rules as indicated below, with all legal consequences, also with regard to the preservation of the employment relationship and the obligation to pay compensation for any damage caused.

The Disciplinary System is applied in the event of non-compliance with the internal procedures, principles and *company policies* (including the orders issued by the company in both written and verbal form) provided for or referred to in this Model and in the Code of Ethics, i.e. in the event that certain punishable conduct is committed (without prejudice to the consequences, including disciplinary ones, that may arise from the violation of other obligations provided for by the law and/or by the CCNL). In particular, the

following constitute violations of the Model:

- conduct that directly or indirectly constitutes offences under the Decree;
- conduct that, while not constituting one of the offences provided for in the Decree, is unequivocally directed towards their commission;
- non-compliance with the Code of Ethics, general principles of conduct, control principles and systems, preventive protocols, company procedures, internal regulations, written or verbal instructions, and the prescriptions provided for or referred to by the Model, including, in particular, those provided for or referred to in Special Part A of the Model with reference to each category of offence;
- lack of or untrue evidence of the activities carried out with regard to the way in which activities in areas at risk of offences are documented, stored and controlled in such a way as to prevent their transparency and verifiability;
- the violation and/or circumvention of the control system, also through the removal, destruction, alteration or omission of the documentation provided for by the procedures in force, or preventing the persons in charge and the Supervisory Board from controlling or accessing the required information and documentation;
- non-compliance with the provisions on signature powers and the delegation system;
- failure of hierarchical superiors to supervise their subordinates as to the correct and effective application of the Code of Ethics and company procedures;
- failure to comply with reporting obligations towards the Supervisory Board;
- failure to participate without a justified reason in the inspection visits scheduled by the Supervisory Board;
- failure to participate without a justified reason in the training events scheduled to implement the Organisational Model;
- the communication to the Supervisory Board, the hierarchical superior or any other person required to report to the Supervisory Board of a report concerning any of the violations described above that the author of the report knows to be false or malicious;
- failure to inform the Supervisory Board and/or the direct superior of any breach of the Model, of which there is direct and certain evidence;
- failure to inform/train/update internal and external personnel operating in areas potentially at risk of offences being committed;
- in the field of health and safety at work, failure by workers to comply with the obligations imposed on them by the legislation in force, failure to comply with their obligations according to Legislative Decree 81/2008.

The seriousness of violations of the Model will be assessed in relation to the following circumstances:

- the level of responsibility and autonomy of the offender;
- the possible existence of previous infringement situations against the same person;
- the presence and intensity of the intentional element;
- in relation to culpable conduct, the presence and degree of negligence, inexperience, recklessness in disregarding the precautionary rule;
- the foreseeability of the consequences of the conduct;
- the seriousness of the conduct, by which is meant the level of risk and the consequences to which the Company may reasonably be deemed to be exposed, according to and for the purposes

of the Model, as a result of the conduct complained of;

- the time, manner and further circumstances in which the breach took place.

2.2 Sanctions against employees (non-managers)

The disciplinary measures that can be imposed on non-managerial employees - in compliance with the procedures provided for in Article 7 of the Workers' Statute and any special applicable regulations - are those provided for by the disciplinary apparatus of the CCNL and precisely, indicated below in a perspective of increasing severity:

- verbal warning;
- written warning;
- fine not exceeding the maximum amount provided for in the applicable CCNL Contract;
- suspension from work and pay;
- termination of employment with notice;
- termination of employment without notice.

By way of example, it incurs the measure of the:

- **verbal warning** or **written reprimand**, depending on the seriousness of the violation, to a worker who violates the rules of conduct and/or internal procedures provided for or referred to in this Model and in the Code of Ethics, fails to comply with the relevant orders given by the Company, or adopts, within the Areas at risk of offences, conduct that does not comply with the provisions of the Model, the Code of Ethics or the rules of conduct and/or procedures referred to therein, where the violations are not of a serious nature;
- **fine**, within the limits set by the CCNL, an employee who commits more than once (but not more than three) the violations referred to in the previous paragraph;
- **suspension from pay and work**, the worker who, in violating the rules of conduct and/or internal procedures provided for or referred to by the Model or the Code of Ethics, causes non-serious damage to the Company or exposes it to the risk of non-serious damage;
- **disciplinary dismissal with notice** according to the regulations in force, the worker who commits more than three times the violations referred to in point 1, or adopts, in the Areas at risk of offences, conduct that does not comply with the provisions of this Model or the Code of Ethics or to the rules of conduct and/or the procedures referred to therein and unequivocally directed towards the commission of one or more offences provided for in the Decree, or commits other violations of the provisions of this Model or of the Code of Ethics, or of the rules of conduct and/or procedures referred to therein, of such seriousness as not to allow the continuation of the employment relationship, where the conditions set out in paragraph 5 below are not met;
- **disciplinary termination of employment for good reason**, without notice, to any worker who adopts, in the Areas at risk of offences, conduct that is clearly in breach of the provisions of this Model or of the Code of Ethics, or of the rules of conduct and/or procedures referred to therein, such as to lead to the application against the Company of the sanctions provided for by the Decree or to cause other serious damage or risk of serious damage to the Company, or commits other acts or violations such as not to allow the continuation, even temporary, of the employment relationship.

These sanctions are imposed on the employee not only in the event of a concrete breach of the rules of conduct and/or internal procedures provided for by this Model and in the event of conduct that does not comply with its provisions and with the Code of Ethics, but also in the event of attempted disciplinary offences, i.e. conduct or omissions unequivocally aimed at disregarding the rules of conduct laid down in this Model.

In the field of workers' health and safety, since the employee is also bound to comply with the main

obligations set out in Article 20 of Decree 81 of 2008, in the event of their violation, the aforementioned sanctions are applied, graduated also according to the risk of application of the measures of the Decree that such conduct has caused.

The actual penalty to be applied will be determined in accordance with Section 2.4 below.

The foregoing is without prejudice to the right to claim compensation for damages incurred as a result of such conduct, including damages caused by the application by the court of the measures provided for in the Decree.

2.3 Sanctions against managers

In the event of a breach by the Company's managers of the provisions, rules of conduct and procedures contained in the Model or in the Code of Ethics, or of the adoption, within the Areas at risk of offences, of a conduct that does not comply with the provisions of the Model or of the Code of Ethics and qualifies as 'sanctionable', as explained in point 2.1 above, the following sanctions shall be adopted against those responsible:

- written warning;
- termination of employment with notice;
- termination of employment without notice.

By way of example, the manager will incur the measure of the:

- **written warning**, in the event of a non-serious breach of one or more procedural or behavioural rules laid down in the Model or in the Code of Ethics, compliance with which is a necessary condition for maintaining the fiduciary relationship with the Company, particularly in view of the responsibilities entrusted to the manager;
- **termination of employment with notice**, according to Article 2118 of the Civil Code and the applicable CCNL regulations, in the event of a serious breach of one or more provisions of the Model or of the Code of Ethics (i.e. of the procedural or behavioural rules included therein), or of a repetition of one or more breaches referred to in the preceding point, such as to constitute - following the appropriate and necessary checks by the Company - a significant breach attributable to the manager's fault or wilful misconduct;
- **termination of employment without notice**, according to Article 2119 of the Civil Code and the applicable CCNL regulations, where the violation of one or more provisions of the Model or the Code of Ethics is so serious as to irreparably damage the relationship of trust, not allowing the continuation, even temporary, of the employment relationship.

The actual penalty to be applied will be determined in accordance with Section 2.4 below..

In any case, for workers with managerial status, the following constitutes a serious violation of the requirements of the Model:

- non-compliance with the obligation to direct or supervise subordinate workers as to the correct and effective application of the Model;
- non-compliance with the obligation to supervise other recipients of the Model who, although not linked to the Company by a subordinate employment relationship, are nevertheless subject to the requirements of the Model (e.g. Collaborators, Suppliers, Consultants, etc.).

Notwithstanding the previous paragraph, the Company reserves the right as of now to take action against the manager who has been subjected to the above measures for the compensation of the damages suffered and/or those that the Company is obliged to compensate to third parties.

2.4 Follow-up of violations and imposition of sanctions

The assessment of infringements, possibly on the report of the Supervisory Board, the management of disciplinary proceedings and the imposition of sanctions, is the responsibility of the designated and delegated corporate functions.

In any case, provision is made for the necessary involvement of the Supervisory Body in the procedure for ascertaining infringements and the subsequent imposition of such infringements where they concern the violation of the Model (or of the Code of Ethics which forms an integral part of it). Therefore, a disciplinary measure cannot be filed or a sanction imposed for a breach of the Model (or of the Code of Ethics which forms an integral part of it) without the prior information and opinion of the Surveillance Body, even if the proposal to open the procedure comes from the Body itself.

The provisions of Article 7 of Law no. 300/1970 and of the applicable CCNL on the subject of disciplinary proceedings remain unaffected, and are hereby referred to in full. The disciplinary sanctions and any claim for damages shall be commensurate with the level of responsibility and autonomy of the employee and/or manager, the possible existence of previous situations of violation against him/her, the intentionality of his/her conduct, as well as the seriousness thereof, meaning the level of risk to which the Company may reasonably be deemed to be exposed - according to and for the purposes of the Model - as a result of the conduct complained of. In addition, in order to assess the seriousness of the conduct, the degree of negligence, inexperience or imprudence, the seriousness of any damage caused to the Company, as well as the harmful consequences that the conduct has caused to the Company and/or to persons, from the point of view of health and safety at work regulations and the existence of extenuating or aggravating circumstances, shall be considered.

The sanctions that can be imposed under this Sanctioning System are in accordance with the provisions of the national collective labor agreements applicable to the sector, in this case, the applicable CCNL, in compliance, on a procedural level, with Article 7 of Law No. 300 of May 30, 1970 (Workers' Statute) for the notification of the offense and the imposition of the relevant sanction, provisions that are intended herein to be referred to in full. In particular:

- no disciplinary action will be taken without the charge having first been brought to the employee's attention and without hearing the employee's defense;
- disciplinary measures that are more serious than a verbal reprimand will not be applied until five days have elapsed since the employee has been notified in writing of the fact that gave rise to the reprimand, during which time he/she may present his/her justifications, if necessary with the assistance of a union representative;
- if disciplinary action is not taken within six days after the submission of such justifications, they shall be deemed accepted;
- the imposition of any disciplinary measure more serious than a verbal warning will be communicated by reasoned written order;
- disciplinary measures that have elapsed two years after their imposition shall not be taken into account for the purpose of recidivism.

3 MEASURES AGAINST DIRECTORS

In the event of a violation of the provisions contained in the Model and/or the Code of Ethics (which is an integral part of it) by one or more members of the Board of Directors, the other directors and/or the Supervisory Board must inform, without delay and in writing, the Board of Directors and the Supervisory Board.

After examining the report of the dispute, the Board of Directors, after verifying the merits of the allegations also through, if necessary, the hearing of the director concerned, and after hearing the SB, will take the appropriate measures among those listed below depending on the concrete gravity of the violation, convening, if necessary, the shareholders' meeting.

In the event that the indictment of one or more of the Directors, alleged perpetrators of the crime from which the administrative liability of the Company derives, has been ordered, the Chairman of the Board of Directors shall proceed to convene the Shareholders' Meeting to deliberate on the possible revocation of the mandate or any and different choices, however adequately motivated. A similar procedure will also apply to any subsequent procedural steps.

The following disciplinary measures may be taken against directors:

- **formal written warning** with intimation to comply with the provisions of the Model, which may be imposed in case of minor non-compliance with the principles and rules of conduct contained in this Model, the Code of Ethics, or company procedures;
- in the most serious cases of violations integrating a failure to comply with the prescriptions and/or procedures and/or internal rules contained in this Model (including the Code of Ethics), even if only potentially liable to constitute a crime and/or an administrative offence and/or conduct knowingly in contrast with the aforementioned prescriptions, the following measures may be applied, in consideration of the intentionality and seriousness of the conduct put in place (which can also be assessed in relation to the level of risk to which the Company is exposed) and the particular circumstances in which the said conduct occurred, respectively: (i) **total or partial revocation of any proxies granted** and (ii) **revocation of the mandate** with immediate effect.

Resolutions of the Board of Directors, and/or the Shareholders' Meeting are communicated in writing to the person concerned and to the Supervisory Board.

The procedure described above does not affect the powers and duties attributed to corporate bodies by law or the Articles of Association.

In all cases in which it is found that the Model (and/or the Code of Ethics) is violated by a Director who is also linked to the Company by a subordinate employment relationship, regardless of whether the violation pertains to his obligations as a Director or as an employee, the procedure envisaged with regard to Executives and referred to in point 2 above will be instituted. If at the outcome of such proceedings the sanction of dismissal is imposed, the Board of Directors shall promptly convene the Shareholders' Meeting to resolve the necessary measures, including the removal of the Director in charge.

This is without prejudice in any case to the Company's right to compensation for damages incurred.

4 MEASURES TOWARDS COLLABORATORS AND BUSINESS PARTNERS

In the event of violation by Collaborators, Suppliers or Partners of the provisions of the Model or the Code of Ethics, the Board of Directors (or the Managing Director or, in any case, the Company representative in charge of managing the contractual relationship), having consulted the Supervisory Board where appropriate, will consider whether to terminate the existing contractual relationship and will impose any sanction provided for in the contract itself by virtue of specific clauses contained therein. Such clauses may provide, in particular, the right to terminate the contract and/or the payment of penalties, without prejudice in any case to the Company's right to claim compensation for damages suffered.

The contract with Collaborators, Suppliers and Partners must be immediately terminated by the Company in the event that they are responsible for the violation of the prescriptions and/or procedures and/or internal rules contained or referred to in this Model (including the Code of Ethics), even if only potentially susceptible to configure a crime and/or administrative offence and/or conduct consciously contrary to the aforementioned prescriptions, if so provided in the same contract.

With regard to workers linked to the company by employment relationships of a nature other than employment (collaborators and, in general, external parties), applicable measures and disciplinary procedures take place in compliance with the law and contractual conditions.

5 THE OVERSIGHT ROLE OF THE SUPERVISORY BOARD

The disciplinary system contemplated herein is subject to constant review by the Supervisory Board.

In particular, the Supervisory Board verifies that the Company has provided adequate information regarding the existence of the Disciplinary System and the consequences that may result from the violation of the principles and rules of conduct provided for or referred to by the Organizational Model and the Code of Ethics, in favor of the workers and all recipients of the same.

In addition, the Body shall promptly report to the Company's top management bodies any reports received regarding possible violations of the Model or the Code of Ethics, as well as request from the corporate functions in charge of and delegated to the management of disciplinary proceedings and the imposition of sanctions, information, data and/or news useful for supervising the proper application of the Disciplinary System.

Finally, the Supervisory Board, although it does not have direct disciplinary or sanctioning powers, must be informed about the disciplinary proceedings conducted and any sanctions imposed, or the reasoned measures of dismissal of disciplinary proceedings against company personnel, adopted by the Company.

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