



ANNEX “B”

DISCIPLINARY AND SANCTIONING SYSTEM



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1. PREMISE

Angiodroid S.p.A. (hereinafter also "**Angiodroid**" or the "**Company**"), in accordance with the provisions of articles 6 and 7 of Legislative Decree 231/2001 (hereinafter the "**Decree**"), in order to ensure compliance, effectiveness and implementation of the Organization, Management and Control Model pursuant to the same Decree (hereinafter, "the **Model**"), intends to adopt an adequate and effective sanctioning system (hereinafter "**Disciplinary System**"), through the preparation of a set of rules that define the types of "sanctions" in the event of violation of the provisions of the Model and the Code of Ethics by internal staff, external collaborators, directors, managers, persons placed in top positions within the Company's structure; suppliers and/or any other person who has professional or commercial relations with the Company.

The application of the "disciplinary sanctions" and the measures provided for below, pursuant to the Decree, is independent of the outcome of any criminal proceedings against the perpetrator of the violation, as the rules of conduct imposed by the Model and the Code of Ethics are voluntarily adopted by the Company in full autonomy.

2. PENALTIES FOR EMPLOYEES AND MEASURES FOR MANAGERS

2.1 General principles and sanctionable conduct

The observance, by the Company's employees and managers, of the provisions contained in the Model, the Code of Ethics, the company protocols and the procedures provided for by the Model or referred to therein, constitutes a fundamental part of their contractual obligations pursuant to and for the purposes of Article 2104 of the Civil Code.

Violation of these provisions, therefore, will result in a breach of the obligations arising from the employment relationship by the employee and/or manager and will result in the imposition of sanctions and/or disciplinary measures, in compliance with the procedures prescribed by the applicable regulations as indicated below, with all legal consequences, also with regard to the maintenance of the employment relationship and the obligation to compensate for any damages caused.

The Disciplinary System is applied in the event of non-compliance with internal procedures, principles and *policies* (including orders given by the company both in 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 sanctionable behaviours are implemented. In particular, the following constitute violations of the Model:

1. conduct that constitutes, directly or indirectly, the offences provided for by the Decree;
2. conduct that, although not constituting one of the offences provided for by the Decree, is unequivocally directed towards their commission;
3. failure to comply with the Code of Ethics, the principles and control systems, the preventive protocols, the general principles of conduct, the provisions provided for or referred to in the



- Model, including, in particular, those provided for or referred to in Special Part A of the Model with reference to each category of crime;
4. the lack of or untruthful evidence of the activity carried out in relation to the methods of documentation, conservation and control of activities in areas at risk of crime in such a way as to prevent their transparency and verifiability;
 5. the violation and/or circumvention of the control system, also put in place through the removal, destruction, alteration or omission of the documentation required by the procedures in force, or the impediment, to the persons in charge and to the Supervisory Body, to control or access the information requested and documentation;
 6. non-compliance with the provisions relating to the powers of signature and the system of delegations;
 7. the failure of hierarchical superiors to supervise their subordinates with regard to the correct and effective application of the Code of Ethics and company procedures;
 8. failure to comply with disclosure obligations to the Supervisory Body;
 9. non-participation without justified reason in the inspections scheduled by the Supervisory Body;
 10. non-participation without justified reason in the training events scheduled in implementation of the Organizational Model;
 11. communication to the Supervisory Body, to the hierarchical superior or to another person who is required to report to the SB a report regarding any of the violations described above that the author of the report knows to be false or malicious;
 12. failure to inform the Supervisory Body and/or the direct hierarchical superior about any violations of the Model, of which there is direct and certain evidence;
 13. failure to communicate/train/update internal and external staff operating in areas potentially at risk of committing crimes;
 14. in the field of health and safety at work, the failure of workers to comply with the obligations imposed on them by current legislation (including, in particular, Article 20 of Legislative Decree 81/2008), as well as, for other safety actors (i.e. Employer, Managers, Supervisors, RSPP and ASPP, as well as for the other figures provided for by Legislative Decree 81/2008), failure to comply with the obligations incumbent on them pursuant to Legislative Decree 81/2008.

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

1. the level of responsibility and autonomy of the infringer;
2. the possible existence of previous situations of violation against the same;
3. the presence and intensity of the intentional element;
4. in relation to negligent conduct, the presence and degree of negligence, inexperience, imprudence in non-compliance with the precautionary rule;
5. the foreseeability of the consequences of the conduct;
6. the seriousness of the conduct, meaning the level of risk and the consequences to which the Company can reasonably be considered exposed, pursuant to and for the purposes of the Model, as a result of the conduct censured;
7. the times, manner and other circumstances in which the breach took place.

It should also be noted that pursuant to paragraphs 2 *ter* and 2 *quarter* introduced in art. 6 of Legislative Decree 231/2001 by Law no. 179/2017 "*Provisions for the protection of those who report*



crimes or irregularities of which they have become aware in the context of a public or private employment relationship":

1. the adoption of discriminatory measures against the persons who make the reports referred to in paragraph 2-bis may be reported to the National Labour Inspectorate, for the measures within its competence, not only by the whistleblower but also by the trade union organisation indicated by the same;
2. Retaliatory or discriminatory dismissal of the reporting party is null and void. Any change of duties pursuant to Article 2103 of the Civil Code, as well as any other retaliatory or discriminatory measure taken against the whistleblower, are also null and void. It is the employer's responsibility, in the event of disputes related to the imposition of disciplinary sanctions, or to demotion, dismissal, transfer, or subjection of the whistleblower to other organizational measures having negative effects, direct or indirect, on working conditions, subsequent to the submission of the report, to demonstrate that such measures are based on reasons unrelated to the Report itself.

2.2 Penalties against employees

The disciplinary measures that can be imposed on employees – in compliance with the procedures provided for by art. 7 of the Workers' Statute and any applicable special regulations – are those provided for by the sanctioning apparatus of the CCNL for workers employed in the metalworking industry and precisely:

1. **verbal reprimand;**
2. **written warning;**
3. **a fine not exceeding three hours' pay;**
4. **suspension from work and pay;**
5. **Dismissal with notice**
6. **dismissal without notice.**

Incur the decision of:

1. **verbal warning or written warning**, depending on the seriousness of the violation, the worker who violates the internal procedures provided for or referred to in this Model and in the Code of Ethics, does not carry out the relevant orders given by the Company both in written and verbal form, or adopts, in relation to the activities relevant to the areas at risk of committing crimes, conduct that does not comply with the provisions of the Model, the Code of Ethics or the procedures referred to therein;
2. **fine**, within the limits established by the applicable CCNL, the worker who repeatedly violates the internal procedures provided for or referred to in this Model or in the Code of Ethics or adopts several times, in relation to the activities relevant to the areas at risk of committing crimes, conduct that does not comply with the provisions of the Model or the Code of Ethics or the procedures referred to therein;



3. **suspension from pay and work**, the worker who, in violating the internal procedures provided for or referred to in the Model or the Code of Ethics, causes damage to the Company or exposes it to objective situations of danger;
4. **disciplinary dismissal with notice** in accordance with the regulations in force, the worker who adopts, in relation to the activities relevant to the areas at risk of committing crimes, conduct that does not comply with the provisions of this Model or the Code of Ethics, or with the procedures referred to therein and unequivocally directed to the commission of one or more crimes provided for by the Decree, such conduct must be regarded as the result of significant damage or a situation of significant harm, as well as a significant breach of contractual obligations, as well as a breach of the duties of conduct of such gravity as not to allow the continuation of the employment relationship;
5. **disciplinary dismissal for just cause, without notice, shall be imposed if** a worker adopts, in relation to activities at risk of committing crimes, conduct that is clearly in violation of the provisions of this Model or of the Code of Ethics, or of the procedures referred to therein, such as to determine the actual application to the Company of the sanctions provided for by the Decree, Such conduct must be regarded as the performance of acts that do not allow the continuation, even temporarily, of the employment relationship.

These sanctions are imposed on the employee not only in the event of a concrete violation of the internal procedures provided for in this Model and in the event of conduct that does not comply with the provisions of the same and the Code of Ethics, but also in the event of attempted disciplinary offences, i.e. conduct or omissions aimed in an unequivocal manner at disregarding the rules of conduct dictated by this Model.

With regard to the safety and health of workers, since the employee is also bound to comply with the main obligations set out in Article 20 of Legislative Decree no. 81 of 2008, in the event of their violation, the aforementioned sanctions are applied, graduated according to the risk of application of the measures of the Decree that such conduct has caused.

2.3 Measures against managers

In the event of violation, by the Company's managers, of the provisions and procedures contained in the Model or in the Code of Ethics, or of adoption, in relation to the activities relevant to the areas at risk of committing a crime, of conduct that does not comply with the provisions of the Model or the Code of Ethics and qualifies as "sanctionable", As explained in 2.1 above, the following measures will be taken against those responsible:

1. **verbal reprimand;**
2. **written warning;**
3. **disciplinary suspension;**
4. **dismissal with notice;**
5. **dismissal without notice.**

1. in the event of a non-serious violation of one or more procedural or behavioural rules set out in the Model or in the Code of Ethics, the manager will be the subject, after an initial **verbal**



- warning**, of a **written reminder** to comply with the Model and the Code of Ethics, which is a necessary condition for maintaining the fiduciary relationship with the Company, taking particular account of the responsibilities entrusted to the manager;
2. in the event of repeated, non-serious violation of one or more procedural or behavioural rules provided for in the Model or in the Code of Ethics, the manager may incur disciplinary **suspension**;
 3. in the event of a serious violation of one or more of the provisions of the Model or the Code of Ethics, or of a repetition of one or more violations referred to in the previous point, such as to constitute – following the appropriate and necessary checks by the Company – a significant non-compliance to be ascribed to the fault or wilful misconduct of the Manager, the Company will proceed **with the dismissal with notice** of the manager himself pursuant to Article 2118 of the Civil Code and the of the CCNL applied;
 4. if the violation of one or more provisions of the Model or the Code of Ethics is of such gravity as to irreparably damage the relationship of trust by not allowing the continuation of the employment relationship, even temporarily, the Company will proceed with the **dismissal without notice** of the manager himself pursuant to Article 2119 of the Civil Code and the rules of the CCNL applied.

Without prejudice to the description of the sanctionable conduct set out in point 2.1 above, for workers with the status of manager, the following constitutes a serious violation of the provisions of the Model:

1. failure to comply with the obligation to direct or supervise employees regarding the correct and effective application of the Model;
2. failure to comply with the obligation to supervise other recipients of the Model who, although not linked to the Company by an employment relationship, are nevertheless subject to the provisions of the Model itself (e.g. contractors, suppliers, consultants, etc.).

The Company reserves the right to take action against the manager who has been subject to the above-mentioned measures for compensation for damages suffered and/or those that the Company is required to compensate to third parties.

2.4 Verification of violations and imposition of sanctions

The ascertainment of infringements, possibly on the recommendation of the Supervisory Body, the management of disciplinary proceedings and the imposition of sanctions, is the responsibility of the corporate functions in charge and delegated to do so.

In any case, the necessary involvement of the Supervisory Body in the procedure for ascertaining infringements and their subsequent imposition is envisaged. Therefore, a disciplinary measure or sanction may not be filed for a violation of the Model without prior information and opinion of the Supervisory Body, even if the proposal to open the procedure comes from the Body itself.

This is without prejudice to the provisions of art. 7 of Law 300/1970 and the CCNL applicable in the matter of sanctioning proceedings, which are hereby understood to be fully recalled.



Disciplinary sanctions (in the case of employees) and contractual measures (in the case of managers) and any claim for damages will be commensurate with the level of responsibility and autonomy of the employee and/or manager, the possible existence of previous situations of violation against the same, the intentionality of his conduct as well as the seriousness of the same, this means the level of risk to which the Company can reasonably be considered exposed – pursuant to and for the purposes of the Model – as a result of the conduct censured. In addition, in order to assess the seriousness of the conduct, the degree of negligence, inexperience or imprudence will be considered, 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 people, from the point of view of the legislation on health and safety in the workplace and the existence of mitigating or aggravating circumstances.

The sanctions that can be imposed under this Sanctioning System comply with the provisions of the national collective labour agreements applicable to the sector, in this case, by the CCNL for workers employed in the metalworking industry, in compliance, on a procedural level, with art. 7 of Law no. 300 of 30 May 1970 (Workers' Statute) for the contestation of the offence and for the imposition of the relevant sanction, provisions that are intended to be fully referred to herein. Especially:

1. no disciplinary action will be taken unless the employee has been previously charged with the charge and without having heard him in his defence;
2. disciplinary measures more serious than a verbal reprimand will not be applied until five days have elapsed since the written objection to the fact giving rise to it, during which the worker may present his justifications, possibly with the assistance of a trade union representative;
3. if the disciplinary measure is not adopted within six days following the presentation of these justifications, they will be deemed to have been accepted;
4. the imposition of any disciplinary measure more serious than the verbal reprimand will be communicated by means of a reasoned written decision;
5. Disciplinary measures two years after their imposition will not be taken into account for the purposes of recidivism.

3. MEASURES AGAINST DIRECTORS

In the event of violation of the provisions contained in the Model and in the Code of Ethics (which is an integral part thereof) by one or more members of the Board of Directors, the other members of the Board of Directors and/or the Board of Statutory Auditors and/or the Supervisory Body must inform, without delay and in writing, the entire Board of Directors and the Board of Statutory Auditors and the SB, by means of communication to the Presidents of the aforementioned bodies (or to one of their members if the report directly concerns the President).

Once the report of the complaint has been examined, the Board of Directors or the Board of Statutory Auditors, after verifying the validity of the complaints, 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 seriousness of the violation, convening the shareholders' meeting if necessary.



In the event that one or more of the Directors, presumed perpetrators of the offence from which the Company's administrative liability derives, has been ordered , the Chairman of the Board of Directors or the Chairman of the Board of Statutory Auditors shall convene the Shareholders' Meeting to resolve on the possible revocation of the mandate or any different choices, adequately motivated.

A similar procedure will also be applied for any subsequent procedural phases.

The following disciplinary measures may be taken against the directors:

1. **formal written warning** to comply with the provisions of the Model, which may be imposed in the event of slight non-compliance with the principles and rules of conduct contained in this Model, in the Code of Ethics, or in company procedures;
2. in the most serious cases of violations constituting a significant non-compliance with the provisions and/or procedures and/or internal rules contained in this Model, in the protocols or in the company procedures, even if only potentially likely to constitute a crime and/or an administrative offense and/or conduct knowingly in contrast with the aforementioned provisions, it will be possible to proceed, in consideration of the intentionality and seriousness of the conduct carried out (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 aforementioned conduct has manifested itself, respectively, to the application of the following measures: i) **total or partial revocation of any proxies** conferred and (ii) **revocation of the mandate** with immediate effect.

The resolutions of the Board of Directors, the Board of Statutory Auditors and/or the Shareholders' Meeting are communicated in writing to the interested party and to the SB.

The procedure described above does not affect the faculties and duties attributed to corporate bodies by law (Articles 2364, 2393 and 2406 of the Italian Civil Code) or by the Articles of Association.

In all cases in which a violation of the Model is found by a Director linked to the Company by an employment relationship, regardless of whether the violation relates to his obligations as a director or as an employee, the procedure provided for with regard to the Executives referred to in paragraph 2 above will be initiated. If, at the end of this procedure, the sanction of dismissal is imposed, the Board of Directors will convene the Shareholders' Meeting without delay to resolve on the necessary measures, including the revocation of the Director in charge.

This is without prejudice to the Company's right to compensation for damages suffered.

4. MEASURES AGAINST STATUTORY AUDITORS

In the event of violation of the provisions contained in the Model and the Code of Ethics by one or more members of the Board of Statutory Auditors, the Board of Directors and/or the Supervisory Body must inform the entire Board of Statutory Auditors without delay and in writing, and all appropriate measures permitted by current legislation will be taken, including the revocation of the appointment conferred on the subjects.



In cases deemed more serious, the Board of Directors, after consulting the Board of Statutory Auditors, will convene the Shareholders' Meeting for the appropriate measures.

In any case, this is without prejudice to the Company's right to bring liability and compensation actions.

5. MEASURES AGAINST EMPLOYEES AND BUSINESS PARTNERS

In the event of violation by collaborators, suppliers or business partners of the provisions of the Model or the Code of Ethics, the Board of Directors, together with the Supervisory Body and, if necessary, the Board of Statutory Auditors, will assess whether to terminate the existing contractual relationship and will impose any sanction provided for by the contract itself by virtue of specific clauses contained therein. Such clauses may provide, in particular for 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.

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

6. DISCIPLINARY SYSTEM AND UNLAWFUL CONDUCT PURSUANT TO LEGISLATIVE DECREE 24/2023 ("WB DECREE")

The Disciplinary System is also applied – in compliance with the provisions of Article 21 "Sanctions", paragraph 2, of the WB Decree – to those¹ who, with reference to the reports described in lett. L) "Reports of unlawful conduct pursuant to Legislative Decree No. 24 of 10 March 2023 on "Whistleblowing" of the General Part of the Model, engage in any of the following unlawful conduct pursuant to the WB Decree ("Unlawful Conduct"):

1. the commission of any retaliation – to be understood as conduct, act or omission, even if only attempted or threatened, carried out by reason of the report (the complaint to the judicial or accounting authority or the public disclosure) – which causes or may cause, directly or indirectly, unjust damage to the reporting person, or to the person who filed the complaint or who made a public disclosure ("Whistleblowers"), In violation of art. 17 "Prohibition of retaliation" of the WB Decree, and/or to the other subjects specifically identified by the WB Decree in art. 3 "Subjective scope of application" 2 (cc. dd. "Persons assimilated to the Whistleblower");

¹ This provision applies to anyone who engages in Unlawful Conduct, including employees, managers, directors, statutory auditors, collaborators and business partners of the Company.

² Pursuant to Article 3, paragraph 5, the protection measures, in addition to the Whistleblowers, also apply "a) to the facilitators; (b) persons in the same working environment as the reporting person, the person who has filed a complaint with the judicial or accounting authority or the person who has made a public disclosure and who are linked to them by a stable emotional or family relationship within the fourth degree; (c) to the work colleagues of the reporting person or of the person who has lodged a complaint with the judicial or accounting authority or made a public disclosure, who work in the same working environment as the person and who have a habitual and ongoing relationship with that person; (d) entities owned by the reporting person or by the person who has lodged a complaint with the judicial or accounting authority or who has made a public disclosure or for which the same persons work, as well as entities operating in the same working environment as those persons."



1. the implementation of actions or behaviours by which the report has been hindered or attempted to obstruct it;
2. the violation of the duty of confidentiality towards the Whistleblowers;
3. the failure to establish reporting channels, the failure to adopt whistleblowing procedures in accordance with the legislation or even the failure to carry out verification and analysis activities regarding the reports received.

In addition, the Disciplinary System is applied if the liability of the Whistleblower has been ascertained, even with a first instance judgment, for the crimes of defamation or slander (or in any case for the same crimes committed in connection with the complaint), or the civil liability of the Whistleblower in cases of wilful misconduct or gross negligence ("Whistleblower Liability").

Therefore, in the event of Unlawful Conduct, or ascertainment of the Liability of the Whistleblower, the Company, having assessed the actual case that has occurred, will provide:

1. to spray:
 1. against employees, the sanctions referred to in point 2.2 of the Disciplinary System;
 2. against managers the sanctions referred to in point 2.3 of the Disciplinary System;
2. to adopt – with regard to Directors, Statutory Auditors, collaborators and business partners – the measures provided for, respectively, in points 3, 4 and 5 of the Disciplinary System.

In any case, the Company will also sanction, in the appropriate manner in relation to the specific case, any persons and entities not expressly identified among those referred to in points (i) and (ii) above that engage in Unlawful Conduct or against which the Liability of the Whistleblower should be ascertained.

It should also be noted that pursuant to art. 19 of the WB Decree:

1. Whistleblowers may notify ANAC of the retaliation they believe they have suffered. In the event of retaliation committed in the working context of a private sector entity, ANAC informs the National Labour Inspectorate for the measures within its competence;
2. acts taken in violation of Article 17 "Prohibition of retaliation" of the WB Decree are null and void. Whistleblowers who have been dismissed due to reporting, public disclosure or reporting to the judicial or accounting authorities have the right to be reinstated in their jobs, pursuant to Article 18 of Law No. 300 of 20 May 1970 or Article 2 of Legislative Decree No. 23 of 4 March 2015, due to the specific regulations applicable to the worker. Furthermore, pursuant to art. 17, paragraph 2 of the WB Decree, in the context of judicial or administrative proceedings or in any case of out-of-court disputes concerning the ascertainment of conduct, acts or omissions prohibited pursuant to this article against the Whistleblowers, it is presumed that the same have been carried out due to the report, public disclosure or complaint to the judicial or accounting authorities; Therefore, the burden of proving that such conduct or acts are motivated by reasons unrelated to the report, public disclosure or denunciation lies with the person who carried them out.

7. THE SUPERVISORY ROLE OF THE SBV



The disciplinary system contemplated herein is subject to constant verification by the Supervisory Body.

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

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

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