

1. The model of organization and management in art. 6 of D. Lgs. 231/2001 (below the "Model") and approval of its building blocks.

In every process of the daily work "Ragaini Radiatori S.p.A." has always pursued a company philosophy based on business values in the management of all the activities backed, on their turn, to the values of efficiency, fairness and loyalty.

To this end «Ragaini Radiator S.p.A." have endowed themselves with a Model of Organization and Management ex D.lgs. 231/2001 (from now on Model 231), which introduced an administrative/criminal liability scheme, borne by companies for some kind of crimes as required by D.lgs. 231/01, thus adapting and integrating their organization system in order to attain to the legislation requirements.

The Model 231 consists of a number of elements such as: evaluation of the potentially risky activities; Principles standards and rules of conduct; control instruments; control procedures and protocols; training and information activities; disciplinary system; Supervisory body and information flows.

The main purpose of the Model 231 is to try to prevent that crimes and offenses envisaged by the same law decree are committed and/or those defined by companies as "potentially applicable» within their respective entrepreneurial realities are committed.

The latest update of the Organization Model, Control Management ex D.lgs. 231/01 has been permanently updated and approved by the Company's Board of Directors with a resolution adopted on 10th December 2018.

Principles, provisions and requirements of the Company's Model 231 are binding for directors, for employees and for all persons which in various ways, operate on behalf and in the interests of the same companies.

"Ragaini Radiatori S.p.A." - understood as the Company "Group Ragaini S.p.A."- as group leader, along with controlled subsidiaries have endowed themselves and have adopted a Group Code of Ethics. All companies among which stand-our "Ragaini Radiators SpA" – which defines the set of values that all the companies of the group recognize- accept and share, at all levels, in the conduct of the business. Principles and provisions of the Code of Ethics represent exemplary specifications of general due diligence, fairness and loyalty obligations that qualify the fulfillment of work performance, work environment, behavior and the activities of the companies themselves. Even the Code of Ethics, in the its current version, was approved by the Board of Directors of the company resolution of December 10, 2018.

In accordance with art. 6, paragraph 1, letter b) of the D. lgs231/2001 the company, moreover, has also set up and appointed its own Supervisory Body (SB from now on) with autonomous powers of initiative and control. The body which is responsible for auditing and assuring that all operations are conducted in accordance and in compliance with the respective Model 231, is currently composed by:

- Avv. Vincenzo Arenella (President)
- Dott. Massimo Anticoli (Member)
- Dott. Sandro Baiocco (internal member)

To allow the Supervisory Body to fulfil their mandate, a constant exchange of information and information exchange between Recipients of the Model, third parties and the Supervisory Board themselves is indispensable. For this reason, the SB., recipient of information and reports about the Model adopted by the companies and any reports of violations of the Model adopted by the company, disposes of the communication mean and the address described here-below:

-Postal address : Ragaini Radiatori SpA – Organismo di Vigilanza (OdV) – Zona Industriale Brodolini 46/C - Loreto (AN)

- e-mail address: odv@ragainiradiatori.com

2 the working methodology

2.1 analysis of the documentation

For the analysis of the risks of commissioning of crimes referred to in D. Lgs. 231/01, the Company has pre-200th examination of all relevant company documentation for analysis for the drafting and updating of the Model, including the following are an example:

- company organization chart.
- Documentation of the existing Corporate Governance System (Visura Camerale, documents provided by Company).
- Policies, practices and formalized procedures in use within the Company.
- In general, the documentation of the company's security management system, such as the document risk assessment -ex D. Lgs. 81/08- accident records, registers of participation to training courses, the Quality Management in accordance with UNI EN ISO 9001:2008 and Environmental Management System in compliance ISO 14001:2004.

The analysis of the documents allowed to have a full picture of the company's organization structure and the distribution of functions and powers within the Company.

2.2 Interviews

Along with the analysis of the documents, interviews were conducted with managers and employees identified on the basis of the company organization chart and the powers attributed to them. Interviews were integrated with the help of self-assessment questionnaires to express the level of potential and residual risk of commissioning offences provided by the Decree and considered relevant to the Company (interviews). Interviews were intended to understand in detail:

- The characteristics of the business processes relating to each affected area, and the possible relevance of the activities, for the purpose of the Decree.
- Procedures and controls featuring the activities, which are useful for the prevention of crimes considered dangerous to Company.
- The combination of the criminal risks to which the Company is potentially exposed and the effectiveness and efficiency of the control system to prevent such risks.

2.3 The results of the analysis

The preliminary work carried-out in this way (examination of the documentation, interviews and self-assessment questionnaires) allowed the Company to:

A. Identify sensitive activities: for each type of crime, activities in which the crime is identified and described have been identified theoretically possible is the Commission of Offences provided for by The Legislative Decree 231/01. The theoretical possibility of Commission of Offences was assessed with exclusive reference to the intrinsic characteristics of the activity, regardless of who is doing it and without taking into account the control systems already in place.

B. Identify the existing audit procedures: audit procedures reasonably appropriate to prevent that offences considered already operating in previously identified sensitive areas, have been established.

C. Evaluate residual risk: For each sensitive activity, has been estimated the residual risk that an offence is committed once the internal control system that characterizes the activity in question, is considered.

D. Identifying prevention procedures and protocols: have been established the procedures and protocols of prevention that must be implemented, to prevent that offences are committed.

3. Principles for drafting prevention protocols and procedures

The “Special Part” of the Model is intended to define *criteria* to be followed in the creation of organization-rules, management attitudes and checks to which the Company and all the Recipients of the Model have to attain to in carrying out activities within the framework of the what the Alleged Offences can be committed.

In order to prevent or to limit the risk that crimes provided by D. Lgs. 231/2001, are committed, besides the formulation of general behaviors principles, the Company, has in addition, established specific prevention protocols for each of the activities identified as part of the alleged offences applicable to the Company.

In addition and with regard to each of these areas at risk, operational modalities that need to be observed by all the Recipients of the Model, have been composed with the aim of ensuring a constant flow of information to the S.B. and to allow them, moreover that their activities of control and monitoring are carried-out efficiently and with efficacy.

For each procedure and/or prevention protocol, a responsible Key Officer will also be appointed. He/She will have to warrant that respect and application of the rules of conduct and all the controls listed into the document are strictly respected. Moreover He/She will be required to up-date the document and to inform the S.B. with significant facts or circumstances found in the exercise of the sensitive activities of His/Her own Relevance.

4. Structure of the Model

Proceeding with the representation of the contents of the Model approved by the Company's Board of Directors in its latest version on December 10th, 2018, it is noted that the same is made-out of the following documents:

- General Part
- Special Part:

ANNEX 1 – RISK ASSESSMENT

ANNEX 2 – GROUP CODES OF ETHICS

ANNEX 3 – STATUTE OF THE SUPERVISORY BODY

ANNEX 4 – DISCIPLINARY SYSTEM

ANNEX 5 – THE LEGISLATIVE DECREE 231/2001

ANNEX 6 – CONFINDUSTRIA’S GUIDELINES FOR THE CONSTRUCTION OF ORGANIZATION MODELS, MANAGEMENT AND CONTROL FORMER LEGISLATIVE DECREE 231/2001

PROTOCOLS

PROTOCOL 01 – Relations with the Public Administration

PROTOCOL 02 – Selection, recruitment, personnel management, reimbursements of expenses and Representation expenses

PROTOCOL 03 - Sponsorships, donations, and gifts

PROTOCOL 04 - Management of consultancy, advice and reliance on professional assignments to third parties

PROTOCOL 05 - Composition cycle of the Financial Statements, Budget and Management of Corporate Extraordinary Operations –

PROTOCOL 06 – Cash and Flows

PROTOCOL 07 – Occupational Safety and Health Requirements under the D. Lgs. 81/2008 -

PROTOCOL 08 - Environmental crimes

PROTOCOL 09 - Cybercrimes and copyright infringements

PROTOCOL 10 –Supplies and Production

PROTOCOL 11 - Offences with the purpose of terrorism, transactional offences, organized crime and induction not to make statements or making false statements to the judicial authority

PROTOCOL 12 - Reports, whistleblower protection and periodic information flows to the S.B