



ERG S.p.A.

Organisation and Management Model

Italian Legislative Decree no. 231 of 8 June 2001

Approved by the Board of Directors of 15 July 2024
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Contents

Definitions	3
1. Italian Legislative Decree no. 231/01	7
1.1. Decree content and law references	7
1.2. Company actions that the decree considers as exemptions from its administrative liability	7
1.3. Sanctions foreseen by the Decree	8
2. Model adopted by the Company	9
2.1. Description of the company, the elements of governance and the organisational structure of the Company	9
2.2. Activities related to Intragroup Contracts	9
2.3. Reasons for adopting and updating the Model	10
2.4. Construction and structure of the Model	10
2.5. The Internal Control System and Model	11
2.6. Model adoption and updating process	13
2.7. Recipients	13
3. Supervisory Committee	14
3.1. Identification of the Supervisory Committee	14
3.2. Appointment and composition of the Supervisory Committee	14
3.3. Duration of appointment, replacement and removal of Supervisory Committee members	15
3.4. Duties, powers and activities of the Supervisory Committee	15
3.5. Reporting to Corporate Bodies	16
3.6. Reporting duties to the Supervisory Committee	17
3.7. Communication with the Supervisory Committee, management of reports and information flows	17
3.8. Documentation of the activities of the Supervisory Committee and filing	18
3.9. Coordination between the SC and the Supervisory Committees of the other Group Companies	19
4. Training and information	20
4.1. Board of Directors	20
4.2. Subjects holding mandates or proxies and Personnel employed in Sensitive Activities	20
4.3. Newly hired personnel	20
4.4. Other Personnel	20
4.5. Suppliers, Consultants, Contractors, Partners and Developers	20
5. The Disciplinary System	22
5.1. Disciplinary offences	22
5.2. Violation of the whistle-blowing system	22
5.3. Measures against the Board of Directors and Supervisory Bodies	23
5.4. Measures against Employees at managerial level	24
5.5. Measures against Employees not at managerial level	24
5.6. Measures against subjects holding mandates or proxies	24
5.7. Measures against Suppliers, Consultants, Contractors, Partners and Developers	25
5.8. Actions taken against members of the SC	25
6. Special Section	26
6.1. Introduction	26
6.2. Special Section Structure	26
6.3. General control principles	27
6.4. Sensitive Activities and Control Protocols	29

Definitions

In addition to the definitions contained in other parts of the Model, the terms and expressions with an initial capital letter used in this text have the meaning assigned to them, it being specified that the same meaning applies to both the singular and the plural:

Tax Authorities

We are here referring, including, but not limited to, the Ministry of Economy and Finance, the Finance Department, the Public Property Agency, the Customs and Monopolies Agency, the Presidential Council of Tax Justice and the Financial Police as well as the relevant civil servants and internal bodies, including Public Officials, Persons entrusted with a public service and Politically Exposed Persons (PEPs).

Sensitive Activity or Activity

Activity carried out directly by the Company or, on its behalf or favour, by Companies of the ERG Group or by third parties in a context in which there is the potential risk of committing the Offences.

Public Authority or Administration

We are here referring, including, but not limited to, the judicial authorities, Italian and foreign, national, regional and local Institutions and Public Administrations, Consob, Anti-trust Authority, Borsa Italiana S.p.A., the Italian Data Protection Authority, the Italian Regulatory Authority for Energy, Networks and Environment (ARERA), the Energy Services Manager (GSE), the Energy Market Operator (GME) and the other Supervisory Authorities, both Italian and foreign, national, regional and local, or equivalent private subjects in so far as they are provided with supervisory powers as well as their officials and internal bodies, including Public Officials, Persons entrusted with a public service as well as Politically Exposed Persons.

List of Offences

The list of offences provided for by Italian Legislative Decree no. 231/01 published in the "Supervisory and Anti-Corruption Organisms" section of the ERG company's intranet.

CCNL or National Collective Labour Agreement

National Collective Labour Agreements in force from time to time and applied by the Company to its Employees.

Code of Ethics

Code of Ethics of ERG and of the other ERG Group Companies.

Intragroup Contracts

Contracts between ERG Group Companies that regulate the supply of goods and/or services within the ERG Group.

We are here specifically referring to:

- Intragroup Loan Contracts;
- Intragroup Service Contracts;
- Intragroup Centralised Treasury Contracts.

Intragroup Loan Contracts

Intragroup Contracts through which the Company makes available to the Subsidiary Companies (directly or indirectly through ERG Power Generation) certain financial resources of key importance to the operation of the activities or to business development. These may be both short-term and long-term credit lines.

Intragroup Service Contracts

Intragroup Contracts through which the Company supplies the other ERG Group Companies (directly or indirectly through ERG Power Generation) or receives from ERG Power Generation, among other things, goods, services and professional services.

Intragroup Centralised Treasury Contracts

Intragroup contracts through which the Company (as a pooler) manages the ERG Group's financial resources by centralising the financial resources present in the current accounts of the Subsidiary Companies that comply with this system in a single current account, in order to improve the allocation of monetary liquidity.

Employees or Personnel

Subjects who have an ongoing contractual relationship with the Company (or with other ERG Group Companies, where expressly specified) or a training and internship contract.

Italian Legislative Decree no. 231/01 or the Decree

Italian Legislative Decree no. 231 of 8 June 2001 as amended.

ERG or the Company or Parent Company

ERG S.p.A.

ERG Power Generation

ERG Power Generation S.p.A.

Suppliers or Consultants or Contractors

Natural persons and legal entities that have a contractual relationship with ERG Group Companies that relates to, among other things, the supply of goods, services, professional services or the execution of works for the Company or Subsidiary Companies.

ERG Group or ERG Group Companies or Group

ERG and the companies directly or indirectly controlled by it pursuant to art. 93 of Consolidated Financial Law.

Person entrusted with a public service

The person who, for whatever reason, performs an activity regulated according to the same rules that apply to public appointments, but featuring a lack of the powers usually associated to the latter. The performance of simple jobs involving the application of order and the supply of merely material operations are excluded. By way of non-limiting example the following may be considered persons entrusted with a public service: the employees of the supervisory authority that are not involved in establishing the will of the Authority and have no authoritative powers.

Confindustria's Guidelines or Guidelines

The Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree no. 231/01 approved by Confindustria in the latest version updated in June 2021 and published on 8 June 2021 following approval from the Ministry of Justice.

Organisation Manual

We are here referring to the document which, given the framework of the ERG Group at any given time, defines, for each organisation role found within the company's organisational chart:

- the purpose, understood as being the main objective;
- the responsibilities, with regard to the macro-activities of the main processes;
- the expected range of their technical expertise.

Specific company roles mentioned in the Model are expressly defined within the Organisation Manual.

Model

The Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01, adopted by the Company.

Internal Regulations

We are here referring to the company regulations adopted by the ERG Group.

Shareholders' Meeting

The Shareholders' Meeting of the Company.

Board of Directors

The Board of Directors of the Company, as well as their members.

Supervisory Bodies

The Company's Board of Statutory Auditors and Independent Auditors as well as their members.

Corporate Bodies

The Board of Directors and the Board of Statutory Auditors of the Company, as well as their members.

Supervisory Committee or SC

Committee responsible for verifying the effectiveness of and the compliance with the Model and proposing its updating to the Board of Directors when it considers it necessary. The Supervisory Committee is also required to monitor the compliance with the Code of Ethics, limited to the relevant cases under the Model.

Partners

Natural persons or legal entities that have entered into a contractual relationship with the Company or other ERG Group Companies, in the interest of the Company, relative to the joint performance of an economic activity through investment in the company, association or temporary business affiliation, etc. In some investment transactions aimed at developing the business, Developers may be admitted as Partners.

Politically Exposed Persons or PEPs

This refers to natural persons who hold, or who have ceased to hold less than a year ago, important public posts, as well as their family members and those who are closely related to the latter, as indicated by Italian Legislative Decree no. 231/2007 as amended or any other equivalent legislation or regulation on money laundering.

Anti-corruption Policy

Anti-corruption Policy adopted by ERG and the other ERG Group Companies.

Public Official

Anyone a) exercising a public legal, judicial or administrative function; b) acting in an official capacity in the interest or on behalf of (i) a national, regional or local Public Administration, (ii) an agency, office or body of the European Union or of an Italian or foreign, national, regional or local Public Administration, (iii) a company, owned, controlled or partially owned by an Italian or foreign Public Administration, (iv) an international public organisation.

By way of non-limiting example the following may be considered Public Officials: the technical consultants and appointed experts, judicial officers and liquidators, as assistants to the judge, the health inspectors and officers, notaries, mayors in their role as government officers, municipal councillors, persons pertaining to the Police Force or the Armed Forces, Fire fighters and traffic police, magistrates in the exercise of their functions, council employees that issue certificates (for example, Registry Office employees) and council technicians.

Offences

The predicate offences for the administrative liability of entities listed in Italian Legislative Decree no. 231/01.

Waste

Any substance or object that the holder discards or intends or is required to discard.

Power Allocation System

This refers to the set of powers granted, within the Company, through mandates and proxies, to be exercised (where applicable) within the limits of the approved budget, as well as all that is envisaged by the Guidelines for the identification and carrying-out of significant transactions ("Significant Transaction Guidelines") and in any case bearing in mind the roles and responsibilities assigned through the Organisation Manual.

Management System

It is the set of policies, guiding principles, plans and programmes, organisational structure, roles and responsibilities, procedures, practices, actions and resources, coordinated and aimed at controlling and constantly improving the protection of occupational health and safety and the technological infrastructure and application architectures that support the operating processes of wind and solar power assets.

Subsidiary Companies

Companies directly or indirectly controlled by the Company pursuant to art. 93 of Consolidated Financial Law.

Companies controlled by EPG

Companies directly or indirectly controlled by ERG Power Generation pursuant to art. 93 of the Consolidated Financial Law.

Senior Parties

The Company's Directors (including, in particular, the Chairman, the Executive Deputy Chairman, the Deputy Chairman, the Chief Executive Officer, holding special offices and/or proxies directly granted by the Board of Directors) and, more generally, those parties who have the power and responsibility, directly or indirectly, for planning, directing and controlling the Company's activities.

Developers

Natural persons or legal entities that have entered into a contractual relationship with the Company or other ERG Group Companies through which they are assigned the task, in the interest of the Company, of identifying the area where a production plant may be built, drafting the project, handling relations with the owners of the area, overseeing the acquisition of the necessary authorisations and managing relations with local stakeholders that are directly affected by the construction of the plant.

Significant Third Parties

Natural persons or legal entities with which the ERG Group Companies have business relations or relationships in general that present a risk of being affected by possible instances of corruption or being instrumental in implementing, facilitating or concealing corruption practices as identified by the Significant Third Party Due Diligence procedure.

Top Managers

The first appointees made by the Chief Executive Officer of ERG granted competence over various issues at various times.

Top Management

The Chairman, the Executive Deputy Chairman and the Chief Executive Officer of ERG.

1. Italian Legislative Decree no. 231/01

1.1. Decree content and law references

Italian Legislative Decree no. 231/01¹, which came into force on 4 July 2001, introduced into our legislation the concept of administrative liability for legal entities, which is to be added to the criminal liability of the natural person who has materially committed Offences and which aims to involve, in the punishment of said offences, the organisations in whose interest or to whose advantage the Offences have been carried out.

The responsibility of the entity (including for Offences committed abroad, provided that the State where the unlawful act was committed is not already pressing charges and the other conditions envisaged by art. 4 of Italian Legislative Decree no. 231/01 are met) is ascertained when one of the Offences is committed by a natural person who is part of the entity and in the interest or to the advantage of the entity itself and if the latter has not adopted a suitable and effective organisation model to prevent these Offences being committed (known as "organisational liability").

With reference to the natural persons who have committed the Offence, it takes into consideration the conduct of (i) Senior Parties and (ii) natural persons under the management or supervision of said parties.

Italian Legislative Decree no. 231/01 included in its original text only Offences against the Public Administration (articles 24 and 25); subsequently, via further legislative actions also driven by the need to adapt to EC regulations and international conventions, other cases were introduced (the complete list of which is provided in the List of Offences).

1.2. Company actions that the decree considers as exemptions from its administrative liability

Italian Legislative Decree no. 231/01 provides a specific exemption from administrative liability, if the entity can demonstrate that the management, before the offence was committed, had adopted and effectively implemented "organisation and management models designed to prevent the Offences committed".

The Model must meet the following requirements:

- identify the activities where the Offences may be committed;
- define specific decision making protocols with reference to the Offences that must be prevented;
- identify procedures for managing financial resources capable to prevent the commission of such Offences;
- envisage reporting duties towards the body in charge of supervising the operation of and the compliance with the Model;
- introduce a system to appropriately sanction the non-compliance with the rules indicated in the Model (the "Disciplinary system").

When the Offence has been committed by a **Senior Party**, a specific exemption from liability is provided for if the entity proves that:

- prior to the commission of the Offence, it had adopted and effectively implemented a Model capable of preventing the commission of the offences considered in the Decree;
- it had entrusted an internal body with autonomous decision-making and control powers with the responsibility of supervising the operation of and compliance with the Model, as well as ensuring it is regularly updated, proposing any need for intervention by the Board of Directors;
- there is no evidence of omitted or insufficient control by the Supervisory Committee;
- the perpetrator of the Offence acted by fraudulently ignoring the Model.

When the Offence has been committed by a **subject under the management or supervision of a Senior Party**,

¹ Adaptation of Italian law on the liability of legal persons to the Brussels Convention of 26 July 1995 on the protection of the financial interests of the European Community, to the Brussels Convention of 26 May 1997 on combating the bribery of public officials of the European Community and of Member States and to the OECD Convention of 17 December 1997 on combating the bribery of foreign public officials in international business transactions.

the public prosecutor must prove that the commission of the offence has been made possible by the failure of the Senior Parties to comply with their management or supervision obligations. These obligations cannot be considered violated if the entity, before committing the Offence, has adopted and effectively implemented a model fit for preventing Offences such as those occurred.

The Company, in preparing the Model and subsequently updating it, has duly taken into account the Confindustria Guidelines; any differences that exist between the adopted Model and any specific indication of the Guidelines do not affect the basic accuracy and validity of the Model, since the Guidelines are general in nature, while the Model is strictly referred to the Company.

1.3. Sanctions foreseen by the Decree

The Decree envisages four types of sanctions for administrative offences when the liability of the entity is ascertained:

- **pecuniary sanctions**, established through a system that sets a minimum and a maximum number of "quotas" for each offence. In order to make sanctions truly effective, the rule gives the law courts the power to define the number of the "quotas" used to sanction² the entity (between 100 and 1,000, according to the seriousness of the offence, the degree of responsibility of the entity and to what has been done to eliminate or mitigate the consequences of the offence and prevent further offences) and the relative value (between EUR 258 and EUR 1,549 set on the basis of the economic and financial conditions of the entity);
- **debarment sanctions**³, i.e.:
 - i. the prohibition from operating core business activities;
 - ii. the suspension or revocation of authorisations, licenses or concessions functional to the committing of the Offence;
 - iii. the prohibition from entering into contracts with the Public Administration, other than to obtain public services;
 - iv. the exclusion from facilities, loans, grants and subsidies as well as the revocation of those already granted;
 - v. the prohibition from advertising goods or services;
- the **seizure** of the cost or profit deriving from the Offence⁴;
- the **publication of the sentence**.

With reference to the crimes attempted that are relevant pursuant to Italian Legislative Decree no. 231/01, without prejudice to the possible reductions of the pecuniary sanctions foreseen, no other responsibility falls on the shoulders of the entities if they have voluntarily avoided the perpetration of the actions or the criminal event.

² There are cases in which the pecuniary sanction can be reduced if (alternatively) the perpetrator of the offence has committed the act in his/her own best interest or in the interest of third parties and the entity has not gained an advantage from it, or has gained a minimum advantage from it, and if the damage is negligible. The pecuniary sanction is also reduced by a third to a half if, prior to the opening statement of the first instance hearing, the entity (i) has fully compensated the damage or has eliminated the damaging or dangerous consequences of the offence (or has tried to do so), (ii) or has adopted a Model suitable to prevent the same offence being committed in the future. The pecuniary sanction is reduced by a half to two thirds if both the above conditions are present.

³ The debarment sanctions do not apply if, prior to the opening statement of the first instance hearing, the entity has repaired the consequences of the Offence, it being necessary for this purpose that the entity has: i) fully compensated the damage and eliminated the damaging or dangerous consequences of the Offence or has tried to do so; ii) adopted and implemented a Model fit for preventing offences such as those occurred; iii) made available the profit obtained.

⁴ As a precautionary measure, the distress of those things that, constituting price or profit of the Offence or their monetary equivalent, are liable to seizure, may be ordered.

2. Model adopted by the Company

2.1. Description of the company, the elements of governance and the organisational structure of the Company

The Company is the holding company of the ERG Group, a major independent operator in the generation and storage of electricity from renewable sources such as wind and solar.

The Group's organisational structure features a strong focus on process logic and the implementation of strategic business leverages, and provides for the definition of two macro-roles:

- ✓ **ERG**, a public limited company listed on Euronext Milan, Mercato Telematico Azionario (screen-based stock exchange) organised and managed by Borsa Italiana S.p.A. in the FTSE MIB and FTSE All Share indices, which guarantees strategic guidance, is directly responsible for business development and ensures the management of all business support processes, also through personnel from other Group companies.

The Company is organised in the following areas:

- Corporate Strategy and M&A;
 - Business Development, Engineering & Construction;
 - ESG, IR & Communication;
 - Human Capital & ICT;
 - Administration, Finance, Control & Procurement;
 - Regulatory & Public Affairs;
 - Corporate & Legal Affairs.
- ✓ **ERG Power Generation**, which ensures the management of the engineering and construction activities and the industrial and commercial processes of the Group, also through personnel belonging to other subsidiaries, organised as part of the "Generation & Market" department in:
 - Wind and Solar generation units, which in turn are organised on a geographical basis;
 - an Energy Management & Sales structure, as a single entry point to organised markets and the main clients/counterparties;
 - a centre of expertise that ensures the efficiency of the operating model and the related global standardisation of processes;
 - a structure dedicated to managing health, safety, quality and environmental protection topics for the entire Group;
 - an area dedicated to the development and digitalisation of business systems.

Following the closing of the transaction aimed at the creation of a long-term partnership between San Quirico S.p.A. and the IFM Net Zero Infrastructure Fund SCSP investment fund, which occurred on 15 September 2022, the Company is a subsidiary of SQ Renewables S.p.A. (wholly owned by San Quirico S.p.A. and NZF Bidco Luxembourg 2 S.à r.l., with holdings on 9 April 2024 of 51% and 49%, respectively). SQ Renewables S.p.A. exercise a limited management and coordination activity on the Company, in accordance with the provisions of the relevant Regulation approved on 15 September 2022 by the Board of Directors.

2.2. Activities related to Intragroup Contracts

The Group's organisational model provides the centralisation of shared activities within the ERG Group Companies. In particular, the Company guarantees strategic management and has the direct responsibility for business development and for the management of all business support processes by means of an Intragroup Contract with ERG Power Generation and, indirectly, with the Companies controlled by EPG, through Intragroup Contracts signed between the latter and ERG Power Generation.

The services are provided both through the Personnel of ERG Power Generation (merely as an example, with reference to the services provided by the "Construction", "Health, Safety, Environment & Quality", "Energy Management & Sales" and "Generation" business units) and through the Company's Personnel, (merely as an example, with reference to the services provided by the "Corporate & Legal Affairs", "Administration, Finance,

Control and Procurement", "Regulatory & Public Affairs" and "Human Capital & ICT" business units).

These contracts ensure that each ERG Group Company can:

- reach independent and autonomous decisions for which it must be granted the necessary responsibility, including decisions relative to the infragroup services received;
- consequently maintain control regarding the appropriateness of the infragroup services supplied/received.

The Infragroup Service Contracts foresee:

- a detailed description of the activities that are the subject matter of the contract;
- the procedures involved in the provision of services;
- the powers of verification and control granted to the individual ERG Group Companies;
- the procedures for calculating the fees of the services supplied;
- appropriate clauses protecting the information assets of the individual ERG Group Companies and the security of the transactions;
- the obligation, befalling the ERG Group Company that provides the services, to operate in compliance with the Model, the Code of Ethics, the Internal Regulations and the applicable laws and regulations in force as well as requiring their compliance even by possible Suppliers, Consultants, Contractors and Developers to which it might subcontract the entire or partial supply of services;
- the right, for the ERG Group Companies receiving the services, to terminate the contract following any violation:
 - ✓ of the legal and regulatory provisions that may lead to sanctions pursuant to Italian Legislative Decree no. 231/01 charged to ERG Group Companies receiving services;
 - ✓ the obligation to execute the activities in compliance with the principles contained in the organisation, management and control model foreseen by Italian Legislative Decree no. 231/01, adopted by each ERG Group Company as well as the Code of Ethics and Internal Regulations.

More in general, each Infragroup Contract must be drafted in such a way as to be fair and transparent and the relative services supplied in compliance with the principles of sound management, accounting transparency and segregation of assets.

2.3. Reasons for adopting and updating the Model

For the purpose of ensuring fairness and transparency in conducting its business activities, the Company adopted the Code of Ethics, the Anti-Corruption Policy and the Model in line with the provisions of the Decree.

The Company, in fact, considers the adoption of this Model, together with the Code of Ethics and the Anti-corruption Policy, to be - apart from the provisions of law - a valid tool for raising awareness among Senior Parties, Suppliers, Consultants, Contractors, Developers and Group Companies with which it has Infragroup Contracts, and all other stakeholders, so that they behave in an appropriate and transparent manner when performing their activities, in line with the ethical and social values that inspire the Company in pursuing its corporate purpose, and in any case such as to prevent the risk of committing the Offences.

As a consequence, the adoption, updating and effective implementation of the Model are intended to improve corporate governance, reduce the risk of committing Offences and provide clear evidence that the Company should not be considered liable.

The Company, together with ERG Power Generation and ERG Germany GmbH, has obtained and maintains ISO 45001:2018 Health and Safety Management System and the Information Management System certifications (related to the management processes of the technological infrastructures and application architectures supporting the operating processes of the wind and solar power assets) in accordance to the ISO 27001:2013 and ISO/IEC 27019:2017 standards.

2.4. Construction and structure of the Model

The Model has the purpose of defining a comprehensive set of prevention, deterrence and control tools aimed at reducing the risk of Offences being committed, by identifying Sensitive Activities and, if necessary, their resulting regulation.

Therefore, the activities carried out to develop⁵ and subsequently update the Model can be summarised as follows:

- mapping of company activities at risk of Offence, with the purpose of identifying Sensitive Activities and understanding possible ways of committing Offences ("risk assessment");
- examination of existing corporate documentation, interviews with key corporate employees, identification of existing Internal Regulations⁶, understanding the methods of segregation of roles, mapping existing controls and understanding how they are documented and analysis of risk situations occurred in the past and their causes
- preparation of a "231 risk map" that identifies the Sensitive Activities and the business units responsible for their management;
- definition of control protocols and formalisation of action plans with changes (organisational, procedural or relating to IT systems) necessary to define a control system reasonably able to prevent or reduce the risk of committing Offences.

In relation to the validity of the Model, special importance is given to the organisational structure, the activities carried out by Senior Parties and, more in general, by Personnel, aimed at ensuring the effective and efficient management of operations, the reliability of outward and inward company information, compliance with applicable laws and regulations in force and Internal Regulations.

The Model was developed considering the main positions expressed by the case law in relation to the characteristics it must possess:

- **effectiveness**: namely the adequacy of all the controls established for preventing the commission of Offences;
- **specificity**: Model provisions must take into account the Company characteristics, size and type of activities, as well as the history of the Company;
- **constant updating**: i.e. the ability to reduce, over time, the risk of an Offence being committed in relation to the characteristics of the structure and the business, including with the work of the Supervisory Committee that keeps the Model up-to-date and current, suggesting to the Board of Directors all required and/or appropriate changes to this end.

The structure of the Model adopted by the Company is characterised by the presence of the following major components:

- **Code of Ethics**, to which full reference should be made, which states the principles on which the activity of all those who contribute with their work to the development of company activity must be based;
- **General Section**, defining the overall layout of the Model in relation to the provisions of the Decree and the specific choices made by the Company in its preparation, referring to the Disciplinary System, to be applied in case of violation of the envisaged rules and procedures;
- **Special Section**, which provides a definition of the rules to be followed in performing Sensitive Activities relative to the kinds of Offences to which the Company is even just potentially exposed;
- **Disciplinary System**, to be applied in case of breach of the Code of Ethics, the Model, the Internal Regulations and, more in general, the rules and procedures envisaged by the Internal Control and Risk Management System adopted by ERG (the "Internal Control System").

2.5. The Internal Control System and Model

The regulatory system of reference for the Sensitive processes and Activities does not solely comprise the provisions of this Model, but rather a structured, coherent set of regulations which constitute an integral and substantial part of the Internal Regulations:

- the **Code of Ethics**, targeting all stakeholders, which summarises the ethical principles adopted by the Company and, more generally, by the ERG Group in the performance of its business activities;

⁵ According to the provisions of the Decree, the Guidelines published by Confindustria, the "Position Paper" of the Italian Internal Auditors Association, the CoSO Report (proposed by the Committee of Sponsoring Organisations of the Treadway Commission) as an international standard on internal control matters and the Position Papers published by the Associazione degli Organismi di Vigilanza (AODV) (Association of Supervisory Committees).

- the **Policies**, targeting all stakeholders, which, based on values expressed in the Code of Ethics, define the basic operating principles for carrying out the company's activities, including in particular the **Anti-Corruption Policy**;
- the **Guidelines**, mainly targeting those responsible for operations and their control, which define the principles for carrying out the activities;
- the **Procedures**, targeting those involved in the operating processes governed by the Procedures;
- the **Operating Notes**, targeting those operationally involved in the activities or activity phases governed by the document;
- the **Management System** (ISO 45001:2018, ISO 27001:2013, ISO 27019:2017), within which specific procedures are adopted;
- the **Infragroup Contracts**.

The current Power Allocation System adopted by the Company envisages the granting:

- of **mandates by the Board of Directors** to Top Management in relation to Company management;
- of **mandates and proxies** to Personnel (responsible for organisational positions within the Company or the ERG Group), depending on the organisational position held, for the assignment of certain powers of representation outside the Company or, in some cases, to Suppliers, Consultants, Contractors and Developers;
- of **proxies** to Personnel, depending on the organisational position held, for the assignment of the power to carry out certain activities as part of the specific roles envisaged by the Organisation Manual, without any external importance.

In line with the provisions of the Corporate Governance Code promoted by Borsa Italiana S.p.A. and the Significant Transaction Guidelines, both the Power Allocation System and the composition of the board of directors of the Companies controlled by EPG have been redefined so that transactions of significant strategic, economic, equity or financial importance must be the subject matter, even from a strictly corporate point of view and not only on the basis of what is defined in the Significant Transaction Guidelines, of a prior assessment by ERG's Board of Directors, making the board of directors of the Companies controlled by EPG responsible in this regard, which in any case remain the only parties in charge of the correct corporate and entrepreneurial management of the Group companies in which they perform their duties, without, however, this slowing down the decision-making process within the ERG Group.

The **Power Allocation System** is designed in such a way as to continuously ensure consistency between the organisational structures, the powers assigned (through mandates and proxies) and the Internal Regulations, all of which in compliance (where possible) with the Segregation of Duties. This approach guarantees that the same subject is not assigned all responsibility/powers to independently manage an entire Sensitive Activity and makes it possible, in any case, by means of a system of proxies issued for those responsible for different business units, to protect the Company's rights of defence in the event that one or more of its legal representatives are under investigation for a predicate offence of the administrative offence charged against the Company and are, therefore, in conflict of interest with it.

In particular, when assigning powers (through mandates and proxies), the exact limits (including spending limits) within which they may be exercised are identified, with a prohibition on assigning "unlimited" powers.

Where it is not possible to guarantee the Segregation of Duties, the Sensitive Activity must in any case be subject to alternative compensatory control instruments in the most relevant cases of incompatibility.

The principle of Segregation of Duties is outlined in specific organisational documents such as the "Segregation of Duties" Guideline and must be taken into consideration every time one encounters, by way of non-limiting example, one of the following events:

1. internal reorganisation;
2. optimisation/modification of an existing process and/or the start of a new process;
3. a request for authorisation to access IT systems;
4. changes in organisational responsibilities and/or of the Power Allocation System.

Specific periodic controls are also in place to ensure alignment between the powers and the organisational roles, also in reference to any organisational changes.

The **Organisation Manual**, on the basis of the Company structure (meaning the functions present in the organisational chart), describes the various organisational positions and identifies their goals and responsibilities.

The Model is therefore made up of the set of rules of conduct and controls established in this document and in the regulatory system, and the system of delegated powers and responsibilities stated above.

2.6 Model adoption and updating process

Although the adoption of the Organisation and Management Model is merely "voluntary" and not mandatory, the Company has decided to set up and adopt its own Model and appoint the Supervisory Committee knowing that this choice represents an opportunity to improve its corporate governance.

Since the Model is a "document issued by the Management Body", its adoption and any subsequent amendments and supplements will be the responsibility of the Board of Directors.

The Supervisory Committee, as described in the following paragraphs, has the task of (i) verifying the contents of the Model and updating it with the support of any necessary (internal and external) resources, coordinating the analysis and mapping of Sensitive Activities, and (ii) ensuring Model operation and compliance.

Within the Model adoption and updating process, with the support of any necessary (internal and external) resources, the SC draws up a draft document, shares it with the Control, Risk and Sustainability Committee and then submits it to the Board of Directors for approval and adoption.

The following are, by way of an example, some cases in which it is necessary to update the Model:

- changes in the ownership structure and/or organisational structure;
- changes in business sectors and countries of reference;
- news of attempted commission or commission of Offences;
- news of new possible ways of committing the Offences;
- regulatory changes relevant to the Company;
- results of controls showing that the control protocols should be reviewed;
- significant violations of the provisions set out in the Model that require the revision of control protocols.

2.7 Recipients

The provisions of this Model are targeted to the Board of Directors and Supervisory Bodies, to those who have the power to act in the name and/or on behalf of the Company by virtue of mandates or proxies, to Personnel, to Suppliers, Consultants, Contractors, Partners and Developers as part of their relations with the Company.

3. Supervisory Committee

3.1. Identification of the Supervisory Committee

The Decree identifies a "*body of the entity*", with independent authority of action and control, as the body to be in charge of supervising the operation, effectiveness and observance of the Organisation, Management and Control Model as well as continuously and promptly updating it.

The generic concept of "*body of the entity*" justifies the multiple solutions that companies can adopt, considering their size, corporate governance rules and the need to achieve a fair balance between costs and benefits.

Confindustria's Guidelines suggest appointing a body, other than the Board of Directors, which has characteristics of **autonomy, independence, professionalism** and **continuity of action**, as well as **integrity** and **absence of conflicts of interest**.

Therefore, members internal or external to the entity may be called upon to be part of the SC, provided they meet the above requirements. Should members be both internal and external, as specified in Confindustria's Guidelines, since the internal members cannot be required to be completely independent of the entity, the independence of the Supervisory Committee must be considered with reference to the committee as a whole and not to the individual member.

3.2. Appointment and composition of the Supervisory Committee

The Board of Directors has the power to appoint the Supervisory Committee. Considering the provisions under the previous section, the Board believes that the best solution to ensure compliance with the requirements of the Decree consists of granting the functions and powers of the Supervisory Committee to a collective body consisting of two external members, one of whom is appointed Chairman, meeting the requirements set by Italian Legislative Decree no. 231/01 and by Confindustria's Guidelines.

In particular, the members of the Supervisory Committee shall possess knowledge and/or expertise in the field of financial audit, tax compliance, management control, finance, risk management, internal audit, business organisation as well as law.

The Supervisory Committee thus identified shall only respond to the Board of Directors and has direct access to Top Management, the Board of Statutory Auditors of the Company and, both directly and indirectly through the Control, Risk and Sustainability Committee, to the Board of Directors itself. In order to ensure the necessary autonomy of action and independence, the Supervisory Committee has no operational duties.

The members of the Supervisory Committee may not, in carrying out their duties:

- directly or indirectly engage in economic relations that are able to influence its independence of opinion (also considered in relation to the individual financial condition) with the ERG Group Companies, with members of the Boards of Directors of ERG Group Companies, with the shareholder or group of shareholders controlling ERG;
- directly or indirectly own shares enabling them to exercise control or significant influence over the Company or be influenced in their own independence of opinion (shareholding of more than 2%);
- be close relatives (meaning spouse/partner, relation or in-law to the 4th degree of kinship) of Company Directors, of ERG key management or of subjects in the situations mentioned in the previous paragraphs;
- have been convicted, even with no final judgement for Offences or for other non-negligent crime or have adhered to the application of the penalty on request (known as "plea bargaining" pursuant to art. 444 of the Italian Code of Criminal Procedure);
- have undergone personal or property prevention measures;
- have been declared interdict, disqualified or undergoing bankruptcy proceedings or have been convicted with sentences that entail disqualification from Public Offices, from the managerial offices of Companies and legal entities, from a profession or an art, as well as the inability to negotiate with the Public Administration (all in all "Causes of Incompatibility").

The Board of Directors verifies that the Supervisory Committee fulfils the requirements of integrity, professionalism, autonomy, independence and continuity of action, also taking into account the instructions provided in Confindustria's Guidelines.

3.3. Duration of appointment, replacement and removal of Supervisory Committee members

The members of the Supervisory Committee shall remain in office for a period preferably no longer than three years and may be reappointed. In case of revocation of the appointing Board of Directors, whatever the reason, Committee members shall fall from office while remaining in force until new ones are appointed, or the ones in force are confirmed by the new Board of Directors.

The Board of Directors has the power and responsibility to appoint and remove the members of the Supervisory Committee.

Members of the Supervisory Committee cannot be revoked except for good reason, by special resolution of the Board of Directors. Good reason for dismissal shall be intended as the occurrence of any of the following circumstances:

- occurrence of one of the Causes of Incompatibility;
- repeated breach of their duties;
- violation of the Model;
- unjustified inactivity (merely as an example, repeated and unjustified failure to participate in the regular meetings of the SC);
- conviction, even without final judgement, or application of the "plea bargaining" penalty for facts relating to the performance of their duties. The Board of Directors will decide on a case-by-case basis, taking into consideration the seriousness of the offences involved, suspension or revocation of membership of the SC, even if the member was not convicted of an offence included in Italian Legislative Decree no. 231/01 with final judgement, but in any event was convicted or subjected to personal injunction orders;
- occurrence of a permanent condition of conflict of interest;
- changes in the corporate structure resulting in a change of the party holding the majority of votes that can be exercised at ordinary shareholders' meeting of the Company;
- violation of the Whistle-blowing Guideline and the provisions of paragraph 5.2.

At the time they are appointed, the members of the Supervisory Committee must issue a declaration stating the absence of the aforementioned conditions of incompatibility with reference to their specific activity along with the undertaking to promptly notify any changes that may occur in relation to what has been stated.

Members of the Supervisory Committee can resign from their role at any time. In this case, they must notify the other members of the Supervisory Committee, the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors of the Company in writing of the reasons for their resignation. Should one or more members of the Supervisory Committee resign, the resignation shall not take effect until a new member/members of the Supervisory Committee is/are appointed by the Board of Directors.

3.4. Duties, powers and activities of the Supervisory Committee

The Supervisory Committee is responsible for carrying out, with autonomous powers of action and control, the following activities:

- monitoring compliance with the Model and the Code of Ethics, limited to the relevant cases under the Model;
- updating the Model considering regulatory changes and company organisation so that the Board of Directors may approve it, keeping the document consistent with the purposes described in the Decree;
- checking the effectiveness and adequacy of the Model, that is to say its adequacy in preventing the commission of the Offences;
- analysing the company's activities, coordinating where necessary with the Personnel competent from time to time in order to update the mapping of Sensitive Activities;

- promoting training initiatives for the recipients of the Model, its communication and diffusion in collaboration with the competent Personnel;
- collecting, processing and storing all relevant information received in accordance with the Model;
- making periodical checks according to an annual plan notified to the Board of Directors;
- making other "out of plan" checks deemed necessary, which are notified to the Board of Directors when the half-yearly report is prepared;
- making sure that corrective actions necessary to make the Model adequate and effective are implemented in the manner and within the time limit agreed with the Personnel competent from time to time.

As part of the checks on the operation, effectiveness of and compliance with the Model, the SC:

- must take all necessary action in order to adapt behaviour to the provisions of the Model, if it appears that the status of implementation of rules is deficient;
- must act as soon as possible when Model adaptation is needed;
- may communicate the results of its audits in writing to the competent Personnel, requesting an improvement action plan and agreeing on the timing for their implementation;
- acquires directly from competent Personnel all the elements needed to promote the application of the Disciplinary System.

The Supervisory Committee must inform the Corporate Bodies as soon as possible, without prejudice to appropriate verification activities and investigations, about significant violations of the Model, asking for support from Personnel able to collaborate in audit activities and in defining appropriate actions in order to prevent the recurrence of such circumstances.

Activities carried out by the Supervisory Committee in the exercise of its functions cannot be controlled in any way by any other body or company department, without prejudice to the fact that the Board of Directors is in any case obliged to carry out an inspection in order to evaluate the adequacy of the intervention of the Supervisory Committee.

The Supervisory Committee is granted the following powers and rights in order to perform its assigned duties:

- to access any kind of business document, relevant in relation to its functions;
- to make use of the collaboration of the competent Personnel, with special reference to Personnel belonging to the Internal Audit and Compliance 231 & Privacy business units;
- to request the Personnel to promptly provide information, data and/or news necessary for identifying relevant aspects of company activities with reference to the Model and for monitoring its effective implementation;
- to request the Corporate Bodies to be convened.

Moreover, the Board of Directors will in any case be required, from time to time, at the request of the SC, to provide the latter with adequate financial resources for carrying out specific activities, as well as any additional resources that may prove necessary during the year.

In order to carry out its activities, the Supervisory Committee adopts regulations within which it defines the procedures for its operation (appointment of the meeting secretary, call, voting and resolutions, etc.).

With specific reference to the meetings of the Supervisory Committee and respecting the autonomy of the same, at least 4 meetings a year should be held (and reported in minutes).

3.5. Reporting to Corporate Bodies

Despite its autonomy and independence, the Supervisory Committee must report to the Board of Directors:

- at the beginning of each year, about the plan of activities that it intends to carry out;
- every six months, the supervisory activity carried out, as part of special reports;
- promptly, in writing, any significant issue arising from the supervisory activities;
- promptly, compatibly with the timing necessary for the checks/investigations, any violations of the Model and/or the Code of Ethics, limited to the relevant cases under the Model.

The plan of activities and half-yearly reports are presented to the Control, Risk and Sustainability Committee and to the Board of Directors, whose meetings are also attended by the Board of Statutory Auditors of the Company.

3.6. Reporting duties to the Supervisory Committee

It is mandatory that competent Personnel submit to the SC any information deemed useful for its activity, including but not limited to:

- results of controls set in place to implement the Model, from which discrepancies emerge;
- measures and/or information from the Judicial Police or any other Authority from which one can infer investigations concerning directly or indirectly the Company;
- internal and external communications relating to facts that could be in connection with cases considered Offences;
- requests for legal assistance submitted by Personnel of the Company against whom the court is proceeding for cases considered Offences;
- results of internal audits from which responsibility emerges;
- information relating to changes in the organisational structure, the reference ownership structure or changes in the reference sectors and geographical areas;
- updates to the Power Allocation System, also by publishing on the intranet portal;
- strategically significant or atypical transactions that may be at risk of Offence;
- significant violations of the rules relating to accident prevention and hygiene at work, where accidents and occupational diseases have arisen;
- any communication from the Auditing Company regarding topics that may indicate deficiencies in the system of internal controls, reprehensible facts, comments on the Company's financial statements and/or on the consolidated financial statements;
- exceptions to the application of Internal Regulations currently in force;
- reports (including whistle-blowing) received on violations of the Model and of Italian Legislative Decree no. 231/2001;
- list of disciplinary measures imposed on Employees, with an indication of the type of measure and the dispute raised.

The Supervisory Committee draws up and approves a specific procedure for the flow of information concerning the Sensitive Activities identified in the Model.

The Supervisory Committee must be granted direct access to any electronic and/or hardcopy filing systems in use that may contain information relevant to its activity, such as:

- corporate archive (minutes of meetings of Corporate Bodies, Articles of Association, etc.);
- any protocols of incoming and outgoing communications.

The documentation relevant to the application of the Model (information flows, relevant operations, etc.) must be kept on file by the Personnel responsible for Sensitive Activities, for a period of 10 years and must be subject to handover in case of organisational changes.

3.7. Communication with the Supervisory Committee, management of reports and information flows

Communication with the Supervisory Committee can take place through:

- the specific mailbox **odv.erg@erg.eu** to which only the members of the Supervisory Committee and the Personnel of the Compliance 231 & Privacy business unit are authorised to access. Access to the mail box is tracked and monitored in such a way as to identify any unauthorised access;
- ordinary mail, by sending a letter to the following address: **Supervisory Committee of ERG S.p.A. - via De Marini 1, 16149 Genoa, Italy;**

- the ERG Group's **whistle-blowing** platform (hereinafter the "Platform") which can be accessed from <https://erg.integrityline.com/frontpage>, using any browser, including mobile devices, in order to report any violations of the Model or of Italian Legislative Decree no. 231/2001 (hereinafter the "Whistle-blowing Reports"). The report may be made, by the whistle-blower's choice, in his/her name or anonymously. The platform also allows for written or voicemail reporting. Access to the Platform is exclusively reserved to an internal committee, which, if the report falls within the scope of application of Italian Legislative Decree no. 231/01 and within the competence of the Company's Supervisory Committee, forwards it to the latter. The sending, receipt and management of Whistle-blowing Reports (including the protections reserved to the whistle-blower) are governed by the "Whistle-blowing" Guideline adopted by the Company in accordance with the provisions of Italian Legislative Decree no. 23/2024, to which reference should be made. The Company asks the Board of Directors and Supervisory Bodies, Personnel, Suppliers, Consultants, Contractors and Developers to report any violations of the Model and/or Code of Ethics, limited to the relevant cases under the Model, and welcomes their contribution, even if the whistle-blower took part in the violation. The Platform is equipped with the security measures required by the applicable laws and regulations;
- the platform to which the business units of the ERG Group operating as part of the Sensitive Activities identified in the Special Section of the Model are required to upload the periodic or event-driven information relevant to the effectiveness of the Model, in accordance with the provisions of the "Procedure for the management of information flows and reports to the Supervisory Committees of ERG Group Companies". Only the members of the Supervisory Committee and the Personnel of the Compliance 231 & Privacy business unit are authorised to access this platform.

It is emphasised that in order for the report to be subject to in-depth analysis and investigations, it must contain a description of precise and adequately detailed facts.

The conduct of those who intentionally or with gross negligence make reports that turn out to be unfounded shall be subject to sanctions.

The Supervisory Committee gives an account of all reports received, including those filed, in its periodic reports to the Board of Directors.

3.8. Documentation of the activities of the Supervisory Committee and filing

The Supervisory Committee documents the activity carried out in special reports and as envisaged in its Regulations.

The Company provides the Supervisory Committee with a "dedicated" IT system (the "System") for sharing the documentation in support of the supervisory activities assigned to it and periodic meetings that meets the confidentiality requirements envisaged, among other things, by the regulations on personal data protection. Documentation shared and discussed at meetings is accessible only to members of the Supervisory Committee and the appointed Secretary, who access the System by means of personal credentials.

In this regard, note that any information held by the SC is processed in accordance with Italian Legislative Decree no. 196/2003, as amended by Italian Legislative Decree no. 101/2018, as well as Regulation (EU) no. 679/2016 ("GDPR").

Moreover, by virtue of the opinion expressed on 12 May 2020 by the Italian Data Protection Authority on the subjective qualification for privacy purposes of the members of the Supervisory Committee, the Company - as part of the organisational measures to be put in place to implement the accountability principle - as Data Controller (art. 24 GDPR) designated the members of the SC as the persons authorised to process personal data (art. 29 GDPR and art. 2-quaterdecies Italian Legislative Decree no. 196/2003).

All information, documents and reports collected and/or produced by the SC in the performance of its institutional duties are kept by the Compliance 231 & Privacy business unit in a special file and stored, in compliance with the principles set out in art. 5 GDPR, for the time required to fulfil the purposes for which the processing was carried out and in any case for a period not exceeding ten years (five years for Whistle-blowing Reports).

The Supervisory Committee ensures that the transfer of file management takes place correctly if a new SC is appointed.

3.9. Coordination between the SC and the Supervisory Committees of the other Group Companies

The Supervisory Committee defined, together with the Supervisory Committees of the Group Companies, a specific procedure with the aim of identifying the information that must be shared between the Committees when this might be relevant for their respective supervisory activities and/or for the correct application of the organisation, management and control model pursuant to Italian Legislative Decree no. 231/01 of the relevant Group Company.

This is without prejudice to the full autonomy and responsibility of each Supervisory Committee towards the Board of Directors that appointed it in carrying out its supervisory activities on the organisation, management and control model pursuant to Italian Legislative Decree no. 231/01 adopted by the relevant Group company and in examining and processing information received from another Supervisory Committee.

4. Training and information

For the purposes of the implementation of the Model, the Company believes that it is necessary to ensure correct knowledge and disclosure of the rules of conduct it contains, to the Board of Directors and Supervisory Bodies and, more generally, to those who have the power to act in its name and/or on its behalf by virtue of mandates or proxies, to Personnel and to Suppliers, Consultants, Contractors, Partners and Developers as part of the relations with the Company.

Training and information activities are carried out by the Supervisory Committee, which avails itself, to the extent necessary, of the support of other resources inside or outside the Company.

Participation in training activities is mandatory and failure to comply with this obligation, which can be verified not only by the Compliance 231 & Privacy business unit, but also by the Supervisory Committee, is subject to the application of the Disciplinary System.

In order to ensure the effective distribution of the Model and information in relation to the contents of the Decree and the obligations arising from the implementation thereof, the section of the intranet portal dedicated to the Supervisory Committee and the "Corporate Governance" section of the website are regularly updated.

4.1. Board of Directors

Information and training activities are envisaged for the Board of Directors on the topics raised pursuant to Italian Legislative Decree no. 231/01, with particular reference to Offences, the risks connected to the business and judicial precedents.

4.2. Subjects holding mandates or proxies and Personnel employed in Sensitive Activities

The training of subjects holding mandates or proxies and of Personnel engaged in Sensitive Activities must take place on the basis of training programmes the contents of which are diversified depending on the tasks to which the Personnel are assigned and which use concrete examples and cases, with the aim of increasing awareness of the company rules and the involvement of persons. The training activities are repeated on a regular basis.

With regard to the Code of Ethics and the Anti-corruption Policy, participation in a dedicated e-learning course is envisaged, tracked on the system and monitored by the Compliance 231 & Privacy business unit. The e-learning on the Code of Ethics and the Anti-corruption Policy must also be repeated periodically.

4.3. Newly hired personnel

Information and training activity is planned for newly hired Personnel through:

- sending an e-mail with a link to the section of the company intranet where the Code of Ethics, the Anti-corruption Policy and the Model are published;
- an e-learning course dedicated to the Model, the contents of which are diversified depending on the tasks to which the newly hired Personnel will be assigned and which use concrete examples and cases, with the aim of increasing awareness of company rules and the involvement of persons;
- the completion of an e-learning course dedicated to the Code of Ethics and the Anti-corruption Policy.

E-learning training is tracked by the system. After the initial training and information, newly hired Personnel follow the training path envisaged for existing Personnel.

4.4. Other Personnel

Information to Personnel which does not fall within the categories referred to in the preceding paragraphs is carried out by the Compliance 231 & Privacy business unit through the periodic publication of information documents on the company intranet and other means of internal communication (such as corporate boards and the periodical internal communication magazine).

4.5. Suppliers, Consultants, Contractors, Partners and Developers

The Suppliers, Consultants, Contractors, Partners and Developers are informed of the rules of behaviour adopted by the Company, through the publication of the Code of Ethics, the Model (of which an extract is published) and the Anti-corruption Policy on the ERG Group's website.

It is also required that the above subjects issue a signed statement (even in the form of a specific contractual clause) in which they certify knowledge of the Code of Ethics, the Anti-corruption Policy and the extract of the Model and undertake to comply with its requirements (or similar requirements contained in the Code of Ethics, the Anti-corruption Policy and the Organisational, Management and Control Models provided for by Italian Legislative Decree no. 231/01, which may have been adopted by the aforesaid subjects), as well as not to engage in conduct that may involve the Company in the Offences, under penalty of termination of the contractual relationship by the Company.

5. The Disciplinary System

5.1. Disciplinary offences

The implementation of actions or behaviour not in compliance with the rules of conduct and/or contrary to the prohibitions contained in the Model, in the Code of Ethics and in the Internal Regulations relevant to the Model by the Board of Directors and Supervisory Bodies, by those who have the power to act in the name of and/or on behalf of the Company by virtue of mandates or proxies, by Personnel and, as far as applicable, also by Suppliers, Consultants, Contractors, Partners and Developers constitutes a disciplinary offence and as such can be sanctioned when the actions or behaviour:

- expose the Company to the real risk of committing one of the Offences and/or;
- are unequivocally intended to commit one or more Offences and/or;
- are such as to determine the application by the Company of sanctions envisaged by Italian Legislative Decree no. 231/01.

By way of an example, the following are violations liable to disciplinary assessment and consequent application of sanctions:

- non-cooperation, when required, with the Supervisory Committee;
- failure to send information and reports envisaged by the Model and the information flow procedure to the Supervisory Committee when repeated and/or aimed at obstructing supervisory functions;
- violation, infringement, circumvention, imperfect or partial application of the rules of conduct contained in this Model and the Code of Ethics;
- making reports, with wilful misconduct or gross negligence, that prove to be unfounded;
- violation of the measures that the Company puts in place to protect the confidentiality of the whistle-blower and the person responsible for the alleged violation;
- any form of direct or indirect retaliation, discrimination or penalisation against those who have made a report, for reasons directly or indirectly related to the report;
- violation of the measures that the Company puts in place to protect the confidentiality of the whistle-blower and the person responsible for the alleged violation;
- any form of direct or indirect retaliation, discrimination or penalisation against those who have made a report, for reasons directly or indirectly related to the report.

Should the behaviour to be censured be considered an Offence, procedures envisaged by the Disciplinary System will take place regardless of the course and outcome of criminal proceedings initiated by the judicial authorities.

The Company asks the Board of Directors and Supervisory Bodies, Personnel and Suppliers, Consultants, Contractors, Partners and Developers to report any violations of the Code of Ethics and/or the Model and welcomes their contribution, even if the whistle-blower took part in the violation.

5.2. Violation of the whistle-blowing system

As mentioned in paragraph 3.7, the Company has adopted the Whistle-blowing Guideline, the violation of which will result in the application of this disciplinary system.

In particular, the Company shall take any appropriate disciplinary action in accordance with this paragraph:

- **against all parties who** obstruct or attempt to obstruct Whistle-blowing Reports as set out in the Whistle-blowing Guideline;
- **against the recipients of Whistle-blowing Reports and those involved in the investigation:**

- when the Whistle-blowing Reports have not been checked and analysed;
- when they violate the duty to keep confidential the identity of the whistle-blower and any other information contained in the Whistle-blowing Report;
- **against whistle-blowers** if the whistle-blower is found liable, even with judgment of first instance, for offences of libel or slander (or in any event for the same offences committed in connection with a report) or for their civil liability in cases of wilful misconduct or gross negligence.

In order to promote the effectiveness of the Platform, the Company prohibits retaliatory or discriminatory acts, whether direct or indirect, against the Whistle-blower for reasons directly or indirectly related to the Whistle-blowing Report, and provides for sanctions against those who violate the protection measures of the whistle-blower.

Including, but not limited to, the following constitute retaliation:

- dismissal, suspension or equivalent measures;
- downgrading or non-promotion;
- Change of duties, change of workplace, pay cut and change of working hours;
- suspension of or restriction on access to training;
- negative merit notes or negative references;
- the imposition of disciplinary measures or other sanctions, including fines;
- coercion, intimidation, harassment or ostracism;
- discrimination or any other form of unfavourable treatment;
- failure to convert a fixed-term employment contract into a permanent employment contract where the employee had a legitimate expectation of such conversion;
- non-renewal or early termination of a fixed-term employment contract;
- damage, including damage to the person's reputation, particularly on social media, or economic or financial prejudices, including loss of business opportunities and loss of income;
- inclusion in improper lists on the basis of a formal or informal sectoral or industry agreement, which may result in the person not being able to find employment in the industry in the future;
- early termination or cancellation of the contract for the supply of goods or services;
- cancellation of a licence or permit;
- the request to undergo a psychiatric or medical examination.

5.3. Measures against the Board of Directors and Supervisory Bodies

In case of actions or behaviour referred to in paragraphs 5.1 and 5.2 by:

- members of the Board of Directors, the Supervisory Committee shall inform the Company's Board of Statutory Auditors and the other members of the Board of Directors not involved in the violation, who shall take appropriate actions, according to the level of responsibility of the person involved, the intentionality and seriousness of the conduct while guaranteeing an adversarial hearing on these issues;
- members of the Board of Statutory Auditors, the Supervisory Committee shall inform the Company's Board of Directors and the other members of the Board of Statutory Auditors not involved in the violation, who shall take appropriate actions, according to the level of responsibility of the person involved, the intentionality and seriousness of the conduct while guaranteeing an adversarial hearing on these issues;
- members of the Independent Auditors, the Supervisory Committee shall inform the Company's Board of Directors and the Board of Statutory Auditors, who shall take appropriate actions, according to the level of responsibility of the person involved, the intentionality and seriousness of the conduct while guaranteeing an adversarial hearing on these issues.

In severe cases, failing the relationship of trust with the subject, removal from office may be proposed at the Shareholders' Meeting.

5.4. Measures against Employees at managerial level

In case of actions or behaviour referred to in paragraphs 5.1 and 5.2 of Employees at managerial level, the Company adopts the provisions of applicable law and contract against the perpetrator. In particular, taking into consideration the seriousness of the proven behaviour, the Company may apply measures to limit or revoke proxies granted to the Employee in addition to changing the position of the individual subject to disciplinary proceedings, up to and including dismissal.

In any event, sanctions will be defined according to the level of responsibility and autonomy of the Employee, the intentionality of his/her behaviour and its seriousness, considering both the relevance of the violated obligations and the effects which can reasonably impact the Company - also pursuant to the Decree - as a result of the sanctioned conduct. When a single behaviour constitutes a multiple violation of the law, subject to different types of sanctions, the most serious applies.

Under the current Power Allocation System, the task of ascertaining violations and applying sanctions to Employees at managerial level lies with the Chief Human Capital & ICT Officer, who may rely on the support of the Supervisory Committee. The Chief Human Capital & ICT Officer is also responsible for monitoring Employees' behaviour with reference to their compliance with the Model and the Code of Ethics, while the Supervisory Committee must monitor the effectiveness of the adopted Disciplinary System.

5.5. Measures against Employees not at managerial level

In case of actions or behaviour referred to in paragraphs 5.1 and 5.2 of Employees not at managerial level, the Company adopts the current National Collective Labour Agreement, as well as any applicable special regulation against the perpetrator, in compliance with the procedures envisaged in article 7 of the "Workers' Statute".

These measures are, in particular:

- verbal reprimand;
- written reprimand;
- fine not exceeding the amount of 4 hours' pay;
- suspension from service and pay for a period not exceeding 5 days;
- transfer as punishment;
- dismissal with indemnity for insufficient notice period;
- dismissal without notice.

Moreover, taking into consideration the seriousness of the proven behaviour, the Company may apply measures to limit or revoke proxies granted to the Employee.

In any event, sanctions will be defined according to the level of responsibility and autonomy of the Employee, the intentionality of his/her behaviour and its seriousness, considering both the relevance of the violated obligations and the effects which can reasonably impact the Company - also pursuant to the Decree - as a result of the sanctioned conduct. When a single behaviour constitutes a multiple violation of the law, subject to different types of sanctions, the most serious applies. The relapse within three years will automatically result in the immediate application of the more serious sanction.

Under the current Power Allocation System, the task of ascertaining violations and applying sanctions to Employees lies with the Chief Human Capital & ICT Officer, who may rely on the support of the Supervisory Committee. The Chief Human Capital & ICT Officer is also responsible for monitoring Employees' behaviour with reference to their compliance with the Model and the Code of Ethics, while the Supervisory Committee must monitor the effectiveness of the adopted Disciplinary System.

5.6. Measures against subjects holding mandates or proxies

In case of actions or behaviour referred to in paragraphs 5.1 and 5.2 of those who have the power to act in the name of and/or on behalf of the Company by virtue of mandates or proxies, the SC informs the Board of Directors, which will take the appropriate measures, according to the level of responsibility of the subject involved, the

intentionality and seriousness of the behaviour and subject to securing the adversarial system. In severe cases, failing the relationship of trust with the subject, the mandate or proxy will be revoked.

5.7. Measures against Suppliers, Consultants, Contractors, Partners and Developers

The actions or behaviour referred to in paragraphs 5.1 and 5.2 of Suppliers, Consultants, Contractors, Partners and Developers shall be sanctioned in accordance with the provisions of the specific contractual clauses regulating the relationship between the Company and the above-mentioned subjects.

In any event:

- the ascertainment of the behaviour of Suppliers, Consultants, Contractors, Partners and Developers must comply with the adversarial system;
- the application of the sanction must take into account the seriousness of the contractual breach, i.e. as much the intentionality of obligations violated as the effects to which the Company could be exposed - also with reference to the Decree - following the censured conduct.

This is without prejudice to any request for compensation should any actual damages be caused to the Company by the behaviour of the Supplier, Consultant, Contractor, Partner and Developers as in the case of measures stated in Italian Legislative Decree no. 231/01 imposed on the perpetrator by the court.

5.8. Actions taken against members of the SC

If any of the reasons for just dismissal as defined in paragraph 3.3 take place, the other members of the SC or any of the members of the Board of Directors will immediately inform the Board of Directors, which, having taken into consideration the seriousness of the violation and subject to securing the adversarial system, having first consulted with the Company's Board of Statutory Auditors, will take advisable action.

6. Special Section

6.1. Introduction

The purpose of this Special Section is to regulate Sensitive Activities and introduce appropriate controls, in order to ensure the effectiveness of the Model.

Sensitive Activities were identified following the analysis of company processes aimed at identifying areas at risk of commission of the Offences and verifying the adequacy of its Internal Control System in relation to the relevant risks pursuant to the Decree.

Specific control protocols were established with reference to identified risk areas, after evaluating existing controls and identifying action plans necessary to remedy identified deficiencies.

6.2. Special Section Structure

The Special Section identifies and describes the Sensitive Activities carried out by the Company either through the Personnel or through Suppliers, Consultants, Contractors, Partners and Developers.

For each Sensitive Activity, the following elements are identified:

- **Process:** provides a short description of the Sensitive Activity and identifies the main phases or procedures by which it is implemented;
- **Scope:** identifies the main subjects involved in the Sensitive Activity;
- **Regulations:** indicates the internal and external reference provisions applicable to each Sensitive Activity⁷;
- **Rules of conduct:** indicates the rules of behaviour that the subjects involved in the Sensitive Activity must observe and the relative controls implemented to oversee said conduct;
- **Segregation of duties:** identifies the procedures that manage the segregation between the execution, authorisation and control activities;
- **Mandates and proxies:** identify the Power Allocation System that refers to each Sensitive Activity;
- **Traceability:** identifies how the main phases of the Sensitive Activity are documented;
- **Risks of offence to which the business is potentially exposed:** identifies the main Offences to which the Company is potentially exposed as part of the Sensitive Activity.

The Sensitive Activities and the control protocols identified are shared among the persons in charge of the company activities to which they refer.

In relation to the List of Offences envisaged and sanctioned by Italian Legislative Decree no. 231/01, the groups of Offences that are fully or partially considered material for the Company, in consideration of the business it conducts, are shown below:

- Misappropriation of funds, fraud against the State, a public entity or the European Union or to obtain public funds, computer fraud against the State or a public entity and fraud in public supplies (art. 24);
- Computer crimes and unlawful data processing (art. 24 bis);
- Organised crime (art. 24-ter);
- Embezzlement of public funds, extortion, undue inducement to give or promise benefits, corruption and abuse of office (art. 25)
- Corporate offences (art. 25-ter);
- Crimes committed for terrorist purposes or in order to subvert the democratic order (art. 25-quater);
- Crimes against individuals (art. 25-quinquies);
- Market abuse and other cases on market abuse (art. 25-sexies and art. 187-quinquies of Italian Legislative Decree no. 58/1998);
- Manslaughter or serious or very serious bodily harm committed in violation of the regulations governing the protection of occupational health and safety (art- 25-septies);

⁷ It should be noted that even if the name of these regulations changes over time, reference should still be made to the new regulations governing the same business processes.

- Receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-money laundering (art. 25-octies);
- Crimes relating to payment instruments other than cash and fraudulent transfer of valuables (art. 25-octies.1);
- Crimes involving violation of copyright (art. 25-novies);
- Incitement not to bear witness or to make false statements to the judicial authorities (art. 25-decies);
- Environmental offences (art. 25-undecies);
- Employment of third country individuals with irregular permits of stay (art. 25-duodecies);
- Tax offences (art. 25-quinquiesdecies);
- Crimes against cultural heritage (art. 25-septiesdecies);
- Laundering of cultural heritage and devastation and looting of cultural heritage and landscape (art. 25-octiesdecies);
- Transnational offences as defined by art. 3 of Law no. 146 of 16 March 2006.

Some cases envisaged by the Decree are not included in the list of risks of Offence to which the Sensitive Activities identified are exposed; in particular:

- Counterfeiting currencies, legal tenders, revenue stamps and identifying marks or tools (art. 25-bis);
- Crimes against the industry and trade (art. 25-bis.1);
- Practices of female genital mutilation (art. 25-quater.1);
- Racism and xenophobia (art. 25-terdecies);
- Fraud in competitions, abusive gambling or betting and gambling by means of forbidden equipment (art. 25-quaterdecies);
- Smuggling (art. 25-sexiesdecies);

because the related risk was currently considered conceivable for the Company only in the abstract and not concretely.

6.3. General control principles

General principles at the base of tools and methodologies used to define control protocols listed in this Special Section can be summarised as follows:

- **Compliance with the Code of Ethics:** all Sensitive Activities must be carried out in accordance with the principles of conduct set out in the Code of Ethics adopted by the Company.
- **Compliance with the Anti-corruption Policy:** all Sensitive Activities must be carried out in compliance with the principles of behaviour set out in the Anti-Corruption Policy adopted by the Company, which integrates and strengthens, where necessary, the control protocols envisaged in the Model in relation to offences of corruption. In particular, the specific controls envisaged in the Significant Third Party Due Diligence procedure must be applied for this purpose.
- **Segregation of duties:** business processes must comply with the principle of segregation of duties, whereby the authorisation of an operation must be under the responsibility of someone other than the person who performs that operation or those supervising it. Segregation of duties should be guaranteed by the intervention, within the same process, of more than one person; it can be implemented by using computer systems that allow the execution of certain operations only by specifically identified and authorised persons. In cases of complete or partial inapplicability of the principle of segregation of duties, the Company is equipped with appropriate instruments to control the risk deriving from the overlapping of potentially critical activities (merely as an example, compensating controls).
- **Assignment and revocation of powers:** authorisation and signing powers must be: i) consistent with organisational and managerial responsibilities; ii) clearly defined and known within the Company. Business roles assigned the power to act in the Company's name or on its behalf in certain operations must be identified by specifying the limits and the nature of such authority. The prompt revocation of powers (and the blocking of their phone lines) must be guaranteed in the event that the beneficiary (if necessary) leaves the Company or its role within the organisation is changed.
- **Transparency and process traceability:** each activity relevant to the Decree must be verifiable, documented and consistent with the activities performed by the Company. Proper storage of data and relevant information must be guaranteed also within the terms of the law, preferably on computer and/or paper.

- **Adequacy of Internal Regulations:** all the Company business rules must be consistent with the activities performed by the Company and with the organisational structure such that it may ensure the necessary checks to prevent the committing of the Offences.
- **Personnel training:** specific Personnel training plans must be envisaged with special reference to those operating in the Sensitive Activities listed below.
- **Protection Clauses:** adequate protection clauses must be included in the contracts, with special reference to compliance with the provisions of Italian Legislative Decree no. 231/01, the Model, the Anti-Corruption Policy and the Code of Ethics.
- **Confidentiality Clause:** specific obligations of confidentiality concerning information received or which one has become privy to when performing the contractual relationship with the Company.

6.4. Sensitive Activities and Control Protocols

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