



KANADEVIA INOVA ITALIA S.R.L.

ORGANISATION, MANAGEMENT AND CONTROL MODEL

pursuant to Italian Legislative Decree No. 231 of 8 June 2001

on the "Administrative Liability of Entities"

GENERAL SECTION

*The "Organisational, Management and Control Model" (hereinafter, the "**Model**") of KANADEVIA INOVA ITALIA S.R.L. has been drawn up to implement the provisions of Italian Legislative Decree No. 231 of 2001.*

The Model was adopted and approved by resolution of the Board of Directors on 10/12/2025.

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1. THE ADMINISTRATIVE LIABILITY OF ENTITIES

1.1. Introduction

Italian Legislative Decree No. 231 of 8 June 2001 (hereinafter, the “**Decree**”) introduced into the Italian legal system the administrative liability of legal persons, which arises from the commission of specific criminal offences and is added to the criminal liability of the natural person who materially committed the offence.

The entities to which the Decree applies are all companies, associations with or without legal personality, economic public entities and private entities that are concessionaires of a public service; however, the State, territorial public entities, non-economic public entities and entities that perform functions of constitutional importance (e.g. political parties and trade unions) are excluded.

Entities are liable, under certain conditions laid down in the Decree, for certain offences, even if only attempted, committed by corporate subjects, whether senior or subordinate, in the course of their work. Failure on the part of the entity to comply with the rules contained in the Decree may result in the application of financial or disqualifying sanctions, which may also strongly affect the exercise of its business activity.

1.2. Predicate offences

The entity may be held liable only in relation to certain offences (so-called predicate offences), identified by the Decree in Articles 24 *et seq.* and by the laws that expressly refer to the Decree’s provisions.

Over the years, the list of predicate offences has been greatly expanded and is currently composed of:

- offences against the Public Administration (Articles 24 and 25);
- computer crimes (Article 24-*bis*);
- organised crime (Article 24-*ter*);
- offences relating to counterfeiting money, public credit cards, revenue stamps and identification instruments or signs (Article 25-*bis*);
- offences against industry and trade (Article 25-*bis.1*);
- corporate offences (Article 25-*ter*);
- offences with the purpose of terrorism or subversion of the democratic order (Article 25-*quater*);
- offences against life and limb (Article 25-*quater.1*);
- offences against the person (Article 25-*quinquies*);
- market abuse offences (Article 25-*sexies*);
- offences relating to the protection of health and safety at work (Article 25-*septies*);

- offences of receiving stolen goods, money laundering, use of money, goods or benefits of unlawful origin, and self-laundering (Article 25-*octies*);
- offences relating to non-cash payment instruments and fraudulent transfer of assets (Article 25-*octies.1*);
- copyright infringement offences (Article 25-*nonies*);
- inducement not to make statements or to make false statements to the judicial authorities (Article 25-*decies*);
- environmental offences (Article 25-*undecies*);
- hiring of irregular migrants from third countries (Article 25-*duodecies*);
- racism and xenophobia (Article 25-*terdecies*);
- fraud in sporting competitions, unlawful gaming or betting, and gambling by means of prohibited devices (Article 25-*quaterdecies*);
- tax offences (Article 25-*quinquiesdecies*);
- smuggling offences (Article 25-*sexiesdecies*);
- offences against cultural heritage (Article 25-*septiesdecies*);
- offences of laundering cultural goods and devastation and looting of cultural and landscape assets (Article 25-*octiesdecies*);
- transnational offences (Article 10 L. 146/06);
- offences against animals (Article 25-*undevicies*).

For more details on each type of offence under the Decree, please refer to the list of predicate offences (**Annex no. 1**).

1.3. The criteria for attributing liability to the entity

Beyond the commission of a predicate offence, the Decree sets out additional conditions for attributing an unlawful act to the entity, which, depending on their nature, may be classified as objective and subjective attribution criteria.

Objective criteria require that:

- the offence be committed by an individual functionally linked to the entity;
- the offence be committed in the interest or to the benefit of the entity.

The perpetrators of the offence from which the liability of the entity may arise may be:

- senior managers: individuals vested with powers of representation, administration or management of the entity or of an organisational unit endowed with financial and functional autonomy, as well as those who, even on a de facto basis, exercise management and control over the entity. The category of senior managers may include directors, general managers, legal representatives, but also, for example, heads of branches, division managers or project managers with financial and functional autonomy;

- subordinates: individuals subject to the direction or control of senior managers. The category of subordinates includes all those who are subject to the direction and supervision of senior managers and who, in essence, execute the decisions adopted by senior management in the interest of the entity or otherwise operate under their direction or supervision. This category includes all employees of the entity, as well as all those who act in the name, on behalf or in the interest of the entity, such as, for example, external collaborators or consultants.

A further requirement for the attribution of criminal liability to the entity is the existence of an interest or benefit of the entity linked to the commission of the offence.

This means that the entity will not be liable when an offence is committed solely in the interest of the offender or of third parties.

Subjective attribution criteria concern the entity's own culpability. The entity's liability exists if proper standards of sound management and control relating to its organisation and the performance of its activities have not been adopted or complied with. The entity's culpability, and thus the ability to hold it accountable, arises from the identification of an improper corporate policy or structural deficiencies within the corporate organisation that did not prevent the commission of a predicate offence.

In fact, the Decree excludes the liability of an entity if, before the offence is committed, that entity equipped itself with and effectively implemented an "Organisation, Management and Control Model" (hereinafter, the "**Model**") capable of preventing the commission of offences of the kind committed.

The Model operates as an exemption whether the predicate offence was committed by a senior manager or by a subordinate. However, for offences committed by senior management, the Decree introduces a presumption of the entity's liability, which can be rebutted only if the entity proves that:

- the governing body had adopted and effectively implemented, before the offence occurred, a Model capable of preventing offences of the type in question;
- the responsibility for monitoring the Model's operation and compliance, and for keeping it updated, was assigned to an internal body with autonomous initiative and control powers (the so-called Supervisory Body, or "**SB**");
- the offence was committed through the fraudulent circumvention of the Model;
- the Supervisory Body did not fail in its supervisory duties or exercise insufficient oversight.

For offences committed by subordinates, the entity is only liable if it is proved that "the commission of the offence was made possible by a failure to comply with management or supervisory obligations" typically incumbent on senior management.

Also in this case, however, the adoption and effective implementation of the Model, prior to the commission of the offence, excludes non-compliance with management or supervisory obligations and exempts the entity from liability.

The adoption and effective implementation of the Model, while not constituting a legal obligation, is therefore an important tool available to the entity to prove its extraneousness to offences and, ultimately, to be exempt from the liability established by the Decree.

1.4. The Organisation, Management and Control Model

The Model, therefore, operates as an exemption from the entity's liability only if it is suitable for preventing offences of the type that occurred and only if it has been effectively implemented.

The Decree, however, does not analytically indicate the characteristics and contents of the Model, but merely dictates some general principles and some essential elements of content.

In general, according to the Decree, the Model must—in relation to the nature and size of the organisation, as well as the type of activity carried out—provide for appropriate measures to ensure that the activity is carried out in compliance with the law and to detect and promptly eliminate situations of risk of specific offences being committed.

In particular, the Model must:

- identify the activities within the scope of which offences may be committed (so-called sensitive activities);
- provide for specific control measures and protocols aimed at planning the formation and implementation of the entity's decisions, in relation to the offences to be prevented;
- identify ways of managing financial resources that are suitable for preventing the commission of offences;
- provide for information obligations vis-à-vis the body in charge of supervising the functioning of Models and compliance with same;
- introduce an appropriate disciplinary system to sanction non-compliance with the measures laid down by the Model.

With regard to the effective implementation of the Model, the Decree also requires its periodic review and updating whenever significant breaches of its provisions are identified, or in the event of changes to the organisation, its activities, or the applicable law.

1.5. Offences committed abroad

Pursuant to Article 4 of the Decree, the entity may also be held liable in Italy for predicate offences committed abroad, provided that the objective and subjective attribution criteria laid down by the Decree are met.

The Decree, however, conditions the possibility of prosecuting the entity for offences committed abroad on the existence of the following additional prerequisites:

- That the State of the place where the offence was committed is not already proceeding against the entity;
- That the entity has its registered office in Italy;
- That the offence was committed—in the interest or to the advantage of the entity—abroad, by a senior manager or a subordinate, within the meaning of Article 5(1) of the Decree;
- That the procedural conditions provided for in Articles 7, 8, 9, 10 of the Italian Criminal Code are met.

These rules concern offences committed entirely abroad by senior managers or subordinates.

For criminal conduct that takes place even partially in Italy, the principle of territoriality under Article 6 of the Italian Criminal Code applies, according to which “an offence is deemed to have been committed in Italy when the act or omission constituting it occurs there, in whole or in part, or when the event resulting from the act or omission takes place there”.

1.6. Sanctions

The sanctions potentially applicable to the entity in the event of conviction are:

- financial penalties;
- disqualifying sanctions;
- confiscation;
- publication of the ruling.

These sanctions are qualified as administrative, even if applied by a criminal court.

In the event of a conviction, the entity is always subject to a financial penalty. This is determined by the court through a system based on “quotas”. The number of quotas depends on the seriousness of the offence, the degree of liability of the entity, and the activities carried out to eliminate or mitigate the consequences of the offence, or to prevent the commission of other offences. In determining the size of the individual quota, the court takes into account the economic and asset conditions of the entity in order to ensure the effectiveness of the sanction.

Provisions exist for the reduction of financial penalties. In particular, the financial penalty is reduced by half if the offender committed the offence in his own predominant interest or in

the predominant interest of third parties and the entity did not derive any minimum advantage from it, or where the financial loss caused by the offence is of limited significance.

Instead, the financial penalty is reduced by between one third and one half if, before the opening of the first instance hearing, the entity has fully compensated for the damage and eliminated the harmful or dangerous consequences of the offence, or if a Model suitable for preventing the commission of further offences has been adopted and implemented.

Disqualifying sanctions are applied in addition to financial penalties, but only if expressly provided for in respect of the administrative offence for which proceedings are being conducted and provided that at least one of the following conditions is met:

- the entity has obtained a substantial benefit from the offence, and the offence was committed either by a senior manager or by a subordinate, but in the latter case only if its commission was made possible by serious deficiencies in the organisation;
- in the event of repeated offences.

The disqualifying sanctions provided for in the Decree are:

- disqualification from exercising the activity;
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- prohibition on contracting with the Public Administration, except for the purpose of obtaining the provision of a public service;
- exclusion from facilitations, financing, contributions or subsidies, and the possible revocation of any already granted;
- prohibition on advertising goods or services.

Disqualifying sanctions are normally temporary, but in particularly serious cases they may exceptionally be imposed on a permanent basis.

These sanctions may also be applied as a precautionary measure, i.e. prior to conviction, where there are serious indications of the entity's liability and there are well-founded and specific elements such as to suggest that there is a real danger that offences of the same nature as the one being prosecuted may be committed again.

Disqualifying sanctions, however, do not apply if the entity, prior to the opening of the first instance hearing:

- has compensated the damage and eliminated the harmful or dangerous consequences of the offence (or, at least, has made effective efforts to do so);
- has made the profit from the offence available to the judicial authorities;
- has eliminated the organisational deficiencies that led to the offence by adopting and implementing organisational models capable of preventing the commission of new offences of the kind that have already occurred.

The Decree also provides for two other sanctions: confiscation, which is always ordered with a conviction ruling and which consists in the acquisition by the State of the price or profit of the offence, or of sums of money, goods or other assets with a value equivalent to the price or profit of the offence, and publication of the conviction by posting it on both the Ministry of Justice website and in the municipality where the entity's main office is located.

The Decree also allows for the application of precautionary measures against the entity's assets. Specifically, under Article 53, the court may order the preventive seizure of assets that may be subject to confiscation in accordance with Article 19 of the Decree. Pursuant to Article 54, at any stage of the trial, the court may order the provisional seizure of the entity's movable or immovable property, or of any sums or assets owed to it, where there are reasonable grounds to believe that the guarantees for payment of the financial penalty, the costs of the proceedings, or any other amounts due to the State may be at risk of being lost or dissipated.

1.7. Modifying events and liability of the entity

The Decree also governs the entity's liability in the event of modifying events such as conversion, merger, demerger and transfer.

The Decree lays down the rule that, in the event of the "conversion of the entity, liability for offences committed prior to the date on which the conversion took effect remains unaffected". The new entity will therefore be subject to the sanctions applicable to the original entity, for acts committed prior to the conversion.

In the event of a merger, the Decree states that the entity resulting from the merger, including by incorporation, is liable for the offences for which the entities participating in the merger were liable.

In the case of a partial demerger, the Decree lays down that the liability of the demerged entity for offences committed prior to the demerger remains unaffected. However, the entities benefiting from the demerger, whether partial or total, are jointly and severally liable for the payment of financial penalties owed by the demerged entity for offences committed prior to the demerger. The obligation is limited to the value of the transferred assets.

Where a merger or demerger takes place before the conclusion of proceedings determining the entity's liability, the court must consider the economic conditions of the original entity, rather than those of the entity resulting from the merger, when calculating the financial penalty.

In any case, disqualifying sanctions apply to entities that have retained the business unit within which the offence was committed, or to which it has been transferred, even partially.

In the case of a sale or transfer of the business within which the offence was committed, the Decree states that, except for the benefit of prior enforcement against the transferring entity, the transferee is jointly liable with the transferring entity for the payment of the financial penalty, up to the value of the transferred business and up to the amount of financial penalties recorded in the mandatory accounting books, or of which the transferee was otherwise aware.

2. THE MODEL ADOPTED BY KANADEVIA INOVA ITALIA S.R.L.

2.1. The business conducted by KANADEVIA INOVA ITALIA S.R.L.

KANADEVIA INOVA ITALIA S.r.l. (hereinafter also referred to as "**KANADEVIA INOVA**" or the "**Company**") is a company established in 2021 and is part of the Kanadevia Inova group, a global greentech company founded in 1993, operating in the Waste-to-Energy (WtE) and renewable gas sectors, with its headquarters in Zurich. Since 2010, it has been part of the Kanadevia Corporation, one of the largest industrial and engineering companies in Japan.

Kanadevia Inova Italia S.r.l. was therefore established as a branch of the Zurich office with the aim of developing renewable energy projects in Italy, focusing on Waste to Energy, anaerobic digestion, gas upgrading, power-to-gas and green hydrogen.

Kanadevia Inova Italia S.r.l., together with a number of important partners, develops renewable energy plants with the technologies of electrolysis, biogas upgrading and catalytic power-to-gas, thus supporting Italy's positioning as a reference country in the field of renewable energy in the European Union.

2.2. Purpose of the Model

This Model, adopted in accordance with Articles 6 and 7 of the Decree, serves as the Company's internal regulation.

The primary objective of the Model is to establish a structured and coherent system of management and control protocols aimed at preventing the commission of the offences set out in the Decree, as well as at enhancing the effectiveness of the Company's management and organisational system.

The more general objective of the Model is to serve as a fundamental tool for raising the awareness of directors, managers, employees and stakeholders (suppliers, customers, business partners, etc.), who are called upon to adopt proper, transparent behaviour, in line with the ethical values that inspire the Company in the pursuit of its corporate purpose.

The provisions of this Model are therefore aimed at the affirmation and dissemination of a business culture based on legality, as an indispensable prerequisite for lasting economic success: no unlawful conduct, even if carried out in the mistaken belief that it is in the Company's interest or to its advantage, may be considered in line with the policy adopted by the Company.

The Model is also aimed at disseminating a culture of control, which must govern all the decision-making and operational phases of the Company's activities, in full awareness of the risks arising from the possible commission of offences.

The achievement of the aforementioned objectives is realised through the adoption of measures designed to improve efficiency in the conduct of the Company's business and to ensure ongoing compliance with the law and internal rules, by promptly identifying and eliminating risk situations. In particular, the objective of an efficient and balanced organisational structure, capable of preventing the commission of offences, is pursued primarily by acting on the processes for the formation and implementation of the Company's decisions, on both preventive and subsequent controls, and on the flow of internal and external information.

2.3. Guidelines for drawing up the Model

In preparing this Model, the Company was inspired by the provisions and indications of the Confindustria Guidelines for the development of Organisational Models and of the Code of Conduct of Construction Companies

In June 2021, Confindustria updated the text of its *"Guidelines for the development of organisational, management and control models pursuant to Italian Legislative Decree No. 231/2001"*, which were first approved in 2002 and subsequently amended in March 2014.

In 2022, the National Association of Building Contractors (Associazione Nazionale Costruttori Edili) updated the text of its *"Code of Conduct for Construction Companies"*, which was first approved in 2004 and subsequently amended in 2008 and 2013.

Any divergences from specific points of the Guidelines and the Code of Conduct respond to the need to adapt organisational and management measures to the activity actually carried out by the Company and the context in which it operates. This may, in fact, require a certain amount of deviation from the provisions of the Guidelines of the trade associations which, by their nature, are of a general nature and therefore not binding.

In the ongoing process of updating and reviewing the Model, the Company also takes into account the evolution of relevant best practices, the most effective international experiences, as well as guidance provided by Italian case law regarding the effective implementation of the Model.

2.4. Inspiring principles underlying the Model

In drawing up this Model, the Company was inspired by certain fundamental principles:

- Mapping of risk areas/activities (so-called "sensitive activities"), i.e. those activities within which the offences set out in the Decree may be committed, as an essential condition for adequate preventive organisation;
- Assignment of powers consistent with the organisational responsibilities entrusted to individuals involved in the formation and implementation of the Company's decisions;

- Transparency and traceability of all significant operations within sensitive activities, enabling *ex post* verification of corporate conduct;
- Delegation to an autonomous and independent Supervisory Body of specific tasks for overseeing effective implementation of and compliance with the Model;
- Dissemination within the Company of behavioural rules, procedures and corporate policies aligned with the principles set out in the Model, and the involvement of the relevant recipients in their implementation;
- The need to verify in practice the correct functioning of the Model and to carry out periodic updates based on lessons learned from its application.

2.5. Structure of the Model

The Model comprises a General Section, which describes and regulates the overall functioning of the organisation, management and control system adopted to prevent the commission of predicate offences, eight Special Sections aimed at supplementing its content in relation to specific groups of predicate offences, and an Annex listing the predicate offences for which the entity is administratively liable.

Where deemed necessary to facilitate more effective coordination among the various organisational rules, the provisions contained in the Model are explicitly incorporated into the relevant corporate procedures.

2.6. Relationship between the Model and the Group's Code of Conduct

The group's Code of Conduct brings together the general principles, values and canons of conduct that guide and inspire the Company's activities.

Recipients of the Code of Conduct are the directors and all those who work to achieve the objectives of KANADEVIA INOVA ITALIA S.R.L., each within the purview of their roles and responsibilities.

This Model, the provisions of which are in any case consistent and in conformity with the principles of the Code of Conduct, responds more specifically to the requirements expressed by the Decree and, therefore, aims to prevent the commission of the offences included within the scope of application of Italian Legislative Decree. 231/2001.

The Code of Conduct is to be regarded as a complementary element of the Model, since the provisions contained in the latter presuppose compliance with the provisions of the former, together forming a systematic body of internal rules aimed at disseminating a culture of ethics and corporate transparency. For this reason, in the event of any conflicting provisions between the Model and the Code of Conduct, the Model shall prevail.

KANADEVIA INOVA ITALIA S.R.L. has also implemented a Group-wide whistleblowing system (as set out in the procedure 'Whistleblowing Guidance' no. GR11208), which has subsequently been aligned with Italian legislation, specifically Legislative Decree No. 24/2023. This system allows stakeholders to report not only the violations expressly indicated in Legislative Decree No. 24/2023, but also conduct that is non-compliant with this Organisation, Management and Control Model and with corporate policies, ensuring confidentiality and protection against retaliation, in accordance with applicable national and international law.

2.7. Organisational Structure

For the purpose of implementing this Model, identification of the organisational structure of KANADEVIA INOVA ITALIA S.R.L. is of fundamental importance. The structure provides that the management of the Company be entrusted to multiple Directors, each with powers of legal representation of the Company.

The Directors decide on all acts concerning the management of the Company, except for those matters reserved by law to the Shareholders' Meeting.

The Company also has employed personnel.

2.8. The Internal Control and Risk Management System of KANADEVIA INOVA ITALIA S.R.L.

The Company's Internal Control and Risk Management System consists of the rules, procedures and organisational structures that, through an appropriate process of identifying, measuring, managing and monitoring key risks, enable management of the business in alignment with the corporate objectives established by the Board of Directors.

The sources and founding principles of the Company's Internal Control and Risk Management System are based on:

- the Code of Conduct;
- the Organisation, Management and Control Model pursuant to Italian Legislative Decree No. 231/01;
- any additional internal regulations, i.e. the set of company protocols and procedures defining roles and responsibilities within the organisation, including the allocation of competences in corporate risk management;
- the system of duties and powers, structured in such a way as to assign authorisation and signature powers consistent with the organisational and management responsibilities assigned.

2.9. The protocol system for crime prevention

The protocol system for crime prevention—fine-tuned by the Company on the basis of the Confindustria Guidelines, relevant case law and international best practices—has been implemented for each sensitive activity by applying:

- principles of conduct;
- principles of control;
- an analysis of each sensitive activity.

2.9.1. General principles of conduct

With reference to the sensitive activities identified for each category of offence, the General Principles of Prevention are initially articulated as General Principles of Conduct, which provide that:

- all operations, as well as the formation and implementation of the Company's decisions, shall comply with the principles and requirements set out in applicable laws, the articles of association, the Code of Conduct and the Company's procedures;
- appropriate corporate rules shall be defined and adequately communicated in order to provide principles of conduct, decision-making rules, and operating procedures for the performance of sensitive activities, as well as procedures for the retention of relevant documentation;
- for all operations:
 - management, coordination and control responsibilities within the Company shall be formally defined, together with hierarchical reporting lines and a clear description of the related responsibilities;
 - the stages of the formation of corporate acts shall always be documented and capable of being reconstructed;
 - the authorisation levels involved in the formation of corporate acts shall always be formalised and documented, in order to ensure transparency of the decisions taken;
 - the Company shall adopt tools for communicating the delegated signing powers, ensuring that such powers are known throughout the organisation;
 - the allocation and exercise of powers within decision-making processes shall be consistent with the positions of responsibility and with the significance and/or criticality of the underlying economic transactions;
 - there shall be no overlap of roles between those who take or implement decisions, those responsible for the accounting recording of the related transactions, and those required to carry out the relevant controls provided for by law and by the procedures set out in the internal control system;
 - access to the Company's data shall comply with applicable data protection and privacy legislation;

- access to and intervention on the Company's data shall be permitted exclusively to authorised persons;
- confidentiality in the transmission of information shall be ensured;
- documents relating to the formation and implementation of decisions shall be filed and retained by the competent department in such a manner as to prevent subsequent alteration, except where any changes are clearly documented. Access to archived documents shall be permitted only to persons authorised under the internal rules applicable to the Supervisory Body;
- monitoring activities shall be provided for to ensure the periodic and timely updating of powers of attorney, delegations of authority, and the internal control system, in line with the decision-making framework and the overall organisational structure.

2.9.2. General principles of conduct and prohibitions applicable in relations with third parties

KANADEVIA INOVA ITALIA S.R.L. requires compliance with the following general principles of conduct, also in relations with third parties.

Among the principles of conduct required to be applied are:

- a. the establishment and maintenance of relations with the Public Administration based on the highest standards of integrity and transparency;
- b. the prohibition on selecting external consultants or partners for reasons other than necessity, professional competence and cost-effectiveness, and on granting them remuneration that is not adequately justified by the existing relationship and the actual value of the services provided;
- c. the prohibition on entering into commercial and/or collaborative relationships with individuals or legal entities that are known or suspected to be affiliated with criminal organisations, or that otherwise operate unlawfully;
- d. the prohibition on invoicing for services not actually rendered, issuing duplicate invoices for the same service, or failing to issue credit notes where services that are wholly or partially non-existent have been invoiced, even as a result of error;
- e. the prohibition on issuing, recording in the accounts, or including in tax returns invoices or other documents addressed to parties other than the actual recipients, or for amounts that do not correspond to those described in the relevant document;
- f. the duty to observe all national and EU laws and regulations and all internal protocols in the performance of all activities relating to accounting records, the preparation of corporate income tax and value added tax returns, and the drafting of financial statements or, more generally, of any legally relevant document containing references to the Company's economic and financial data;

- g. compliance with occupational health and safety rules and regulations, in particular Italian Legislative Decree No. 81/2001, the Risk Assessment Document (DVR), the Interference Risk Assessment Document (DUVRI), and the procedures relating to first aid, fire prevention and the evacuation of workplaces;
- h. the duty to take care of one's own health and safety in the workplace and that of other persons who have access to the Company's premises, and to comply with the safety measures adopted and with corporate instructions;
- i. compliance with environmental legislation, with particular reference to regulations governing waste management and disposal, the protection of water resources, and atmospheric emissions;
- j. refraining from any conduct that may compromise the confidentiality and integrity of the Company's or third parties' information and data;
- k. refraining from any conduct aimed at overcoming or circumventing the safeguards of the Company's or third parties' IT systems;
- l. the use of assigned IT resources exclusively for the performance of one's duties;
- m. the establishment and maintenance of relations with third-party companies in compliance with their industrial property rights;
- n. the performance of production activities on the basis of legitimate ownership of the rights to manage and economically exploit trademarks, patents, distinctive signs, designs or models;
- o. the prohibition on using third parties' trade secrets;
- p. the prohibition on engaging in conduct intended to obstruct the normal conduct of the economic and commercial activities of competing companies;
- q. the prohibition on carrying out fraudulent acts capable of diverting customers from third parties and causing harm to undertakings competing with the Company;
- r. the prohibition on unlawfully reproducing, imitating or tampering with trademarks, distinctive signs, patents, industrial designs or models owned by third parties.

KANDEVIA INOVA ITALIA S.R.L. may require compliance with these principles of conduct and prohibitions also through specific contractual clauses with third parties, and provides for sanctioning mechanisms in the event of their breach.

2.9.3. Principles of control

Principles of control are principles on which the prevention and procedural structuring of the sensitive activities identified within the Model are based.

In particular, they consist of:

- **Segregation of duties:** indication of the corporate entities involved in the process, in order to guarantee independence and objectivity of the processes;

- **Traceability of the activity**, i.e. determining procedures for the retention of relevant documentation enabling *ex post* verification of the process through which the relevant sensitive activity is carried out;
- **Formalisation of proxies and powers of attorney** and, accordingly, of a system of signature and representation powers that is consistent with the organisational and managerial responsibilities assigned, and that is clearly defined and known throughout the Company;
- **Existence of specific procedures/guidelines/operating practices**, namely formalised corporate provisions or operating practices capable of providing principles of conduct and operating methods for the performance of sensitive activities;
- **Further safeguards** specifically adopted by the Company to supplement and implement those listed above.

2.9.4. Analysis of each sensitive activity

Within the Special Sections of the Model, the General Principles of Conduct and the Principles of Control are articulated for each sensitive activity by reference to existing corporate practices and procedures and to the control safeguards adopted by the Company in order to reduce the risk of unlawful conduct.

2.10. Criteria for the adoption of the Model

The adoption of the Model and its subsequent updates, in line with the Decree and guided by the Confindustria Guidelines approved by the Ministry of Justice, included analyses to identify corporate areas at risk of the relevant offences.

In particular, these encompassed the following:

- Analysis of the Company's organisational structure, as set out in the organisational chart, highlighting roles and hierarchical and functional reporting lines;
- Analysis of corporate activities on the basis of information gathered from the heads of the main corporate departments, who possess the broadest and most in-depth knowledge of the operations within their respective areas of responsibility;
- Sharing of the findings that emerged during the interviews conducted with Management;
- Analysis of the Company's regulatory framework and of the internal control system as a whole;
- Analysis of the system of powers and delegations.

2.11. Offences relevant to the Company

The adoption of the Model as a tool capable of guiding the behaviour of persons operating within the Company and promoting conduct marked by legality and integrity at all company levels has positive consequences in terms of preventing crimes or unlawful conduct under the law.

However, in order to comply with the specific provisions of the Decree, and in light of the analysis of the corporate context and the sensitive activities, the offences deemed relevant—and therefore specifically examined in the Model—are those for which specific Special Sections have been drawn up, as set out in Annex 1 to this General Section, to which reference is made for their precise identification.

As regards the offences not expressly referred to in the Special Sections of this Model, the risk analysis showed that they were not applicable to the Company in view of the type of activity performed and the organisational structure in place. Nevertheless, with regard to such categories of offences, the safeguards defined by the Company's Internal Control System as a whole, as well as the rules of conduct set out in the Code of Conduct, are designed to prevent the risk of their commission.

2.12. Recipients of the Model

The rules contained in this Model apply primarily to individuals vested with powers of representation, administration or management of the entity or of an organisational unit endowed with financial and functional autonomy. Should the Company have employees within its corporate organisation, the Model will also apply to them.

The general principles of the Model, to the extent applicable within the limits of the relevant relationship, also apply to those who, although not belonging to the Company, act under a mandate from or on behalf of the Company, or are otherwise linked to the Company by legally relevant relationships for the purposes of offence prevention.

The recipients of the Model are required to comply, with the utmost integrity and diligence, with all the provisions and protocols contained therein, as well as with all procedures for their implementation.

2.13. Adoption, amendments and updates to the Model

The power to adopt, amend and supplement the Model falls under the exclusive purview of the Directors.

The Supervisory Body, within the scope of the powers granted to it pursuant to Article 6(1)(b) and Article 7(4)(a) of the Decree, has the power to formulate proposals to the Directors regarding the updating and adjustment of this Model and has the duty to report to the Directors, in writing and promptly, or at least in the half-yearly report referred to in point 3.6.1

- "Reporting to the corporate bodies (Information flows to and from the Supervisory Body)", any facts, circumstances or organisational deficiencies detected regarding the supervisory activity that highlight the need or opportunity to amend or supplement the Model.

In any case, the Model must be promptly amended or supplemented by the Directors, also upon the proposal of and after consultation with the Supervisory Body, in the event of:

- violations or circumventions of the provisions of the Model that have demonstrated its ineffectiveness or inconsistency for the purpose of preventing offences;
- significant changes in the internal structure of the Company and/or in the way the business activities are carried out;
- regulatory changes.

Amendments, updates or additions to the Model shall be communicated to the Supervisory Body in a timely manner.

The operating procedures adopted to implement this Model shall be amended by the competent corporate departments, should they prove ineffective for the purposes of proper implementation of the provisions of the Model. The competent corporate departments shall also handle any changes or additions to the operating procedures necessary to implement any revisions to this Model.

The Supervisory Body shall be promptly informed of the updating and implementation of new operating procedures.

3. THE SUPERVISORY BODY

3.1. Purpose

In compliance with Article 6(1)(b) of the Decree, a specific body (the Supervisory Body, or "SB") has been established with the task of continuously overseeing the effective functioning of, and compliance with, the Model, as well as ensuring that it is kept up to date, by proposing amendments and/or supplements to the Directors whenever this becomes necessary pursuant to point 2.14 - "Adoption, amendments and updates to the Model".

3.2. Requirements

The members of the Supervisory Body must meet the requirements of integrity, professional competence, autonomy and independence set out in this Model. The Supervisory Body must perform the functions assigned to it, guaranteeing the necessary continuity of action.

3.2.1. Reputability

The members of the Supervisory Body are appointed from among individuals who meet the subjective requirements of reputability set out in Italian Ministerial Decree No. 162 of 30 March 2000 for members of the Statutory Board of Auditors of listed companies, issued pursuant to Article 148(4) of the Italian Consolidated Finance Act (TUF).

3.2.2. Professional competence

The Supervisory Body shall be composed of individuals with specific expertise in inspection and auditing activities, in the analysis of internal control systems and in legal matters (in particular criminal law), so as to ensure the presence of professional skills appropriate to the performance of its duties. Where necessary, the Supervisory Body may also avail itself of the assistance and support of external experts for the acquisition of specific specialist knowledge.

3.2.3. Autonomy and independence

In the performance of its duties, the Supervisory Body shall enjoy autonomy and independence.

The Supervisory Body shall be vested with independent spending powers on the basis of an annual budget approved by the Directors upon proposal of the Body itself. In any event, the Supervisory Body may request an increase in the funds allocated to it where such funds prove insufficient for the effective performance of its duties, and may, on its own initiative, extend its spending autonomy in the presence of exceptional or urgent circumstances, which shall subsequently be reported to the Directors.

The activities carried out by the Supervisory Body may not be subject to review or interference by any other corporate body or structure.

In the performance of their duties, the members of the Supervisory Body must not find themselves in situations, even potentially, of conflict of interest arising from any personal, family or professional circumstances. In such cases, they are required to promptly inform the other members of the Body and must abstain from participating in the relevant deliberations. Such situations shall be specified in the report referred to in point 3.6.1 below - "Reporting to the corporate bodies (Information flows to and from the Supervisory Body)".

3.2.4. Continuity of action

The Supervisory Body is required to carry out continuous oversight—through its investigation powers—of compliance with the Model by Recipients, and to ensure its implementation and updating.

3.3. Composition, appointment and term of office

The Supervisory Body is appointed by the Company's Directors by means of a reasoned resolution attesting to the existence of the requirements of reputability, professional competence, autonomy and independence.

Upon acceptance of the appointment, the members of the Supervisory Body, having reviewed the Model and formally adhered to the Code of Conduct, undertake to perform the duties entrusted to them while ensuring the necessary continuity of action, and to promptly notify the Directors of any event that may affect the continued fulfilment of the above-mentioned requirements.

The loss of any of the subjective requirements by a member of the Supervisory Body shall result in immediate termination of office. In the event of termination of office due to loss of requirements, death, resignation or revocation, the Directors shall promptly provide for the replacement of the departing member.

In order to ensure full autonomy and independence, the powers of the Supervisory Body are granted for an indefinite term and shall cease in the event of: (i) termination of the collaboration relationship with KANADEVIA INOVA ITALIA S.R.L.; (ii) reasoned resignation from office, subject to assessment by the Directors; (iii) supervening inability to perform the appointment; (iv) reasoned revocation by the Directors; and (v) failure to fulfil the duties established by law and by the Model.

In the event of the termination of office of a member of a collegial Supervisory Body, the remaining member(s) shall remain in office and the Directors shall appoint a replacement member as soon as possible.

3.4. Termination and revocation

In the event of termination of office, death, resignation or revocation of a member of the Supervisory Body, the Directors shall promptly provide for the replacement of the departing member.

The following persons may not be appointed as members of the Supervisory Body and, if appointed, shall automatically forfeit office: any person who is legally banned, incapacitated, bankrupt, or who has been convicted, even by a non-final judgement, of an offence entailing disqualification, even temporary, from holding public office or incapacity to hold managerial positions; or who has been convicted, including by a non-final judgement or by a judgement applying a penalty upon request of the parties pursuant to Article 444 of the Italian Code of Criminal Procedure (a so-called plea-bargaining judgement), for having committed one of the offences contemplated by the Decree

Any revocation of a member of the Supervisory Body may occur only for just cause, by resolution of the Directors. For these purposes, "just cause" shall mean serious negligence in the performance of the duties associated with the appointment, including, by way of example:

- Failure to notify the Directors of a conflict of interest preventing the continued holding of the office of member of the Supervisory Body;
- Breach of confidentiality obligations relating to information and data acquired in the performance of the duties of the Supervisory Body.

Where revocation occurs without just cause, the revoked member may request immediate reinstatement to office.

The following shall instead constitute grounds for termination of office of the Supervisory Body:

- An ascertained serious by the Supervisory Body in the performance of its verification and control duties;
- A judgement of conviction (or plea-bargaining), even if not final, for one of the predicate offences provided for by the Decree, or, in any event, a judgement of conviction (or plea-bargaining), even if not final, imposing a penalty entailing disqualification, even temporary, from holding managerial positions within legal entities or undertakings;
- The imposition of a sanction by CONSOB for having committed one of the administrative offences relating to market abuse pursuant to the Italian Consolidated Finance Act (TUF).

Any subsequent modification of a non-final judgement of conviction (or plea-bargaining) shall remove the ground of ineligibility but shall not affect the termination of office already occurred.

A member may resign from office at any time by giving at least 30 days' written notice to the Directors, to be sent by registered letter with return receipt.

3.5. Duties and powers

The Supervisory Body has autonomous powers of initiative and oversight within the Company, such as to ensure the effective performance of the duties set out in the Model. To this end, the Supervisory Body adopts its own rules of operation through a dedicated Regulation (the SB Regulation), which is communicated to the Directors.

The Supervisory Body does not hold management or decision-making powers regarding the Company's activities, organisational powers, authority to modify the corporate structure, or sanctioning powers.

The Supervisory Body is entrusted with the task of monitoring the functioning of the Model and ensuring its compliance and updating. To this end, the Supervisory Body is granted the following duties and powers:

- To verify the efficiency, effectiveness and adequacy of the Model in preventing the commission of the offences set out in the Decree, and to promptly propose any necessary updates to the Directors in accordance with point 2.14 - "Adoption, amendments and updates of the Model";
- To verify, based on the analysis of information flows and reports received under points 3.6.2 - 'Reporting to the Supervisory Body' and 3.6.3 - 'Reporting among Supervisory Bodies within the Group (Information flows to and from the Supervisory Body and notifications),' compliance with the rules of conduct, prevention protocols, and procedures established by the Model, and to identify any deviations therefrom;
- To carry out periodic inspections, in accordance with the methods and timing specified in the SB Regulation and detailed in the SB Audit Plan, communicated to the Directors;
- To promptly propose to the body or department holding disciplinary authority the adoption of sanctions as outlined in point 4 - "The Sanctioning System";
- To monitor the development of staff training programmes concerning the Model adopted by KANADEVIA INOVA ITALIA S.R.L., as set out in point 5.2 - "Training (Communication and Training)";
- To report to the corporate bodies in accordance with point 3.6.1 - "Reporting to corporate bodies (Information flows to and from the Supervisory Body and notifications)";
- To have unrestricted access to any organisational unit, without prior notice, in order to request and obtain information, documentation and data deemed necessary for the performance of the duties set out in the Model;
- To access all information regarding sensitive activities, as further detailed in the Special Sections of the Model;
- To request information or documentation regarding sensitive activities from the Directors and the Company's Independent Auditor, where necessary;
- To request information or documentation regarding sensitive activities from employees, consultants, agents and external representatives of the Company, and generally from all parties bound to comply with the Model, provided such authority is expressly included in the contracts or mandates linking the external party to the Company;
- To receive, for the performance of its supervisory duties over the functioning and implementation of the Model, the necessary information in accordance with point 3.6.2 - "Reporting to the Supervisory Body";
- To avail itself of the assistance and support of external consultants for particularly complex matters or where specific expertise is required.

The Supervisory Body performs its duties in coordination, where appropriate, with the relevant corporate departments regarding interpretation and monitoring of the regulatory framework and the specific requirements under sectoral legislation. The Supervisory Body also coordinates with corporate departments involved in sensitive activities for all aspects concerning the implementation of operational procedures to enforce the Model.

With regard to the Company's operational units, the Supervisory Body:

- verifies the effective implementation of, and compliance with, the Model, in accordance with a periodic audit plan approved by the Supervisory Body itself;
- oversees the dissemination of the Model to any KANADEVIA INOVA ITALIA S.R.L. employees on secondment.

The members of the Supervisory Body, as well as any persons assisting the Body in any capacity, are required to maintain confidentiality regarding any information they become aware of in the exercise of their duties.

The Supervisory Body performs its duties in compliance with the law and with respect for the individual rights of employees.

3.6. Information flows to and from the Supervisory Body and notifications

3.6.1. Reporting to the corporate bodies

The Supervisory Body reports to the Directors unless otherwise provided for in this Model.

Whenever it deems it appropriate and in accordance with the procedures set out in its own Regulation, the Supervisory Body informs the Directors of any significant circumstances or facts relating to the performance of its duties, as well as of any urgent critical issues concerning the Model that may have emerged in the course of its supervisory activities.

The Supervisory Body prepares an annual written report to the Directors, which contains at least the following information:

- A summary of the activities carried out by the Supervisory Body during the relevant half-year period;
- A description of any issues that have arisen with respect to the operational procedures implementing the provisions of the Model;
- A description of any newly identified sensitive activities;
- A summary of reports received from internal and external parties, including any matters directly identified by the Supervisory Body, concerning alleged violations of the provisions of this Model, the prevention protocols, and the related implementing procedures, as well as the outcome of the ensuing verification activities. In the event of violations of the Model by one of the Directors, the Supervisory Body makes the communications set forth in point 4.1 - "General Principles (The Sanctioning System)";
- Information regarding any commission of offences relevant for the purposes of the Decree;
- Any disciplinary measures and sanctions applied by the Company with reference to violations of the provisions of this Model, the prevention protocols, and the related implementing procedures;

- An overall assessment of the functioning and effectiveness of the Model, including any proposals for amendments, corrections or updates;
- Notification of any changes in the regulatory framework and/or significant changes in the Company's internal structure and/or in the manner in which business activities are carried out that require an update of the Model;
- Notification of any actual or potential conflict of interest as referred to in point 3.2.3 - "Autonomy and Independence (Supervisory Body - Requirements)";
- A statement of expenses incurred.

3.6.2. Reporting to the Supervisory Body

All recipients of the Model shall communicate to the Supervisory Body any information that may be useful to facilitate the performance of checks on the correct implementation of the Model. In particular:

- Where the recipients of the Model identify areas for improvement in the definition and/or implementation of the prevention protocols set out in this Model, they shall promptly prepare and submit to the Supervisory Body a written note describing the reasons underlying the identified improvement areas;
- All members of the Company's corporate bodies may request clarification from the Supervisory Body regarding the correct interpretation and/or application of this Model, the prevention protocols, and the related implementing procedures.

In order to ensure proper compliance with the provisions set out above, a dedicated email address (Francesco.Rubino@MorriRossetti.it) has been established for communications addressed to the Supervisory Body by employees, members of the Company's corporate bodies, and external collaborators.

With regard, instead, to reports concerning the commission or alleged commission of offences under the Decree, as well as any violation or alleged violation of the Model or of the procedures adopted in its implementation, the rules set out in the Whistleblowing Procedure referred to in the following section shall apply.

3.6.3. The Whistleblowing Procedure

KANADEVIA INOVA ITALIA S.R.L., in compliance with European legislation on the protection of persons who report breaches of Union law (Directive (EU) 2019/1937), as well as with the national legislation introduced by Italian Legislative Decree No. 24/2023, has adopted a Group Whistleblowing Procedure ("**Whistleblowing Guidance**" No. GR11208).

The purpose of the Whistleblowing Procedure is to provide recipients who intend to report an offence or irregularity with clear operational guidance regarding the subject matter, content and methods for submitting reports, as well as information on the applicable protection measures and sanctions.

The Whistleblowing Procedure is available on the Company's website.

The Whistleblowing Procedure shall be considered the preferred reporting channel for reports relating to violations committed or known to the reporting person in the work-related context of KANADEVIA INOVA ITALIA S.R.L. at the national level, as it has been adopted in compliance with the specific requirements set out in Italian Legislative Decree No. 24/2023.

4. THE SANCTIONING SYSTEM

4.1. General Principles

The disciplinary system described below constitutes an autonomous set of measures aimed at ensuring compliance with and the effective implementation of the Model, reflecting the Company's firm commitment to pursue any violation of the rules established for the proper conduct of its business activities. The application of the sanctions provided for under the Model does not replace, nor does it presuppose, the imposition of any additional sanctions of a different nature (criminal, administrative, tax-related) that may arise from the same conduct. However, where the violation also constitutes an offence subject to investigation by the Judicial Authorities, and the Company is unable, based on the investigation tools at its disposal, to achieve a clear reconstruction of the facts, it may await the outcome of the judicial proceedings before adopting any disciplinary measures.

Compliance with the provisions of the Model applies within the framework of employment relationships of any type and nature, including those with executives, project-based workers, part-time employees, etc., as well as collaboration agreements falling within the so-called semi-subordinate category.

Disciplinary proceedings are initiated at the instigation of the Supervisory Body, which also performs an advisory role throughout the entire procedure.

In particular, upon acquiring information regarding a violation or an alleged violation of the Model, the Supervisory Body promptly initiates the necessary investigations, ensuring the confidentiality of the individual concerned.

If the violation concerns the Chief Executive Officer, the Supervisory Body shall promptly inform the Directors by means of a written report.

If a violation is committed by collaborators or external parties acting on behalf of the Company, the Supervisory Body shall inform the Chief Executive Officer by means of a written report.

The bodies or corporate departments vested with disciplinary authority shall initiate the proceedings falling within their respective remit for the purposes of formally contesting the conduct and, where appropriate, applying the relevant sanctions.

Sanctions for violations of the provisions of this Model are imposed by the bodies authorised under the Company's Articles of Association or internal regulations.

4.2. Violation of the Model

All breaches of the provisions of this Model, including omissions and conduct carried out in conjunction with others, constitute violations. This includes breaches of the Prevention Principles and Protocols and their implementing procedures, as well as violations of the Code of Conduct.

The following are examples of conduct constituting a violation of the Model:

- Incomplete or inaccurate preparation of documentation required under this Model, the General Principles of Conduct, the Prevention Protocols, and the related implementing procedures;
- Facilitating the preparation, by others, of documentation required under this Model, the Prevention Protocols, and the related implementing procedures in an incomplete or inaccurate manner;
- Failure to prepare the documentation required by this Model, the Prevention Protocols, or the implementing procedures;
- Breach or circumvention of the control system established by the Model, in any form, including, for example, the removal, destruction or alteration of produced documentation, obstruction of controls, or denial of access to information and documentation to persons responsible for monitoring procedures and decisions;
- Failure to provide the Supervisory Body with the required information;
- Breach or circumvention of supervisory obligations by senior management with respect to the conduct of their subordinates;
- Failure to comply with obligations regarding participation in training programmes, as outlined in paragraph 5.2 - "Training (Communication and Training)".

4.3. Sanctions and disciplinary measures

4.3.1. Sanctions against Directors

The Company evaluates with the utmost rigour any violation of this Model committed by those holding senior management positions within the Company, as they are in a position to influence corporate ethics and guide the conduct of all personnel in accordance with values of integrity, legality and transparency.

With regard to Directors who have committed a violation of the Model or of the procedures established for its implementation, the Shareholders' Meeting may impose—in accordance with the principle of proportionality and escalation relative to the seriousness of the conduct

and the degree of fault or any intent—any appropriate measure permitted by law, including the following sanctions:

- Formal written warning;
- Financial penalty equal to an amount ranging from two to five times the monthly remuneration;
- Total or partial revocation of any powers of attorney.

Moreover, for any Director whose remuneration includes a variable component linked to the achievement of specific performance objectives, a reduction (partial or total) of the variable component of remuneration may also be applied in the event of serious violations of the Model or Code of Conduct committed in the course of activities whose outcome determines the amount of the variable remuneration.

In the most serious cases, and in any event where the violation is such as to undermine the Company's trust in the responsible party, the Shareholders' Meeting may consider removal from office.

4.3.2. Sanctions against third parties

With regard to collaborators or external parties acting on behalf of the Company, as referred to in point 2.13 - "Recipients of the Model," the Company has established specific safeguard clauses in the event of such parties violating the Code of Conduct or the general principles of the Model, as applicable.

These clauses may provide—for more serious violations, and in any case where the violation undermines the Company's trust in the responsible party—for termination of the contractual relationship.

5. COMMUNICATION AND TRAINING

5.1. Communication

The Company ensures that all individuals with management, administrative, direction or control responsibilities are properly informed of, and made aware of, this Model.

The Model is communicated to all members of the corporate bodies using the dissemination methods deemed most appropriate.

Procedures are also established to confirm that the Model has been received by Company personnel.

For external parties subject to the Model, as specified in point 2.13 - "Recipients of the Model," specific communication methods are provided. Contracts governing the relationship with such

parties must set out clear responsibilities regarding compliance with the Company's corporate policies and acceptance of the general principles of the Model.

5.2. Training

The Company is committed to implementing training programmes to ensure that employees and members of the corporate bodies are fully aware of the Model.

Training programmes, organised on a continuous and consistent basis, cover the Decree and the applicable regulatory framework, the Code of Conduct, and this Model. The level of training is tailored, with varying degrees of depth, according to the recipients' roles and their degree of involvement in sensitive activities.

Training may also be delivered remotely through IT systems (e.g. videoconferencing, e-learning).

The Supervisory Body reviews the adequacy of the training programmes, their implementation methods, and the outcomes achieved.

Participation in the training programmes referred to in this section is mandatory. Failure to comply with these obligations constitutes a violation of the Model and is subject to the measures set out in point 4 - "The Sanctioning System".