DE NORA WATER TECHNOLOGIES ITALY S.R.L.

Organisation model,
management and control
pursuant to Legislative Decree No. 231/2001

Document	**Organisation, management and control model**

Revision	**n. 3**	Board Minutes of	28.03.2025
Previous Versions	n. 2 n. 1	Board Minutes of	20.02.2024 4.05.2021

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General Section

CHAPTER 1

THE ADMINISTRATIVE LIABILITY REGIME OF ENTITIES

INTRODUCTION: THE REGULATORY SYSTEM UNDER ITALIAN LEGISLATIVE DECREE NO. 231/2001

With the approval of Italian Legislative Decree no. 231 of 8 June 2001 (hereinafter, for simplicity, "Legislative Decree 231/2001" or the "Decree"), entitled "Provisions on the administrative liability of legal persons, companies and associations, including those without legal personality", a complex and innovative system of penalties was introduced into the Italian legal framework, identifying forms of administrative liability for Entities1 as a consequence of the commission of certain offences. This is dependent on the offence being committed in the interests or to the benefit of the Entity and the perpetrators being:

1) persons who hold a "senior" position in the entity's organisational structure (namely, in accordance with Art. 5(1), "persons holding representation, administration or management positions in the entity or one of its organisational units that enjoys financial and functional autonomy, as well as persons who, including on a de facto basis, exercise management and control over the entity);
2) "persons subject to management or supervision" by the latter.

This liability is defined by the legislator as "administrative" but, in effect, has strong similarities to criminal liability. In fact, such liability arises by virtue of and as a consequence of the committing of an offence (not only administrative); it is ascertained in criminal proceedings; the penal measure is always a judicial act (e.g., a judgement); and, above all, it is independent from the liability of the natural person who committed the offence. Hence, in accordance with Art. 8 of the Decree, an Entity may be declared liable even if the natural person who committed the offence cannot be indicted, has not been identified, or if the offence has been extinguished for a reason other than a formal pardon.

In order for an Entity to be liable, the offence committed must be attributable to it on a material level and must also constitute the manifestation of express will or at least derive from an organisational fault, i.e. failure to adopt the necessary controls to avoid the commission of the offence or the adoption of insufficient controls.

Conversely, the liability of an Entity is expressly excluded if the perpetrator of the offence acted in his/her exclusive interest or that of third parties.

Pursuant to Art. 4 of the Decree, liability in relation to offences committed abroad is envisaged for entities with head office in Italy, provided that the substantive and admissibility conditions envisaged in Arts. 7, 8, 9 and 10 of the Italian Criminal Code are met.

Consequently, an entity can be prosecuted when:

• it has its main office in Italy, i.e. the office where administrative and management activities are actually carried out, which may possibly differ from that in which the company or registered office (entities with legal personality) is located, or the place where the business activities are carried out on an ongoing basis (entities without legal personality);

• the country within whose jurisdiction the offence was committed is not prosecuting the entity;

• the request from the Minister of Justice, on which the punishment may depend, also refers to the entity.

[1] Pursuant to Italian Legislative Decree 231/2001, the term "Entities" refers to:

- entities with legal personality, such as joint stock companies, limited liability companies, partnerships limited by shares, cooperatives, recognised associations, foundations, other public and private financial entities;
- entities without legal personality, such as general partnerships, limited partnerships (incorporated or de facto) and unrecognised associations.

These rules concern offences committed entirely abroad by employees in senior positions or subordinates. For criminal conduct occurring entirely or even partially in Italy, the territorial principle pursuant to Art. 6 of the Italian Criminal Code, by virtue of which "the offence is considered committed in Italy, when all or part of the act or omission constituting the offence took place there, or the event occurring there is a consequence of said act or omission".

PREDICATE OFFENCES

The Entity may only be held liable for the offences indicated as a source of liability by the Decree or, in any case, by a law that came into force before the commission of the offence - so-called predicate offences.

The list, which has been repeatedly extended by the Legislator, currently includes the following types of offences, which, for the sake of convenience of exposition, may be included in the following "families of offences". Please refer to the Regulatory Appendix, **Annex 2** to this Model for details and analysis of applicability to De Nora Water Technologies Italy S.r.l..

1. Offences committed in relations with Public Administration (Arts. 24 and 25 of the Decree);
2. Computer crimes and unlawful data processing (Art. 24-bis of the Decree);
3. Organised crime offences (Art. 24-ter of the Decree);
4. Offences relating to the counterfeiting of coins, banknotes, revenue stamps, instruments or identification markings (Art. 25-bis of the Decree);
5. Crimes against industry and trade (Art. 25-bis.1 of the Decree);
6. Corporate offences (Art. 25-ter of the Decree);
7. Crimes for the purposes of terrorism or subversion of the democratic order (Art. 25-quater of the Decree);
8. Female genital mutilation practices (Art. 25-quater.1 of the Decree);
9. Crimes against the person (Art. 25-quinquies of the Decree);
10. Crimes and administrative offences of insider dealing and market manipulation (Art. 25-sexies of the Decree);
11. Manslaughter or actual or grievous bodily harm committed in violation of occupational health and safety regulations (Art. 25-septies of the Decree);
12. Receiving, laundering and using money, goods or gains of illegal origin and self-laundering (Art. 25-octies of the Decree);
13. Crimes relating to payment instruments other than cash (Art. 25-octies.1 of the Decree);
14. Crimes relating to infringement of copyright (Art. 25-novies of the Decree);
15. incitement to not testify or to bear false witness before the judicial authorities (Art. 25-decies of the Decree);
16. Environmental offences (Art. 25-undecies of the Decree);
17. Offence of employing illegally staying third-country nationals (Art. 25-duodecies of the Decree);
18. Offences of racism and xenophobia (Art. 25-terdecies of the Decree);
19. Fraud in sports competitions, illegal gaming or betting and gambling with prohibited equipment (Art. 25-quaterdecies of the Decree);
20. Environmental offences (Article 25-undecies of the Decree);
21 Smuggling (Art. 25-sexiesdecies of the Decree);
22. Offences against cultural heritage (Art. 25-septiesdecies of the Decree);
23. Laundering of cultural assets and destruction and looting of cultural and landscape assets (Art. 25-duodevicies of the Decree);
24. Transnational offences (Art. 10 of Italian Law no. 146 of 16 March 2006).

THE SANCTIONS PROVIDED FOR IN LEGISLATIVE DECREE NO. 231/2001

The ascertainment of the Entity's administrative liability by the criminal court may lead to the application of the administrative sanctions indicated in Article 9 of the Decree, such as: pecuniary sanctions;

- **fines;**
- **disqualification sanctions;**
- **confiscation;**
- **publication of the conviction.**

❖ Fines

The pecuniary sanction is always applicable and is determined by means of a "quota system": the Criminal Judge may apply a number of quotas not less than 100 (one hundred) and not more than 1000 (one thousand) and the value of each quota may vary between a minimum amount (approximately EUR 258) and a maximum amount (approximately EUR 1549). This amount is fixed "*on the basis of the economic and asset conditions of the Entity in order to ensure the effectiveness of the sanction*" (Articles 10 and 11(2) of Legislative Decree No. 231 of 2001).

The Judge determines the number of quotas taking into account objective criteria linked to the seriousness of the offence, the degree of the Entity's liability and the activity carried out to eliminate or mitigate the consequences of the offence and to prevent the commission of further offences, as well as subjective criteria linked to the Entity's economic and patrimonial conditions, which affect the determination of the pecuniary value of the quota, in order to ensure the effectiveness of the sanction.

Article 12 of the Decree provides for a number of cases in which the fine is reduced. They are schematically summarised in the following table, indicating the reduction made and the prerequisites for its application.

Reduction	**Requirements**
1/2 (and cannot in any case exceed EUR 103,291.38)	• The offender committed the offence in its own predominant interest or in the interest of third parties *and* the Entity did not gain an advantage or gained a minimal advantage; *or* • the pecuniary damage caused is of particular tenuousness.
1/3 to 1/2	[Before the declaration of the opening of the first instance hearing]. • The Entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offence, or has in any case taken effective steps to do so; or • an organisational model suitable for preventing offences of the kind that have occurred has been implemented and made operational.
1/2 to 2/3	[Before the declaration of the opening of the first instance hearing]. • The Entity has fully compensated the damage and eliminated the harmful or dangerous consequences of the offence, or has in any case taken effective steps to do so; e

Reduction	Requirements
	• an organisational model suitable for preventing offences of the kind that have occurred has been implemented and made operational.

❖ Disqualification sanctions

The prohibitory sanctions, applicable only in relation to the offences for which they are expressly provided for and under the conditions set out in Article 13 of the Decree, can entail significant restrictions on the Entity's business activities, and consist of

- disqualification;
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- ban on contracting with the public administration, except for the provision of public services;
- exclusion from benefits, financing, contributions and subsidies, and/or revocation of any already granted;
- ban on advertising goods or services.

Such sanctions may also be requested by the Public Prosecutor and applied to the Entity by the Judge as a precautionary measure, when:

- there are serious indications that the Entity is liable for an administrative offence;
- there is solid and specific evidence to suggest that there is a real danger that offences of the same nature as the one being prosecuted will be committed.

Disqualification sanctions have a duration of no less than three months and no more than two years, with certain exceptions expressly provided for by the Decree (Article 25(5), which provides that - in the event that the Entity is convicted of a bribery offence - a disqualification sanction of no less than four years and no more than seven years must be applied).
The Decree also provides that where there are grounds for the application of a disqualification sanction, the Judge - in lieu of the application of such a sanction - may order the continuation of the activity by a commissioner for a period equal to the duration of the disqualification sanction that would have been applied, when at least one of the following conditions is met:

- the Entity performs a public service or a service of public necessity the interruption of which may cause serious harm to the community;
- the interruption of the Entity's activity may, in view of its size and the economic conditions of the territory in which it is located, have significant repercussions on employment.

❖ Confiscation of the profit of the crime

The confiscation of the profit of the offence consists in the coercive acquisition by the State of the price or profit of the offence, except for the part that can be returned to the injured party and without prejudice to the rights acquired by third parties in good faith; when confiscation in kind is not possible, it may be applied to sums of money, goods or other utilities of equivalent value to the price or profit of the offence.

❖ Publication of the conviction

The publication of the conviction consists in the publication of the conviction once only, either in excerpt or in full, by the clerk of the Judge and at the expense of the Entity, in one or more newspapers indicated by the Judge himself in the judgment, as well as in the posting in the municipality where the Entity has its head office.

The publication of the conviction may be ordered when a disqualification sanction is imposed on the Entity.

Finally, pursuant to Article 26 of the Decree, in the event that the offence is committed in the form of an attempt:

- the pecuniary and prohibitory sanctions are reduced by between one third and one half;
- the Entity is not liable for the offence when it voluntarily prevents the performance of the action or the realisation of the event.

THE IMPLEMENTATION OF LEGISLATIVE DECREE NO. 231/2001

Even though the Decree does not envisage the obligatory nature of the Model, De Nora Water Technologies Italy S.r.l. (hereinafter, the "Company" or "DNWTIT"), in order to prevent, as far as possible, any unlawful behaviour on the part of persons occupying an "apical" position as well as on the part of employees, has proceeded to adopt a specific Model, duly approved by the Board of Directors with a resolution of 04.05.2021.
An updated version of this Model was subsequently approved by resolution dated February 20, 2024 (Revision 2). The current version is therefore Revision 3 as several updates have been included that were deemed appropriate in view:
- of organisational changes in the Company,
- the development of case law, doctrine and the regulatory framework,
- best practices of Italian companies regarding models,
- the results of supervisory activities and the findings of internal control activities;
- of the 'Guidelines for the construction of organisation, management and control models pursuant to Legislative Decree 231/2001' updated by Confindustria, most recently in June 2021.
-ANAC Guidelines, adopted by Resolution of 12 July 2023,
- the Confindustria 'New Whistleblowing' Operational Guide of October 2023

Again, in implementation of the provisions of the Decree, the Board of Directors, in launching the Model, entrusted a monocratic body with the task of assuming the functions of internal control body (Supervisory Body, henceforth, for simplicity, SB), with autonomous tasks of supervision, control and initiative in relation to the Model itself.

The Supervisory Body has the task of verifying that the Entity is equipped with a suitable organisational model and of ensuring that it is effectively implemented, ascertaining the effectiveness of its operation in the course of the work, and ensuring that it is progressively updated, so as to guarantee that it is constantly adapted to any changes of an operational and/or organisational nature.

"CONFINDUSTRIA 'GUIDELINES' AND OTHER GUIDING PRINCIPLES

Article 6(3) of the Decree provides that the Models may be adopted - guaranteeing the requirements set out in the preceding paragraph - on the basis of codes of conduct drawn up by the associations representing the entities and communicated to the Ministry of Justice.

In light of the above, all major trade associations have approved and published their own codes of conduct. In particular, it is worth mentioning that Confindustria in June 2021 published the latest updated version of its 'Guidelines for the construction of organisation, management and control models'.

The Company, believing that the Guidelines contain a series of indications and measures suitable for responding to the requirements outlined by the legislator, has also drawn inspiration from the principles contained therein for the construction of this Model (to which reference is made in full). In drafting this

Model, account was also taken of the document approved at the meeting of 18 December 2018 by the National Council of Chartered Accountants and Accounting Experts and jointly drafted by ABI, the National Council of Forensic Experts and Confindustria on "*Consolidated principles for the drafting of organisational models and the activity of the supervisory body and prospects for the revision of Legislative Decree no. 231 of 8 June 2001*" (February 2019 version).

ADDRESSEES OF THE MODEL

The addressees of the rules and prescriptions contained in the Model are all the representatives of the Company: the shareholders[2] , the directors, the members of the other corporate bodies and the employees.

The following are also addressees of the Model - and therefore required to comply with its contents

- external agents, freelancers, consultants and commercial and/or industrial partners.
- parties collaborating with the Company by virtue of a para-subordinate, temporary or agency employment relationship, etc.;
- parties acting in the interests of the Company as they are linked to it by contractual legal relationships or by agreements of another nature, e.g. as partners in joint-ventures or partners for the implementation or acquisition of a business project.

All addressees of the Model are required to comply with its provisions and its implementation procedures

THE ORGANISATION AND MANAGEMENT MODEL

Articles 6 and 7 of the Decree regulate the cases in which the Entity is not liable for the offence committed by the persons referred to in Article 5. A difference emerges from these rules in terms of discipline, and the evidentiary regime, between offences committed by persons in top positions and those committed by subordinates.

Introducing an inversion of the burden of proof, Article 6 provides, in fact, that the Entity is not liable for offences committed by employees in senior positions if it proves that

1. the management body has adopted and effectively implemented, prior to the commission of the offence, organisational and management models capable of preventing offences of the kind committed;
2. the task of supervising the functioning of and compliance with the models, as well as ensuring that they are updated, has been entrusted to a Body of the Entity endowed with autonomous powers of initiative and control;
3. the persons committed the offence by fraudulently circumventing the organisation and management models;
4. there has been no or insufficient supervision by the body referred to in number 2.

According to Article 7, for offences committed by persons subject to the direction of others, the Entity is liable, on the other hand, only if the commission of the offence was made possible by the failure to comply with the obligations of direction or supervision (but, in this case, the burden of proof is on the prosecution). In any case, these obligations are presumed to have been complied with if the Entity, before the offence was committed, adopted and effectively implemented an Organisation, Management and Control Model capable of preventing offences of the kind committed.

[2] It is acknowledged that the Company is currently a single-member company.

PURPOSE AND GOALS OF THE MODEL

The objective of the Model is to implement a structured and consistent system of procedures and control activities (preventive and subsequent), aimed at effectively combating the risk of committing the offences, by identifying the activities at risk and the necessary regulation thereof.

Consequently, the rules contained in this Model are intended, on the one hand, to make the potential perpetrator of offences aware of their illegality and the unfavourable stance taken by the Company with respect to such conduct, even where the Company might benefit, and, on the other hand, to allow the Company to intervene promptly to prevent or impede the perpetration of such offences, by virtue of systematic monitoring of the activities and processes at risk.

The GOALS of the Model thus include raising the awareness of senior officers and those under the management of others as to the significance of the legislation in question, making them aware of the fact that, in the event of conduct not compliant with the provisions of the Model, rules and associated procedures, laws and applicable regulations, they may incur penalties - according to the rules contained in this document - and, regardless of any personal criminal liability, the Company may also be held liable, in accordance with the Decree, with the consequent application of fines and/or disqualifying sanctions.

MODEL STRUCTURE

This Model consists of a 'General Part' and a 'Special Part', drawn up as a result of the risk mapping activity, which identified the corporate processes in relation to which the predicate offences appear likely to be applied, based on the main sensitive activities included in each process.

DNWTIT's activities were classified into 12 specific 'business processes':

1. Management of obligations and relations with Public Bodies, including in the event of legal disputes;
2. Management of the purchase of goods, services and consultancy;
3. Personnel selection, recruitment and administrative management;
4. Management of communication activities, as well as donation, sponsorships, gifts and gratuities
5. Management of monetary and financial flows;
6. Management of accounting, reimbursement of expenses to employees, entertainment expenses, preparation of financial statements and other corporate disclosures;
7. Management of corporate obligations and relations with control bodies and the Shareholder;
8. Management of environmental and occupational health and safety obligations;
9. Management and use of IT systems;
10. Management of intercompany agreement;
11. Management of tax returns.
12. Design, production and sale of products

The Board of Directors - also upon the proposal of the Supervisory Body - shall have the power to adopt specific resolutions for the integration of the Model, with the inclusion of additional control protocols relating to the types of offences that, as a result of possible future regulatory interventions, may be included or in any case connected to the scope of application of Legislative Decree No. 231/2001.

ADOPTION OF THE MODEL

Approval of the Model

The Model must be approved by a resolution of the Board of Directors of the Company.

Amendments and additions

This Model is issued by the management body, in compliance with the provisions of Article 6, first paragraph, letter a) of the Decree: subsequent amendments and additions of a substantial nature to the Model itself may only be made - possibly at the proposal of the SB - by the Board of Directors.

Both the Chairman and each director have the power to report to the Board of Directors, whenever he deems it appropriate or necessary, on any amendments to be made to the Model.

CHAPTER 2

THE OFFENCE RISK CONTROL SYSTEM

INTRODUCTION : COMPANY FRAMEWORK

De Nora Water Technologies Italy S.r.l. specializes in the design, development, production, assembly, marketing, maintenance, technical assistance, installation and/or supervision of equipment, instruments and systems, also in the field of electro chlorination, aimed at the purification, disinfection and treatment of marine, industrial and non-industrial waters, including drinking water and/or wastewater, as well as the production the sale, trade and rental of ozonising, electro-medical and electro-sanitary equipment, as well as household appliances, sterilisers, purifiers and systems for the treatment and purification of air and water, as well as assistance services for all drinking water treatment, civil and industrial wastewater, and coastal and marine power plant cooling needs.

It is part of the De Nora Group (also the 'IDN Group'), a leading designer, manufacturer and supplier of products, technologies and complete solutions for electrochemistry.
The Company's share capital is wholly owned by Industrie De Nora S.p.A., which also exercises management and coordination functions over the subsidiary pursuant to Article 2497 et seq. of the Italian Civil Code.

The Company has its registered office and administrative offices in Milan, Via Leonardo Bistolfi no. 35, and the production plant is located in Cologno Monzese, Via Piemonte no. 22. Following the deed of merger by incorporation of the company De Nora Isia S.r.l., which became effective on 1 January 2023, the Company has a local unit in Venice, Banchina Molini 8, Marghera Stradario 00073.

The Company wholly own the subsidiary De Nora Water Technologies Fze, based in Dubai, to which the same procedures and policies adopted at the Italian or Group level apply. In fact, while respecting the decision-making autonomy of the subsidiary, DNWTIT has identified minimum control principles that the subsidiary has adopted by virtue of specific policies provided for in the Group's compliance programme, on specific topics (e.g. "Global anti-corruption policy"; "Whistleblowing policy").".

THE COMPANY'S GOVERNANCE STRUCTURE

DNWTIT adopts a 'traditional' administration and control system pursuant to Articles *2380-bis* et seq. of the Civil Code.
The governance structure is based on the following bodies:

- The Shareholders' Meeting is the body that expresses the shareholder's will through its resolutions; the meetings are the privileged place for the establishment of a fruitful dialogue between the Shareholder and the Directors in the presence of the Control Body.
- The Board of Directors, appointed by the Shareholders' Meeting, is the body that CONTROLS over strategic choices, corporate policies and the definition of corporate GOALS; it is entrusted with the management of the company to achieve the corporate purpose. The Board of Directors is responsible for the functions and inherent responsibilities regarding strategic and organisational guidelines, as well as the verification of the existence of the necessary controls to guarantee the correctness and legitimacy of the Company's operations.
- The Chairman of the Board of Directors and managing directors are the persons to whom specific powers are delegated for the administration and management of the business pursuant to the provisions of the law and the Articles of Association.
- Sole Statutory Auditor: this is the body responsible for supervising compliance with the law and the Articles of Association, as well as controlling management. Within the scope of the tasks entrusted to it by law, the control body monitors, with the aid of the company's control structures, the actual functioning of the internal control system and verifies the adequacy of the organisational, administrative and accounting structure approved by the Board of Directors, to which it reports any anomalies or weaknesses.
- Supervisory Body: in monocratic composition, it monitors compliance with and the effective implementation of this Model, manages and monitors training and information initiatives for the dissemination of knowledge and understanding of the Model itself within the company and the persons operating in its interest, as well as proposing adaptations and updates to the Model (for example, following changes in the company's organisation or activity, changes in the reference regulatory framework, anomalies or ascertained violations of the Model's provisions).

GENERAL PRINCIPLES OF CONTROL

As specific tools aimed at planning the formation and implementation of the Company's decisions and ensuring appropriate control over the same, also in relation to the offences to be prevented, DNWTIT identifies the following general principles with which the company's activities must comply:

- assignment of responsibilities: presence of *job descriptions* and organisation charts with clear reporting lines;
- Powers of attorney and proxies: assignment of powers of attorney or proxies reflecting management responsibilities with assignment of consistent powers of representation and aligned and never unlimited powers of expenditure;
- manual and computerised procedures: presence of adequate company provisions to monitor sensitive areas in compliance with the principles of segregation of roles, traceability and control;
- segregation of roles: separation within each process between the person making the decision, the person executing and the person entrusted with controlling the process;
- reporting and traceability: demonstration, through precise documentary traces, of the unfolding of a certain business event or decision-making process;
- periodic information flows to the Supervisory Body: periodic reporting by the company departments most at risk to the Supervisory Body.

All actions, operations and negotiations carried out and, in general, the behaviour of DNWTIT personnel in the performance of their work are inspired by the utmost fairness, completeness and transparency of information, legitimacy in form and substance and clarity and truthfulness of accounting documents in accordance with current regulations and internal procedures, including the anti-corruption policy.

INTEGRATED DOCUMENTATION OF THE ORGANISATIONAL STRUCTURE

The Company's organisational structure is represented and formalised completely and comprehensively through an organisation chart, organisational communications and intercompany agreements.

This set of documents makes it possible to clearly identify all organisational units and their missions and responsibilities as well as hierarchical and functional reporting.
In this regard, in order to crystallise the synergies existing within the Group in terms of efficient use of skills and streamlining the use of the central structures, DNWTIT makes use for some activities of functions established at the parent company (e.g: *Administration, Finance and Controls (AFC), Information and Communications Technology (ICT), Legal, Internal Audit, P.Or.SC.H, etc*) or at other Group companies.

The company also participates in the centralised treasury management programme (cash pooling) carried out by Industrie De Nora S.p.A..
To guarantee the prescribed characteristics of independence, autonomy and authority, the aforementioned functions operate within the framework of specific *intercompany* agreements signed between DNIT and the other companies in the Group, regulated at normal market conditions.

Delegation System

The Board of Directors grants powers to its members, establishing the contents, limits and manner of exercising the delegation. When powers of sub-delegation are envisaged, the Chairman or Chief Executive Officer may appoint proxies to perform certain acts or categories of acts, sub-delegating part of the powers delegated to them and within the limits thereof.

The allocation of delegated powers or powers of attorney and their adjustment is constantly monitored by the delegating bodies, to ensure:

- a clear identification and specific assignment of powers and limits to the persons who operate by committing the Company and manifesting the Company's will;
- the consistency of the powers granted with the organisational responsibilities assigned.

Integrated Internal Regulatory System

The overall system of internal rules of the Company regulates in a clear, congruous and comprehensive manner all relevant operating methods.
The policies, issued by the Board of Directors, also in transposition of the Parent Company's provisions, define the guidelines on *governance*, organisation and internal control and risk management and on *core business* activities.
Procedures and other regulatory instruments adequately regulate processes and workflows:

- identifying operational modes, information flows;
- ensuring formal documentation of activities and their *ex-post* traceability as well as line monitoring and control;
- clearly identifying the responsibility for the process;
- ensuring the segregation of duties and responsibilities;
- ensuring accessibility and knowledge through appropriate information and training activities on company regulations.

All the Italian and foreign companies controlled by Industrie De Nora S.p.A. adopt the Group's Code of Ethics (**annex 1** to this Model), which summarises the fundamental ethical values that inspire the De

Nora Group and which all employees and external collaborators must abide by in the performance of the tasks entrusted to them, and which is overseen by an Ethics Committee with specific powers to monitor the effective application and observance of the principles set out therein

Risk mapping

Article 6(2)(a) of Legislative Decree No. 231 of 2001 indicates, among the requirements of the model, the identification of the processes and activities within the scope of which offences may be committed that may give rise to the Entity's administrative liability.

Preliminary to the identification of corporate processes and the main sensitive activities within the Company was the analysis, mainly documentary, of DNWTIT's corporate and organisational structure, in order to identify the corporate areas subject to intervention. To this end, an inventory was made of potentially "sensitive" company processes with reference to the offence hypotheses governed by the Decree.

Once the areas of corporate operations in which the risks of commission of offences entailing administrative liability for the Entity could be abstractly configured had been identified, the mapping activity continued by conducting a series of interviews with the persons operating within the corporate functions concerned, in order to analyse for each sensitive activity the management processes and the active control tools.

The analysis of the risk profiles of the offences of homicide and culpable lesions committed in violation of occupational safety regulations was also conducted taking into account the Risk Assessment Document drawn up pursuant to Article 17 of Legislative Decree No. 81 of 2008, as well as all the procedures and operating instructions already formalised within the Company.

CHAPTER 3

THE SUPERVISORY BODY (SB)

IDENTIFICATION OF THE SB

Article 6(1) of the Decree provides that the Entity may be exempted from liability if it proves, inter alia, that the task of supervising the operation of and compliance with the Organisation and Management Model and ensuring that it is updated has been entrusted to a Body of the Entity, endowed with autonomous powers of initiative and control.

DNWTIT's Supervisory Body is a monocratic body appointed by the Board of Directors and chosen from persons of proven professionalism and honourableness, with specific expertise in inspection, administrative-management and legal matters. The term of office is established at the time of appointment.

If the mandate of one of the SB members is revoked or terminated during the term of office, the Board of Directors shall replace him/her without delay.

The mandate of a member of the Supervisory Body may only be terminated for just cause and requires a resolution of the Company's Board of Directors.The following are qualified as cause for termination:

- failure to inform the Board of Directors of a conflict of interest preventing the continuation of the role of the Body;
- breach of confidentiality obligations with regard to news and information acquired in the performance of the functions of the Supervisory Body;

If revocation is pronounced without just cause, the removed member can ask for immediate reinstatement. On the other hand, the following circumstances shall trigger the removal of the entire Supervisory Body:

- -ascertainment of a serious breach by the Supervisory Body in the performance of its audit and control tasks;
- conviction of the Company, even if not yet final, or a plea-bargaining ruling applying the penalty at the request of the parties pursuant to Art. 444 of the Code of Criminal Procedure, where records show omission or insufficient supervision by the Supervisory Body.

Any person who has been subject to a final criminal conviction ruling that involves disqualification, temporary or permanent, from public office or from management roles in legal entities, as well as anyone who has been convicted, even if not yet final, of one of the crimes indicated in the Decree are ineligible for the role of member of the SB (or, if occurring at a later date, constitute just cause for termination of office).

Directors with delegated powers and shareholders who, in a senior position, perform functions and activities among those most subject to the supervision and assessment of the SB may not be appointed members of the SB.
At the time of election, the persons nominated shall make a declaration that they do not find themselves in any of the causes of ineligibility indicated.

PREROGATIVES AND RESOURCES OF THE SB

For the exercise of its functions, the Supervisory Body has full organisational and financial autonomy.

To this end, at the beginning of each financial year, the Board of Directors, having heard the opinion of the Supervisory Body, allocates the amount of resources necessary for its activities. The management, use and allocation of these are then decided by the SB in a totally autonomous and independent manner.

The Supervisory Body may avail itself of the possible collaboration of persons belonging to the Company, when their specific knowledge and skills are needed.

In cases of particular necessity, the Supervisory Body shall have the right to avail itself of the advice of external professionals, to whom it may delegate circumscribed areas of investigation, making use of the budget made available to the company, with the right to request an extra budget where necessary.

FUNCTIONS AND POWERS OF THE SB

On a general level, the Supervisory Body is entrusted with the task of supervising the functioning of and compliance with the Model and ensuring that it is updated. In particular, the SB will achieve the aforementioned purposes through:

- the activation and performance of any control activities deemed appropriate;
- reconnaissance of the Company's activities, with a view to the possible updating of the mapping of areas of activity at risk;
- the supervision of initiatives aimed at enabling the dissemination of knowledge and understanding of the Model by the Company's representatives, shareholders, employees and any external collaborators;
- the collection, processing and storage of its information;
- requesting information from corporate functions;
- ascertaining any possible violation of the provisions of this Model and/or the Decree and proposing the initiation of any disciplinary proceedings;
- the reporting to the Board of Directors of any deficiencies in the Model and the consequent proposal of any appropriate amendments or improvements;
- collection of flows relating to reports of conduct or situations in conflict with the provisions of the Model and its implementing procedures, as well as of any circumstance potentially favouring or otherwise making possible the commission of offences or relating to offences already committed.

The activities carried out by the Supervisory Body may not be reviewed by any other corporate body or structure, it being understood, however, that the Board of Directors is in any case called upon to supervise the Supervisory Body's compliance with the Model.

INTERNAL INFORMATION FLOWS

Reporting obligations towards the Supervisory Body

Article 6(2)(d) of the Decree establishes that the organisation and management models must provide for specific obligations to inform the body responsible for supervising the operation of and compliance with the model, i.e. the SB.

In particular, the Supervisory Body has the power to obtain information useful for the fulfilment of its duties from each Addressee of the Model, in full autonomy, unquestionability and independence.

All Addressees of the Model are required to communicate to the Supervisory Body all news and information relevant to the prevention of sensitive offences pursuant to Legislative Decree 231/01, and to the adequacy, updating and compliance with the Model.

The Supervisory Body is the recipient of the following flows:

- **periodic and continuous information flows (quarterly, half-yearly and annual reports);**
- **event-specific information flows.**

The omitted/delayed/unjustified transmission of information flows constitutes a violation of the Model and a disciplinary offence which may be duly sanctioned. In this regard, the SB may suggest to the Board of Directors those disciplinary proceedings be brought against anyone who breaches the reporting obligations identified.

The Board of Directors and the other corporate bodies are required to provide the Supervisory Body with full information on matters falling within the latter's competence.

The shareholders and representatives of the Company are required to promptly inform the Supervisory Body of any anomaly that may be detected in the performance of the Company's activities, in relation to risk activities, as well as of any subsequent measures taken.

Periodic and continuous information flows

Periodical communication of the results of the control activities carried out to implement the Model or indication of any anomalies or atypicalities found in the information available.

The periodic and continuous information flows to the Supervisory Body take place by means of a special report forwarded spontaneously to the Supervisory Body , together with any attachments, within thirty days following the end of the reporting period.

Event-specific information flows

All the news and information required by the Special Part of the Model, as well as any other information that may be relevant pursuant to Legislative Decree no. 231/2001 and that must be communicated promptly upon the occurrence of certain relevant facts. By way of example and without limitation, flows belonging to the following macrocategories must be communicated:

- changes in the company's organisational structure;
- renewals or the attainment of new certifications;
- accidents, near misses, accidents, occupational diseases, suspected occupational diseases and/or other anomalies in accident prevention;
- measures and/or news coming from the Judicial Police or any other authority, from which it is inferred that investigations are being carried out, even against unknown persons, for the offences referred to in the Model;
- any other information deemed useful for improving the Model.

Communication channels of information flows

All information flows must reach the Supervisory Body (alternatively):

- electronically, by sending an e-mail to the Supervisory Body's e-mail address: SB_dnwtit@legalmail.it (communicated by the Company by sufficiently informative means such as internal circulars or via the company portal);
- in paper form, with delivery to the Supervisory Body at meetings held at the Company;

- through a special digital platform provided by the Company;
- with the different modalities that may be indicated by the Supervisory Body itself.

PERIODIC AUDITS

The Supervisory Body is required to carry out periodic audits (no less than four per year and in any case to be performed whenever deemed necessary) aimed in particular at

- supervise the operation of and compliance with the Model by all persons operating within the Company and on its behalf;
- draw any useful information for the possible formulation of proposals for updating the Model;
- verify the constant adequacy of the information channels set up for reporting unlawful conduct relevant under Legislative Decree no. 231/2001 and/or violations of this Model in accordance with the provisions of the Whistleblowing legislation (Legislative Decree no. 24/2023);
- ensure compliance with the prohibition of direct or indirect retaliatory or discriminatory acts against whistleblowers for reasons directly or indirectly linked to the report;
- verify compliance with the Whistleblowing procedure.

The results of the audits performed must be reported in the annual report; any critical issues requiring timely intervention by the Board of Directors must be promptly reported to the Board of Directors itself by means of the transmission of the minutes of the Supervisory Body relating to the specific issue.

WHISTLEBLOWING LEGISLATION (LEGISLATIVE DECREE NO. 24 OF 2023)

With Legislative Decree No. 24/2023 of "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and on provisions concerning the protection of persons who report breaches of national laws" the legislator redesigned the previous Whistleblowing regulations, which were differentiated according to the public or private nature of the Entity within which the reports were made, as well as, for private entities, the adoption of the 231 Model.

The aforementioned legislation amended the provision in Article 6 of Legislative Decree No. 231/2001, providing in paragraph 2 bis that the Organisational, Management and Control Models must provide for: internal reporting channels for whistleblowing reports, the prohibition of retaliation and a disciplinary system, adopted pursuant to paragraph 2, letter e), in accordance with the provisions of Legislative Decree 24/2023. The Decree also repealed paragraphs 2-ter and 2-quater of Article 6.

In particular, in implementation of the provisions of Legislative Decree No. 24 of 2023, the Company has implemented a specific policy ("Global Whistleblowing Policy", hereinafter also referred to as the "Policy"), to which reference is made and which supplements this Model with regard to the operational management of whistleblowing.

Eligible Parties and Content of the Report

The information, the subject of the report, must concern violations of which the reporter has become aware in the 'work context' of relations with DNWTIT.
In this regard, in fact, all those who operate in the DNWTIT. 'working environment' may report, both internally: such as employees, volunteers or trainees, even if unpaid, as well as shareholders (natural person partners), members of the administration and control bodies; and externally who have business relations (e.g. suppliers, but also freelancers or self-employed workers).

In detail, in accordance with the provisions of Legislative Decree No. 24/2023, information concerning the following constitutes the object of the reports:

- administrative, accounting, civil or criminal offences[3] ;
- conduct relevant under Legislative Decree 231/2001, or violation of the organisation and management model;
- offences falling within certain areas of EU law (public procurement; financial services, products and markets and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; privacy and personal data protection and security of networks and information systems);
- acts or omissions affecting the financial interests of the european union and the free movement of goods, persons, services and capital;
- acts or omissions detrimental to the financial interests of the Union as referred to in Article 325 of the Treaty on the Functioning of the European Union specified in the relevant secondary legislation of the European Union[4] .

Reports can be made either by providing personal details or anonymously. Any anonymous reports will be handled as ordinary reports[5] .
Reports must be duly substantiated in order to allow the assessment of the facts and based on precise and concordant elements of fact.

In particular, the following must be indicated as a minimum:
- clear and complete description of the facts being reported;
- circumstances of time and place in which the reported events occurred (if known);
- generalities or other elements enabling the identification of the person who has reported the facts;

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[3] Which are also relevant under Legislative Decree 231/2001, or violation of the organisation and management model.
[4] Pursuant to Art. 2 c.1 lett. a), Legislative Decree 24/2023:
"For the purposes of this Decree, the following definitions shall apply:
(a) 'breaches' means conduct, acts or omissions detrimental to the public interest or the integrity of the public administration or private entity and consisting of:
1) administrative, accounting, civil or criminal offences that do not fall under points 3), 4), 5) and 6);
2) unlawful conduct within the meaning of Legislative Decree No. 231 of 8 June 2001, or violations of the organisation and management models provided for therein, which do not fall under numbers 3), 4), 5) and 6);
(3) offences falling within the scope of the European Union or national acts indicated in the Annex to this Decree or national acts constituting implementation of the European Union acts indicated in the Annex to Directive (EU) 2019/1937, although not indicated in the Annex to this Decree, relating to the following fields: public procurement; financial services, products and markets; and prevention of money laundering
and financing of terrorism; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and protection of personal data and security of networks and information systems;
(4) acts or omissions affecting the financial interests of the Union as referred to in Article 325 of the Treaty on the Functioning of the European Union specified in the relevant secondary law of the European Union;
(5) acts or omissions relating to the internal market, as referred to in Article 26(2) of the Treaty on the Functioning of the European Union, including violations of European Union competition and State aid rules, as well as violations relating to the internal market related to
acts that violate corporate tax rules or mechanisms whose purpose is to obtain a tax advantage that defeats the object or purpose of the applicable corporate tax law;
(6) acts or conduct that frustrate the object or purpose of the provisions of Union acts in the areas indicated in (3), (4) and (5)."
[5] In the light of the Guidelines on the protection of persons who report breaches of Union law and the protection of persons who report breaches of national laws. Procedures for the submission and handling of external reports ('ANAC Guidelines'): 'ANAC treats anonymous reports received as ordinary reports and handles them in accordance with the Supervisory Regulations. Public sector and private sector entities consider anonymous reports received through internal channels as ordinary reports, where they are to be dealt with'.

- any documents or other relevant information to corroborate the reported facts.

It is forbidden to make, with malice or gross negligence, unfounded reports. In particular, Legislative Decree no. 24/2023 provides that the protection measures provided for therein apply to the relevant addressees when the following conditions are met:

- at the time of the report, the reporter had reasonable grounds to believe that the information on the reported violations was true and fell within the scope of the aforementioned Legislative Decree No. 24/2023;
- the report is conveyed through internal or external channels, regulated by the Policy.

The reasons that led the person to report are irrelevant for the purposes of his or her protection.

Violation of the prohibition, as well as failure to report, constitute a disciplinary offence and, as such, punishable under the disciplinary system of this Model.
Mere personal complaints cannot be reported[6] , as such inadmissible.

Reporting channels

In order to ensure the confidentiality of the identity of the reporter, internal reporting channels are set up. These channels are monitored and managed by the Internal Audit Director and the IDN Compliance Manager (the 'Report Recipients'). All reports must be received:

- via the De Nora integrity online platform, accessible from the company portal and the DN Group website at https://denora.integrityline.com/ . The system allows whistleblowers to submit reports through a guided online questionnaire, without having to register or declare their personal data. For more details on how the platform works, please refer to the Global Whistleblowing Policy, accessible at https://www.denora.com/it/governance/governance-and-business ethics/whistleblowling.html.
- in paper form, by sending the report in a sealed envelope[7] to the attention of DN Internal Audit Director and Compliance Manager, Via Bistolfi 35, 20134 Milan (Italy);
- orally, with a personal interview with the Recipients of the reports by appointment request;
- electronically (alternatively, if other channels cannot be used), by sending an e-mail to the dedicated e-mail address: whistleblowing@denora.com .

The reporting party adopts the communication channel deemed most appropriate with regard to the nature, urgency and content of the report, giving preference to the platform where possible.
It is in any case ensured that an acknowledgement of receipt of the report is sent to the reporter within seven days.

In addition to the internal channels, the whistleblower may resort to external reporting and public disclosure, when the requirements of Legislative Decree 24/2023 are met. Specifically, the whistleblower may submit his report to the ANAC through the external reporting channel made available by the ANAC itself (www.anticorruzione.it/-/whistleblowing) if:

[6] Guidelines for the Preparation of Whistleblowing Procedures - Transparency International Italia (Association against Corruption) and ANAC Guidelines, according to which: "Disputes, claims or requests linked to an interest of a personal nature of the reporting person or of the person making a complaint to the Judicial Authority that relate exclusively to his or her individual work or public employment relationships, or inherent to his or her work or public employment relationships with hierarchically superior figures".

[7] With the following methods of packaging the report: in a first sealed envelope the whistleblower shall insert his identification data accompanied by a photocopy of his identification document, while in a second sealed envelope he shall insert the text describing the facts to be reported; so as to separate the identification data of the whistleblower from the report. Both envelopes must then be placed in a third closed envelope bearing on the outside the words "DO NOT OPEN - Confidential - Whistleblowing Report".

- already made an internal report and it was not followed up;
- has reasonable grounds to believe that, if it were to make an internal report, it would not be effectively followed up, or that the report itself might give rise to the risk of retaliation;
- has well-founded reasons to believe that the infringement may constitute an imminent or obvious danger to the public interest.

The reporter may proceed by public disclosure if:

- has already reported internally and externally and received no feedback;
- has well-founded reasons to believe that, due to the specific circumstances of the case, the external report may entail a risk of retaliation or may not be effectively followed up.

All information and/or reports received (including archived reports), as well as records of investigations carried out, will be kept in a special file. In addition, reports and related documentation shall be retained by the Recipients of the reports in accordance with the *policy*.

Measures to protect the reporter

Recipients of reports are obliged to maintain the confidentiality of the report and to provide feedback to the reporter on the results of the investigation within 3 months from the date of the acknowledgement of receipt.

In particular, reports may not be used beyond what is necessary to adequately follow them up. Moreover, the identity of the reporting person and any other information from which that identity may be inferred, directly or indirectly, may not be disclosed without the express consent of the reporting person himself/herself, to persons other than those competent to receive or follow up the reports.

Retaliatory or discriminatory acts, whether direct or indirect, for reasons directly or indirectly linked to the reporting are prohibited against the whistleblower[8] . The protections afforded to the whistleblower are also extended:

- to the facilitator[9] ;
- persons in the same work environment as the reporter with a stable emotional or kinship link up to the fourth degree;
- the reporter's work colleagues with whom they have a regular and current relationship;
- entities owned by the reporter or for which the reporter works, as well as entities operating in the same work environment.

The application of the disciplinary system to a whistleblower who maliciously or grossly negligently makes reports that turn out to be unfounded does not constitute an act of retaliation. A finding of wilful

[8] In this regard, Article 6 of Legislative Decree No. 231/01, paragraphs 2-ter and 2-quater, provides as follows:
2-ter. The adoption of discriminatory measures against the persons making the reports referred to in paragraph 2-bis may be reported to the National Labour Inspectorate, for the measures falling within its competence, not only by the person making the report, but also by the trade union organisation indicated by the same.
2-quater. Retaliatory or discriminatory dismissal of the reporting person is null and void. A change of job within the meaning of Article 2103 of the Civil Code, as well as any other retaliatory or discriminatory measure taken against the whistleblower, is also null and void. The burden is on the employer, in the event of disputes relating to the imposition of disciplinary sanctions, or to demotions, dismissals, transfers, or subjecting the whistleblower to other organisational measures having direct or indirect negative effects on working conditions, following the submission of the report, to prove that such measures are based on reasons extraneous to the report itself.

[9] Person assisting the reporter in the reporting process, operating within the same work context and whose assistance is kept confidential

misconduct or gross negligence on the part of the whistle-blower entails the lapse of the whistle-blower's right to confidentiality, and the disciplinary system must be activated.

Violation of the whistleblower protection measures constitutes a violation of the Model and, as such, is punishable under the disciplinary system of this Model.

Activities of the Supervisory Body concerning the report received

The Supervisory Body is informed of the reporting management activities carried out by the above-mentioned persons appointed by the Company.

More specifically, reports of possible unlawful conduct constituting or likely to constitute a breach or suspected breach of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01 or unlawful conduct relevant pursuant to Legislative Decree 231/01 must be shared by the Recipients of the reports with the Supervisory Body, to allow the latter to make its own assessments during supervision and to make observations in the event of the detection of anomalies, as well as - more generally - to monitor the progress of the management of the reports.
Similarly, with a view to the constant supervision of the Whistleblowing system, the Recipients of the reports, all non 231-relevant reports received will be shared with the SB

RELATIONS BETWEEN THE SUPERVISORY BODY AND CORPORATE BODIES

The Supervisory Body shall inform, in an annual report, the Board of Directors on the activities carried out during the period, with particular reference to the checks carried out, indicating any anomalous situations detected during the year and formulating any proposals for improving the company organisation or parts of the Model in order to better prevent the risk of commission of the offences provided for in the Decree.

The Supervisory Body shall in any case promptly report to the Board of Directors any violation of the Model that it has become aware of through a report by employees or that it has ascertained in the course of its supervisory activity.

The Board of Directors and its Chairman are entitled to call a meeting of the Supervisory Body at any time, which, in turn, is entitled to request a meeting with the aforementioned body for urgent reasons.

Relations between the Supervisory Body and the Sole Statutory Auditor

At least once every six months, a meeting must be held, in which the Sole Statutory Auditor and the Supervisory Body take part, in order to exchange information on the performance of their respective duties and to the extent of their limited competence.

This is without prejudice to the possibility of further meetings should this become necessary as a result of events and/or reports that make a specific meeting opportune, without prejudice to the duty of mutual prompt reporting of anomalies of common competence.

Relations between the DNWTIT Supervisory Body and the IDN Supervisory Body

IDN exercises management and coordination activities with respect to DNWTIT. Each of the two companies has appointed its own Supervisory Body.

At least once every six months, a meeting must be held for the purpose of exchanging information concerning the performance of their respective duties and as far as their limited competences are concerned.

This is without prejudice to the possibility of further meetings should this become necessary as a result of events and/or reports that make a specific meeting opportune, without prejudice to the duty of mutual prompt reporting of anomalies of common competence.

Relations between the Supervisory Body and other parties

Relations with the RSPP
At least once every six months, a meeting must be held between the SB and the RSPP for the purpose of fully monitoring the provisions of the process of the Special Section of this Model entitled: "8. Management of environmental and occupational health and safety obligations" .

This is without prejudice to the possibility of further meetings should this become necessary as a result of events and/or reports that make a specific meeting opportune, without prejudice to the duty of mutual prompt reporting of anomalies of common competence.

Relations with the Ethics Committee
At least once a year, the Supervisory Body meets the Ethics Committee to exchange, as far as it is competent, the necessary information on the performance of their respective duties. This is without prejudice to the possibility of further contact and/or meetings should this become necessary following specific events and/or reports.

Relations with the company's internal contact
The Company, having consulted with the Supervisory Body, identifies an internal contact person who is required to attend Supervisory Body meetings (unless expressly requested by the Supervisory Body itself, when it deems it appropriate to proceed behind closed doors), to coordinate the Recipients in order to better support the Supervisory Body in its activities, and to promote compliance with the requirements of the minutes of Supervisory Body activities pursuant to Legislative Decree 231/01.

Relations with the Internal Auditor (IA)
At least once a year, the IA shall meet the Supervisory Body and update it on the activities carried out. Periodically, he/she will send specific information flows, including any criticalities found during the audit activity.

Relations with the Compliance Manager
At least once a year, the Compliance Manager meets with the Supervisory Body and updates it on the activities carried out. Periodically, he/she will be required to send the information flow to the Supervisory Body for the updating of compliance programmes with relevance to 231.

CHAPTER 4

DISCIPLINARY SYSTEM

GENERAL PRINCIPLES

In the light of the provisions of Article 6(2)(e) of the Decree, a fundamental element for the effectiveness of the Model is the provision of a system of sanctions for the violation of the rules of conduct imposed by it.

The preparation of appropriate disciplinary measures aimed at preventing and, where necessary, sanctioning any violations of the rules set out in this Model, in fact, constitutes an integral and fundamental part of the Model itself and is intended to ensure its effectiveness.

The application of the disciplinary system and of the relevant sanctions is independent of the course and outcome of any criminal proceedings initiated by the Judicial Authority, in the event that the conduct to be censured also constitutes a relevant offence under the Decree.

Disciplinary sanctions will be commensurate with the level of responsibility of the offender, the existence of any previous disciplinary record against the offender, the seriousness of the offender's behaviour, and the intentionality of the behaviour.

The following conduct (by way of example but not limited to) constitutes a breach, punishable from a disciplinary point of view:

- failure to comply with the general rules of conduct and the Model, even if carried out by omissive conduct and in conjunction with others;
- drafting, also in conspiracy with others, of incomplete or untrue social documentation;
- facilitating, through omissive conduct, the preparation by others of incomplete or untrue documentation;
- violation of the Whistleblowing procedure;

Once the violation has been ascertained, a disciplinary sanction proportionate to the seriousness of the violation committed and to any recidivism will be imposed on the perpetrator by the competent corporate functions.

The Supervisory Body must be informed of any breach of the Model, which may lead to the application of a disciplinary sanction unless the breach has been detected by it.

However, the Supervisory Body has the power to propose the initiation of disciplinary proceedings about conduct constituting a breach of the provisions of this Model.

SANCTIONS AGAINST DIRECTORS

In the event of violations of the Model by one or more Directors, the Supervisory Body will inform the entire Board of Directors, the Sole Statutory Auditor, and the Shareholders' Meeting; the latter will take the appropriate initiatives provided for by the Articles of Association and current legislation.

If disciplinary sanctions are adopted, the Supervisory Body must be informed.

SANCTIONS AGAINST of the Sole Statutory Auditor

In the event of violations of the Model by the Sole Statutory Auditor, the Supervisory Body will inform the entire Board of Directors, which will take the appropriate initiatives provided for by the Articles of Association and the laws in force.

If disciplinary sanctions are adopted, the Supervisory Body must be informed.

SANCTIONS AGAINST EMPLOYEES

In the event of violations of this Model by one or more employees, the Supervisory Body will immediately inform the bodies competent to issue disciplinary sanctions. Conduct in violation of the rules contained in this Model will constitute a disciplinary offence and will be sanctioned in accordance with the provisions of this disciplinary system, and more generally in the CCNL for the category.

If disciplinary sanctions are adopted, the Supervisory Body must be informed.

MEASURES TOWARDS EXTERNAL COLLABORATORS AND PARTNERS

Any conduct on the part of external collaborators, or industrial and/or commercial partners, that is in conflict with the lines of conduct indicated in this Model and is in any case such as to entail the risk of committing one of the offences referred to in the Decree, may entail the termination of the contract or the revocation of the mandate for just cause and the application of any contractually provided penalty, without prejudice, however, to the possibility of compensation for greater damages.

In the event that contractual remedies are taken against collaborators or partners, the Supervisory Body must in any case be informed.

SANCTIONS PURSUANT TO LEGISLATIVE DECREE NO. 24/2023

As expressly provided for by the Decree in Article 6(2)(e), one of the essential elements of the Model is the existence of a 'disciplinary system capable of sanctioning non-compliance with the measures indicated in the model', which - as provided for in paragraph 2 bis - must also comply with the provisions of the 'decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019' on the protection of whistleblowers.

Specifically, with reference to whistleblowing reports, it provides for:

- sanctions if retaliation has been committed or reporting has been obstructed or an attempt has been made to obstruct it or the duty of confidentiality has been breached;
- sanctions when reporting channels have not been established, procedures for making and handling reports have not been adopted, or the adoption of such procedures does not comply with those laid down in the applicable legislation, as well as when verification and analysis of the reports received has not been carried out;
- sanctions when it is established, even by a judgment of first instance, that the reporting person is criminally liable for the offences of defamation or slander or, in any case, for the same offences committed with the report to the judicial or accounting authorities, or that he/she is civilly liable, for the same reason, in cases of wilful misconduct or gross negligence.

The sanctions are defined in relation to the role of the addressee of the sanctions, as indicated in the preceding paragraphs, to the extent that the violations of the rules relating to the reporting system represent, in themselves, violations of the provisions of this Model.

CHAPTER 5

DISSEMINATION AND KNOWLEDGE OF THE MODEL IN THE COMPANY

TRAINING

In particular, all company functions must be trained on the following:

- Italian Legislative Decree no. 231/2001 and its consequences in relation to administrative liability of the entity;
- the types of offence envisaged in and punished by the combined provisions of Italian Legislative Decree no. 231/2001 and the Model;
- analysis of the areas at risk of the aforementioned offences;
- analysis of the prevention protocols envisaged in the Special Section of this Model;
- the key principles of the whistleblowing regulations (Italian Legislative Decree no. 24/2023) and notably:

• reference regulatory context;
• material operation for the information channels and the access methods established to ensure that the reporting system functions correctly;
• the sanctioning system established for those who violate the whistleblower protection measures, as well as those who, with wilful intent or gross negligence, submit reports that prove to be groundless.

- communication channels of periodic and continuous, specific and generic information flows envisaged by this Model;
- sanction mechanisms envisaged in the event of violation of the requirements contained in this Model.

The training courses must be held according to different modalities, differentiated on the basis of the tasks covered by the company functions addressed by the course. By way of example:

- training course for top management (directors and proxies);
- employee training course.

These activities must be able to

• exclude that any person operating within the Company may justify his or her conduct by alleging ignorance of this Model;
- training course for top management (directors and proxies) and supervisory bodies;
- employee training course.

These activities must be able to

- exclude that any person operating within the Company may justify his or her conduct by alleging ignorance of this Model;
- avoid that possible offence may be caused by human errors, also due to negligence or inexperience, in assessing the requirements of this Model.

The Company guarantees the traceability of training initiatives, the formalisation of participants' attendance and the possibility of assessing their level of understanding and learning. Training may also take place remotely or through the use of IT systems.

The information must be complete, timely, accurate, accessible and continuous, so that all shareholders, representatives and employees of the Company can become fully aware of the Company's directives and be enabled to comply with them.

Failure to organise and/or unjustified participation in training courses entails violation of this Model and consequent activation of the disciplinary system.

The Supervisory Body will verify, also by means of sample methods, that knowledge of the Model has actually reached all its recipients within the Company.

A copy of this Model will be made available to new employees at the time of hire and in the company portal or digital platform. The system certifies receipt, as well as the commitment by the newly hired employee to comply with its contents.

INFORMING EXTERNAL COLLABORATORS AND PARTNERS

The Company also promotes knowledge of and compliance with the Model among its commercial and/or industrial partners with whom it has significant economic relations, as well as among external collaborators who are not employees of the same. These will be informed of the contents of the Model, also in excerpts, right from the beginning of the professional or business relationship.

The main contracts that regulate relations with suppliers include clauses recalling the fulfilments and responsibilities deriving from the Decree and from compliance with the fundamental principles of the Model and the Code of Ethics, and indicate the clear contractual effects of non-compliance with these fulfilments.
For this purpose, the general part of the Model is also published on the Group's website .