GENERAL PART
ACEA SPA ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL

pursuant to Legislative Decree no. 231/2001

Last update approved by the Board of Directors on 17 December 2024

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DEFINITIONS, ABBREVIATIONS AND ACRONYMS

- **ACEA/Company**: Acea S.p.A.
- **ANAC**: National Anti-Corruption Authority.
- **SHAREHOLDERS' MEETING:** The Shareholders' Meeting is the body through which shareholders may participate and vote in the manner and on matters reserved for them by law and the Articles of Association. Shareholders' Meetings are held in ordinary and extraordinary form.
- **BOD**: Board of Directors of Acea S.p.A.
- **CODE OF ETHICS**: The Acea Group's Code of Ethics approved by the Board of Directors of Acea S.p.A.
- **CONSOB**: Commissione Nazionale per le Società e la Borsa (Italian Companies and Exchange Commission) is an independent administrative authority with autonomous legal personality and full operational autonomy; it was established by Law No. 216 of 7 June 1974.
- **DECREE/DECREE 231/LEGISLATIVE DECREE 231/01**: Italian Legislative Decree no. 231 of 8 June 2001[1].
- **RECIPIENTS**: those who carry out, even de facto, management, administration, executive or control functions in the Company; the subordinate workers of the Company, of any level and employed under any sort of contract whatever, including those seconded abroad for their working activities; whomever, although not part of the Company, operates under any title in its interest; collaborators and contractual counterparties in general.
- **EMPLOYEES**: individuals subject to the leadership and supervision of one of the senior management team with subordinate employment relations of any nature whatever with the Company and seconded workers or employed under para-subordinate contracts.
- **DPIA (DATA PROTECTION IMPACT ASSESSMENT)**: the impact assessment conducted in the event of a data protection breach.
- **ETHICS OFFICER**: an autonomous collegial body, dedicated and trained to manage the reporting channel for alleged violations of the Code of Ethics and the Internal Control and Risk Management System (SCIGR) as well as the provisions of Legislative Decree no. 24/23, with the exclusion of 231 reports, vested with the tasks and roles described in the "Acea Group Whistleblowing Management Policy"[2].
- **ACEA Group**: Corporate group formed by Acea S.p.A., in its role as holding company, as well as its subsidiaries and associates.
- **ANTI-CORRUPTION GUIDELINES**: a group document adopted by the Board of Directors of Acea S.p.A. that standardises and integrates the anti-corruption compliance measures already integrated within the Group's Regulatory System, presenting an organic system of rules and principles aimed at preventing and combating the risks of unlawful practices.
- **CONFINDUSTRIA GUIDELINES**: Guidelines for the construction of organization, management and control models pursuant to Italian Legislative Decree no. 231 of 8 June 2001 (June 2021) adopted by Confindustria (Acea's reference trade association).

[1] And subsequent integrations and amendments: this is valid for any law, regulation or set of laws and regulations recalled in the Model.
[2] For more details on the Body and its composition please refer to the corporate website and the aforementioned Policy published therein.

- **MODEL/OMCM**: this Organizational, Management and Control Model, including the general part and the special part, as per Legislative Decree 231/01.
- **SUPERVISORY BODY/SB**: the Supervisory Body envisaged by Legislative Decree 231/01.
- **ANTI-CORRUPTION POLICY**: a document, approved by the Board of Directors of Acea S.p.A., in which general principles and Acea's commitments concerning the prevention of corruption are defined and which represents the "manifesto" of the Management System implemented by the Company to ensure the prevention of corruption.
- **WHISTLEBLOWING POLICY**: "Acea Group Whistleblowing Management Policy".
- **SENSITIVE OR AT-RISK PROCESSES/AREAS/ACTIVITIES:** Company processes and underlying activities where there is a potential risk that predicate offences may be committed that may give rise to the administrative liability of entities pursuant to Legislative Decree no. 231 of 2001.
- **P.T.V**: *pro tempore vigente*; valid at the present time.
- **PUBLIC ADMINISTRATION/PA**: any legal person responsible for matters in the public interest and carrying out legislative, jurisdictional or administrative activities by virtue of public laws, regulations and authorising acts. Also with particular reference to Art. 1, para. 2 of Italian Legislative Decree 165/01, these may include but are not limited to the following Entities or categories of Entities: Public or State Bodies and Administrations with autonomous powers[3]; all national, regional and local non-economic public entities[4]; Judicial Authorities; Public Security Authorities; Ministries. This definition also includes natural persons acting as representatives of the Public Administration in the course of their activities, such as: Public Officials; Persons in Charge of a Public Service; Public Administration Officials.
- **ACM:** Anti-Corruption Manager of Acea S.p.A.
- **PREDICATE OFFENCES**: means the predicate offences set out in Articles 24-25 of Legislative Decree no. 231/01, i.e., offences that are, in turn, a condition for the commission of other offences. In other words, an offence that is the antecedent to the commission of another offence.
- **231 REPORT**: a report concerning facts that are considered to represent unlawful conduct relevant under Decree 231 and/or, in general, violations of the 231 Model.
- **CONTROL SYSTEM (SCI/SCIGR)**: Internal Control and Risk Management System adopted by Acea S.p.A.
- **SENIOR PERSONS/SENIOR MANAGEMENT:** under Article 5(1)(a) of the Decree, persons who hold positions of representation, administration or management of the entity or one of its organizational units with financial and functional autonomy, as well as persons who exercise, including on a de facto basis, the management and control of the entity.
- **SUBORDINATE SUBJECTS:** Under Article 5(1)(b) of the Decree, "persons subject to the direction or supervision of one of the persons referred to in letter a) (i.e., Senior Persons).

[3]Such as: Independent Administrative Authorities; CONSOB; Agenzia delle Entrate e Riscossione; ATO Authorities; Chambers of Commerce, Industry, Crafts and Agriculture and their associations; Regions; Provinces; Municipalities.
[4]Such as: INPS; INAIL; INPDAP; ASL; National Labour Inspectorate; Fire Brigade.

1 INTRODUCTION

Italian Legislative Decree no. 231 of 8 June 2001, implementing Article 11 of Law 300/2000, introduced into the legal system the "Regulation of the administrative liability of legal entities, companies and associations, including those without legal status".

Conscious of the need to ensure conditions of correctness and transparency in the conduct of business and corporate activities and to protect the market position it has assumed and its image, the expectations of its shareholders and the work of its employees, the Company has deemed it appropriate to adopt an Organizational, Management and Control Model pursuant to the aforementioned Decree (hereinafter the "Model") which defines a structured system of rules and controls to be followed in order to pursue its corporate purpose in full compliance with the provisions of the laws in force.

2 LEGISLATIVE DECREE NO. 231/2001

2.1 THE ADMINISTRATIVE LIABILITY OF ENTITIES

In execution of the proxy of which in Law no. 300 of 29 September 2000, the Italian lawmakers emanated Legislative Decree 231 on 8 June 2001, containing the "*Regulation of the administrative liability of legal entities,* Companies *and associations, including those without legal status*".

In this introduction, the Italian legal system has recognised an administrative liability of the legal entity that is in addition to that – criminal in nature – of individual persons who have materially committed a crime, both of which are subject to ascertainment during the course of the same proceedings before a criminal judge.

The Decree provides, in fact, for the "administrative" liability of entities in the event of certain offences (so-called "predicate offences") committed in their interest or to their advantage by senior personnel, employees or those involved in a merely functional relationship with the entity.

Furthermore, the Decree envisages the exclusion of liability of the entity if the management body proves, among other things, that it had adopted and effectively implemented an Organizational, Management and Control Model (hereinafter also "Model" or "OMCM") before the crime was committed, in order to prevent crimes of the nature/type of that committed.

Therefore, the Board of Directors of Acea S.p.A. (hereinafter also "Acea" or the "Company") approved, by resolution passed on 14 May 2004, the Company Model and also appointed the relative Supervisory Body (hereinafter also "Body" or "SB"), in order to provide guidelines for the Recipients of the Model in carrying out their activities.

The Model was subsequently modified and updated as required, most recently in this version approved on 17 December 2024.

2.2 PRESUPPOSITIONS FOR THE ADMINISTRATIVE LIABILITY OF ENTITIES

Article 1, paragraph 2 of Legislative Decree 231/01 has circumscribed the framework of subjects of the laws for "*entities with legal status, Companies with legal status and Companies and associations even without legal status*" (hereinafter "entities" for short[5]).

In accordance with the Decree, entities are responsible when:

- one of the crimes envisaged by the Decree ("predicate offences") is committed;

[5]The entities within the scope of application of Legislative Decree 231/2001 are:
- legal entities and Companies;
- associations and entities without legal status which do not carry out functions of constitutional relevance.

The following are therefore excluded from the scope of application of the Decree:
- the State;
- public territorial entities;
- public entities with public powers;
- entities carrying out functions of constitutional relevance.

As a result of the legal interpretation, the Recipients of the Decree also include private law Companies providing public services and Companies controlled by Public Administrations.

- the crime is committed in their interest or to their advantage;
- the crime has been committed by a member of the senior management or individuals subject to its management or supervision.

As regards the meaning of the terms "interest" and "advantage", the government Report, which accompanies the Decree, attributes "subjective" valence to the former, referring to the wishes of material author of the crime (who must have acted with the ultimate purpose of realising a specific interest of the entity), while the latter has an "objective" valence, thus referring to the effective outcome of its conduct (reference is made to cases in which the author of the crime, although not aiming directly at the interest of the entity, obtains an advantage in its favour).
Lastly, the Report also suggests that the investigation of the existence of the first requirement (interest) requires an *ex ante* verification. Contrarily, advantage, which may be obtained by the entity even when the individual person has not acted in its interest, still, requires an *ex post* verification, as only the outcome of the criminal conduct need be evaluated.

As regards the nature of both requirements, the interest or advantage need not have an economic element to it.

Moreover, paragraph 2 of Article 5 of Italian Legislative Decree 231/01 establishes the liability of the entity by excluding cases in which the offence, although beneficial to the entity, is committed by the perpetrator exclusively in pursuit of their own interest or that of third parties.

The aforementioned clause should not be taken in combination with article 12, first paragraph, subsection a), which establishes an attenuation of the monetary sanction if "*the author of the crime has acted prevalently in their own interest or that of third parties and the entity has not gained any advantage or has gained a minimal advantage*".
Therefore, if the subject has acted both in its own interest and that of the entity, the latter may also be sanctioned.
Should it be prevalently in the interest of the author rather than that of the entity, an attenuation of the sanction will be possible, but on condition that the entity has not gained advantage or has gained minimal advantage from the crime being committed.
Lastly, if it is ascertained that the subject has exclusively pursued its own interest or that of third parties, the entity will be completely exonerated of all liability independently of the advantage that it may have gained.

The ultimate goal, which have been pursued by the lawmakers through the introduction of the liability of entities for administrative illegalities dependant on crimes, is to involve the assets of the entity and, ultimately, the economic interests of the shareholders in punishing some illegalities by the directors and/or employees in the interest or to the advantage of the entity in question. So as to ensure that the subjects involved have greater control over the regularity and legality of the business operations, also from a preventive viewpoint.

As regards the criteria of subjective accusation, the characteristic element of this form of liability is the provision of the so-called "*organizational negligence*", which makes it possible for the entity to be accused of crimes committed by the individuals operating within its organization and, in any event, in its interest or to its advantage.

The criminal liability for the crime committed differs according to whether the crime is ascribable to an individual in a senior management position or to one of their subordinate subjects, as specified in detail hereafter.
According to article 5 of the Decree, the presupposition for determining the liability of the entity is that the crime is committed by:

- *individuals with functions of representation, administration or management of the entity or one of its organizational units with financial and functional independence, and also by individuals exercising, even de*

facto, management and control over the entity (so-called "individuals in senior management positions" or "senior persons")[6]*;*

- *individuals subject to the management or supervision of one of the above individuals (so-called "individuals in subordinate positions" or "subordinate subjects")*[7].

In any event, the liability of the entity exists even if the perpetrator of the crime has not been identified or is not accusable, or if the crime ceases for reasons other than amnesty (article 8 of Legislative Decree 231/01).

2.3 "PREDICATE OFFENCES" ACCORDING TO LEGISLATIVE DECREE 231/01[8]

The following is a list of the "groups of crimes" in the Decree, identified by the category of administrative illegality they are part of[9]:

1. Crimes against the Public Administration (arts. 24[10] and 25[11]);
2. IT-related crimes and illegal data processing (art. 24 *bis*);
3. Organized criminality (art. 24 *ter*);

[6] Pursuant to Art. 5 of Legislative Decree 231/01, individuals in senior management positions are those with, even de facto, functions of representation, administration and management of the entity or one of its financially and functionally independent units. The clause thus applies to executives, legal representatives under whatever title, general managers and executives of financially independent divisions.

[7] In this regard, it should be noted that the notion of subordinate subjects could also include workers who, although they are not "dependent" upon the entity, have relations with it of a nature such as to indicate the existence of an obligation of supervision by the senior management of the entity itself, such as, for example, so-called para-subordinates in general, suppliers, consultants and collaborators.

[8] Updated in August 2024. Specifically, the "2024" update of the Model examined all the changes/additions that have taken place since the previous update/approval of the Model:

- Law no. 137/2023 "*converting into law, with amendments, Decree Law no. 105 of 10 August 2023, containing urgent provisions on criminal trial, civil trial, combating forest fires, recovery from drug addiction, health and culture, as well as on the personnel of the judiciary and public administration".* Summary of 231 impacts: *integration of three new predicate offences into Decree 231*, namely Disruption of the freedom of tender (Art. 353, Criminal Code) and Disruption of the freedom of the procedure for selecting a contractor (Art. 353 bis, Criminal Code) sub Art. 24 of Decree 231; Fraudulent transfer of value (Art. 512 bis, Criminal Code) sub Art. 25 octies(1) of Decree 231;
- Law no. 206/2023 on "*Organic provisions for the valorisation, promotion and protection of Made in Italy*". Summary of 231 impacts: extended the scope of the offence of "Sale of industrial products with misleading trademarks" referred to in Article 517 of the Criminal Code, already a predicate offence under Article 25 bis(1) of Decree 231;
- Law no. 90/2024 containing "*Provisions on strengthening national cybersecurity and tackling computer-related crimes*". Summary of 231 impacts: tightening of the sanction response in relation to certain computer-related crimes; repeal of the offence of unlawful possession, dissemination and installation of computer equipment, devices or programmes aimed at damaging or interrupting a computer or telecommunications system and the introduction of an aggravated hypothesis of extortion carried out through the commission of certain computer-related crimes;
- Law no. 112/2024, which converted, with amendments, Decree Law 92/2024, on "*Urgent measures on prison, civil and criminal justice and personnel of the Ministry of Justice*", also known as the "Prisons Decree". Summary of 231 impacts: inclusion of a new predicate offence "Misappropriation of money or movable property" Article 314 bis of the Criminal Code pursuant to Article 25 of Decree 231, with the extension of the offence of international bribery referred to in Article 322 bis of the Criminal Code also to this new specific case;
- Law no. 114/2024 on "*Amendments to the Criminal Code, the Code of Criminal Procedure, the judicial system and the Military Code of Order*", also known as the Nordio Law. Summary of 231 impacts: repeal of the offence of abuse of office and remodelling of the offence of unlawful trafficking of influence, both predicate offences referred to in Article 25 of Decree 231;
- Law no. 143/2024 (the Omnibus Decree) which provided for a number of amendments to the Copyright Law (no. 633/1941) including the insertion of Art. 174 sexies, which provides for certain subjects (providers of network access services; search engine operators; providers of information society services, including providers and intermediaries of Virtual Private Networks (VPNs) or in any case of technical solutions that hinder the identification of the source IP address; operators of content delivery networks; providers of Internet security and distributed DNS services that stand between visitors to a site and hosting providers acting as reverse proxy servers for websites) an immediate obligation to report to the judicial authority/police if they become aware that conduct constituting copyright offences is being or has been committed or attempted (Art. 171 et seq. Law 633/1941), abusive access to a computer system (Art. 615 ter of the Criminal Code) or computer fraud (640 ter of the Criminal Code). It should be noted that this specific case was deemed irrelevant for Acea as it does not meet the subjective requirements of the law;
- Legislative Decree 129/2024 (the MICA Regulation), which introduces, under Art. 34, the administrative liability of entities in the event of misuse and/or unauthorised disclosure of inside information and market manipulation relating to cryptocurrency trading activities (a case considered difficult to apply to Acea S.p.A. since it does not operate in the cryptocurrency market). The aforementioned Decree also introduces amendments to the legislation on whistleblowing, including the violations of the EU Regulation on cryptocurrency markets among unlawful conduct that can be reported;
- Legislative Decree 141/2024 "*National provisions complementary to the Union's Customs Code and revision of the sanctioning system for excise duties and other indirect taxes on production and consumption*", which amends Art. 25 sexiesdecies of Decree 231: i) by updating the regulatory reference to smuggling offences now provided for by Legislative Decree 141/2024 (eliminating the reference to the old Consolidated Law on Customs/TULD – now repealed); ii) by extending the predicate offences to those provided for by the Consolidated Law on Excise Duties (Legislative Decree no. 504 of 1995) – considered difficult to apply directly to Acea S.p.A., but potentially relevant for other Group companies involved in the production/purchase of electricity.

[9] Please note that (i) the details of the individual cases included in each group are set out in Annex 1 "*Description of 231 predicate offences*" of the special section of the Model; ii) the details of the predicate offences abstractly applicable to Acea S.p.A. on the basis of the risk assessments is set out in Annex 4 "Risk Area Identification Matrix" of the special part of the Model.

[10] Wrongful receipt of payments, fraud against the State, a public body or the European Union or for obtaining public funds, computer fraud against the State or a public body and fraud in public supply.

[11] Embezzlement, extortion, undue inducement to give or promise benefits and bribery.

4. Crimes concerning falsities involving cash, public credit cards, revenue stamps and recognition instruments or signs (art. 25 *bis*);
5. Crimes against industry and trade (Art. 25 *bis*.1);
6. Corporate crimes and corruption and instigating corruption among private entities (Art. 25 *ter*);
7. Crimes for the purpose of terrorism or subversion of the democratic order provided for by the Italian Criminal Code and special laws (Art. 25 *quater*);
8. Crimes against physical integrity, with specific regard to the mutilation of female genital organs (art. 25 *quater*.1);
9. Offences against individual personality (art. 25 *quinquies*);
10. Market abuse (art. 25 *sexies*);
11. Culpable homicide or serious or very serious bodily harm committed in breach of the laws on injury prevention and health and safety in the workplace (art. 25 *septies*);
12. Receiving stolen goods, laundering and using cash, assets or utilities of illegal origin and self- laundering (art. 25 *octies*);
13. Offences relating to non-cash payment instruments (Art. 25 *octies.* 1*);*
14. Offences connected with copyright breaches (Art. 25 *novies*);
15. Inducement to not make statements or to make misleading statements to the judicial authorities (art. 25 *decies*);
16. Environmental crimes (art. 25 *undecies*);
17. Employment of foreign citizens without a valid residence permit (art. 25 *duodecies*);
18. Racism and xenophobia (art. 25 *terdecies*);
19. Fraud in sporting competition, illegal gaming, betting and gambling exercised through the use of illegal devices (art. 25 *quaterdecies*);
20. Tax offences (Article 25 *quinquiesdecies*);
21. Smuggling offences (Article 25 *sexiesdecies*);
22. Crimes against the cultural heritage (Article 25 *septiesdecies*);
23. Laundering of cultural goods and destruction and looting of cultural and landscape assets (Art. 25 *duodevicies*);
24. Transnational crimes involving criminal association, money laundering, illegal trafficking of migrants and perverting the course of justice (arts. 3 and 10, Law no. 146 of 16 March 2006)[12].

2.4 TERRITORIAL SCOPE OF APPLICATION OF THE DECREE

With reference to the scope of applicability of the administrative liability of entities, in line with the provisions of the Italian Criminal Code, Article 4 of Legislative Decree 231/01 provides that the entity may also be held liable in Italy in connection with the commission abroad of offences relevant for the purposes of the Decree if:

- its head office is within Italian borders;
- proceedings are not taken against the entity in the country in which the crime was committed;
- the guilty party is punished on request by the Ministry of Justice and said request has also been made against the entity itself.

2.5 APPLICABLE SANCTIONS

Legislative Decree 231/01 envisages that the following categories of sanctions are applicable against the beneficiary Entities (of predicate offences committed or attempted) (arts. 9 and following):

- monetary administrative sanctions;
- interdictions;
- confiscation;
- publication of the sentence.

[12] Please also note the offences under Article 12, Law No. 9/2013, which have a special application as they refer to predicate offences for entities operating exclusively in the virgin olive oil sector.

2.5.1 Monetary sanctions

The monetary administrative sanctions disciplined by article 10 and following of the Decree are always applicable if the entity is convicted.
The aforementioned sanctions are applied according to a criteria based on "quotas", the number of which, not less than one hundred or more than one thousand, is determined by the Judge after evaluation taking into account (i) the seriousness of the crime, (ii) the level of liability of the entity and (iii) the action taken by the entity to eliminate or attenuate the consequences of the crime and prevent further crimes being committed.
As regards the amount of each single quota, ranging from a minimum of € 258.23 to a maximum of € 1,549.37, this derives from a second evaluation based on the economic and equity situation of the entity.

In any event, the aforementioned sanctions are not applied when "*the author of the crime has committed the crime prevalently in their own interest or that of third parties and the entity has not gained an advantage or has gained minimal advantage*" or when "*the equity damage caused is particularly limited*".

2.5.2 Interdictions

Article 9 of the Decree envisages the following types of interdiction:
a) interdiction from carrying out business activities;
b) the suspension or revocation of authorisations, licences or concessions that were involved in the crime committed;
c) ban on dealing with Public Administrations, except in order to obtain the provision of a public service;
d) exclusion from facilitations, loans, contributions or subsidies and the revocation of those already granted;
e) ban on advertising goods and services.

The aforementioned sanctions are only applicable in the circumstances specifically envisaged and in any case if at least one of the conditions in article 13 of the Decree is in place, specifically:
i) the entity has gained a significant profit from the crime and the crime was committed by individuals in senior management positions or subject to the management of others when, in this case, the crime was determined or facilitated by serious organizational shortcomings;
ii) in the case of the illegalities being repeated.

Interdictions last for a minimum of three months and a maximum of two years, or more in the cases of which in article 25, paragraph 5, as modified by Law no. 3 of 9 January 2019[13].

The choice of the measure to be applied and its duration is made by the Judge, on the basis of the criteria described previously.

In any event, as in the case of the monetary sanctions, the interdictions are not applied when "*the author of the crime has committed the crime prevalently in its own interest or that of third parties and the entity has not gained an advantage or has gained minimal advantage*" or when "*the equity damage caused is particularly limited*".
The lawmakers have also pointed out that the interdiction of which in the preceding point a) is of a residual nature, only being applicable in cases in which the application of other interdictions is insufficient.

They may be applied against the entity both after the outcome of the proceedings, and thus after it has been found guilty, and as a precautionary measure when:

[13] Law no. 3 of 9 January 2019, "*Measures for combating crimes against public administration and also concerning the statute of limitations regarding the transparency of political parties and movements*", has:
- replaced art. 25, paragraph 5 in the event of conviction for one of the crimes in paragraphs 2 and 3 (in other words 319, 319 *ter*, paragraph 1, 321, 322, paragraphs 2 and 4, and 317, 319, 319 *bis*, 319 *ter*, paragraph 2, 319 *quater* and 321), increasing the interdiction to not less than four years and not more than seven years if the crime is committed by a member of the senior management, and to not less than two years and not more than four years if the crime is committed by an individual subject to the management or supervision of the aforementioned individuals;
- inserted art. 25, paragraph 5 *bis*, establishing that the interdiction should last not less than three months and not more than four years if, before the sentence of the Court of first instance, the entity took effective action to avoid the criminal circumstance causing further consequences, to ensure proof of the crimes and to identify those responsible, or to confiscate the amounts or other utilities transferred and has eliminated the organizational shortcomings that led to the crime being committed by adopting and implementing organizational models to prevent crimes of the same nature as that committed.

- there is solid evidence to indicate the existence of the liability of the entity for an administrative illegality caused by a crime;
- there are specific, founded elements indicating the existence of the concrete danger that illegalities similar to the type being investigated may be committed;
- the entity has gained a profit of a significant entity.

2.5.3 Confiscation

Conviction sentences always order the confiscation (Article 19 of the Decree) of the price or profit gained from the crime or its equivalent, except for the portion that can be returned to the damaged party and the rights acquired by third parties in good faith holding firm.
Confiscation may also involve sums of money, assets or other utilities of the equivalent value of the price or profit gained should confiscation itself not be possible with regard to the explicit profit gained from the crime.

2.5.4 Publication of the sentence

Should an interdiction be applied against the entity, the Judge may order the publication of the conviction sentence (article 18 of the Decree) in one or more media publications, either in summary form or complete, at the cost of the entity itself, and also that it be affixed in the town where the entity has its head office.

2.6 ATTEMPTED CRIMES

Article 26 of the Decree envisages that in the event of attempts to commit the crimes described in paragraph 1.2.1 of this document, the monetary sanctions and interdictions are reduced by one-third to half.

However, no sanctions are imposed in the eventuality that the entity voluntarily prevents the action from being carried out or the occurrence of the event.

In this sense, the above exclusion is justified by the interruption of all identification relations between the entity and the subjects claiming to act in its name and on its behalf.

2.7 EQUITY LIABILITY AND MODIFYING EVENTS OF THE ENTITY

With the introduction of Legislative Decree 231/01, the Legislator has regulated the regime of equity liability of the entity. According to the provisions of article 27 of the Decree, "*the obligation to pay the monetary sanction imposed is only fulfilled by the entity using its own assets or its mutual funds*".

Furthermore, "*the State receivables deriving from administrative illegalities of the entity concerning crimes are privileged according to the dispositions of the Penal Procedures Code over receivables form a crime. To this end, the monetary sanction is equivalent to the monetary sentence".*

In detail, Articles 27 *et seq*. of the Decree regulate the entity's asset liability regime with specific reference to the so-called "modifying events" of the same, such as transformation, merger, demerger and transfer of business.

Specifically, in the case of transformation, the "transformed" entity remains liable for crimes committed prior to the date on which the transformation became effective.

With regard to merger, even by incorporation, the entity resulting from the merger is also liable for crimes for which the entities involved in the merger were previously liable.

In the event of partial split-off, the split-off Company remains liable for the crimes committed prior to the date on which the split-off became effective and the beneficiaries of the split-off become jointly liable.

However, as regards the transfer of business, the transferee is jointly liable with the transferor for the monetary sanctions imposed in relation to the crimes committed in the context of the business transferred, within the limits of the value transferred and the sanctions resulting from the accounts or the sanctions due to illegalities that the transferee was in any event aware of. The benefit of preventive excussion by the transferor holds firm in any event.

2.8 ADOPTION OF THE ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL AS A MEANS OF PREVENTION AND EXEMPTING THE LIABILITY OF THE ENTITY

The Decree envisages forms of exonerating the administrative liability of the entity as a result of specific circumstances being in place.

This exemption operates differently according to the crimes committed by individuals in senior management positions or individuals subject to their management[14].

In more detail, article 6 of the Decree envisages that, in the event of a crime committed by a member of the senior management team, the entity is not liable if it proves that:

- its own executive body has adopted and effectively implemented, before a crime is committed, an Organizational, Management and Control Model suitable to preventing the occurrence of crimes of the type that has been committed[15];
- a board internal to the entity, with independent powers of initiative and control (hereinafter the "**Supervisory Body**" or the "**SB**") has been assigned the duty of supervising over the functioning and observance of the Model and its updating;
- there has been no failed or insufficient supervision by the SB[16];
- the Model was fraudulently eluded while the crime was being committed.

In order to prevent crimes from being committed, article 6, paragraph 2 of the Decree envisages that the Model must respond to the following needs and requirements:

a) identifying the activities in the framework of which crimes may be committed;
b) providing specific protocols aimed at planning the formation and implementation of the decisions of the entity in relation to the crimes to be prevented;
c) identifying methods of managing the financial resources capable of preventing the crimes from being committed;
d) providing for disclosure obligations on the part of the body responsible for supervising over the functioning and observance of the Models;
e) introducing a disciplinary system capable of sanctioning the failure to respect the measures described in the Model.

Similarly, in the event of crimes committed by subordinate subjects, the liability of the entity may arise as a result of the failure to observe the management and supervision obligations. This is excluded if the entity

[14] The positive effects of adopting the Model are not limited to the exclusion of the liability of the entity in the event of their implementation prior to a crime being committed by one of its representatives, executives or employees. In fact, if adopted prior to the opening of the first level proceedings, it may be useful in avoiding the most serious interdictions being applied against the entity (art. 17, subsection *b*) – and as a result prevent the publication of the conviction sentence – and may also lead to a significant reduction in the monetary sanctions (art. 12). Even simply declaring the intention to implement the Model, together with the existence of other conditions, may imply the suspension of the precautionary interdictions imposed during the legal proceedings (Art. 49), and also their revocation in the case of effective implementation of said models, again if other necessary conditions are in place (arts. 49 and 50).

[15] This is an exemption from liability, given that it is used to exclude the organizational liability (in other words the subjective element required for the crime to exist) of the entity in relation to the crime being committed.

[16] In fact, only the failed or insufficient control by the Supervisory Body may lead to the predicate offences pursuant to Legislative Decree 231/01 being committed, albeit in the presence of an abstractly suitable and effective Organizational, Management and Control Model.

demonstrates that it has adopted and effectively implemented an Organizational, Management and Control Model capable of preventing crimes of the nature of that committed, prior to the illegality being committed[17].

2.9 THE RECIPIENTS OF THE MODEL

The Recipients of the Model are:

- those who carry out, even de facto, management, administration, executive or control functions in the Company;
- the subordinate workers of the Company, of any level and under whatever type of contractual relations, even if seconded overseas for their business activities;
- those who, although not employed by the Company, operate in its interest under any title whatever;
- collaborators and contractual counterparts in general.

The Model, the Code of Ethics and the Anti-Corruption Guidelines constitute indispensable reference points for all those who contribute towards the development of the various activities, in the capacity of suppliers of materials, services and works, consultants, partners in temporary associations or companies that Acea works with.

The contracts or agreements between shareholders or partners must explicitly include the acceptance of the rules and conduct envisaged in such documents, or an indication that the contractor has adopted its own Legislative Decree 231/01 Model.

The Company distributes the Model through means capable of ensuring that all the subjects involved are effectively aware of it[18].

The Recipients are bound to properly observe all of the dispositions contained in the Model, also in fulfilment of the duties of loyalty, correctness and diligence deriving from their juridical relations with the Company.

The Company will reprimand and sanction any conduct in breach of the Model, the Code of Ethics and the Anti-Corruption Guidelines, in addition to the legislation in force.

The Company shall not enter into any business relationship with third parties who do not intend to adhere to the principles set out in the above-mentioned documents and in Legislative Decree. 231/01, nor will it continue such relations with those who violate these principles.

[17] For some years, doctrine and jurisprudence have held that a further important and differentiating element in the case of offences committed by senior or subordinate persons was the procedural profile relating to the burden of proof. Specifically, in the event of a procedure aimed at ascertaining the administrative liability of the entity as a result of a crime being committed by a member of the senior management team, the entity itself is responsible for proving that it has satisfied the requirements required by article 6, paragraph 1 of the Decree. Contrarily, in the event of the illegality deriving from the conduct of a subordinate subject, the adoption of the Model constitutes a presumption in favour of the entity, and therefore involves the inversion of the burden of proof to the prosecution, called upon to demonstrate the failure to adopt and effectively implement the Model. On this point, the most recent guidelines of the Court of Cassation show that this legislation does not actually provide for any reversal of the burden of proof. Therefore, once the existence of a predicate offence committed by a senior person in the interest or to the advantage of the entity has been proved, the onus is on the prosecution to provide "the elements indicative of the organizational fault of the entity, which render the latter's liability independent" (see Court of Cassation, section VI, no. 23401 cited.; Court of Cassation, SSUU. no. 38343 cited). Further details on these guidelines and the most relevant 231 case law can be found in Annex 1 "*Statutory description of offences 231 and salient aspects defined by the case law*".

[18] For details, please see the information under "Training and circulation of the Model" in this document.

3 ACEA

3.1 THE ACEA GROUP

Acea S.p.A., Holding of the Acea Group (hereinafter also "**Group**"), is one of the main Italian multi-utility companies. Listed on the stock exchange since 1999, it manages and develops networks and services in the water, energy, and environment sectors, and, since 2019, also in the gas sector.

It is the leading domestic company in the water sector and one of the major Italian payers in the distribution and sale of electricity and also in the environment sector.

Acea's macrostructure is divided into Departments and Functions:

Departments/Functions

- Internal Audit
- Regulatory
- Sponsorship & Value Liberality
- BoD'S Secretariat
- General Counsel
- CEO's Office
- Public Affairs & Business Development
- Communication & Media Relations
- Strategy & M&A
- Risk Management, Compliance & Sustainability
- Digital & IT
- Business & Process Transformation

Deputy General Manager Corporate

- People Culture & Organization
- Administration, Finance & Control
- Shared Services Centre
- Public Finance
- Research & Studies
- Investor Relations

Deputy General Manager Operations

- Procurement & Material Management
- Security & Cyber Defence
- Open Innovation
- Technologies
- Health, Quality, Safety & Environment
- Real Estate, Energy Efficiency & Solutions

Acea has adopted an operating model based on an organisational structure underpinned by the 2024-2028 Business Plan ("*Green Diligent Growth*"), which, among other things, envisages an increasing strengthening of the application of the ESG principles underlying business decisions. For further details please see:

An integrated strategy – Acea Group

The macrosectors in which the Acea Group operates (through its operating companies) are broken down into the industrial segments listed below:

The commercial development of Acea's business also extends abroad, through projects for the development and/or management of water activities in different geographical areas of interest (Latin America and EMEA). It is present in Honduras, Dominican Republic and Peru, serving a population of approximately 10 million inhabitants. The activities are carried out in partnership with local and international partners, including through staff training and the transfer of know-how to local entrepreneurs.

For further details and updates, please see the "*Report on Corporate Governance and Ownership Structure*", and the Financial Reports[19] published periodically on the corporate website.

In its capacity as an industrial holding, the Company defines the strategic objectives of the Group and the subsidiaries and coordinates their activities. Specifically, Acea has adopted the ***Group Management and Coordination Regulations*** with the aim of defining the Group's organizational and conduct rules, necessary for the purpose of:

- ensuring and guiding the management of Subsidiaries towards common Group objectives, consistent with the strategic guidelines defined by the Parent Company;
- achieving a more effective monitoring of risks to maximise shareholder value;
- ensuring effective attention to stakeholders in the areas in which Acea operates.

It also provides complementary and accessory services to the business activities of the Group in favour of some of the Companies in the Group, such as administrative, financial, legal and management services.

The performance of these services, aimed at optimising the available resources and the existing know-how in a logic of efficiency, is governed by specific "*service contracts*" stipulated with the Companies in the Group. These contracts detail, among other things, the object of the service, the contractual contact persons, the periodic reporting activities, as well as the economic conditions of the service, the expected service levels and specific mutual commitments/"ethics clauses" (on 231, anti-corruption, antitrust, privacy, etc.).

[19] It should be noted that pursuant to Legislative Decree no. 125/2024, Financial Reports must include sustainability disclosures from FY 2024.

The administrative services offered include, for example, the administrative and accounting management of dependent personnel, the management of the general accounts and financial reporting, the management of the treasury and tax obligations, the management of purchases of goods/services and credit management.

With regards to IT services, the Company manages and supplies services in the field of automatic data processing, organizational consultancies for data processing centres of Companies in the Group, provides all services for the solution of IT-related and electronic requirements and also verifies the security level of IT systems.

3.2 THE GOVERNANCE MODEL

In compliance with the indications of the Corporate Governance Code of listed companies, as well as the main guidelines on the matter and the principles of **transparency, balance and separation between guidance, management and control activities,** Acea has adopted a governance model which bases the Group's corporate governance approach on a number of key principles, such as the central role attributed to the Board of Directors, the appropriate management of situations of conflict of interest, transparency in the communication of the company's management decisions, and the effectiveness of Acea's Internal Control and Risk Management System (hereinafter, "**ICRMS**").

Specifically, the Company is managed by the Board of Directors (hereinafter "BoD"), which establishes the strategic guidelines of the Group and is responsible for corporate governance.

The Articles of Association describe the methods of identifying and appointing the members of the BoD on the basis of the applicable laws and regulations, the appointment of an adequate number of Directors in representation of the minorities and the number of independent Directors pursuant to the laws in force.

The number of members of the Board of Directors is decided by the Shareholders' Meeting, and is between 7 and 13.

In order to assess the dimensions, composition and functioning of the BoD and of its internal committees (see the following paragraph) and in compliance with the *Italian Corporate Governance Code*, these are subject to an annual evaluation ("board evaluation") with the support of an external consultant.

In accordance with the provisions of the Articles of Association, the Board of Directors appointed the Chief Executive Officer (responsible, among other things, for setting up and maintaining the internal control and risk management system) and the General Manager. The organizational Macro Structure also includes the figures of two Deputy General Managers in charge of the "Deputy General Manager Corporate" and "Deputy General Manager Operations" functions. In general, the delegation of such powers shall be made under the terms and pursuant to Article 2381 of the Italian Civil Code[20].

3.2.1 The System of Powers

The System of Powers represents one of the fundamental elements of the Internal Control and Risk Management System (SCIGR). With this in mind, Acea has adopted a system of assignment of proxies and powers of attorney aimed at guaranteeing the performance of corporate and operational activities and based on the macro principle according to which only persons with formalised powers may undertake commitments towards third parties in the name or on behalf of the Company. Specifically, the company applies the following principles/control elements to govern the System of Powers:

- consistency between powers granted, processes, organisation, regulatory system and expertise held by the persons to whom powers are granted: the powers of authorisation and signature must be consistent with the processes, the organisational responsibilities assigned, the expertise held by the

[20] On the other hand, the assignment and revocation of Powers of Attorney associated with specific organizational positions in accordance with the defined responsibilities and assigned activities are regulated in detail in the current Procedure for "Assigning/Revoking Powers of Attorney" p.t.v. (in compliance also with the "231" principles).

individual and the potential situations of attention detected/conflicts of interest (e.g. consistency with the level of classification/activity to be performed/company procedures/personal and professional profiles/any "personal" conflicts of interest declared by the employee and/or functional conflicts of interest/assignment of only those powers strictly necessary for the performance of the responsibilities assigned).

- limitation of powers: the granting of powers is made taking into account aspects such as the monitoring of possible situations of centralisation of powers on a small number of proxy holders and/or their dispersion; the limitation of the powers covered by the power of attorney (e.g. by providing for thresholds in the case of spending powers) and/or (where appropriate) the manner of exercising the power (e.g. joint signature).

- segregation of duties: the granting must be made to a person other than the one who operatively performs the activities underlying the exercise of the power.

- publicity, transparency and legitimate assignment: powers must be clearly defined and known within the Company in order to guarantee knowledge thereof to third parties. Resolutions of the Board of Directors, powers of attorney, and in general powers of external representation must be made public, in the cases provided for by law, by filing them with the business register of the relevant Chamber of Commerce. Special powers of attorney for the performance of individual acts, if not filed with the business register, must be presented to the third party upon performance of the specific act for which they are granted.

- compliance with relevant legal provisions: judicial/legal compliance checks (e.g. correctness of the legal framework and/or regulatory purpose for which it is required), privacy, etc.

- traceability: the powers assigned and all changes/additions must be documented and archived (also in compliance with the relevant legislation), so as to ensure a rapid ex post reconstruction of the granting process if necessary.

As mentioned in the previous section, the Board of Directors has appointed the Chief Executive Officer and the General Manager, granting them a series of powers and the express authority to grant powers of attorney to the Managers in charge of Company Departments/Functions for the ordinary management of the activities of the individual Departments/Functions/Units, with the obligation to specify the spending limit for each power of attorney. For more details, please refer to information on separation of powers filed with the CCIIAA.

Specifically, organisational powers of attorney are accompanied by specific "*Letters Accompanying the Exercise of Powers*" (signed for acceptance by the appointed proxy holders) where it is reiterated that the powers granted are to be understood as exercisable:

- with specific reference to the mission of the Department/Function/Unit of reference and, consequently, only for the performance of acts intended to implement it in compliance with the provisions of the corporate and group organisational documentation in force (organisational provisions, assignment of tasks, etc.);

- in compliance with the control procedures and oversight, provided for in the Policies, Guidelines, Procedures and Operating Instructions of reference for the performance of the assigned powers[21];

- in the interest of the company and always within the limits (of expenditure and/or material) stated in the power of attorney;

[21] For example, where spending power is granted, it must be exercised in compliance with the provisions and procedures set forth in the procurement procedures in force at the time.

- in compliance with the principles of conduct and control measures laid down in the Organisation, Management and Control Model (pursuant to Legislative Decree 231/01 and subsequent amendments and additions) of Acea S.p.A., in the Code of Ethics and in the Group's Anti-Corruption Guideline, as well as any other company documentation of reference.

3.2.2 Corporate governance committees

Some Committees have been set up within the Acea Board of Directors, in compliance with the most recent indications in the Corporate Governance Code for listed companies and the CONSOB regulation on the matter, with advisory and consultation functions.

In more detail[22]:

- **Related Party Transactions Committee**: composed exclusively of independent Directors (at least five), which carries out instructional, advisory and consultation duties, aimed at assessing in advance and deciding on transactions with related parties, both of minor and major significance, formulating a reasoned opinion on the interest of Acea or its subsidiary in carrying out the transaction, as well as on the appropriateness and substantial correctness of the related conditions;
- **Control and Risks Committee**: composed of not less than three non-executive directors, the majority of them independent. The Committee coordinates its activities with those of the Director in charge of the Internal Control and Risk Management System, the Board of Statutory Auditors, the independent auditors, the Internal Audit Department Manager and the Manager Appointed to Prepare the Company Accounting Documents. Its duties include (i) participating in the definition of the guidelines for identifying, measuring, managing, and monitoring the main risks for the Companies in the Group and determining the criteria defining the thresholds of acceptability of such risks, supporting the evaluations and decisions of the BoD concerning the internal control and risk management system, (ii) providing an advisory opinion to the Board with regard to the annual approval of the plan of activities of the Internal Audit Department manager, (iii) giving its opinion on proposals for the appointment, dismissal and remuneration of the Internal Audit Department manager, also monitoring the independence, effectiveness and efficiency of the Department. The Committee reports to the Board of Directors on its activities at least every six months;
- **Appointments and Remuneration Committee**: composed of not less than three non-executive directors, the majority of them independent. Its duties include (i) advising the BoD concerning the composition of the Board itself (dimensions, adequate level of skills involved, compatibility of offices), (ii) proposing the remuneration policy for the Directors and the Executives with strategic responsibilities on the basis of the strategic objectives and the risk management policy, (iii) submitting proposals concerning the performance objectives related to the variable remuneration component, and (iv) monitoring the application of the decisions adopted by the Board on the remuneration policy, verifying in particular the effective achievement of the performance objectives;
- **Ethics, Sustainability and Inclusion Committee:** composed of 5 non-executive directors, all independent, it is a collegial body with full and autonomous powers of action and control, which provides investigative, propositional and advisory support to the Board of Directors on corporate ethics and Environmental, Social and Governance (ESG) issues. The main tasks of the Committee are:
  - promoting the integration of sustainability into corporate strategy and culture, encouraging its circulation to employees, shareholders, users, customers and all stakeholders in general;
  - supervising sustainability issues related to the exercise of business activities and the dynamics of interaction with stakeholders, also in relation to the reporting areas provided for by Legislative Decree. 254/2016;
  - reviewing the Sustainability Plan guidelines and monitoring the implementation of the Plan, once approved by the Board of Directors;
  - monitoring, for matters within its remit, the adequacy and implementation of the Code of Ethics;
  - promoting a culture of diversity and combating discrimination within the company.

[22] For more details, please refer to the "Report on Corporate Governance and Ownership Structure" approved annually and published on the corporate website (governance section).

The **Committee for the Region**[23] has also been established: composed of three non-executive directors, the majority of whom are independent and with advisory and monitoring functions in the process of granting sponsorships and donations, in order to ensure a healthy and virtuous development of the relationship with the regions in which the Acea Group operates. The methods of exercising these activities are disciplined by a suitable regulation approved by the Board of Directors.

In all the above-mentioned Committees, where several Acea S.p.A. senior or managerial figures participate and interact, the offence referred to in Article 416 of the Criminal Code (Criminal association) could potentially occur: "*Where three or more persons associate for the purpose of committing several offences, those who promote or constitute or organise the association shall be punished, for that alone, by imprisonment of three to seven years*". This offence, referred to in Article 24-ter of Legislative Decree no. 231/01 (Organised crime offences) constitutes one of the 231 predicate offences.
For this reason, in addition to the provisions of the regulations governing the functioning of the individual committees, compliance with the 231 control measures such as traceability of activities, segregation of duties, compliance with assigned powers/delegations is required.

In addition, there are some corporate Committees in the holding, operating continuously or periodically, and set-up with technical and consultation functions carried out in a synergic manner, facilitating the decision-making processes and increasing the capacity to respond in a timely and coordinated manner to emerging problems.

Lastly, according to the traditional corporate governance model in force, the **Board of Statutory Auditors** carries out supervisory activities.
The statutory audit of the accounts is entrusted to an auditing firm appointed[24] by the Shareholders' Meeting,

[23] Another committee, not provided for by law or recommended by the Code.
[24] in compliance with the provisions of the "Relations with the Auditing Firm" procedure.

4 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Model, aimed at preventing or reducing the risk of offences and administrative offences that may theoretically occur within the scope of the Company's activity, constitutes one of the pillars of Acea's broader Internal Control and Risk Management System (hereinafter **"ICRMS" or "Control System"**).

The Control System is to be intended as the set of those people, instruments, rules, corporate documentation and organizational structures needed or useful for directing, managing and verifying business activities with the aim of ensuring the proper functioning and good performance of the Company, and also guaranteeing, with a reasonable margin of safety:

- the compliance with the laws and regulations in force, as well as the corporate regulations (policies, guidelines, corporate procedures, and operating instructions);
- the protection of corporate assets;
- the optimal and efficient management of business activities;
- the reliability of the financial reporting;
- the truthfulness and accuracy of the collection, processing and disclosure of corporate information and data.

The Control System is integrated into the more general organizational and corporate governance set- ups adopted by Acea and all of its components are both directly and indirectly involved in the prevention of the predicate offences envisaged by the Decree.

The responsibility for designing and implementing an effective ICRMS belongs to all levels of the organizational structure of Acea and concerns all of the corporate representatives in the context of the duties and responsibilities assigned.

For Acea, the Control System represents an essential element of the Group's Corporate Governance system, based on best practices, reference guidelines, as well as on the principles of the Corporate Governance Code of listed companies.

The elements characterising the Control System are set out in the "*Guidelines for the Internal Control and Risk Management System*" (hereinafter also the "**SCIGR Guidelines**"), published on the corporate website at the following link:

The definition of an adequate ICRMS is aimed at:

- identifying the events that may affect the achievement of the objectives defined by the Acea Board of Directors;
- contributing towards a business management system consistent with the corporate objectives defined by the Board of Directors and spreading a proper awareness of the corporate risks, legalities and values;
- favouring awareness in reaching decisions that are compatible with risk propensity defined by the Board of Directors;
- ensuring the safeguarding of the corporate assets, the efficiency and effectiveness of the processes, the reliability of the information given to the corporate bodies and the market and respect of the laws, regulations, Articles of Association, Code of Ethics and internal procedures.

In this context, the ICRMS Guidelines, approved by the Board of Directors of the Company:

- provide guidance on the different actors of the Control System in order to ensure that the main risks affecting the Acea Group are fully identified, as well as adequately measured, managed and monitored;

- identify the principles and responsibilities for governing, managing, and monitoring the risks related to the business activities;
- provide audit activities at all operating levels and clearly identify duties and responsibilities, so as to avoid any duplication of activities and ensure coordination amongst the main actors involved in the ICRMS.

Risk monitoring and management are assigned to corporate structures with the duty of realising and adopting specific control models. These models include the following, in particular:

- the Group management and control model *ex* Law 262/05, adopted with the purpose of defining an effective Internal Control System for the Financial Reporting;
- the Acea Group's privacy governance model, defined in the "Privacy Governance Guidelines", adopted with the aim of ensuring the application of the GDPR and other national and European provisions on the protection of personal data[25], as well as identifying the roles and responsibilities, within the different Group Companies, of all the actors involved in the processing of personal data and also to assess the risk and impact on the rights and freedoms of individuals related to the processing of personal data;
- the Antitrust Compliance plan, with the objective of preventing breaches to the laws and regulations protecting competition and the market and consumers;
- the control model dedicated to presiding over environmental risks, adopted in compliance with international standard ISO 14001:2015, with the objective of reducing the environmental impact of the business activities, implementing management and improvement policies and protocols;
- the control model dedicated to monitoring occupational health and safety risks, adopted in accordance with the international standard ISO 45001:2018, with the aim of implementing and maintaining a management system to improve occupational health and safety and reduce the impacts of any risks by implementing management and continuous improvement policies and protocols;
- the internal organizational and regulatory system, constituted by the rules, policies, procedures and operating instructions relevant to the definition of an adequate internal reference framework consistent with the roles and responsibilities assigned.

Similarly, Acea's commitment to continuously improving the Control System are relevant to the effectiveness of the Model as follows, for example:

- in the definition/implementation of a specific **anti-corruption compliance programme** by defining a **Group anti-corruption framework** (i.e., the main pillars through which the Group prevents and combats corruption). The first pillar of this framework (Values and Regulatory System) is represented by the ***Acea Group Anti-Corruption Guidelines***, a document that standardises and integrates the anti-corruption compliance measures already adopted within the internal Regulatory System (Code of Ethics, 231 Model, regulatory system, etc.), presenting an organic system of rules and principles aimed at preventing and combating the risks of unlawful practices. Specifically, the Anti-Corruption Guidelines aim to regulate the roles and responsibilities of the parties involved and control activities related to anti-corruption and, in particular: (i) the Acea Group's anti-corruption framework; (ii) the principles of conduct to be observed in the sensitive areas potentially most exposed to the risk of corruption and certain applicable controls; (iii) the need for information flows and reporting on the implementation and monitoring of the anti-corruption framework. The aforementioned Guidelines apply to all Group companies[26] and to the suppliers, partners, business associates and more generally all those who act in the name and on behalf of Acea or of the Group Companies or with whom they come into contact in the course of their business. In order to monitor and coordinate the activities related to the anti-corruption framework, an "Anti-Corruption Manager" ("ACM") is appointed in each Group company, who is responsible for ensuring the adoption of the appropriate compliance measures for preventing corruption. The main tasks of the ACM of Acea S.p.A. include: i) assessing the possible impacts in terms of analysis and risk management, related to the reports[27] received by the Functions/Bodies in charge of the management of the same, on the basis of the agreed information flows; ii) coordinating and monitoring the development and implementation of adequate information flows and specific reporting to the top management and the functions/control bodies on the application of the

[25] EU Regulation 679/2019, GDPR, Legislative Decree 196/2003, as amended, pursuant to Legislative Decree 101/2018.
[26] Specifically, this refers to Acea S.p.A. and its direct and indirect subsidiaries, including those overseas (for associate companies, the document represents a support tool for the definition of their own regulatory instruments).
[27] Concerning any attempted, alleged and actual acts of corruption and/or in any case any violation, even suspected, of the Anti-Corruption Guidelines and/or of the additional principles of conduct aimed at preventing corruption identified in the body of law.

Anti-Corruption Guidelines (including the status of implementation and updating of the relevant anti-corruption framework) by Acea S. p. A. and its subsidiaries.
Acea S.p.A. has also voluntarily implemented a Corruption Prevention Management System certified according to standard UNI ISO 37001:2016, and has approved a specific Anti-Corruption Policy as a "manifesto" of this System in response to the mandatory requirements of the aforementioned standard. For more details on this topic and to view the Anti-Corruption Guidelines, please refer to the corporate website (link);

- in the definition and formalisation of a series of compliance flows (231/anti-corruption) by internal structures and subsidiaries towards the competent Acea Unit and ACM (for the purposes of monitoring the respective 231/anti-corruption compliance frameworks/programmes);
- in the definition and formalisation, with the Italian Ministry of the Interior, of a National Framework Protocol for the protection of legality with the aim of strengthening the joint commitment against potential corruption and the risks of infiltration by organised crime in corporate sectors of strategic national importance, including the management of hydroelectric networks and waste (procurement sector), which will affect the regions in which Group companies operate, which will sign partnership protocols with the Prefectures on the basis of the Framework Protocol;
- in the adoption of further antitrust documents applicable to the entire Group such as: "Antitrust and Consumer Protection Regulation Compliance Manual"; "Antitrust Compliance and Consumer Protection Guidelines" and "Antitrust and Organizational Regulations for Antitrust Compliance and Consumer Protection"[28];
- in defining and formalising the regulations and procedures for the internal management and external disclosure of corporate documents and information and governing Internal Dealing;
- in voluntarily subscribing to the United Nations "Global Compact" as an expression of constant commitment and stimulus for the proper application of the principles in the Code of Ethics, consistently with the universal principles of human rights, work, environment, and combating corruption;
- in recognising as a strategic Group choice the promotion of the culture of quality, respect of the environment, health and safety in the workplace and energy saving, favouring (as anticipated) the implementation of Quality, Corruption Prevention, Environmental, Safety and Energy Management Systems in compliance with regulations ISO 9001:2015, ISO 37001:2016, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and BIOSAFETY TRUST CERTIFICATION. Acea is also the first listed Italian multi-utility to have obtained recognition for its commitment to diversity, inclusiveness and women's empowerment by obtaining certification on gender equality (UNI/PdR 125:2022);
- in adopting a Group Policy on Human Rights and formalising Acea's ongoing commitment to integrating sustainability into its business activities;
- in adopting a Policy on "Strategy for the proper management of the Acea Group's variable and tax risk" and the related commitment to the implementation and monitoring of a Tax Control Framework;
  in the provision of a specific Committee and a structured process for crisis management[29].

From the viewpoint of promoting compliance at a Group level, Acea provides that all of the subsidiaries adopt suitable systems for preventing the risk of administrative liability deriving from crimes.
In this regard, it is envisaged that the subsidiaries adopt and observe the Code of Ethics and a Model consistent with the principles and control systems envisaged in the Acea S.p.A. model, adjusting it to the peculiarities of their company and business consistently with their management independence.

For more details on the main actors of the ICRMS and the different levels of control, please refer to the corporate website (Governance/Internal Control and Risk Management System section) and the "*Guidelines of the Internal Control and Risk Management System*" published therein.

[28] The Manual constitutes a set of mandatory instructions issued by Acea for compliance with the laws and regulations on competition and consumer protection and contains the main elements of the regulations and the rules of conduct, non-compliance with which may constitute a disciplinary offence, drawing the attention of internal and external collaborators to their various responsibilities. The Antitrust Compliance and Consumer Protection Guidelines provide the companies within the Programme's scope of application with guidance on the implementation, each according to its specific nature, of the Antitrust Compliance Model, within a common framework. Finally, the Organizational Regulations identify the responsibilities and duties of the Holding Company Antitrust Representative and the Company Antitrust Representative.

[29] Formalised in the internal documents "Crisis Management" Guideline and "Crisis Communication Management" Procedure.

5 THE REGULATORY AND ORGANIZATIONAL SYSTEM

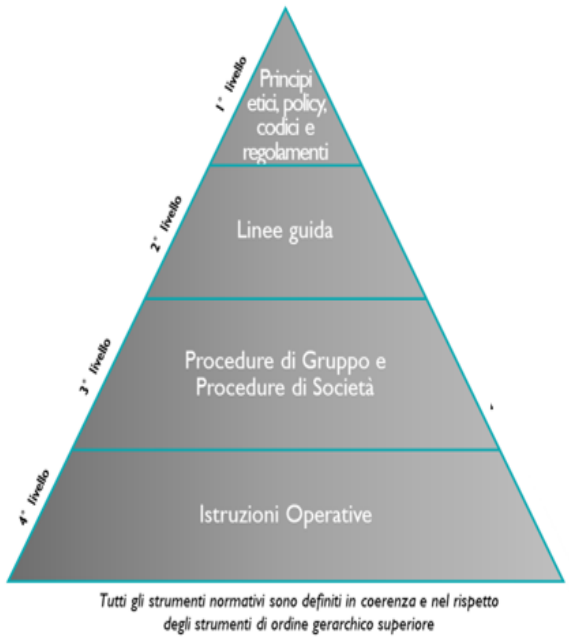
5.1 THE INTERNAL CONTROL ENVIRONMENT

As noted in the previous paragraph, the foundations of Acea's ICRMS consist of a set of different elements, consistent with each other, which contribute in an integrated manner to establishing the environment Acea's people operate in, directing their activities within their assigned responsibilities and encouraging the taking of conscious decisions aimed at achieving corporate objectives.
Constituent elements of the internal control environment include: the adoption of ethical principles and standards of conduct; the adoption of regulatory instruments, the dissemination of a risk management culture in support of growth, a system of delegations and powers and the development of the skills of People working in Acea.

5.2 THE ORGANIZATIONAL AND REGULATORY SYSTEM

The organizational system defines the Company's organizational structure, i.e. Departments, Functions, Units, Roles and Organizational Positions, identifies the persons in charge and describes their assigned areas of responsibility in line with the principle of segregation of organizational structures as well as other principles of compliance and governance, and continuously maps the set of processes and related business activities (Business Process Model or BPM).

The Regulatory System consists of the set of regulatory instruments governing business processes, corresponding responsibilities, information flows and control points. This represents one of the Acea S.p.A. tools to regulate and implement its management and coordination activities, in compliance with the principles of autonomy, responsibility and independence of the Group Companies which nevertheless remain responsible for the correct adoption and implementation of the Regulatory System, transposing it and adapting it to their own specific characteristics. The Group Regulatory System comprises the following **4 hierarchical levels**:



1st level - Ethical Principles, Codes and Regulations: the set of documents that inspire the entire Regulatory System. These define the rules of corporate governance as well as the ethical principles, rules of good conduct, regulations and values to be observed by Group Companies and the various stakeholders (the Model 231 is one of the documents at the top of the pyramid of the Regulatory System).

2nd level - Guidelines: identifying the principles of conduct and control and best practices to be adopted for each Compliance and Governance macro-process/issue and are grouped into "Process Guidelines" and "Compliance and Governance Guidelines".

3rd level - Group and Company Procedures: documents governing the roles, responsibilities, operational activities/controls and communication flows of an individual process (or phases thereof), divided into "Group Procedures" and "Company Procedures".

4th level - Operational Instructions: instructions setting out the details of how activities are to be carried out with reference to a specific function/unit/organizational structure.

The operational steps envisaged for the production of content and issuing of documents within the Regulatory System are set out in the Guideline "*Group Regulatory System*" issued by Acea S.p.A. and in the procedure "*Management of Group Regulatory System tools*", to which reference should be made for more details. In particular, the verification phase involves different Level II Control Units/Measures to verify, by area of

competence, the contents of the regulatory instruments issued, as well as the consistency and adequacy of the controls put in place to monitor the main risks (including those of a "231/anti-corruption" nature).

6 THE MODEL OF ACEA S.P.A.

Consistently with its commitment in creating and maintaining a governance system in line with the most stringent ethical standards, and also to ensure the efficient management of its activities in compliance with the laws and regulations in force, as well as making its control and risk management system more effective, in May 2004, Acea S.p.A. approved the first Organizational, Management and Control Model ex Legislative Decree 231/01 and appointed a Supervisory Body.
Acea guarantees the constant implementation and updating of the Model, according to that described in the Confindustria Guidelines and the reference best practices.

6.1 NATURE AND SOURCES OF THE MODEL: TRADE ASSOCIATIONS GUIDELINES

This Model constitutes a binding internal regulation for Acea and is based on the "*Guidelines for the construction of organization, management and control models*" pursuant to Legislative Decree no. 231 of 8 June 2001 of Confindustria, as well as the Code of conduct issued by Confservizi and prepared on the basis of the findings of the risk mapping procedure.

The Decree states that the 231 Models can be adopted on the basis of "general guidelines" (also defined as "*Codes of Conduct*") drawn up by the professional Associations and notified to the Ministry of Justice[30], as long as they guarantee the requirements stated in article 6, paragraph 2 of the Decree.

Although the Decree does not expressly recognise binding or presumptive regulatory values to these guidelines[31], it is immediately obvious that their proper and timely application is a reference point for legal decisions in this regard[32].

In the case in question, the guidelines developed and published by Confindustria have been taken into consideration[33], the fundamental points of which are the following:

- identifying the areas of risk, aimed at verifying in which corporate area/sector the prejudicial events envisaged by Legislative Decree 231/01 could arise in;
- putting in place a control system capable of preventing the risks through the adoption of suitable protocols.

The most significant components of the control system created by Confindustria are:

- − code of ethics/conduct;
- − organization system, manual and IT procedures;
- − powers of authorisation and signature;
- − control and management systems;
- − personnel notification and training;
- − disciplinary mechanisms.

The components of the corporate control system are thus based on the following principles:

- − verifiability, documentability, consistency and congruence of each operation;
- − application of the principle of separation of functions;

[30] The Ministry of Justice has the right to make observations regarding the suitability of the Models in terms of preventing crimes, together with the competent Ministers and within 30 days.
[31] In fact, the law does not provide neither an obligation to adopt the guidelines by the entities belonging to the category Association nor a presumption by the judges during the proceedings.
[32] In the legislative provision in question, the adoption of an Organizational, Management and Control Model is prospected in terms of being optional and not compulsory. In fact, the failure to adopt such a model does not imply any sanction being imposed, although it is necessary in order to benefit from the exemption *ex* Legislative Decree 231/01.
[33] "Guidelines for the Construction of Organizational, Management and Control Models *ex* Legislative Decree 231/2001" of 7 March 2002 and "*Supplementary Appendix*" of 03 October 2002, updated on June 2021.

- − application of rules and criteria based on principles of transparency;
- − documentation of controls;
- − provision of an adequate sanctioning system for breaches of the code of ethics and the procedures envisaged in the Model;
- − identification of the requirements of the Supervisory Body and its members.

Although the adoption of the Model is an option and not compulsory, Acea S.p.A. decided to prepare and construct this Model with the dual objective of adjustment to the prevention purposes described by the lawmakers and protecting the interests of the company in overall terms from the negative effects of the unforeseen application of sanctions.

The Company also believes that the adoption of the Model constitutes an important opportunity for verifying, reviewing, and integrating the company's decision-making and operating processes, and also the systems for controlling them, enhancing the image of correctness and transparency that business activities are aimed at.

6.2 OBJECTIVES OF THE MODEL

The main objective of Acea S.p.A. in adopting the Model is to put in place a structured system of procedures and controls, which reduces the risk of the crimes relevant pursuant to Legislative Decree 231/01 and unlawful conduct in general being committed in the processes and business areas identified as "at risk of crimes" (hereinafter "**Processes**" and "**Areas at risk**").
The occurrence of these crimes as well as unlawful conduct in general, although carried out in the interest or to the advantage of the Company, is absolutely contrary to the latter's wishes and in any event involves significant damage to its business, exposing it to prohibitory and/or monetary sanctions or significant damage to its image.

The Model, thus, puts in place the instruments for monitoring activities at risk in all operating activities, in order to enable the effective prevention of illegal conduct and ensure that the company takes prompt action against any conduct that is in breach of the corporate regulations, and also to ensure the adoption of the necessary disciplinary proceedings of a sanctioning and preventive nature.

The purpose of the Model is therefore to construct a structured and organic system of principles of conduct - also contained within a system of company regulations (procedures, guidelines, policies, etc.) - and control activities aimed at preventing, as far as possible, the offences referred to in Legislative Decree 231/01 in the identified Areas at risk.
The adoption of the corporate regulatory system, therefore, must be such to ensure that any potential perpetrator is fully aware of the offence of committing a punishable offence contrary to the interests of Acea S.p.A. (even in the hypothesis in which the latter could, theoretically, gain an advantage), and to allow Acea S.p.A., thanks to a constant monitoring of the activity, to be able to intervene promptly in order to prevent the predicate offence from being committed.

This Model thus has the following objectives:

a) preventing the risk of crimes and administrative illegalities that could theoretically occur in the context of the Company's business activities being committed;
b) ensuring an adequate understanding of company processes and activities that present a risk of the commission of offences relevant to the Company;
c) ensuring an adequate understanding of the rules governing the activities at risk;
d) providing adequate and effective information to the Recipients regarding the methods and procedures to be followed in carrying out activities at risk;
e) raising awareness as regards the sanctions that may be imposed upon perpetrators of the offence or upon the Company as a result of breaches of the law, regulations or the internal provisions of the Company;

f) promoting the personal acquisition and concrete affirmation of a business culture based on legality, the awareness of the express reproach on the part of the Company of any conduct contrary to the law, the regulations, the rules of self-governance, the instructions given by the supervisory and control authorities, the internal dispositions and, in particular, the dispositions contained in this Model;

g) promoting the personal acquisition and concrete affirmation of a culture of control, which must preside over the achievement of the objectives which the Company sets itself over time, exclusively on the basis of the decisions regularly taken by the competent corporate bodies;

h) ensuring the existence of a clear allocation of powers and an adequate system of controls.

6.3 THE STRUCTURE AND CONSTRUCTION OF THE MODEL

Over time, the Company has updated this Model to ensure, among other things, that it is in line with the corporate structure and the laws and regulations in force from time to time.

The Model consists of this General Section and the Special Section[34] (and its Annexes).

The preparation of the Model and the definition of its characteristics were preceded by a preliminary analysis of:

- the organizational characteristics of the Company;
- the type and characteristics of the sector the Company operates in;
- the reference laws and regulations and the risks involved in the economic sector the company operates in.

In order to determine the potential risk profiles for Acea, pursuant to the regulations set out by the Decree, the following actions have been taken:

- *the macro-processes/processes and underlying activities/areas "at risk of crimes" pursuant to* Legislative Decree *231/01* were identified by examining the company flow chart and the internal regulations of Acea, accurately analysing the corporate processes, and also by specific meetings for each topic/area of competence with individuals from the various corporate Divisions/Department/organizational units, aimed at assessing the control system and the risk factors present within each area at risk of interest;
- *the individual "sensitive" activities pursuant to Legislative Decree 231/01 were ascertained* among the functions carried out by each corporate Structure, in other words those activities that could potentially constitute a chance for the illegal conduct envisaged by the Decree.

6.4 GENERAL PRINCIPLES OF THE MODEL

For the purposes described in the preceding paragraph, the Company adopts and implements effective regulatory, organizational and procedural choices, and constantly updates them, to:

a) ensure that company personnel, of any level, are hired, directed and trained according to the criteria in the Company's Code of Ethics and Anti-Corruption Guideline, the principles and clauses contained in the Model and in full compliance with the laws in force on the matter, especially article 8 of the Workers' Statute;

b) favour collaboration for the most efficient, constant and common realisation of the Model by all individuals operating within the Company or with it, always guaranteeing the protection and confidentiality of the identity of those who provide information aimed at identifying conduct contrary to that prescribed;

c) ensure that the allocation of powers, skills, functions, duties and responsibilities of the individuals working for the Company and their allocation within the corporate organization are in compliance with the principles of transparency, clarity and verifiability and are always consistent with the activities carried out by the Company. In this regard, the system of powers of attorney and proxies must accurately state the powers conferred, including relating to expenditure and finance, and the limits of independence;

[34] The Special Part indicates macro-processes/processes/sensitive activities and related principles of conduct and control standards.

d) sanction conduct, based on any reason whatever, that constitutes an objective exceedance of the skills, attributions and powers of each individual, as determined by the law and the rules applicable to the Company;

e) provide that the determination of the objectives of the Company or of the individual Recipients, at any organizational level and with respect to each organizational sector, responds to realistic and objectively achievable criteria;

f) represent and describe the activities carried out by the Company, its functional system, corporate organization and its relations with the supervisory and control authorities, the Companies in the Group or other entities, in reliable and accurate documents, drawn up under the responsibility of clearly identifiable individuals and promptly updated;

g) implement training and refresher programmes with the aim of ensuring the effective knowledge of the Code of Ethics and the Model by all of the those who work for the Company or with it, and also by all of the individuals who are directly or indirectly involved in the activities and operations at risk of which in the following paragraphs;

h) regulate, through the adoption of specific company regulations, the use of IT tools and internet access;

i) identify methods of managing the financial resources to prevent crimes from being committed[35].

6.5 ADOPTION, AMENDMENTS AND UPDATING OF THE MODEL

The Model has been expressly constructed by Acea S.p.A. on the basis of the current status of the business activities and operating processes.
It is a dynamic tool corresponding to the corporate prevention and control requirements. In this context, amendments and/or integrations to the Model and the related documentation will have to be prepared if the following arise:

- legislative novelties with regard to the discipline of the responsibility of entities for administrative illegalities as a result of crimes;
- significant changes to the organizational structure or the sectors of activity of the Company;
- If significant breaches or circumvention of the Model and/or critical issues highlighting its inadequacy/ ineffectiveness, even partial, are encountered.

The Board of Directors is competent and responsible for the adoption of this Model. Additions, amendments and updates are approved by the Board of Directors or the Chief Executive Officer, according to the distinctions set out below.

Additions, amendments and updates concerning Chapters 6, 7, 8 and 9 of the General Section, as well as the Special Section and its Annexes, are approved by the Board of Directors.

Additions, amendments and updates relating to Chapters 1, 2, 3, 4 and 5 of the General Section are approved by the Chief Executive Officer, who informs the Board of Directors and the Supervisory Body thereof.

The Board may also confer mandate on the Chief Executive Officer to make any adjustments and/or updates to the Model and the related documentation, even if related to Chapters 6, 7, 8 and 9 of the General Section, and related to the Special Section and respective Annexes, that may be required as a result of mandatory legislative amendments or as a result of non-substantial changes[36] to the organisational structure and activities of the Company. The Board of Directors and the Supervisory Body must be informed when such adjustments and/or updates are made.

[35] Further details are set out in the Special Part of the Model.
[36] Significant changes may include but are not limited to: integration of processes/risk activities or updates involving the removal/integration/updating of the control standards mentioned in the Special Part of the Model.

The Chief Executive Officer, with the support of the competent organizational structures, may also independently make merely formal modifications[37] to the Model and relevant documentation, without prejudice to the obligation to inform the Board of Directors and the Supervisory Body.

Through the organizational units responsible for doing so, the Company also prepares and promptly makes modifications to the procedures and the other elements of the internal control system, should such modifications appear to be necessary for the effective implementation of the Model, informing the Supervisory Body in this regard.

In particular, the latter must promptly inform the Chairperson of the Board of Directors and the Chief Executive Officer, who must the inform the Board of Directors, of any circumstances that suggest it would be opportune or necessary to modify or review the Model.

In order to update or modify this Model, the organizational units responsible for doing so submit to the Board of Directors of Acea S.p.A. the results of the assessments carried out; the latter approves the results and the action to be taken.

Conscious of the importance of adopting a control system to ensure lawful and correct conduct in all of its business activities, the Company guarantees the functionality, updating and constant implementation of the Model in accordance with the provisions of the sector's best practices, i.e. the Confindustria Guidelines and their updates, also taking into due consideration any case law rulings on the effective application of the Decree.

6.6 THE CODE OF ETHICS

The Code of Ethics of the Acea Group is the essential basis of this Model and the dispositions of the latter are integrated with that envisaged in the Code.

The Code of Ethics is a voluntary self-regulation tool, through which Acea affirms and states the values, principles and standard of conduct that are the basis of its own actions and those of the stakeholders.

It is aimed at recommending, promoting or preventing specific forms of conduct beyond and independently of that envisaged at a regulatory level, defining the principles of "corporate deontology" that the Company recognises as proper and which all of the Recipients must observe.

For Acea, the adoption of shared ethical standards constitutes an essential element of the internal control system, also in terms of preventing crimes. In this regard, the rules of conduct stated in the Code of Ethics represent a basic reference which the Recipients must abide by when carrying out their own business activities.

The Code of Ethics is the result of a process of internal comparison and sharing and was adopted after deliberation by the Acea Board of Directors and acknowledged by the subsidiaries in the Group. Its observance by the directors, auditors, management team, and employees, as well as by all of those, including collaborators and suppliers, who are involved in the achievement of the objectives of Acea, is deemed to be of fundamental importance in terms of the efficiency, reliability, and reputation of Acea.

Below are the main actors involved in the **processes of drafting and implementing the Code of Ethics:**

- **Ethics, Sustainability and Inclusion Committee**, which monitors the adequacy and implementation of the Code of Ethics;

[37] With regard to the "merely formal nature" of the modifications, such modifications must not have a substantial impact on the forecasts in the documents in question and not result in the reduction or expansion of the contents (in this sense, for example, the following are considered merely formal: corrections or mistakes or errors, updating or correcting of references to the law and the mere names of Divisions/Departments/Corporate Units).

- **Ethics Officer**, an autonomous, dedicated and trained collegial body entrusted with the management of the reporting channel (whistleblowing[38]), which monitors compliance with the Code of Ethics, supports the relevant functions of Acea S.p.A. in training on the Code of Ethics, proposes the issuance of guidelines and operating procedures or additions and amendments to existing ones in order to reduce the risk of violation of the Code of Ethics and proposes to the Ethics, Sustainability and Inclusion Committee any updates to the Code of Ethics. The Ethics Officer prepares a periodic report on the reports received, the in-depth analyses carried out and the training and communication actions undertaken, to be conveyed to the Chairperson, CEO and the Control Bodies of Acea S.p.A.
- **Ethics Officer Secretariat**, responsible for monitoring the channels relating to reports of conduct and practices contrary to the provisions of the Code of Ethics, analysing the reports and preparing the documentation useful for the Ethics Officer to ascertain the facts and make decisions accordingly;
- **Internal Audit Department**, which supports the Ethics Officer in the required audits and reports any potential violations of the Code of Ethics;
- **SB**, which receives reports of unlawful conduct pursuant to Legislative Decree 231 of 2001 and/or violations of the 231 Model.

To guarantee the effective implementation of the Code of Ethics and the Model, the standards and rules of conduct recalled therein must be known to the Recipients, who must be aware of them. Acea therefore places specific emphasis on their distribution both inside and outside the organization and constantly carried out training activities aimed at the individuals who are involved in pursuing the objectives of the Company.

Acea also favours the observance of the Code of Ethics through the adoption of suitable means and procedures for disclosure, prevention and control, with the aim of ensuring the transparency and compliance of the activities and conduct with respect to the standards and values contained therein, taking corrective action whenever required.

6.7 MANAGEMENT OF CASH FLOWS

Cash flows are managed in respect of the principles of traceability and documentability of the transactions carried out and consistently with the powers and responsibilities assigned.

The management control system of the Company involves mechanisms for verifying the management of resources, which must guarantee the efficiency and economics of the business activities, in addition to the verifiability and traceability of expenditure, aiming at the following objectives:

- clearly, systematically and cognizably defining the resources – monetary and not – available to each single department and organizational unit and the perimeter within which these resources can be used, by planning and defining the budget;
- recording any differences with respect to that pre-defined during the planning phase, analysing their causes and reporting the results of the evaluations to the appropriate hierarchical levels for any adjustments required, through the relevant cost analysis;
- promptly identifying, through monitoring activities, any process anomalies, in order to carry out the necessary detailed analysis and implement any corrective action that may be required.

Should any differences in the budget or expenditure anomalies emerge that are not duly motivated, the department responsible for management control must inform the senior management team and, if deemed significant also with regard to the contents of the Decree, the Supervisory Body.

[38] Specifically, the Ethics Officer handles reports of alleged violations of the Code of Ethics, the Internal Control System and Legislative Decree 24/2023. Reports of unlawful conduct relevant under Legislative Decree 231/01 and to the organization and management models of Acea and the Group's subsidiaries are the responsibility of the Supervisory Bodies appointed by the Company to which the 231 violations refer.

7 TRAINING AND CIRCULATION OF THE ACEA SPA MODEL

7.1 COMMUNICATION AND TRAINING ON THE MODEL

In order for the Model to be a constant reference point for business activities and a means of distribution and increasing the awareness of the Recipients in this regard, it must be the subject of widespread communication and training.

In a declaration made in the framework of the deliberation and resolution to adopt and update the model, the members of the Board of Directors have all stated that they are aware of the contents and are bound to respect them.

Furthermore, the Acea Group has envisaged that the general and specific contents of the Model are communicated to all employees as soon as they are approved, to new employees as soon as they are hired, and to collaborators as soon as their contracts are stipulated. Specifically, the competent business Units provide disclosure on the adoption of the Model *ex* Legislative Decree 231/01 to the third parties with which they have professional collaboration agreements.

The Model and the Code of Ethics are also published on the Company's Intranet and in a special section of the Company's website[39].

In addition, specific training activities are provided, both periodical and one-off, managed by the competent corporate departments, with the objective of ensuring the knowledge and awareness of the Model adopted by Acea S.p.A.

In this context, the competent corporate departments prepare specific training plans, taking into consideration the targets, contents, tools and time required, among other aspects.

With regard to the "one-off" training activities, these are carried out, for example, in the event of the extension of the administrative responsibilities of the Entities to cover new types of crime and in the event of amendments and/or updates.

Furthermore, specific training is provided for newly hired staff and the other subjects involved, on the basis of their needs.

These training activities envisage different methods of implementation, both through the support of IT tools (for example, corporate intranet, on-line courses and e-learning) and through suitable in-hall training courses, differentiated on the basis of the individuals involved (qualification, powers of representation, etc.).

The Managers of the Divisions/Departments of the Company are responsible for spreading and presiding over the observance of this Model.

7.2 MODEL AND COMPANIES IN THE GROUP

7.2.1 231 Liability in the context of corporate groups

The de facto liability criteria set out by Decree 231 refers specifically to the individual entity. As such, the Decree does not expressly define the aspects related to the administrative liability of entities in the context of corporate groups and the related potential extension, to the holding company or other companies belonging to the Group, of any 231 liability resulting from an offence committed by one of the Group companies.

[39] With reference to the Special Part and annexes of the Model, in a "customised" version for third parties.

Over time, the doctrine, case law and Trade Associations Guidelines have effectively filled the regulatory gap in the Decree, also in view of the historical events that have occurred, which in some cases have seen 231 disputes at the level of a corporate group and the need to identify the legal basis for the phenomenon of the so-called "escalation of liability".

Specifically, the Confindustria Guidelines[40] state that ""*the group cannot be regarded as the direct centre of imputation of liability for the offence and therefore cannot be included among the persons referred to in Article 1 of the Decree. The separation of the distinct legal personality of its constituent companies remains an insuperable fact. Therefore, the direct liability of the group under the Decree cannot be asserted in any way. Conversely, the entities that make up the group may be liable for offences committed in the course of business activities. It is therefore more correct to question liability for offences within the group*".

According to case law, the possibility that the holding company or other group companies may be liable under Legislative Decree 231/2001 for an offence committed by companies belonging to the same group would require the proof of a precise involvement of the persons belonging to the holding company[41] or to other companies of the group in the commission of the predicate offences, as well as the existence of an interest and advantage, verified in concrete terms, understood as the obtaining of a potential or actual benefit, even if not necessarily of a financial nature, deriving from the commission of the predicate offence[42].

In fact, majority doctrine and case law, as well as the Confindustria Guidelines themselves, emphasise that the Group of companies, considered as a whole, cannot in itself represent a centre for the direct imputation of liability for offences under Legislative Decree 231/01, such that it does not fall within the scope of the Entities referred to in Article 1 of Legislative Decree 231/01 and, consequently, it must be ruled out that the Holding Company may be in a position of guarantee (since it has no obligation to prevent the event, pursuant to Article 40(2) of the Criminal Code) with respect to the conduct of the subsidiaries.

Precisely because the companies that make up the Group have an autonomous and distinct legal personality with respect to all the other companies, any direct Liability, pursuant to Legislative Decree 231/01, of the business group as a whole is radically excluded, hence there is no automatism between 231 Liability and belonging to a business group, so much so that in this regard this is considered 231/01 Liability "in" the Group rather than "of" the Group.

Therefore, case law has repeatedly established that the judge, for the purpose of identifying the relevant criminal liability, is required to ascertain concretely, on a "case by case" basis, the existence of subjective imputation criteria (e.g., the existence of an organic relationship with the Entity, i.e. a natural person functionally connected to the Holding Company through a significant causal contribution to the commission of the offence by the subsidiary) and objective criteria (it must be proven that the offence committed in the interest or to the advantage of the subsidiary also immediately brings about a similar interest and advantage for the Holding Company; a generic reference to the Group interest is not sufficient).

Therefore, the liability of subsidiaries cannot be automatically inferred from the mere existence of a controlling or connecting relationship within a group of companies. The judge must explicitly identify and give reasons for the existence of the criteria for imputing liability for the offence also to the subsidiaries. In this regard, case

[40] Guidelines for the Construction of Organizational, Management and Control Models, updated version 2021, General Part, Chapter V "*CRIMINAL LIABILITY IN CORPORATE GROUPS*" .

[41] Involvement could be evidenced, for example, by the existence of criminally unlawful directives given by the parent company or by the cross-over between the members of the management body and/or the senior management of the holding company and those of the subsidiary (so-called interlocking directorates). Specifically, the Confindustria Guidelines provide that "*... the holding company/parent company may be held liable for the offence committed in the subsidiary's business if:*
- a predicate offence has been committed in the immediate and direct interest or advantage not only of the subsidiary but also of the parent company;
- natural persons functionally connected to the parent company have participated in the commission of the predicate offence by making a causally relevant contribution in terms of concurrence (see, most recently, Court of Cassation, Second Criminal Section, Sentence no. 52316 of 201646), proven in a concrete and specific manner. For example, these may include: - criminally unlawful directives, if the essential features of the criminal conducts carried out by the co-participants can be inferred in a sufficiently precise manner from the programme laid down by senior management; - cross-over between the members of the management body of the holding company and those of the subsidiary (so-called interlocking directorates) or, more broadly, between senior management: the risk of propagation of liability within the group increases, because the companies could be considered distinct and separate subjects only on a formal level".

[42] Ex multis, Criminal Court of Cassation Rulings no. 24583/2011; no. 4324/2012; no. 2658/2014.

law has specified that "*if the predicate offence has been committed by a company that is part of a group or business combination, the liability can extend to associated companies only on the condition that the interest or advantage of a company is also accompanied by the competitor of another company and the natural person responsible for the predicate offence is in possession of the necessary subjective qualification, pursuant to Art. 5 of. Legislative Decree no. 231/2001, for the purposes of common attribution of the administrative offence as a crime. It cannot, by an unacceptable automatism, be held that the fact that a company belongs to a group per se implies that the decisions made, for example, by the subsidiary pursue an interest that transcends its own, being rather imputable to the group as a whole or to its parent or parent company*"[43].

The Confindustria Guidelines further clarify that imputing liability for the offence of the subsidiary to the holding company, qualifying the management of the former as de facto directors of the latter, is a principle not configurable in the physiology of groups: "*Management and control, to which Article 5 of Decree 231 refers in identifying the de facto administrator, can only generically and non-technically be identified with the management and coordination exercised by the parent company over the subsidiary. More importantly, the individual group companies, being legally autonomous, cannot qualify as "organizational units of the parent company, endowed with financial and functional autonomy*".

In the context of the various elements identified to mitigate the relevant risks under the Decree within groups, the aforementioned Guidelines suggest that each corporate entity adopt its own autonomous Organizational Model and appoint its own Supervisory Body.
Furthermore, the Guidelines suggest (i) that the holding company's Organizational Model take into account integrated processes that include the activities of several group companies and activities intended to merge into a single outcome[44]; (ii) to adequately supervise intra-group processes with particular attention to those outsourced within the group (paying particular attention to the formalisation of such contractual relationships and their characteristics) (iii) to promote the exchange of information between corporate bodies and functions, or updates in the event of regulatory changes or organizational changes affecting the entire group; (iv) to develop between the Supervisory Bodies of the various group companies appropriate information reports, etc. For more details, see Chapter V, Para. 4 "The Adoption of Organizational Models Suitable for Preventing Offence-Responsibility in the Context of Groups" of the Confindustria Guidelines (link).

7.2.2 Acea Group companies

Acea S.p.A. communicates the Model and all subsequent editions or amendments to the Companies in the Group.

Acea S.p.A. exercises management and coordination activities in respect of its Subsidiaries also through a unified governance of the internal control and risk management system[45].

Acea S.p.A. and its Subsidiaries - within the scope of their organizational and managerial autonomy - adopt a compliance system aimed at ensuring compliance with applicable laws and generally accepted ethical principles inspired by transparency, legal compliance, fairness and loyalty, which guide the Group's activity.

In this context, Acea S.p.A. and its Subsidiaries adhere to and implement the Code of Ethics and adopt their own organization, management and control model, as well as a suitable internal control and risk management system, establishing appropriate controls to verify their concrete implementation.

Acea S.p.A. also promotes the adoption and effective implementation by the Subsidiaries of their own 231 Models, consistently with the standards envisaged in the Holding's Model.

[43] Court of Criminal Cassation, Ruling no. 52316/2016.
[44] e.g. consolidated financial statements.
[45] Governance of the control system, which is also carried out through the management of the power and regulatory system and the formalisation of specific service contracts in the case of outsourcing of certain activities within the Group (for more details, please refer to sections 3, 5 and 7.1 of this document).

The Companies belonging to the Group therefore adopt, for the purposes indicated in the Decree and under their own responsibility, their own Organizational, Management and Control Models and appoint their own Supervisory Body.

In line with the indications of the Confindustria Guidelines, structured exchanges of information are also established between the Group's Supervisory Bodies[46] and training activities and information campaigns are also planned at Group level on issues relevant to 231[47].

8 THE SUPERVISORY BODY

8.1 GENERAL DETAILS AND COMPOSITION OF THE SUPERVISORY BODY

Pursuant to Article 6(1)(b) of Legislative Decree 231/2001, "*the task of continuously monitoring the effective functioning of and compliance with the Model, as well as proposing updates*" is entrusted to a special body, the Supervisory Body, appointed by the Company and conferred with autonomy and independence in the exercise of its functions as well as adequate professionalism (hereinafter, "**Supervisory Body**" or "**SB**").

The SB is a body with full and autonomous powers of initiative, intervention and control as regards the functioning, effectiveness and observance of this Model.

The SB reports exclusively to the Board of Directors of Acea, which appoints and dismisses its members and Chairperson and defines its remuneration.

The Board of Directors appoints the SB and each of its members, selected exclusively on the basis of professionalism, integrity, skills, independence and functional autonomy.

8.2 ELIGIBILITY REQUIREMENTS OF THE SUPERVISORY BODY AND ITS MEMBERS AND REASONS FOR INCOMPATIBILITY

The members of the Supervisory Body must be in possession of suitable professionalism, autonomy and independence and must carry out their duties with the skill and diligence required by the nature of their position.

With regard to the requirement of *professionalism*, when identifying the members of the aforesaid Body, the Board of Directors takes into account the specific skills and professional experience of the same, both in the legal field (in particular in the field of crime prevention *ex* Legislative Decree 231/2001 and in criminal law), and in business management and organization.
Autonomy and *independence* are ensured by selecting the members from among internal and external candidates with no operating duties and interests that may limit their autonomy of judgement and evaluation. Also, to ensure the principle of independence, the Supervisory Body reports directly to the BoD, with the possibility of reporting to the Shareholders and Auditors if necessary, and the Chairperson is always external to the Company.

Furthermore, in identifying the members of the SB, the Company envisages that the requirements of *integrity and absence of conflicts of interest* be respected, these being intended in the terms envisaged by the law with regard to directors and members of the Board of Statutory Auditors.

Therefore, the following may not be members of the SB:

[46] For example, the Supervisory Bodies of the subsidiaries also send the periodic reports addressed to their senior management to the holding company's Supervisory Body.
[47] E.g. also via a special section of the intranet, compliance information and information/training content are shared, including on regulatory changes of interest to the Group (see also section 7.1).

- those who are in the conditions of which in article 2382 of the Civil Code, in other words those who have been sentenced to a penalty involving interdiction, even temporary, from public office or the inability to hold executive office;
- spouses, close relatives and relatives within the fourth degree of directors of the Company, the directors, spouses, close relatives and relatives within the fourth degree of the directors of Companies controlled by this company;
- those who are hierarchically dependent upon one of the senior management of the Company;
- those linked to the Company or members of the senior management by economic relations;
- those in conflict of interest with the Company;
- those under investigation for one or more of the crimes envisaged in the Decree;
- those who have been convicted (even if not definitively) or have entered plea bargains for committing one or more of the crimes envisaged by the Decree;
- those who in the last three years of service have exercised authoritative or bargaining powers on behalf of Public Administrations (article 53, paragraph 16 *ter* of Legislative Decree 165/2001).

Lastly, in order to ensure *continuity of action*, the SB focuses exclusively on supervising over the functioning and observance of the Company's Model and is in possession of adequate financial resources for the proper performance of its activities.

8.3 APPOINTMENT AND REMUNERATION

The Supervisory Body is appointed by resolution of the BoD. On appointment, the BoD itself ensures that the Supervisory Body has the required conditions of *autonomy* and *continuity of action* and establishes its remuneration.

The members of the SB appointed must send to the BoD the declaration of acceptance of their appointment, together with the attestation that they are not ineligible, and the undertaking to promptly inform it if any of these conditions should arise.

8.4 TERM OF OFFICE AND REASONS FOR TERMINATION

The Supervisory Body stays in office until the approval of the financial statements after those on approval of which the Board of Directors, which appointed it, steps down. If the BoD, which appointed it steps, downs early, the SB remains in office for 3 years. In any case, each member of the SB remains in office until his/her successor is appointed or the new Body is formed.

External members may not hold office for more than 3 consecutive terms in the same company[48].

The termination of the aforementioned Body may also occur if two or all of its members step down, formalised by written notification to the BoD to this effect.

The SB may only be dismissed for *just cause*, this being intended as, merely for example and not limited to, negligence in carrying out its duties.
Dismissal is ordered by resolution of the BoD, with the opinion of the Board of Statutory Auditors, which the BoD may disagree with, with good reason.

In any case, the BoD appoints a new SB without delay in the event of expiry, dismissal or termination.

With regard to the individual members of the Body, they may be dismissed by the BoD, in agreement with the Board of Statutory Auditors, for just cause only[49].

[48] Further details can be found in the current Guidelines adopted by Acea's Board of Directors.
[49] A specific case that also occurs in the event of non-compliance with the principles set out in the Model 231 and the Code of Ethics.

Furthermore, the loss of the requirements of eligibility or the occurrence of one or more of the conditions of ineligibility of which in the preceding paragraph 8.2 implies stepping down as member of the SB, as do the following:

- the ascertainment of any breaches of the confidentiality obligations envisaged for the members of the SB;
- the unjustified absence for more than four consecutive meetings of the SB or for a duration of more than six months.

In the latter eventuality, the Chairperson of the SB, or the eldest member in their stead, informs the BoD of the circumstances in order to promote the replacement of the member in question.

Having ascertained the existence of the cause for stepping down, the BoD replaces the unsuitable member without delay.

8.5 THE RESOURCES AVAILABLE TO THE SUPERVISORY BODY

The BoD ensures that the SB has available the financial, organizational and structural resources (hereinafter also the "resources") required to carry out its duties and, in any event, guarantees that it has the financial independence required to carry out the activities envisaged by article 6, paragraph 1, subsection b) of the Decree.

In the context of the activities assigned to it, the Supervisory Body may use the budget according to its own needs, on simple written request to be forwarded by the Chairperson of the SB to the competent offices of the Company according to the procedures in force, with the obligation to document its expenses once the relevant activities are completed.

8.5.1 Collaborators of the SB (internal and external)

In carrying out its duties, the SB may use the corporate departments (hereinafter also "Internal collaborators") that it will identify as required.

Furthermore, taking into account the specific nature of the attributions and the specific professional content required to carry out its duties, the Supervisory Body may also use the support of the Company units put in place for this purpose.

The SB may also use third party collaborators (hereinafter also the "External collaborators"), in possession of the requirements of professionalism and skill, remunerated from the annual budget allocated to the SB.

The latter must be capable of supporting the SB in its duties and the verifications requiring specific technical knowledge and skills.
When appointed, these subjects must release to the Chairperson of the SB a declaration attesting that they are in possession of the requirements described in the preceding paragraph 9.2.

8.6 POWERS AND DUTIES OF THE SUPERVISORY BODY

The Supervisory Body has the following duties:

- supervising over the functioning and observance of the Model, verifying its suitability in terms of preventing the crimes included in the Decree;
- carrying out periodical checks, on its own initiative or after receiving reports, on specific operations or specific actions implemented within the company and/or checks on the external subjects involved in the processes at risk;
- monitoring the validity of the Model and the procedures and their effective implementation, promoting, also after consultation with the corporate structures involved, all of the action that may be required in order to ensure their effectiveness. This duty includes the submission of proposals for adjustment and subsequent verification of the implementation and functioning of the proposed solutions;
- carrying out planned periodical checks on specific operations or specific action undertaken during the processes at risk;

- examining and evaluating all information and/or reports received concerning the Model, including that related to any breaches thereto;
- verifying the existing powers of authorisation and signature to ascertain that they are consistent with the organizational and management responsibilities defined and proposing their updating and/or modification if necessary;
- in the adoption of the Model, defining and dealing with the periodical flow of information, on the basis of a frequency suited to the level of risk of each area, which enables it to be periodically updated by the corporate structures involved in the activities deemed to be at risk of crimes and also establish methods of communication in order to acquire information on presumed breaches of the Model;
- in compliance with the Model, implementing the periodical flow of information to the competent corporate bodies regarding its effectiveness and observance;
- sharing the training plans promoted by the Company in order to increase awareness and understanding of the Model and monitor their effective performance;
- collecting, formalising according to standardised methods, and preserving all information and/or reports received with regard to crimes being committed (effectively or merely suspected), of which in this Model;
- interpreting the relevant laws and regulations and verifying the adequacy of the internal control system in relation to such laws and regulations;
- controlling the effective presence and proper keeping of the documentation concerning the preparation and updating of the Model.

In carrying out its duties, the SB has unlimited access to the corporate information, being able to request information independently from all of the executive and dependent staff of the Company and its subsidiaries, and also from external collaborators and consultants. If necessary and under its own direct supervision and responsibility, the SB may also be assisted by all of the corporate structures or by external consultants.

8.7 DATA COLLECTION AND STORAGE

All the activities carried out by the SB must be duly recorded, even in summary form, in a specific book, recording and archiving all the documentation received, in compliance with the relevant regulations.

Keeping the book of minutes of the meetings of the Supervisory Body and the documentation concerning the activities carried out is the duty of the Secretary of the Body, guaranteeing access to them only by the members of the SB itself, to the exclusion of anyone else.

The information, reports and recommendations received are preserved in a suitable archive in which all of the information/communications, data exchanged with the corporate departments and the Bodies of the other Companies in the Group are traced and documented[50], as are the minutes of the meetings and periodical reports.

8.8 DISCLOSURES TO THE SUPERVISORY BODY

In accordance with the dispositions of article 6, paragraph 2, subsection d) of the Decree, "*in relation to the extension of the powers delegated and the risk of crimes being committed*" the Model must "*envisage obligations of disclosure to the Body responsible for supervising over its functioning and observance*".
This obligation was conceived as an additional means of facilitating the supervision of the effectiveness of the Model itself, and also enabling the ex post ascertainment of the causes that have made the illegality in question possible.

[50] In compliance with the Confindustria Guidelines section 4. "*The adoption of Organizational Models able to prevent offences of criminal liability in the context of groups*", on the basis of which "*it is desirable that structured exchanges of information are developed between the Supervisory Bodies of the various group companies, organised on the basis of timing and content such as to ensure the completeness and timeliness of useful information for the purposes of inspection activities by the supervisory bodies. These exchanges of information will, however, have to be carefully regulated and managed, so that the autonomy of bodies and models is not undermined by relationships that, in fact, result in the holding company's decision-making interfering in the implementation activities of the decree in individual subsidiaries. In particular, these information flows should focus on: the definition of the activities planned and carried out; the initiatives taken; the measures put in place in practice; any critical issues encountered in supervisory activities. They should have a cognitive purpose, aiming to stimulate the group's verification activity, for example, on sectors of activity that have been revealed to be at risk... while respecting the autonomy and confidentiality of the information pertaining to the various group companies.*"

The SB must therefore be promptly informed by all of the corporate Recipients and also by third parties bound to observe the provisions of the Model of any news that be relevant as regards supervising over the effectiveness, validity and updating of the Model, thereby including any news regarding the existence of possible breaches thereto.

The Supervisory Body is also required to produce periodic reports (Interim Report) on the effectiveness, effective implementation and updating of the Model to the Board of Directors and the Board of Statutory Auditors.

8.8.1 Information Flows to the Supervisory Body

The Supervisory Body must be made aware of all useful information relevant to the implementation of the Model in the activities "at risk", in addition to that envisaged in the Special Part of the Model and in the corporate procedures.
There may be various types of communications to the SB:

a) event-driven: information flows occurring upon the occurrence of a specific event that must be reported to the Supervisory Body;
(b) periodic: information flows on a regular basis;
c) whistleblowing: a report to the Supervisory Body of a potential breach of the Model, as further detailed later in the document.

Specifically, they represent event-driven flows of information concerning:

- reporting of conduct, actions or events that may determine breaches to or circumvention of the Model – or the relative procedures – and news that is potentially relevant to the activities carried out by Acea, to the extent to which they may expose the Company to the risk of crimes and illegalities being committed such as to generate the responsibility of Acea pursuant to the Decree;
- reports prepared by the Managers of the company functions of Acea S.p.A. as part of their control activities and from which facts, acts, events or omissions with critical profiles may emerge with respect to compliance with the provisions of the Decree;
- reports with the findings of audits carried out by Internal Audit and any Improvement Plans prepared by the Managers affected by the audits;
- internal reports of control bodies or company departments/functions or enquiry commissions from which responsibility for the offences referred to in Legislative Decree no. 231/2001 emerges;
- news concerning the relevant sanctioning proceedings carried out and any measures imposed (including measures against employees entailing suspension or termination of employment) or measures to dismiss such proceedings with the relevant reasons, if they are related to offences committed or violation of the rules of conduct or procedures of the Model;
- periodic reports of the Supervisory Bodies of the Acea Group's Subsidiaries;
- list of any measures/fines imposed on the company by regulatory bodies;
- improvement plans aimed at overcoming the critical issues highlighted by regulatory bodies;
- list of audits, inspections and assessments for Acea SpA carried out by public authorities on fiscal and tax matters;
- any reports made by the Competent Authorities e.g. Regulatory Authorities, Court of Auditors, etc., with an indication of the underlying reasons concerning the management of active contracts with the public administration;
- presence of any disputes, the application of penalties and/or the suspension of payments with an indication of the reasons for these actions;
- list of audits, inspections and checks carried out by public authorities in respect of which violations of applicable regulations have been highlighted, with indication of:
  - the subject of the audit/inspection/investigation;
  - the Public Authority concerned;
  - the Function of reference;
  - the outcome of the audits/inspections/investigations;
  - the subject of any sanctions;

- the value of any sanctions;
- the plan of corrective actions prepared by the Company.

In addition, periodic information flows to the Supervisory Body are activated (described in Annex V of the Model_SB Flows). Periodic flows also include the annual report of the ACM (on the implementation/maintenance of the anti-corruption framework), as well as the annual findings from the periodic audits of the ISO 37001 certifier.

For details of flow codes, flow descriptions, frequency and flow owners, please refer to the aforementioned Annex.

8.8.2 Disclosures by the Supervisory Body

With regard to the disclosures by the Supervisory Body itself to the other corporate bodies, it must be highlighted that it prepares a disclosure report on at least a six-monthly basis, through its Chairperson or other member authorised to do so, concerning the activities carried out and the results of said activities, to be sent to the Chairperson of the Board of Directors, the Control and Risk Committee and the Board of Statutory Auditors.

Furthermore, the SB is bound to report any breaches of the Model, either ascertained or being investigated, that may involve responsibility on the part of Acea to the BoD and to the Control and Risk Committee.

The SB also informs the Board of Statutory Auditors of breaches of the Model and the procedures on the part of the directors, in a written report.

It is further specified that: i) in the aforementioned interim report, the Supervisory Body informs the Board of Directors – anonymously and on an aggregate basis – of the 231 reports received and their outcomes; ii) by means of a specific half-yearly flow, the SB also informs the Ethics Officer anonymously and on an aggregate basis of the 231 reports received and their outcomes[51]; iii) by means of a specific event-driven flow, the SB informs the ACM (always anonymously and in compliance with the legislation of reference) on the reports received concerning anti-corruption issues and/or in any case of potential interest to anti-corruption for Acea S.p.A. (for the purpose of monitoring the relative anti-corruption framework).

8.9 HANDLING OF REPORTS OF POTENTIAL VIOLATIONS OF THE MODEL

The Supervisory Body must be promptly informed, through the appropriate reporting channels, by the Recipients of this Model as regards any conduct, actions or events that may determine breaches to or circumvention of the Model – or the relative procedures – and concerning news that is potentially relevant to the activities carried out by Acea, to the extent to which they may expose the Company to the risk of crimes and illegalities being committed such as to generate the responsibility of Acea pursuant to the Decree.

The obligations to disclose any conduct that is contrary to the dispositions of the law and those contained in the Model are part of the wider-ranging duty of diligence and trust of the employer of which in articles 2104 and 2105 of the Civil Code. The disclosure obligation is applicable to all personnel or third parties collaborating with Acea, who come into possession of any information concerning an offence pursuant to Legislative Decree 231/01 or in any case concerning conduct not in line with the principles and provisions of this Model and with the other rules of conduct adopted by the Company.

[51] With reference to the anonymous and aggregate disclosures prepared by the Ethics Officer on the subject of whistleblowing, please refer to the regulatory tool adopted by the Acea Group for the management of whistleblowing.

In accordance with the provisions of Legislative Decree no. 24 of 10 March 2023[52], which amended, among other things, Article 6 of Decree 231[53], the Company has activated the appropriate dedicated internal reporting channels, aimed at enabling the persons specifically identified by Article 3 of Legislative Decree no. 24/2023 to make reports of violations of European Union law or national regulations of which they have become aware in the course of their work, including reports concerning "231" violations (i.e. unlawful conduct relevant under Decree 231 and/or, in general, violations of the 231 Model).

Specifically, whistleblowers are required to report any violations or non-compliance with the Code of Ethics, internal rules, and the law, including violations of Legislative Decree no. 24/2023, including those relevant for the purposes of Legislative Decree 231/01 and violations of the organization and management models, of which they are aware, using the computer platform Comunica Whistleblowing that guarantees the protections provided for by Legislative Decree 24/2023, including the security and protection of any personal data indicated in the report, the confidentiality of the whistleblower's identity, information, and the processes of analysis and management of the report, through an advanced system of encryption of communications and the database, in line with the provisions of the relevant legislation.

Also in line with the provisions of Legislative Decree no. 24/2023 and in compliance with the measures set out therein, through the "Comunica Whistleblowing" platform it is possible to make reports (including anonymous ones), in written form, by computer, and in oral form, through a voice messaging system, or to request a direct meeting with the persons responsible for handling the report (including the Supervisory Body).

The function responsible for receiving and managing reports of violations consisting in unlawful conduct relevant under Decree 231 and/or, in general, violations of Acea S.p.A.'s 231 Model is the Company's Supervisory Body, which assesses the reports received and determines any action, also by engaging directly with the whistleblower, if known, and/or the person responsible for the alleged breach and/or any other person it deems useful, giving reasons in writing for any conclusions reached.

In order to be able to initiate the activities to ascertain the reported facts, the reports must be as circumstantiated as possible (i.e. they must have a sufficient degree of detail to enable the functions in charge of the investigation, on the basis of the available investigative tools, to verify the validity or otherwise of the reported facts or circumstances).

In the framework of its supervisory and verification activities, the SB must have access to all information, data, news and document deemed useful, through the relevant channel. The information, notifications and reports provided for in this Model shall be stored by the SB in a specific file (computerised or hard copy), in compliance

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[52] Legislative Decree no. 24 of 10 March 2023, "*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*', published in the Official Journal no. 63 of 15 March 2023, for which the provisions of Legislative Decree No. 24/2023 took effect on 15 July 2023 (with the exception of entities in the private sector that employed, in the last year, an average of up to 249 employees, under open-ended or fixed-term employment contracts, for which the provisions took effect on 17 December 2023).

[53] In this regard, it must be pointed out that Law no. 179 of 30 November 2017 concerning "*Dispositions for the protection of those reporting crimes or irregularities that they have become aware of during the course of public or private working relations*" introduced three new paragraphs to article 6 of Legislative Decree 231/2001. Specifically:

- paragraph 2 bis of the aforementioned article envisages that "*The models of which in subsection a) of paragraph 1 envisage: a) one or more channels enabling the subjects in article 5, paragraph 1, subsections a) and b) to submit, in protection of the integrity of the entity, circumstantial reports of illegal conduct relevant pursuant to this Decree and based on precise and concordant elements, or breaches of the entity's organization and management model, that they have become aware of as a result of their duties; these channels guarantee the confidentiality of the identity of the whistleblower when managing the report;*
  b) at least one alternative reporting channel aimed at guaranteeing the confidentiality of the identity of the whistleblower by IT means;
  c) the banning of direct or indirect revenge or discriminatory action against the whistleblower for reasons directly or indirectly related to the report;
  d) in the disciplinary measures adopted pursuant to paragraph 2, subsection e), sanctions against those who breach the measures of protecting the whistleblower, and those who maliciously or deliberately make unfounded reports."
- paragraph 2-ter provided that "*the adoption of discriminatory measures against the whistleblowers referred to in paragraph 2-bis may be reported to the Labour Inspectorate, for the measures falling within its competence, not only by the whistleblower, but also by the trade union organization indicated by the same*';
- paragraph 2-quater provided that "*the retaliatory or discriminatory dismissal of the whistleblower shall be "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 shall also be indicated as null and void.*

Subsequently, Legislative Decree no. 24/2023 further amended Article 6 of Decree 231, repealing paragraphs 2-ter and 2-quater and amending paragraph 2-bis accordingly: "*The models referred to in paragraph 1(a) shall, pursuant to the Legislative Decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, provide - for the internal reporting channels - the prohibition of retaliation and the disciplinary system adopted pursuant to paragraph 2(e).*"

with the applicable legal provisions (including Decree 24/2023 and the indications contained in the data protection regulations p.t.v.).

For more details on whistleblowing and the related guarantees and protections activated for the whistleblower, the person involved and for the subject reported, and for the additional "subjects" to whom the protection is extended (as provided for by Legislative Decree no. 24/2023[54]), please refer the corporate website (link) and to the Whistleblowing Policy published therein.
Internet website - Whistleblowing

Methods of submitting reports to the SB:

- Whistleblowing platform, available at the following link: "Comunica Whistleblowing" (this platform allows reports, including anonymous ones, in written or oral form);
- direct meeting (subject to a written or oral request submitted in the "Comunica Whistleblowing" platform by the whistleblower).

"Comunica Whistleblowing" Platform

Communications to the SB:

For issues **not relating to "231 reports"** it is also possible to contact the Supervisory Body at the email address organismodivigilanza231@pec.aceaspa.it.

9 THE DISCIPLINARY AND SANCTIONS SYSTEM

Pursuant to articles 6, paragraph 2, subsection e) and 7, paragraph 4, subsection b) of the Decree, the Model can be deemed to have been effectively implemented only if it introduces a system of sanctions for breaches to the measures stated therein.

In addition to contributing towards the effectiveness of the Model, the definition of disciplinary sanctions commensurate to breaches also has the aim of contributing towards the effectiveness of the control of the Supervisory Body.

In respect of the laws and regulations in force concerning national collective contracting, Acea S.p.A. has adopted a system of sanctions for breaches of the standards and measures envisaged in the Model and in the corporate protocols by its Recipients.

[54] E.g., facilitators (i.e., the natural persons who assist a whistleblower in the reporting process, operating within the same work context and whose assistance must be kept confidential) and additional persons towards whom protections from retaliation and/or discrimination are activated (e.g. persons in the same employment context who are linked to the whistleblower by a stable emotional or family relationship up to the 4th degree of kinship, work colleagues who work in the same employment context and who have a habitual and current relationship with the whistleblower; entities owned by the whistleblower, etc.).

The application of the sanctions envisaged disregards on the outcome (or the beginning) of eventual criminal proceedings, given that the rules of conduct and the internal procedures are undertaken by the Company in full autonomy and independently of the illegality that such forms of conduct may determine.

The Company makes all of the Recipients aware of the activities that are at risk of significant crimes being committed and also of the rules and procedures that govern such activities, this being intended as increasing awareness of the reproach against all forms of conduct contrary to the law, regulations, self-governance rules and, in particular, the dispositions contained in this Model, with the consequent application of adequate disciplinary sanctions.
The Supervisory Body supervises over the implementation and effectiveness of the Model, the exercise of disciplinary powers over the Recipients indicated in paragraph 9.5, being able to report any breach of the Model to the competent corporate bodies.

This disciplinary system is based on the general principles set out below.

9.1 SPECIFICITY OF ILLEGALITIES

For the purposes of this system of sanctions, according to the corporate qualification and/or position and/or duties within the Company of the subject, and independently of the criminal relevance of the circumstances, any breach of the rules contained in this Model constitutes an illegality, and in particular, for example and not limited to, the following:

- failure to observe the protocols aimed at planning training activities and the implementation of Company decisions in relation to the crimes to be prevented, or the method of management of the financial resources;
- any breaches of the obligations of disclosure to the Board of Statutory Auditors and/or the Supervisory Body;
- falsification/failure to prepare the documentation for the activities carried out during inspections and ascertainment by the competent Authorities;
- the destruction, hiding and/or alteration of corporate documentation;
- the falsification of reports and/or information sent to the Supervisory Body;
- preventing the Board of Statutory Auditors and/or the Supervisory Body from exercising their functions;
- breaches of the obligations of documentation and traceability of corporate activities;
- breaches of the obligations envisaged in the Code of Ethics adopted by the Company;
- failure by the senior management to observe the executive and/or supervisory obligations that has made it possible for their subordinate subjects to commit crimes;
- abandonment of their workstations without justified reason by the personnel specifically entrusted with duties of surveillance, custody and control;
- failure to document, even in summary form, the activities and the outcome of the verifications conducted;
- the failure to file copies of the official documents addressed (through external legal consultants or experts) to Judges, to members of the Board of Arbitration or to official experts presiding over disputes in the interest of the Company;
- making and/or receiving payments in cash on behalf of the Company, in excess of the limits allowed by the laws and regulations in force from time to time;
- making payments in favour of Public Administrations, government entities, correlated subjects or public officers without apposite documentation attesting the type of operation carried out and without filing said documentation;
- accessing the company's IT network without authorisation and the relevant access codes;
- unjustified absence from training or refresher courses concerning the prevention of crimes;
- failure to observe the corporate dispositions concerning health and safety in the workplace and the obligations deriving, according to one's own attributions and duties, from the applicable laws and regulations in force from time to time on the same matter;

- violation of the provisions of Legislative Decree no. 24/2023 concerning the reporting of unlawful conduct:
  - the conduct of those who, with intent or gross negligence, make reports that turn out to be unfounded[55],;
  - retaliatory or discriminatory conduct in breach of the provisions of the aforementioned decree, i.e. any conduct, act or omission, even if only attempted or threatened, put in place as a result of the report and which directly or indirectly causes or is likely to cause unlawful direct or indirect harm to the whistleblower (or to anyone who has cooperated in the establishment of the facts which are the subject of the report) for reasons connected, directly or indirectly, with the sanction;
  - the conduct of those who obstruct or attempt to obstruct the report;
  - violations of the measures for the protection of the whistleblower (and of the additional persons identified by the aforementioned Decree), including with regard to the obligation of confidentiality;
  - failed or inefficient performance of the appropriate report verification and analysis activities.

9.2 PROPORTIONALITY AND ADEQUACY BETWEEN ILLEGALITY AND SANCTIONS

The following factors are considered in the determining/commensuration of the sanctions, in relation to each individual disciplinary illegality:

- whether the breach has been committed by action or omission;
- whether the breach is malicious or deliberate and, respectively, the intensity of malice or the level of fault;
- backdated behaviour (previous conduct within the company, particularly if other disciplinary sanctions have been imposed against the interested party and in the event of reiteration of the same type or similar type of breach);
- subsequent behaviour (whether there has been collaboration, also in terms of eliminating or attenuating the consequences of the illegality on the Company, the admission of guilt and sincere remorse by the interested party);
- the position of the subject with respect to the Company (corporate body, senior management, subject to the management and supervision of others, third party);
- the proximity of the illegality to one of the predicate offences envisaged by the Decree;
- all of the other circumstances of the case in question (methods, timing, relevance of the breach to the corporate activities, etc.).

Should several breaches punishable by different sanctions have been committed at the same time, the most serious sanction shall be applicable.

For employees, relapse within two years automatically implies the application of the most serious disciplinary sanction of those envisaged.

The principles of promptness and immediacy must guide the disciplinary action taken, independently of the outcome of criminal proceedings.

9.3 APPLICABILITY TO CORPORATE BODIES, SENIOR MANAGEMENT, SUBORDINATE SUBJECTS AND THIRD PARTIES.

According to the respective following paragraphs, the employees, executives, directors and auditors are subject to the system of sanctions in this Model, as are third parties with contractual relations with the Company (ex. clients, suppliers, consultants, partners, contractors, etc.).

[55] Without prejudice to the sanctions that may be imposed by civil or criminal authorities pursuant to Article 16 of Decree 24/2023, and without prejudice to the ANAC administrative sanctions pursuant to Article 21 of the aforementioned Decree.

9.4 PROMPTNESS AND IMMEDIACY OF THE SANCTIONS, NOTIFICATION (IN WRITING, EXCEPT FOR VERBAL ADMONISHMENT) OF THE INTERESTED PARTY AND GUARANTEEING DEFENCE AND OPPOSITION RIGHTS.

The preliminary investigation and application of sanctions for breaches of the dispositions of the Model are the exclusive power of the competent corporate bodies as a result of the attributions conferred upon them in the Articles of Association or internal regulations.
Specifically:

- the Shareholders' Meeting has the power to impose sanctions on the directors or the Board of Statutory Auditors;
- the interim legal representative or the Manager of the Human Resources Management Department or subjects authorised by the latter have the power to impose sanctions on the managers and employees;
- the Manager of the competent Department/Function or the Manager of the Area to which the contract or relations pertain, or the subject that, in the name and on behalf of the Company, manages the contractual relations has the power to impose sanctions on third parties.

In any event, the SB must always be informed on any sanctioning procedures initiated due to breaches of the Model and exercises its prerogative, consistently with that described in the following paragraphs.

9.5 PUBLICITY AND TRANSPARENCY

The system of sanctions constitutes an integral part of the Model and is made known to all of the Recipients by inclusion in the General Part of the Model adopted by the Company, made public on the company website.

9.6 SANCTIONS FOR EMPLOYEES

For the employees of Acea S.p.A., on the basis of the national collective labour contract (CCNL) applied individually, the disciplinary system will refer to the National Collective Labour Contract in force in the Gas and Water Sector (hereinafter "CUSGA") or the National Collective Labour Contract for workers in the Electricity Sector (hereinafter "CUSE"), in respect of and consistently with the provisions of article 7 of Law no. 300 of 20 May 1970 ("Workers' Statute").

9.6.1 The CCNL for workers in the Gas and water sector

In respect of article 7, paragraph 1 of the aforementioned Law 300/1970, article 21 "*Disciplinary measures*" of the CCNL in force for workers in the Gas and Water Sector establishes specific criteria of correlation between the failings of the workers and the disciplinary measures recalled therein and listed below:

1. verbal or written admonishment;
2. fine not exceeding 4 hours' remuneration;
3. suspension from work without remuneration for up to 10 days;
4. dismissal with prior notice;
5. dismissal without prior notice.

The fact that the disciplinary measures will be applied in respect of the principle of graduated sanctions in relation to the seriousness of the failing and in compliance with that established by the law holding firm, the following reference scheme is expected to be applied, described for example only:

- Employees who commit failings such as those listed below, merely for example, will be suspended from work for a period of between one and 10 days, according to a progressive criterion of proportionality to the seriousness of the failing:
  - "*violates in a non-serious manner the internal procedures laid down in the Organization and Management Model adopted pursuant to Legislative Decree no. 231/01 or engages in conduct that is contrary to the requirements of the Model*";
- Employees who commit breaches of the discipline and diligence of work such as those listed below, merely for example, that are not serious enough to make the sanction in the following point applicable are dismissed with prior notice:

- "*in violating the procedural or behavioural rules laid down in the Organization and Management Model adopted pursuant to Legislative Decree no. 231/01, causes damage to the Company or engages in conduct unequivocally directed towards the commission of an offence*";

- Employees who commit breaches of the discipline and diligence of work that are serious enough to not allow employment relations to continue, even provisionally, or who commit actions that are criminal according to the law, even if not expressly recalled therein, such as the following, for example, are dismissed without prior notice:
  - "*in violating the procedural or behavioural rules laid down in the Organization and Management Model adopted pursuant to Legislative Decree 231/01, conduct themselves for the sole purpose of causing damage to the Company or committing a crime, such as to determine the application of the sanctions envisaged by Legislative Decree 231/01*".

In any event, should the circumstance in question constitute a breach of the duties laid down by the law or their employment relations such as to not allow employment to continue, even provisionally, dismissal without prior notice *ex* article 2119 of the Civil Code may be decided, respect of the disciplinary measure holding firm. As a result of the disciplinary measures taken for one of the above circumstances, the proxies/duties conferred upon the worker in question may be revoked, in the context of the procedures described in the Model.

9.6.2 The CCNL for workers in the electricity sector

In respect of article 7, paragraph 1 of the aforementioned Law 300/1970, article 25 "*Disciplinary measures*" of the CCNL in force for workers in the Electricity Sector establishes specific criteria of correlation between the failings of the workers and the disciplinary measures recalled therein and listed below:

a) verbal admonishment;
b) written admonishment;
c) fine not exceeding 4 hours' remuneration;
d) suspension from work without remuneration for not more than 5 days (in exceptional circumstances, this measure may be imposed for up to 10 days);
e) transfer by way of punishment;
f) dismissal with indemnity rather that prior notice;
g) dismissal without prior notice.

The fact that the disciplinary measures will be applied in respect of the principle of graduated sanctions in relation to the seriousness of the failing and in compliance with that established by the law no. 300/1970, the following reference scheme is expected to be applied, described for example only:

a) the measures of written admonishment, fine not in excess of 4 hours' remuneration, suspension from work without remuneration for not more than 10 days or transfer by way of punishment are applied against employees who:
   - in carrying out their duties, fail to scrupulously observe the procedural rules or rules of conduct prescribed or recalled in the Model or conduct themselves in a manner not in compliance with the prescriptions in the Model, both when such failings have not generated any damage or prejudice to the Company and when this has occurred, such conduct being involved in the breach of which in article 25, point 1), subsection c) of the CCNL applied "*does not carry out the orders given by the Company in both written and verbal form*", subsection h) "*otherwise transgresses the observance of this Contract or commits failings that causes prejudice to the discipline and safety of the workplace*" and subsection i) "*causes damage to the image of the Company through their conduct*";
b) employees who commit breaches of the discipline and diligence of work that, although being of more relevance than those contemplated in the preceding point, are not so serious as to make the sanction of dismissal without prior notice applicable, are dismissed with indemnity rather than prior notice. For example:
   - in carrying out their duties, fail to observe the procedural rules or rules of conduct prescribed or recalled in the Model or deriving from its application, or fail to ensure that the personnel coordinated by them observe said rules, or operate directly with the sole purpose of committing a crime or an illegality, thereby causing serious damage or prejudice to the Company, such conduct being involved in the breach of which in article 25, point 2), subsection l) "*relapse of any one of the failings contemplated in point 1) of*

this article, when two measures involving suspension from work have already been applied", subsection i) "actions such as to radically reduce the trust of the company towards the worker in question", and subsection c) "*serious prejudice to the Company as a result of the failure to report faults in the machines and/or systems or service irregularities*";

c) employees who cause serious moral and/or material damage to the Company or who carry out actions constituting crimes during the course of their working duties are dismissed without prior notice. For example:
   - in carrying out their duties, maliciously, either operating directly or ensuring that their collaborators operate in breach of the procedural rules or the rules of conduct prescribed or recalled in the Model or deriving from its application, determine the concrete application against the Companies of the measures envisaged in the Decree, such conduct being involved in the breach of which in article 25, point 3), subsection b) "*theft of Company property*", subsection g) "*execution of works within the Company on their own behalf or on behalf of third parties without permission and using material owned by the Company*" and subsection f) "*conduct that may cause serious prejudice to the safety of individual workers or the safety of systems*".

In any event, should the circumstance in question constitute a breach of the duties laid down by the law or their employment relations such as to not allow employment to continue, even provisionally, dismissal without prior notice *ex* article 2119 of the Civil Code may be decided, respect of the disciplinary measure holding firm. As a result of the disciplinary measures taken for one of the above circumstances, the proxies/duties conferred upon the worker in question may be revoked, in the context of the internal regulation system described in the Model.

9.7 SANCTIONS FOR MANAGERS

Should any disciplinary breaches be committed by the managers, the Supervisory Body will immediately inform the Chairperson in a written report and the latter, with the support of the Body itself, will then evaluate the application of the following sanctions, always in compliance with the law and the applicable contract:

a) verbal or written admonishment;
b) suspension or revocation of duties and/or proxies and/or powers of attorney;
c) reduction of the variable portion of the remuneration paid in application of the reward system adopted by the Company;
d) dismissal for just cause.

9.8 SANCTIONS FOR THE DIRECTORS AND AUDITORS

In the event of violation of the rules of the Model and of the internal regulatory system by the directors, starting with the failure to comply with the management or supervisory obligations referred to in Article 7, Legislative Decree 231/2001, the Supervisory Body shall immediately inform, by means of a written report, the Managing Director, the Chairperson of the Board of Directors and the Board of Statutory Auditors for the measures within its competence.

The Board of Directors, with the abstention of the individual involved, will then carry out the necessary investigations and may apply a suitable measure allowed by the law (e.g. verbal indication of the non-compliance, written warning, salary deduction) adjusting the punishment on the basis of the severity of the conduct and, in the most serious cases, or in any event when the failing is such as to damage the trust of the Company in the individual in question, may call a Shareholders' Meeting, proposing the precautionary revocation of the powers delegated or replacement of the individual in question.

After notifying the Chairperson of the Board of Directors, the Board of Auditors may then convene a Shareholders' Meeting pursuant to article 2406 of the Civil Code if it recognises censurable facts of significant seriousness and there is an urgent need to deal with them.
Should the directors in question also be managers of the Company, the provisions of which in the preceding section may be applied in any event.

With regard to the breaches by the Auditors, the Supervisory Body will immediately inform the Board of Statutory Auditors and the Board of Directors in a written report, and the latter may convene a Shareholders' Meeting pursuant to Article 2366 of the Civil Code for the necessary measures to be taken, adjusting the punishment on the basis of the severity of the conduct.

9.9 SANCTIONS FOR THE SUPERVISORY BODY

With reference to violations attributable to the Supervisory Body, please refer to section 8.4 "*Term of office and reasons for termination*" of this document (and the causes of revocation and/or dismissal set out therein).

9.10 SANCTIONS AGAINST THIRD PARTIES WITH CONTRACTUAL RELATIONS WITH THE COMPANY

Should events occur that may include breaches of the Model or the internal regulation system due to being undertaken by third parties (for example collaborators or contractual counterparts), the Supervisory Body will inform the Manager of the Department in question and the Manager of the Area to which the contract or relations refer, in a written report.
The action taken against those responsible by the competent bodies, on the basis of the internal rules adopted by the Company, may include termination of contract or of the ongoing relations, the possibility of legal action for compensation for damages incurred by the Company holding firm.

9.11 PRELIMINARY INVESTIGATION PROCEDURE

The procedure of imposing the sanctions and/or protection measures envisaged by the system of sanctions involves the following phases:

- Inquiry phase: this phase is initiated by the Supervisory Body or the Manager of the Human Resource Management Department or individuals authorised by them or by the Contract Manager as a result of a presumed breach of the Model being encountered or reported, with the aim of ascertaining its existence;

- *Investigation*: phase in which the breach is evaluated, with the identification of the disciplinary measure (in the case of employees) or the protection measure applicable (in the case of other Subjects) on the part of the Subject responsible for reaching a decision in this regard. This phase involves:
  - the Board of Directors and the Board of Statutory Auditors, through their respective Chairmen, if the breach is committed by one or more subjects who are Auditors or Board members not linked to the Company by subordinate employment relations;
  - the Manager of the Human Resource Management Department, if the breach is committed by an employee of the Company;
  - the Contract Manager, for breaches committed by third parties with working relations with the Company (for example suppliers).

  During the course of this phase, if the investigation of the breach is based on one of its verification or control activities, the Supervisory Body sends to the aforementioned subjects a suitable report containing:
  - a description of the conduct in question;
  - an indication of the provisions of the Model that have been breached;
  - the name of the individual responsible for the breach;
  - any documents proving the breach and/or other probationary elements.

  After acquiring the report in question, the Subject with the power to impose sanctions in the case in question (as described in the preceding paragraphs) will make the formal charge of breaching the Model.
  The procedure to be followed is that in article 7 of Law 300/1970 for employees.

- *Decision-making*: phase in which the outcome of the procedure and the disciplinary measure and/or protection measure to be imposed is established;

- *Imposition of the measure and/or protective measure (if any).* The Supervisory Body shall be sent the order imposing the sanction for information purposes.

The sanctioning procedure takes into account:
- the rules of the Civil Code of a corporate, employment and contractual nature;
- the employment law regulations concerning disciplinary sanctions of which in article 7 of Law 300/1970;
- the general principles on which the system of sanctions is based, of which in this chapter;
- the applicable CCNL (article 21 CISGA and article 25 CUSE), as recalled above;
- the powers of representation and corporate signature in force attributed to the corporate structure;
- the required distinction and contraposition of roles between the decision maker and the culprit.

In order to guarantee the effectiveness of this System of sanctions, the procedure for imposing the sanction must be completed in a timeframe compatible with guaranteeing the immediacy and promptness of the action taken.