July
2026

Organisation, Management and Control Model pursuant to Italian Legislative Decree No. 231/2001

General Part

Summary

GENERAL PART

1. Valvitalia S.p.A.

1.1 The Company and its aims

Valvitalia S.p.A. (hereinafter also referred to as the 'Company' or 'Valvitalia') is the parent company of the Valvitalia Group, operating internationally in the design, manufacture, marketing, installation and maintenance of components and systems for fluid control and fire protection — including valves and actuators, forged fittings and flanges, regulation and measurement systems, fire protection systems and other high-technology components — for the natural gas, oil, petrochemical, electric power, civil naval, military naval, water treatment and transport, and civil infrastructure industries.

Valvitalia operates both in the supply of individual products and in the delivery of integrated solutions.

The company's products are distinguished by their high level of 'customisation' and the breadth of the range offered. Thanks to Valvitalia's high level of engineering expertise, it is capable of supplying high-tech products that meet the technical specifications of its customers.

The company specialises in the design, manufacture and supply of a wide range of complementary products (one-stop shop) for the natural gas and oil sector (e.g. storage, processing, compression, pipeline systems, platforms). Within the natural gas and oil sector, the Company's business focuses mainly on the supply of valves and systems to support the natural gas sector and its midstream and upstream sub-segments (extraction, production and processing).

In addition, Valvitalia offers its customers on-site installation and maintenance services on the entire product range, as well as repairs and the supply of spare parts.

Valvitalia has its registered office in Via Del Lauro 7, 20121 Milan, Italy. The Company's main production activities are carried out at the Italian plants of Rivanazzano Terme (PV), Arena Po (PV), Castel San Giovanni (PC), Brendola (VI) and Ancona (AN), as well as through certain foreign subsidiaries.

Valvitalia's organisational structure is currently divided into the following operating Divisions:

- **Valves & Systems BU**, dedicated to the design, manufacture and marketing of valves, actuators and fluid control systems (which also includes the activities of the wholly owned subsidiary Valvitalia (Suzhou) Valves Co., Ltd. (CHN));
- **3F Division (Fittings & Firefighting)**, dedicated to activities relating to forged fittings, fire protection systems, and other industrial activities related to the Tecnoforge business;
- **Broady Flow Control Ltd (UK) BU**, a company specialising in the production and marketing of valves and complementary products in international markets.

The Company operates internationally through subsidiaries, branches, representative offices and commercial presences in various foreign markets, including Europe, North America, the Middle East, Africa and Asia, in support of business development, production and technical assistance activities.

In light of the Group's international presence, the Board of Directors of Valvitalia S.p.A. has adopted specific Guidelines addressed to foreign subsidiaries and branches, aimed at promoting the adoption of organisational and compliance safeguards consistent with the principles of legality, integrity, transparency and internal control defined by the Group, in compliance with the regulations applicable in each jurisdiction.

The company is currently 75% owned by CDPE Investimenti S.p.A., which is indirectly controlled by Cassa Depositi e Prestiti S.p.A., and the remaining 25% by Finvalv S.r.l.

In summary, the Model has the following aims:

- prevent and minimise the possible risks associated with the company's activities, with particular regard to the reduction of possible unlawful conduct;
- ensure, for all those working on behalf of and on behalf of the Company, particularly in areas of risk, the awareness that they may incur an offence and be liable to penal and administrative sanctions, not only against themselves but also against the Company;
- reiterate that the Company will not tolerate unlawful conduct of any kind and for any purpose, as such conduct is in addition to transgressing the laws in force, contrary to the ethical principles to which the Company is committed.

1.2 The History of Valvitalia

The Valvitalia Group was founded in January 2002 on the initiative of Salvatore Ruggeri, current Chairman of the Board of Directors of Valvitalia S.p.A., and his son, Massimiliano Ruggeri, current Board Member and Executive Deputy Chairman.

The establishment of Valvitalia S.p.A. was the first step towards realising Salvatore Ruggeri's entrepreneurial idea of bringing together small and medium-sized Italian companies already active in the production of equipment and components for the natural gas, oil, and electricity industries. As part of an initial growth strategy based on external lines (and benefitting from the renowned excellence and quality of Italian suppliers of materials and processing in the valve industry and of energy equipment and components), a hub of Italian valves, systems, fittings and complementary products serving the aforementioned industry was established and developed, along with fire protection systems (later). This result was also achieved by virtue of the presence of a management with consolidated experience in the sector.

With a view to consolidating and expanding its presence in its sectors of activity, both in Italy and globally, the Company has over the years made acquisitions of companies or business units intending to present itself to customers as a 'One Stop Shop', i.e. as a single supplier of a wide range of products that are complementary to them.

Since 2023, the Cassa Depositi e Prestiti S.p.A. Group, through CDPE Investimenti S.p.A., holds a controlling interest in the Company's share capital of 75%.

Over the years, the Group has progressively consolidated its international presence through subsidiaries operating in various countries and a network of commercial and operational structures distributed across its key reference markets. In 2025, the Group further strengthened its international presence through the opening of a commercial branch in Dubai and the launch of new industrial investments in China, in support of its foreign market development strategy.

2. Administrative liability of organisations: regulatory overviews

Italian Legislative Decree No. 231 of 8 June 2001 (hereinafter referred to as “Italian Legislative Decree No. *231/2001*”, “*Decree*” or “*Decree 231*”), concerning the “*Regulations on the Administrative Liability of Legal*

Entities, Companies, and Associations, Including Those Without Legal Personality", introduced for the first time in our legal system the liability of Entities for administrative offences dependent on a crime. [1]

Companies, associations and entities, in general, are subject to this type of liability, nominally administrative, but essentially punitive criminal in nature, as a result of particular offences committed in their interest or to their advantage by natural persons in apical or subordinate positions within the organisation.

Decree 231 constitutes a far-reaching regulatory and cultural intervention in which, in addition to the criminal liability of the natural person who committed the offence, there is also the liability of the Organisation to the advantage or in the interest of which the offence was perpetrated.

The provisions contained in the Decree pursuant to Article 1, paragraph 2, **apply** to the following 'Parties':

- organisations with legal personality;
- companies and associations, including those without legal personality.

Pursuant to paragraph 3 below, they remain excluded from the discipline in question:

- the State;
- territorial public bodies;
- other non-economic public bodies;
- bodies that perform operations of constitutional importance.

Liability is attributable to the Organisation where the offences, indicated by the Decree, have been committed by persons linked to the Organisation in various capacities.

Article 5 of the Decree, in fact, indicates as **perpetrators of the offence**:

- the individuals who hold functions of representation, administration, or direction of the organisation or of its organisational unit with financial and functional autonomy, as well as those who effectively exercise management and control of the organisation (so-called "*top-management persons*");
- persons subject to the direction or supervision of senior persons (so-called '*subordinate subjects*').

Where the offence has been committed by **persons in a top-management position**, the Organisation's liability is expressly excluded if the Organisation proves that the offence was committed by fraudulently circumventing the existing models and there was no or insufficient control by the Supervisory Body (hereinafter '*Body*' or '*SB*') appointed for the purpose of supervising the proper functioning and effective compliance with the model.

If the offence was committed by a **person in a subordinate position**, the Organisation will be liable where the commission of the offence was made possible by the failure to comply with management and supervisory obligations. In any case, non-compliance with management or supervisory obligations is excluded if the

[1] The regulations were drawn up at the instigation of the European Union and the OECD, which have long since issued conventions on combating corruption. The Italian legislator, through Article 11 of Delegated Law No. 300/2000 and Italian Legislative Decree No. 231/2001, has implemented international protection for the fight against economic crime, which sees the organisation as a guarantor of economic interests in relation to the state and community legal systems

Organisation, prior to the commission of the offence, has adopted and effectively implemented a procedure, management and control model capable of preventing offences of the kind committed.

Moreover, the Organisation shall only be liable if the unlawful conduct was carried out by the above-mentioned persons *"**in the interest or to the advantage of the Organisation"*** (Article 5, para. 1, Italian Legislative Decree No. 231/01); therefore, it will not be liable in the event that the senior persons or employees acted '*in their own exclusive interest or in the interest of third parties*' (Article 5, para. 2, Italian Legislative Decree No. 231/01).

Conversely, liability is expressly excluded where the Organisation has adopted protocols, conducts appropriate (for the type of organisation and activity carried out) to ensure the performance of the activity itself in compliance with the law, and has identified and promptly eliminated risk situations.

Article 9 of the Decree sets out **the sanctions** that may be imposed on the Organisation. In particular, they are as follows:

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

Financial penalties are applied in instalments of not less than one hundred nor more than one thousand. The amount of a fee ranges from a minimum of Euro 258.00 to a maximum of Euro 1,549.00 and is set by the court taking into account:

- the seriousness of the offence;
- the degree of responsibility of the organisation;
- of the activities carried out by the Organisation to eliminate or mitigate the consequences of the offence and to prevent the commission of further offences;
- of the economic and asset conditions of the Organisation.

Disqualifying sanctions, on the other hand, listed in Article 9, paragraph 2, are applied in the most serious cases and are only applicable if at least one of the following conditions is met:

- as a result of the offence, the Organisation has obtained a significant profit and the offence has been committed by individuals in apical positions or by individuals subject to the direction and supervision of others, when serious organisational deficiencies determined or facilitated the commission of the offence;
- in the event of repeated offences.

The disqualification sanctions are:

- a ban on business activity;
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;

- the prohibition of contracting with the public administration, except for obtaining the services of a public service;
- exclusion from facilitations, funding, contributions or subsidies and possible revocation of those already granted;
- ban on advertising goods or services;
- appointment of a judicial commissioner (Art. 15, Italian Legislative Decree No. 231/2001).

Furthermore, it is specified that prohibitor sanctions, which may also be applied as a precautionary measure, may have a duration of no less than three months and no more than two years.

2.1 Underlying or predicate offences

The scope of application of Decree 231, originally limited to Articles 24 and 25 of the Law, was subsequently extended both by amendments to the Decree itself introduced by subsequent legislative measures and by references to the Decree itself.

As a result of these progressive expansions, the Decree applies to the following offences, in a consummated form or, limited to crimes, also simply attempted:

- Misappropriation of funds, fraud to the detriment of the State, a public body or the European Union or for the purpose of obtaining public funds, computer fraud to the detriment of the State or a public body and fraud in public procurement;
- IT crimes and unlawful processing of data;
- Organised crime offences;
- Embezzlement, misappropriation of money or movable property, extortion, undue inducement to give or promise benefits, bribery;
- Counterfeiting of coins, public credit cards, revenue stamps and identification instruments or signs;
- Crimes Against Industry and Commerce;
- Corporate offences;
- Crimes for the purpose of terrorism or subversion of the democratic order;
- Female genital mutilation practices;
- Crimes against the individual personality;
- Market abuse;
- Manslaughter or grievous or very grievous bodily harm committed in breach of the rules on the protection of health and safety at work;
- Handling Stolen Goods, Money Laundering, and Use of Money, Goods, or Benefits of Illicit Origin, as well as Self-Laundering;
- Offences relating to non-cash payment instruments and fraudulent transfer of valuables;

- Crimes Related to Copyright Infringement;
- Inducement Not to Make Statements or to Make False Statements to the Judicial Authority;
- Transnational Crimes;
- Environmental Crimes;
- Employment of third-country nationals whose stay is irregular;
- Racism and Xenophobia;
- Fraud in sports competitions, unauthorised gambling or betting and gambling exercised by means of prohibited devices;
- Tax offences;
- Smuggling and Excise
- Crimes against cultural heritage;
- Laundering of cultural goods and devastation and looting of cultural and landscape assets.

The liability of the organisation does not arise, therefore, from the commission by the persons just identified of any criminal offence, but is limited to the commission of one of the offences specified in the Decree, referred to above by families of offences and outlined in detail in the document annexed to this Model entitled "List of Offences", to which reference should be made.

Any imputation to the Organisation of liability deriving from the commission of one or more of the offences does not exclude the personal liability of the person who perpetrated the criminal conduct.

2.1.1 Offences committed abroad

Article 4 of Italian Legislative Decree No. 231/01 establishes that organisations are also liable for offences committed abroad, on the twofold condition that they have their head office in Italy and that the cases and further conditions provided for in Articles 7, 8, 9 and 10 of the Penal Code (hereinafter PC) are met, so that citizens and foreigners can be punished under Italian law for offences committed on foreign soil.

The rule also provides that the liability of organisations is prosecuted on condition that the State of the place where the act was committed does not prosecute them. Lastly, the provision stipulates that, in cases where the offender is punished at the request of the Minister of Justice, proceedings shall be brought against the organisation only if that request is also made against it.

The rules laid down in Article 4 and in the recalled provisions of the Criminal Code concern, solely, offences committed in their entirety abroad by persons having the characteristics set out in Article 5, paragraph 1, of Italian Legislative Decree No. 231/2001 and belonging to organisations with their head office in Italy. Furthermore, for a significant number of the offences included in Section III of Chapter I of the cited Decree, the punishability of such individuals and the organisation would depend on the request of the Minister of Justice.

In summary, therefore, the prerequisites necessary for the applicability of Article 4 cited and thus for the Organisation's punishability under the Decree for predicate offences committed abroad are:

1. the offence must be committed abroad by the person functionally linked to the Organisation;
2. the organisation must have its head office in Italy;
3. the Organisation may be liable in the cases and under the conditions provided for in Articles 7, 8, 9 and 10 of the Penal Code;
4. if the cases and conditions set out under 3) are fulfilled, the organisation is liable provided that the State of the place where the act was committed does not prosecute it;
5. In cases where the law provides that the offender is punished at the request of the Minister of Justice, proceedings are brought against the organisation only if the request is also made against the latter;
6. the offender at the time of prosecution must be in the territory of the State and must not have been extradited.

2.2 Exemption from liability of the Organisation

Article 6 of Italian Legislative Decree No. 231/2001 provides for the exoneration of the Organisation's liability for offences committed by persons in an apical position where the Organisation proves, before the act is committed, that

- **suitable organisation, management and control models** are in place and effectively implemented **to prevent the commission of offences;**
- A body of the organisation shall be established (so-called **'Supervisory Body'**), with powers of autonomous initiative and with the task of supervising the functioning of the organisation models;
- the offence was committed **by fraudulently circumventing existing models**;
- there has been no **omission or insufficient supervision** by the Supervisory Body.

In the case of an **offence committed by a subordinate**, on the other hand, Article 7 of the Decree **subordinates** the exclusion of the Organisation's liability to the effective implementation of an Organisation, Management and Control Model capable of guaranteeing, for the type of organisation and activity carried out, the performance of the activity itself in compliance with the law and of verifying and promptly eliminating risk situations.

The Decree also provides that, in relation to the extent of delegated powers and the risk of offences being committed, organisational models must meet the following requirements:

- identify the activities within the scope of which offences may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the Organisation's decisions;
- identify ways of managing financial resources that are suitable for preventing the commission of offences;
- establish information obligations on the part of all employees of the Organisation and of all other persons involved with the Organisation (suppliers, partners, collaborators in various capacities), vis-à-vis the Supervisory Body on the main corporate events and, in particular, on the activities considered to be at risk;

- introduce disciplinary systems suitable for penalising non-compliance with the measures indicated in the Model.

2.3 The Guidelines drawn up by the Trade Associations

Art. 6, paragraph 3, Italian Legislative Decree No. 231/2001, states that "*The organisational and management models can be adopted, ensuring the requirements referred to in paragraph 2, based on codes of conduct drafted by representative associations of the organisations. These codes must be communicated to the Ministry of Justice, which, in coordination with the relevant ministries, may provide comments on the suitability of the models for preventing crimes within thirty days*".

In this regard, in preparing the Model, the Company took into account, in addition to the regulations set forth in Italian Legislative Decree No. 231/2001, the principles expressed by Confindustria in the "Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree No. 231/2001" in the latest updated version (June 2021).

It is understood, however, that any decision not to follow the Guidelines in specific points does not affect the validity of the Model. The latter, in fact, being drafted with reference to the peculiarities of a particular company, may deviate from the Guidelines, which by their nature are general.

The following is a brief summary of the purpose and content of this document.

Overview of Confindustria Guidelines

On 7 March 2002, Confindustria drew up and communicated to the Ministry the "*Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree No. 231/2001*", referring only to offences against the Public Administration, in which it sets out the operational steps, listed below, that the organisation must take in order to activate a risk management system consistent with the requirements of Italian Legislative Decree No. 231/2001:

- a mapping of corporate risk areas. Once the types of offences affecting the organisation have been identified, the activities within which such offences may be committed are identified, as well as considering the possible methods of implementing unlawful conduct within the scope of specific corporate activities;
- specific protocols aimed at planning the training and implementation of the organisation's decisions in relation to the crimes to be prevented. The components of a preventive control system that must be implemented to ensure the effectiveness of the model are:
- a Code of Ethics, which defines ethical principles in relation to conduct that may constitute the types of offences provided for in Italian Legislative Decree No. 231/2001;
- an organisational system, defining the hierarchy of company positions and responsibilities for carrying out activities;
- an authorisation system, which assigns internal authorisation powers and external signature powers consistent with the organisational system adopted;
- operating procedures, for regulating the main corporate activities and, in particular, processes at risk and for managing financial resources;

- a management control system, highlighting critical situations at an early stage;
- a system of staff communication and training, for the purpose of the proper functioning of the model;
- the identification of a Supervisory Body, endowed with independent powers of initiative and control, entrusted with the task of overseeing the functioning and compliance of the models through periodic checks, and ensuring their update when significant violations are discovered or when changes occur in the organisation, activities, or regulations;
- specific information obligations vis-à-vis the Supervisory Body on the main corporate events and, in particular, on the activities considered to be at risk;
- specific reporting obligations on the part of the Supervisory Body to senior management and control bodies;
- a disciplinary system suitable for sanctioning the failure to comply with the measures indicated by the model.

The components of the control system must be inspired by the following principles:

- verifiability, documentability, consistency and congruence of each operation;
- separation of operations (no one can manage an entire process independently);
- documentation of controls.

Over time, the Guidelines have been updated several times to adapt to the changes in regulations and/or the evolving jurisprudential orientations, which led to the approval of its latest updated version by the Ministry of Justice on 8 June 2021.

3. The Model of Organisation, Management, and Control

3.1 Methodological Approach to the Model

This Model has been constituted in line with the latest updates to the Decree, with the guidelines and with the indications that have emerged from case law to date, considered significant for the realisation of the Model itself.

Therefore, the path for its creation followed the following steps:

- analysis of the activities carried out in the various company areas in order to identify the risks inherent in the types of offences referred to in the Decree to date (so-called "***Mapping of risk areas***");
- **assessment of the organisational and control structures** as mitigating elements of the risks of commission of the offences identified in the mapping and description of the action plans aimed at overcoming or mitigating the criticalities outlined;
- evaluation of the "***governance model***" with particular reference to the system of delegated and proxy powers, in order to identify areas for improvement of the same and more generally of the organisational model;

- preparation of suggestions for actions to improve the internal control system from the perspective of the Decree (***"Action Plan")***;
- identification and appointment of a so-called "***Supervisory Body***" (hereinafter also referred to as the "SB") - endowed with autonomous powers of initiative and control and entrusted with supervising the functioning, updating and observance of the Model and its constituent elements - and definition of the information flows between this Body and the various control bodies of the Organisation;
- drafting the organisation's **Code of Ethics**;
- preparation of an internal **Disciplinary System** aimed at sanctioning violations of the Model, the Code of Ethics and internal procedures;
- rationalisation of all the documentation produced within this final document, known as the '**Model**', which is subject to evaluation and deliberation by the organisation's Board of Directors.

The main objective of the Model, thus defined, is to set up a structured and organic system of procedures and control activities, aimed at preventing, as far as possible, the commission of conduct liable to constitute the offences contemplated by the Decree (so-called **alleged offences**).

It also constitutes a valid tool for raising awareness among all the Organisation's employees and all the other parties involved with it (suppliers, partners, collaborators in various capacities), so that they follow, in the performance of their activities, correct and straightforward conduct, such as to prevent the risk of commission of the alleged offences.

3.2 Structure and addressees of the Model

The Model consists of the following parts:

- the **General Part**, which describes the contents and impacts of the Italian Legislative Decree No. 231/01, the basic principles and objectives of the Model, its methods of adoption, dissemination, updating and application, the elements of the Model itself, the principles contained in the Code of Ethics, the tasks of the Supervisory Body, and the provision of the Disciplinary System;
- the **Special Part**, which describes in detail, with reference to the specific types of offence, the map of sensitive areas, the evaluation/construction/adaptation of the preventive control system, as well as the specific protocols relating to sensitive areas.

The rules contained in this Model apply to all those who perform, even de facto, functions of management, administration, direction or control for the Organisation, to employees, as well as to consultants, collaborators and, in general, to all third parties who act on behalf of the Organisation within the scope of the activities considered "*at risk of offence*" (hereinafter the "Recipients" of the Model).

The subjects to whom the Model is addressed are therefore required to comply fully with all its provisions, also in fulfilment of the duties of loyalty, fairness, and diligence arising from the legal relationships established with the Organisation.

3.3 Approval, Modification, and Update of the Model

Pursuant to and for the purposes of Article 6, paragraph 1, letter a of the Decree, the organisational models constitute acts of the Board of Directors (hereinafter BoD) in its collegiality. As a result, Valvitalia's Board of Directors has the exclusive authority and responsibility to approve this Model, given the current configuration of the company's governance. The formulation of any changes and additions to the Model is the exclusive responsibility of the Board of Directors (BdD), also upon the recommendation of the Supervisory Body (SB), concerning the following aspects:

- endowing the Supervisory Body with the necessary powers to perform its supervisory tasks;
- the allocation of an annual fund of adequate resources to the Supervisory Body for the proper performance of its duties;
- changes or additions to the Disciplinary System;
- the adaptation and updating of this Model.

The adoption and/or approval of the procedures/protocols that are an integral part of the Model is the responsibility of the Chief Executive Officer (CEO), following the standard process for the development/approval of corporate procedures.

As clarified in the Guidelines, the operational leadership of the Organisation, despite the establishment of the Supervisory Body (SB) pursuant to the Decree, retains all the powers and responsibilities provided by the Italian Civil Code and the Statute of the Organisation, to which are now added those related to the adoption and effective implementation of the Model as well as the functioning of the SB itself

3.3.1 Implementation of the Model

The adoption of this Model constitutes the starting point of the dynamic management process of the Model itself.

For the implementation phase of the Model, the Board of Directors, supported by the Supervisory Body, will be responsible for implementing the various elements of the Model, including the operational procedures.

In any case, the Organisation wishes to reaffirm that the proper implementation and control over compliance with corporate provisions and, therefore, the rules contained in this Model constitute an obligation and duty of all personnel and, in particular, of each Head of Department/Function/Service or Office who is entrusted, within their area of responsibility, with the primary responsibility for monitoring activities, particularly those at risk.

3.4 Mapping of the areas at risk and of controls

Article 6, paragraph 2, letter a) of the Decree stipulates that the Model must include a mechanism aimed at 'identifying the activities within which crimes may be committed.

The identification of the areas where there may be a theoretical risk of committing crimes entails a detailed assessment of all business processes, aimed at verifying the abstract configurability of the offences provided for by the Decree and the adequacy of the existing control elements to prevent their occurrence. This analysis results in an Organisation’s document entitled '*Mapping of risk areas and controls*' (hereinafter referred to as '*Mapping of the areas at risk*' or '*Mapping*'), which is kept by the Supervisory Body.

The mapping of risk areas constitutes the fundamental premise of this Model, determining the scope of effectiveness and operation of all its constituent elements. Therefore, it is subject to constant updating activities, as well as revision whenever substantial changes occur in the Organisation’s operational structure (for example, the establishment/modification of organisational units, initiation/modification of activities), or when significant legislative changes occur (for example, the introduction of new types of offences to which the applicable regulations pertain).

Updating the mapping should ensure that the following objectives are achieved:

- identify the company Departments/Functions which, in view of the tasks and responsibilities assigned to them, could be involved in activities 'at risk of offence';
- specify the alleged offences;
- specify the concrete ways in which the alleged offence is to be committed;
- identify the control elements put in place to protect the risks/offences identified.

The results that emerge from the verification activity of the Mapping of the areas at risk and the relevant controls will be the subject of specific reporting by the Supervisory Body to the Board of Directors, which will take the appropriate decisions on updating the Model.

4. Valvitalia's Corporate Governance Model and Organisational System

Valvitalia's governance model and, in general, its entire organisational system, is entirely structured to ensure that the organisation implements its strategies and achieves its objectives.

In fact, the Company's structure was created with the need to provide it with an organisation that would guarantee maximum efficiency and operational effectiveness.

4.1 Valvitalia's Governance Model

Valvitalia's governance model, aimed at ensuring maximum efficiency and operational effectiveness, is structured as follows:

- <u>Shareholder’s Meeting:</u>

The general Shareholder’s Meeting of the Company, as stipulated in Article 9 of the Articles of Association of Valvitalia (hereinafter also referred to as the 'Articles of Association'), represents the universality of the shareholders and its resolutions are passed in accordance with the law and the Articles of Association. The Shareholder’s Meeting is ordinary and extraordinary according to the law.

- <u>Chairperson of the Shareholder’s Meeting:</u>

The Shareholder’s Meeting is chaired by the Chairman of the Board of Directors, or in the event of their absence or failure to act, by the Vice-Chairman or by a Chief Executive Officer, if appointed, or by another person appointed by the Assembly, as provided for in Article 12 of the Statute.

- <u>Board of Directors:</u>

The Company is administered by a Board of Directors (BoD) consisting of 7 (seven) directors, who need not be shareholders. All members of the board of directors are appointed Shareholder’s Meeting in accordance with the law.

- <u>President and Vice-President:</u>

At the first meeting following its appointment, the Board of Directors elects - with the majorities set forth in Article 18.2 of the Articles of Association from among its members - the Chairman, if the Shareholders'

Meeting has not done so. The Board of Directors, for the duration of its term, may also elect a Vice-President from among its members with the majorities specified in Article 18.2 of the Statute.

- CEO:

The Chief Executive Officer is chosen by the Board of Directors from among its members and, among the other delegated powers, has the authority to represent the Company in any dealings with third parties, to carry out all acts, operations, and duties related to the conferred powers as well as those of ordinary administration. The Managing Director is also the Employer for safety purposes within the meaning of Italian Legislative Decree No. 81/2008 and subsequent amendments.

- Board of Auditors:

The Board of Auditors consists of five members, three of whom are full members and two alternates.

- Auditing Company:

The Company has appointed a statutory auditor for the purpose of compliance of the annual financial statements with the law.

- Appointments and Remuneration Committee:

The Appointments and Remuneration Committee (the 'Committee') of Valvitalia consists of three Directors appointed by the Board of Directors, one of whom acts as Chairman. The President of the Committee is elected, by majority vote, from among the members of the Committee at its first meeting. The President chairs the Committee and coordinates its work.

Finally, on 30 March 2023, a shareholders' agreement was signed between Finlav S.r.l. and Salvatore Ruggeri (Knight of Industry), Massimiliano Ruggeri, Luca Ruggeri (on one side) and CDPE Investimenti S.p.A. (on the other hand), as well as Valvitalia Finanziaria S.p.A. and Valvitalia S.p.A..

4.2 Organisational responsibilities and authorising powers

As clarified by the Guidelines, the organisational system must be sufficiently formalised and clear, particularly regarding the assignment of responsibilities, lines of hierarchical dependence, and the description of tasks, with specific provisions for control principles, such as the separation of duties.

The organisational structure of the organisation has been formalised in an organisational chart that identifies the lines of hierarchical dependence and the functional links between the various positions of which the structure is composed.

With reference to the authorisation system, the Confindustria Guidelines require that the powers of authorisation and signature be assigned in accordance with the defined organisational and managerial responsibilities. All this providing, when necessary, a precise indication of the expenditure approval thresholds, especially in areas considered at risk of crime, as stipulated by the delegated authorities and powers granted.

In addition, to the extent relevant to the Decree, the Organisation shall:

- update the division of powers and the system of delegated powers following amendments and/or additions thereto;

- set up a formalised information flow to all functions, in order to ensure timely communication of powers and related changes;
- support the Supervisory Body in carrying out a periodic verification of compliance with signature powers.

4.2.1 Control Principles and Organisational Procedures

As clarified by the Confindustria Guidelines, procedures must ensure compliance with the following principles:

- "*Every operation or transaction must be: verifiable, documented, consistent, and appropriate*".

With this principle, the Organisation intends to ensure that, especially in activities found to be at risk, there is adequate documentary support (so-called "*traceability*') on which checks can be carried out at any time. To this end, it should be possible to easily identify for each transaction who authorised the transaction, who materially carried it out, who recorded it, and who carried out a check on it. The traceability of transactions can also be ensured through the use of computer systems capable of managing the operation, enabling compliance with the requirements described above.

- *"no one can manage an entire business process in total autonomy".*

The control system must verify whether there are processes within the Organisation that are managed by a single individual and, in such cases, take the necessary steps to implement the required changes to ensure the so-called principle of "*separation of roles*". To ensure this requirement, different parties should be responsible for different stages of the process, including authorisation, accounting, execution, and control.

Moreover, in order to guarantee the principle of separation of roles, authorisation and signature powers should be accurately defined, assigned and communicated so that no one is granted unlimited authority.

- "*the checks carried out must be documented*".

The procedures used to carry out the controls must ensure the possibility of retracing the control activities performed, in order to allow for the evaluation of the consistency of the methodologies adopted (*self-assessment, sample investigations*, etc.) and the accuracy of the results obtained (e.g., *audit* reports).

In addition, the organisation establishes that the following control principles must be ensured in all risk activities revealed by the Mapping exercise, as well as in all corporate processes:

- ensure integrity and ethics in the performance of activities, through the provision of appropriate rules of conduct aimed at regulating each specific activity considered to be at risk;
- formally defining the tasks and responsibilities of each function of the organisation involved in activities at risk;
- allocate decision-making responsibilities in a manner commensurate with the degree of responsibility and authority conferred;
- correctly define, assign and communicate the powers of authorisation and signature, providing for a precise indication of expenditure approval thresholds, when required, so that no person is granted unlimited discretionary powers;

- ensure the principle of role separation in the management of processes, by assigning the crucial stages of the process and, in particular, that of authorisation, execution and control, to different parties;
- regulate the activity at risk, providing for appropriate control points (checks, reconciliations, balancing, information mechanisms, etc.);
- ensure the verifiability, documentability, consistency and appropriateness of each operation or transaction. To this end, the traceability of the activity must be ensured through adequate documentary support on which checks can be carried out at any time. It is therefore advisable that for each operation, it should be easy to identify who authorised the operation, who physically carried it out, who was responsible for its recording, and who performed a control on it. The traceability of operations is ensured with a higher level of certainty through the use of information systems capable of managing the operation while allowing for compliance with the aforementioned requirements.
- ensure the documentability of the checks carried out. To this end, the procedures used to implement the controls must ensure the possibility of retracing the control activities performed, in order to allow for the evaluation of the consistency of the methodologies adopted and the accuracy of the results obtained.
- ensure the presence of appropriate *reporting* mechanisms that allow systematic reporting by the personnel carrying out the activity considered at risk (written reports, reports, etc.);
- ensuring the reliability of financial reporting to senior management;
- ensure the presence of appropriate channels of communication with the Supervisory Body, which may request information and/or meetings with the individual heads of function and with the personnel dedicated to carrying out the activities identified as sensitive under the Italian Legislative Decree. 231/2001;
- provide for control and monitoring moments on the correctness of the activities carried out by the individual functions within the framework of the process in question (compliance with rules, correct use of signature and spending powers, etc.).

It will be the responsibility of the Supervisory Body to ensure that the competent company departments promptly check and adapt their processes to the above principles.

The outcome of this verification and adjustment process must be the subject of a specific periodic *report* by the company Departments/Employees within their competence, in accordance with the procedures and timeframe established by the Supervisory Body itself.

4.2.2 Financial Resource Management System

Article 6, paragraph 2, letter c) of the Decree states that the models must provide for "*methods of managing financial resources suitable to prevent the commission of crimes*".

The Confindustria Guidelines recommend the adoption of procedural mechanisms for decision-making that, by making the various phases of the decision-making process documented and verifiable, prevent the improper management of the organisation's financial resources.

Also based on the principles outlined in the aforementioned Guidelines, the control system related to administrative processes, and in particular to the management of financial resources, is based on the separation of roles in the key phases of the process. This differentiation should be adequately formalised, and there should be good traceability of the acts and authorisation levels associated with the operations.

In particular, the specific control elements are as follows:

- existence of different actors operating at different stages/activities of the process;
- request of the payment order to discharge the duly formalised obligation;
- reconciliations at year-end;
- existence of authorisation levels for payment request and disposition;
- systematically carrying out reconciliations of intra-group accounts and relations with credit institutions, with the accounting results.

These Procedures/Protocols form an integral part of this Model and violation of the rules laid down therein may lead to the application of the Model's Disciplinary System.

Based on the principles indicated in the aforementioned Guidelines, the control system concerning administrative processes and, in particular, the management of financial resources must be subject to appropriate oversight by all functions involved. This is in the name of the principle of accountability of those functions, as well as by the control bodies/functions of the Organisation, and specifically for the purposes of the Decree, by the Supervisory Body, which must report in periodic communications to the Board of Directors on the controls carried out regarding knowledge, correct application, and compliance with these procedures.

Amendments to the aforementioned Procedures/Protocols must be communicated to the Supervisory Body for the fulfilment of its tasks.

4.2.3 Organisation representation

In order to manage the possible situations of incompatibility of the legal representative of the company, if the same is under investigation or accused of the offence on which the administrative offence under Italian Legislative Decree No. 231/01 contested against the company, pursuant to Article 39 of Italian Legislative Decree No. 231/01, a specific procedure for the appointment of the defence counsel for the company itself is envisaged int the corporate organisation.

5. Code of Ethics

The adoption of the Code of Ethics proves to be a useful governance tool and constitutes an essential element of the preventive control system. The Code of Ethics, in fact, aims at recommending, promoting or prohibiting certain behaviours to which sanctions can be linked proportionately to the gravity of possible infringements committed.

The principles included in the Code (hereinafter also the 'Code') are addressed to: directors, managers, employees, consultants, collaborators, agents, proxies and third parties working on behalf of the organisation.

Therefore, the Code is directly applicable to those subjects to whom compliance with ethical principles can be contractually agreed upon.

The Supervisory Body is in charge of monitoring the operation of and compliance with the Code of Ethics with respect to the Organisation's specific activities, promptly notifying the Board of Directors of any inconsistency or need for updating.

Any doubts regarding the application of the principles and rules contained in the Code must be promptly discussed with the Supervisory Body. Similarly, anyone who becomes aware of violations of the principles of the Code of Ethics or other events that could undermine its scope and effectiveness is required to promptly report them to the Supervisory Body.

In the event that any provision of the Code conflicts with the provisions set forth in internal regulations or procedures, the provisions of the Code shall prevail.

The failure to comply with the principles and rules of conduct contained in the Code will result in the application of the disciplinary measures outlined in the Organisation's Disciplinary System as provided by the Model.

Any amendments to the Code of Ethics are the responsibility of the Board of Directors.

6. Disciplinary System

The effective implementation of the Model must be ensured by an adequate Disciplinary System that sanctions non-compliance with and violations of the rules contained in the Model itself and its constituent elements. Such breaches must be disciplined, irrespective of the possible establishment of a criminal judgment, as it constitutes a breach of duty of diligence and loyalty of the worker and, in the most serious cases, a breach of the trust relationship established with the employee.

As clarified by the Confindustria Guidelines, the provision of a disciplinary system and sanctioning mechanisms must be differentiated based on the various types of employment relationships (employees, executives, directors, external collaborators) and, in the case of subordinate employment relationships, must comply with the procedures set forth in Article 7 of the Workers' Statute (Law No. 300/1970), special legislation, and the principle of specificity of violations concerning so-called maintenance sanctions of the relationship.

In this regard, the Organisation has introduced a Disciplinary System for the purposes of Italian Legislative Decree No. 231/2001, aimed at sanctioning any violations of the principles and provisions contained in this Model, both by employees of the Organisation - managers and non-managers - and by directors, members of the Supervisory Body and auditors, as well as by consultants, collaborators and third parties.

The Disciplinary System is set out in the document "Disciplinary System" attached to this Model and forms an integral part of it.

7. Supervisory Body

The Italian Legislative Decree No. 231/2001, in Article 6, paragraph 1, letter b), provides that among the essential prerequisites for the exemption from the administrative liability of the Organisation, there must be the establishment of an internal body **within** the Organisation - the so-called **Supervisory Body** - endowed with autonomous powers of initiative and control, which has the task of supervising the operation of and compliance with the Model and ensuring that it is updated.

7.1 Identification of the Supervisory Body

7.1.1 Requirements and composition

In line with the functions established by the aforementioned regulation, the Supervisory Body (SB) must meet the following requirements:

- **Autonomy and independence:** as also specified in the Guidelines, the position of the Body within the Organisation "must guarantee the autonomy of the control initiative from any form of interference and/or conditioning by any component of the Company" (including the governing body). The Supervisory Body (SB) must therefore be positioned as a staff unit in a hierarchical position (as high as possible), with the expectation of reporting to the highest operational level of the Organisation. Furthermore, in order to ensure the necessary autonomy of initiative and independence, it is essential that the Supervisory Body (SB), understood as an organisation rather than an individual member, is not assigned operational tasks that, by involving it in decisions and operational activities, would undermine its objectivity in assessing behaviours and the Model during audits. It should be noted that 'operational tasks' for the purposes of this Model and of the Organisation's activity, means those tasks involving spending powers and authorisation powers, and/or those activities expressing a management power, even where there is no availability related to the budget;

- **professionalism**: this requirement refers to the specialised technical skills that the Supervisory Body (SB) must possess in order to carry out the activities assigned to it by the regulation. In particular, the members of the Supervisory Body must have specific knowledge in relation to any useful technique for carrying out inspections, consultancy in analysing the control system and of a legal nature (particularly in the criminal and corporate sector), as clearly specified in the Guidelines. In fact, knowledge of risk analysis and assessment techniques, flow charting of procedures and processes, fraud detection methodologies, statistical sampling and the structure and modalities of offences is essential;

- **continuity of action:** in order to ensure the effective implementation of the organisational model, constant and continuous operation is required.

In implementation of the provisions of the Decree and the Confindustria Guidelines, and in compliance with the requirements of autonomy, independence, professionalism and continuity of action just illustrated, the Organisation's Supervisory Body has been identified as a collegial body (three members, one of whom acts as Chairman).

7.1.2 Appoints

The Board of Directors appoints the collegial Supervisory Body, which is responsible for carrying out all the formalities relating to convening the Supervisory Body, setting the topics to be discussed and holding the meetings.

The appointment of the Supervisory Body (SB) by the Board of Directors (BoD) is communicated to each appointed member and formally accepted by them. The assignment of the role is formally communicated by the Board of Directors (BoD) to all company levels through the circulation of an internal announcement that outlines the powers, tasks, and responsibilities of the Supervisory Body (SB), as well as its composition and the purposes of its establishment.

7.2 Functions and powers

The tasks of the Supervisory Body are mainly those of:

- supervising the effectiveness of the Model, i.e. ensure that the conduct implemented within the Organisation corresponds to the prepared Model;
- verifying the adequacy of the Model, assessing its concrete suitability to prevent the occurrence of the offences provided for in the Decree and subsequent provisions amending its scope;
- verifying over time the permanence of the aforementioned requirements of effectiveness and adequacy of the Model;
- monitoring the updating of the Model, in order to adapt it to regulatory changes and changes in the organisation's structure.

In order to enable the performance of the tasks described above, the Supervisory Body:

- has free access to all the organisation's documentation;
- avail itself, under its direct supervision and responsibility, of the assistance of all the Structures of the Organisation or of external consultants.

In addition, the Supervisory Body receives an allocation of financial resources to ensure the proper performance of the tasks assigned to it.

7.3 System of information flows to and from the Supervisory Body

7.3.1 Reporting by the Supervisory Body to the Company Bodies

The Supervisory Body reports the results of its activities to the Board of Directors and, in particular, reports on the implementation of the Model and any critical issues related thereto.

More specifically, the Supervisory Body must report:

- continuously to the CEO;
- periodically, at least once a year, to the Board of Directors.

With regard to this form of reporting to the Board of Directors, the Body:

- prepare an annual report summarising the work of the Supervisory Body (overall activities carried out, activities not carried out for justified reasons of time and resources, necessary and/or appropriate corrective/improvement measures of the Model and their state of implementation) the results obtained from the activity carried out and the work plan for the next reference period (activity plan).
- periodically communicates to the Board of Directors, the progress of the defined programme (i.e. the criticalities and deficiencies found in the company processes, the necessary and/or appropriate corrective/improvement interventions in the Model and their implementation status) and any changes made to the plan, giving reasons;

- immediately notifies the Board of Directors of any significant issues arising from the performance of activities.

Lastly, the Body must coordinate with the competent corporate departments within the Company for the various specific profiles.

Meetings with the Company's bodies to which the Supervisory Body (SB) reports must be recorded in minutes, and a copy of the minutes, including in electronic format, is kept by the SB itself in a designated archive, as defined within the specific regulations adopted autonomously by the Supervisory Body.

The Supervisory Body may be convened at any time by the Board of Directors to report on particular events or situations relating to the effectiveness and efficiency of the Model. It may also at any time ask to be heard should it deem it appropriate to examine or intervene on the adequacy of the Model.

7.3.2 Reporting to the Supervisory Body

Article 6, paragraph 2, letter d) of Italian Legislative Decree No. 231/01 mandates the inclusion of informational obligations in the organisational, management, and control model towards the Supervisory Body. The obligation for a structured flow of information is designed as a tool to ensure oversight on the effectiveness and efficiency of the Model and for the potential subsequent investigation of the causes that made the commission of the crimes outlined in the Decree possible. In particular, in addition to the information specifically required in the corporate procedures, information of a reporting/reporting nature, or information/reports on events and/or sensitive activities with periodic intervals, must be promptly transmitted to the Supervisory Body by all corporate departments.

These dedicated communication channels are set out below:

- e-mail address: organismodivigilanza@valvitalia.com specifically dedicated to communications for the Supervisory Body.

All information subject to reporting and information to the Supervisory Body is specifically indicated and regulated in the Protocol "Information flows to the Supervisory Body", which is an integral part of this Model, to which reference should be made.

8. Whistleblowing

In compliance with the provisions of Italian Legislative Decree No. 24 of 10 March 2023[2], which, among other things, amended Art. 6 of the Italian Legislative Decree No. 231/01, and with the provisions set forth by both the ANAC Guidelines and the Confindustria Operational Guide, the Company has activated appropriate internal reporting channels aimed at allowing individuals specifically identified in Article 3 of Italian Legislative Decree No. 24/2023 to make reports concerning violations of European Union law or national regulatory provisions that they have become aware of within their work context (i.e., subordinate workers, self-employed workers, collaborators, freelancers, consultants, interns, shareholders, members of the governing and control bodies, etc.).
Pursuant to Italian Legislative Decree No. 24/2023, 'breaches' constitute conduct, acts or omissions liable to harm the public interest or the integrity of the public administration or private organisation concerned:

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[2] Italian Legislative Decree. March 10, 2023, No. 24 *"Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council, of October 23, 2019, concerning the protection of persons who report violations of Union law and containing provisions regarding the protection of persons who report violations of national regulatory provisions"*, published in Official Gazette No. 63 on March 15, 2023.

a) violations of national and European provisions consisting of offences in specifically identified areas (public procurement; services, products and financial markets and prevention of money laundering and terrorist financing; product safety and compliance; environmental protection; public health; consumer protection; privacy and personal data protection; network and information system security; etc.);
b) infringements of European provisions consisting of: (i) acts or omissions affecting the financial interests of the Union; (ii) acts and omissions concerning the internal market; (iii) acts and conduct which undermine the object or purpose of the provisions of Union acts in the areas referred to above;
c) violations of national provisions consisting of: i) administrative, accounting, civil or criminal offences; ii) unlawful conduct relevant under Italian Legislative Decree No. 231/2001 or violations of organisational models (not falling within the previous categories of violations of national and European provisions).

In particular, the Company has activated the following reporting channels:

- **computer platform** prepared by Valvitalia accessible from the following link: https://valvitalia.integrityline.com/ (or in the appropriate section of Valvitalia's company website) that allows the sending of written reports as well as a telephone messaging service for oral reports and related filing of the latter. The platform allows the whistleblower to monitor and update the whistleblowing after the original submission as well as to receive feedback on the taking charge and follow-up received;
- **traditional postal address:** send to Valvitalia's administrative headquarters at Via Tortona 69, Rivanazzano Terme (PV), a paper package addressed to the Supervisory Body and the Head of the Legal Department as the Reporting Manager. The submission must be made using the so-called double envelope system (the whistleblower's identification data in one envelope; the contents and documentation related to the report in another; both contained in a third envelope).
- **Direct meeting:** through the platform or through informal channels, the whistleblower can also request a direct meeting with the Reporting Manager. The meeting must be guaranteed within 5 working days, unless justified reasons and circumstances and in any case, it must take place within a reasonable time. The place designated to host this meeting must guarantee the confidentiality of the whistleblower. Subject to the consent of the whistleblower pursuant to Art. 14 paragraph 4 of the Whistleblowing Decree, the Manager will fully transcribe what was reported by the whistleblower in a report and submit it to the whistleblower to make any changes. The whistleblowing must be signed by the Manager and the whistleblower. A copy of the signed whistleblowing is issued to the latter.

Valvitalia S.p.A. has entrusted the management of internal reporting channels to the Valvitalia S.p.A. Supervisory Body (also '*Reporting Manager*') in charge of ensuring compliance with regulatory requirements concerning the receipt, analysis and response to reports received.

The whistleblower may use the external reporting channel set up by the ANAC where the following conditions are met:

- in the work context, the internal channel is not foreseen as mandatory or, if foreseen, has not been activated;
- the report was not followed up;
- has reasonable grounds to believe that if it were to report internally, it would not be followed up or that it would face retaliation;
- has reasonable grounds to believe that the violation may constitute an imminent or obvious danger to

the public interest.

The whistleblower may also make a public disclosure of information about the breach that he or she has come into possession of in the context of work, if the following conditions are met:

– the whistleblower had previously used the internal or external channel, but there was no acknowledgement or no follow-up within the deadline;
– the whistleblower has reasonable grounds to believe that the violation may constitute an imminent and obvious danger to the public interest;
– the whistleblower has reasonable grounds to believe that external reporting may involve a risk of retaliation, or that it may not be effectively followed up due to specific circumstances of the concrete case.

It should be noted that violations concerning unlawful conduct relevant pursuant to Italian Legislative Decree No. 231/2001 or violations of the Organisation, Management and Control Model (where they do not fall within the scope of violations of national and European provisions) may be made through internal reporting channels only.

The Company acts to protect whistleblowers against any form of retaliation, discrimination or penalisation, while also ensuring the confidentiality of the whistleblower's identity and that of other involved persons, except for legal obligations and the protection of the rights of the Company or the people involved.

The Company has provided for specific measures to protect *whistleblowers* and the other persons identified by Article 3 of Italian Legislative Decree no. 24/2023, so that they are not subject to retaliation, discrimination or, in any case, penalisation in connection with *whistleblowing*.

Any act taken in violation of the aforementioned measures and the provisions of Italian Legislative Decree No. 24/2023 shall be null and void.

Without prejudice to the sanctions that may be imposed by civil or criminal authorities pursuant to Article 16 of Italian Legislative Decree No. 24/2023, and without prejudice to the administrative sanctions applied by ANAC pursuant to Article 21 of Italian Legislative Decree No. 24/2023, the Disciplinary System adopted by the Company (attached to this Model) provides for, among other things, the imposition of disciplinary measures against anyone who violates the provisions of Italian Legislative Decree No. 24/2023 regarding the reporting of illegal conduct, with particular reference to:

- the conduct of those who submit unjustified reports with fraud or gross negligence;
- retaliatory behaviour[3] engaged in by reason of the report, whistleblowing or public disclosure that causes or is likely to cause, directly or indirectly, unfair harm to the whistleblower or person who made the report;
- breaches of whistleblower protection measures, including with regard to the obligation of

[3] Exemplified in Article 17 of Italian Legislative Decree No. 24/2023: a) dismissal, suspension, or equivalent measures; b) demotion or withholding of promotion; c) change of duties, change of workplace, reduction in wages, change in working hours; d) suspension of training or any restriction on access to it; e) negative performance assessments or negative references; f) imposition of disciplinary measures or other sanctions, including financial penalties; g) coercion, intimidation, harassment, or ostracism; h) discrimination or unfavourable treatment; i) failure to convert a fixed-term employment contract into a permanent one, where the worker had a legitimate expectation of such conversion; l) non-renewal or early termination of a fixed-term contract; m) harm, including to the person's reputation, particularly on social media, or financial or economic loss, including loss of business opportunities and loss of income; n) blacklisting on the basis of a formal or informal sector or industry-wide agreement, which may entail that the person will not find employment in the sector or industry in the future; o) early termination or cancellation of a contract for goods or services; p) cancellation of a license or permit; q) psychiatric or medical referrals.

confidentiality;

- the conduct of those who obstruct or attempt to obstruct the reporting;
- as of failure or inefficiency in the verification and analysis of reports.

The Company prepares a special notice for external addressees, to be published in a special section of the corporate website.

The Company has adopted a specific procedure "Whistleblowing Procedure" (COMP - 3.2) for the purpose of regulating the management of whistleblowing reports and the reporting channels activated by Valvitalia S.p.A..

9. Training and dissemination of the Model

9.1 Model Training Plan

Internal training is an essential tool for effective implementation of the Model and for widespread dissemination of the behavioural and control principles adopted by Valvitalia, with the aim of reasonably preventing the crimes outlined in Italian Legislative Decree No. 231/20013.

To this end, the department responsible for personnel training and development activities, in collaboration with the Supervisory Body (SB), promotes the implementation of a specific training plan for the individuals who are the intended recipients of this Model, regarding the contents of this document and the Decree.

The requirements that the training programme must respect are as follows:

- be adapted to the position held by the subjects within the organisation (newly recruited, clerk, manager, director, etc.)
- content needs to be differentiated depending on the activity of the subject within the company (risk activities, control activities, non-risk activities, etc.)
- the frequency of training activities should be a function of the degree of change to which the external environment in which the Organisation operates is subject, as well as the learning capacity of the personnel and the level of commitment of management to lend authority to the training activities carried out;
- the speaker must be a competent and authoritative person in order to ensure the quality of the content covered and to make explicit the importance of the training in question for Valvitalia and the strategies it intends to pursue;
- participation in the training program must be mandatory and appropriate control mechanisms must be defined to verify the attendance of individuals and the level of learning of each participant.

Training can be classified as general or specific. In particular, general training must affect all levels of the organisation in order to allow each individual to:

- be familiar with the precepts laid down in Italian Legislative Decree No. 231/2001 and to be aware that Valvitalia intends to make them its own and make them an integral part of the organisation's culture;
- know the objectives that the organisation aims to achieve through the implementation of the Model and the ways in which each person's duties can contribute to achieving them;
- be aware of one's role and duties within Valvitalia's internal control system;

- know which behaviours are expected or acceptable and which are unacceptable by Valvitalia;
- know the appropriate reporting channels for the type of information one wants to communicate and the person to whom one wants to deliver the communication, and, in particular, to know who to report to and how to report the presence of anomalies in the performance of company activities;
- be aware of the disciplinary measures applicable in case of violations of the rules of this Model;
- know the powers and duties of the Supervisory Body.

Specific training, on the other hand, concerns all those individuals who, due to their activities, require specific skills in order to manage the peculiarities of the activity itself, such as personnel operating in areas identified as potentially "at risk of crime". These individuals should be recipients of both general and specific training. In particular, specific training should enable the individual to:

- be aware of the potential risks associated with their activity, as well as of the specific control mechanisms to be activated in order to monitor the activity itself;
- know the techniques for assessing the risks inherent to the activity carried out, as well as the exact methods for carrying it out and/or the procedures that regulate it, in order to acquire the ability to identify any anomalies and report them in the manner and timeframes suitable for implementing possible corrective actions.

Individuals responsible for internal control who are responsible for monitoring activities that are potentially at risk are also recipients of specific training, in order to make them aware of their responsibilities and their role within the internal control system, as well as of the sanctions to which they are subjected in the event that they disregard these responsibilities and this role.

In case of significant modifications and/or updates to the Model, focused in-depth modules must be organised to provide knowledge of the changes that have occurred.

Finally, specific modules are organised for new employees who are destined to work in high-risk areas.

9.2 Communication of the Model

In line with the provisions of Italian Legislative Decree No. 231/2001 and the Confindustria Guidelines, the Organisation promotes adequate dissemination of this Model, in order to ensure that all personnel are aware of all its elements.

Communication must be widespread, effective, clear, and detailed, with periodic updates related to changes in the Model.

In particular, communication to be effective must:

- be sufficiently detailed in relation to the target hierarchical level;
- use the most appropriate and easily accessible communication channels for the recipients of the communication in order to provide information in a timely manner, allowing the intended personnel to utilise the communication effectively and efficiently;
- be of high quality in terms of content (including all necessary information), timeliness, updates (must contain the most recent information), and accessibility.

Therefore, the actual communication plan regarding the essential components of this Model must be developed, in accordance with the principles defined above, through the corporate communication channels deemed most suitable, such as, for example, sending emails and/or publishing on the organisation's network and/or classroom training.

9.2.1 Information to collaborators and partners

The organisation also promotes awareness of the principles and rules laid down in the Code of Ethics and this Model among consultants, partners, collaborators in various capacities and suppliers. These parties will therefore be provided with specific information and mechanisms for the insertion and acceptance of specific contractual clauses, included in the relevant contractual schemes.