

ORGANISATION, MANAGEMENT AND CONTROL MODEL

GENERAL PART

NEXT GEOSOLUTIONS EUROPE S.p.A.

Approved by the Board of Directors of the Company on 27 September 2024			
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1. DEFINITIONS

In this Model, in addition to the additional expressions defined from time to time in the text and not referred to in this paragraph, the following expressions will have the meaning set out below:

ANAC	the Italian National Anti-Corruption Authority
Senior Executives	the members of the Board of Directors and of the Executive Committee (if any), the General Manager (if appointed), as well as the members of any other corporate bodies of the Company established pursuant to Art. 2380 of the (It.) Civil Code or special laws, the members of the Board of Statutory Auditors, the registered auditor, as well as any other person in a senior executive position, which means any person who holds functions of representation, administration or management of the Company pursuant to (It.) Legislative Decree no. 231/2001
Autonomous workers	persons who have an autonomous working relationship with the Company, as referred to in Title III of Book V of the (It.) Civil Code, including the persons referred to in Chapter I of (It.) Law no. 81/2017
Applicants	individuals participating in a selection process for an employee position with the Company
Customers	parties, both public and private, that have contractual relations with the Company for the sale of goods or the provision of services by the Company
Code of Ethics	the code of ethics adopted by the Company
Collaborators	persons who have a collaboration relationship with the Company, as referred to in Article 409 of the (It.) Code of Civil Procedure and in Art. 2 of (It.) Legislative Decree no. 81/2015
Consultants	parties that have contractual relationships with the Company for the provision of services of a consulting nature
Addressees	jointly, Autonomous Workers, Collaborators, Consultants, Employees, Company Officers, Suppliers, Freelancers, Managers and Third Parties
Employees	the persons who have an employment relationship with the Company, including persons whose employment relationship is governed by (It.) Legislative Decree no. 81/2015, or by Article 54-bis of (It.) Legislative Decree no. 50/2017, converted, with amendments, by (It.) Law no. 96/2017
(It.) Legislative Decree no. 231/2001	(It.) Legislative Decree of 8 June 2001, no. 231 concerning the <i>"Regulations governing the administrative liability of legal persons, companies and associations, including those without legal personality"</i>

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(It.) Legislative Decree no. 24/2023	(It.) Legislative Decree of 10 March 2023, no. 24 on <i>"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 for the protection of persons who report breaches of national laws"</i>
Suppliers	parties, both public and private, that have contractual relations with the Company for the supply of goods or the provision of services
Group	the group of companies to which the Company belongs
Freelancers	parties, other than Consultants, who have contractual relations with the Company for the provision of services of an intellectual nature
Guidelines	the guidelines for drafting organisation, management and control models issued by Confindustria, in the version in force from time to time
Model	the organisation, management and control model adopted by the Company pursuant to (It.) Legislative Decree no. 231/2001
Supervisory Body	the supervisory body set up by the Company pursuant to (It.) Legislative Decree no. 231/2001
Governing Body	the Company's Board of Directors
Control Body	the Company's Board of Statutory Auditors
Person Involved	the natural or legal person mentioned in the internal or external report or in the public disclosure as the person to whom the breach is attributed or as a person otherwise implicated in the reported or publicly disclosed breach
Reporting Person	the natural person who makes the report or public disclosure of information about violations acquired in the context of his or her work context
Predicate Offences	the offences referred to in (It.) Legislative Decree no. 231/2001
Managers	the heads of one or more divisions or organisational units with financial and/or functional autonomy of the Company according to the Company's organisational chart as in force from time to time
Auditor	the registered auditing firm appointed by the Company
Report	the communication, written or oral, of information concerning Breaches committed or likely to be committed in the organisation with which the Reporting Person has a legal relationship
External Report	the Report submitted through the external reporting channel
Internal Report	the Report submitted through the internal reporting channel
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Third Parties	third parties, other than Collaborators, Autonomous Workers, Suppliers, Consultants, Freelancers and Customers, who have medium-/long-term contractual relationships with the Company (i.e. of a duration of 18 months or more, also taking into account any contractual renewals), including but not limited to, sponsors, sponsored parties, licensees, parties participating in temporary business associations to which the Company is a party, joint ventures in which the Company is in a relationship of control or connection pursuant to Art. 2359 of the (It.) Civil Code (as well as the shareholders of the Company in such joint ventures) or other parties expressly identified as such by the Company in connection with one or more transactions.
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2. THE DECREE

(It.) Legislative Decree no. 231/2001 introduced in Italy the so-called administrative liability of entities, which also includes corporations.

This liability arises from the commission or attempted commission of certain offences identified by (It.) Legislative Decree no. 231/2001, in the interest or to the advantage of the entity itself, by: (i) persons in positions of representation, administration or management of the entity or of one of its organisational units with financial and functional autonomy, as well as persons exercising, including de facto, the management and control of the entity, such as directors (also de facto), general managers, executives, etc.; (ii) persons subject to the management or supervision of the latter.

With reference to sanctions, (It.) Legislative Decree no. 231/2001 envisages, if the liability of the entity is established, the application of:

- fines (up to a maximum of EUR 1,549,000);
- interdictory sanctions, which limit or prevent the exercise of certain activities, including (i) prohibition (definitive or temporary) from exercising the activity; (ii) suspension or revocation of authorisations, licences or concessions instrumental to the commission of the offence; (iii) prohibition to contract with the Public Administration; (iv) exclusion from facilitations, financing, contributions or subsidies and possible revocation of those granted; (v) prohibition to advertise goods or services; (vi) suspension or revocation of authorisations, licences or concessions instrumental to the commission of the offence;
- confiscation of the price or profit of the offence;
- publication of the judgment.

The entity is not liable (and is therefore exempt from liability) for the offence committed by the aforementioned parties if it proves that its organisation is capable of preventing and suppressing the commission of the offences. Among other things, the entity must prove that:

- the governing body has adopted and effectively implemented an organisation, management and control model capable of preventing offences of the kind that have been committed;
- the task of supervising the functioning of and compliance with the Model and ensuring that it is kept up to date has been entrusted to a body of the entity endowed with autonomous powers of initiative and control;
- the persons committed the offence by fraudulently circumventing the organisation and management models;
- it was not the case of absent or insufficient supervision by the body referred to in the second point.

To this end, the Company has defined and adopted its own organisation, management and control model and appointed its own supervisory body.

For a detailed description of the regulations of (It.) Legislative Decree no. 231/2001, please refer to the regulatory appendix attached to the Model.

3. THE COMPANY

Next Geosolutions Europe S.p.A. ("**NEXTGEO**" or the "**Company**") is a company incorporated under Italian law part of Marnavi Group, based in Naples.

The Company holds 100% of the share capital of Next Geosolutions UKCS Ltd. (a company incorporated under English law), 100% of the share capital of Next Geosolutions B.V. (a company incorporated under Dutch law), 80% of the share capital of Seashiptanker S.r.l., 100% of the share capital of Phoenix Offshore S.r.l., 100% of the share capital of Subonica S.r.l. and 50% of the share capital of NextPoli S.r.l.

As of 22 May 2024, the Company is listed on Euronext Growth Milan.

3.1. Corporate purpose

The Company provides marine geoscience services (including geophysical, geotechnical, environmental and marine archaeological survey services) as well as support services for the construction of offshore infrastructure and assets, particularly in the marine energy sector.

In particular, pursuant to its articles of association, the company's object is, *inter alia*:

- performance and management of studies, research, surveys, measurements, detections and programming in the areas of oceanography, geophysics, geotechnics, oceanology, hydrography, meteorology, geodesy, navigation;
- performance of feasibility studies and environmental impact assessments and studies;
- performance and management of studies, research, surveys and measurements of environmental, ecological, chemical, physical and biological parameters;
- execution and operation of maritime, land and underwater works;
- construction and operation of pilot systems;
- development and application of systems and techniques to safeguard and develop the environment;
- performance and management of studies, research, surveys and measurements related to archaeology and the preservation of landscape and monumental assets;
- performance of studies, research, surveys, measurements and interventions in the field of research, production and use of energy sources, mineral resources and resources in general;
- provision of professional training of personnel working in these fields;
- development of electronic programs (software), their update and maintenance, their installation on electronic products (hardware) and the subsequent sale of both;
- development, management and sale of electronic systems, integrated hardware and software systems, monitoring networks and new technologies in these fields;
- commercial and technical support for the preparation of special ships;
- collection, analysis, processing, interpretation and cartographic rendering of data;
- construction, management and sale of GIS (geographic information systems), integrated hardware and software systems for managing spatial data;
- business support services for the planning, management, control and auditing of projects, of works and productive activities in the aforementioned fields;
- logistical, technical, technological, regulatory and commercial assistance and support services to companies in the aforementioned fields;
- marketing, advertising and sales promotion services and activities in the aforementioned fields or other areas.

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The Company, always in accordance with its articles of association, may also deal with:

- the management, direct and/or on behalf of third parties, of ships, also owned by third parties, as well as the armament, crew recruitment, technical management, stipulation of insurance policies with insurance companies and/or brokers, relating to ships and crews used for the pursuit of the business purpose;
- the completion at port and customs authorities and at any other competent office of all operations and activities related with the marine and naval industry.

3.2. Corporate governance

The Company is governed by a board of directors consisting of between three and seven members, who elect a chairman from among their number (if the Shareholders' Meeting has not already done so).

The number of directors is set by the Shareholders' Meeting.

The directors hold office for the period determined by the Shareholders' Meeting at the time of their appointment and in any case for no more than three financial years and may be re-elected. Their term of office expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office.

The Governing Body is responsible for the administration of the Company, except in cases where the Shareholders' Meeting is competent pursuant to the law and to the Articles of Association.

The Governing Body may in any case delegate all or part of its powers to one or more of its members or to an executive committee. Other committees may be set up in an advisory capacity, and general managers, proxies and attorneys-in-fact may be appointed to perform certain acts or categories of acts, specifying their powers.

Representation of the Company is vested in the chairman of the Board of Directors and the individual managing directors within the limits of the powers delegated to them, as well as in the general managers, proxies and attorneys-in-fact, within the limits of the powers conferred on them in the deed of appointment.

The Governing Body is validly constituted with the presence of the majority of its members in office and deliberates with the favourable vote of the absolute majority of those present.

The Control Body consists of three standing statutory auditors and two alternate auditors and is appointed by the Shareholders' Meeting.

The statutory auditors' terms of office expire on the date of the Shareholders' Meeting called to approve the financial statements for their third year in office.

The statutory audit is entrusted to a registered auditor or a registered auditing firm that meets the requirements of the law.

3.3. Organisational structure

The composition of the corporate bodies and the organisation chart of the company at the date of approval of the Model are shown in **Annex 1**.

Subsequent updates of these documents result from the official acts of the Company (e.g. resolutions of the corporate bodies transcribed in the Companies' Register and new versions of the company organisation chart).

3.4. Internal control system

The Company has an internal control system of which the Model is an integral part.

The internal control system consists of the set of rules, procedures and organisational structures designed to enable the identification, measurement, management and monitoring of the main risks associated with the performance of business activities.

The Company's internal control system consists of the following elements:

- the ethical principles and values which inform the Company's activities;

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- the Company's organisational system, which sets out the responsibilities, hierarchical reporting lines and tasks assigned to each resource in relation to their duties;
- the Company's regulatory system, i.e., the Internal Regulatory Instruments adopted by the Company (including the IT procedures implemented through the IT systems in use) aimed at regulating the performance of corporate activities, implementing the control measures envisaged in the Model in order to prevent the commission of offences;
- the system of authorisations and powers of signature which, in line with organisational and management responsibilities and with a view to increasing the segregation of the persons involved in activities at risk, describes a coherent, integrated and updated system in the event of regulatory or organisational changes;
- staff communication and training activities, in order to ensure their knowledge of the internal control system.

3.5. System of delegations and powers of signature

The Company has a system of internal (so-called proxies) and external (so-called powers of signature) powers identified and described in the documents indicated below, in the versions in force from time to time, available in the Company's records and accessible to anyone with a legitimate interest:

- Articles of Association;
- organisation chart;
- proxies (effective internally);
- powers of signature (effective externally).

Any proxy or power of signature is conferred and approved by the body or person responsible pursuant to the law and the Articles of Association, which shall be assigned in accordance with the responsibilities of each person, with an indication of the approval thresholds for expenditure, consistent with the company's organisation chart.

Powers of attorney and proxies are formalised in writing.

In particular, powers of attorney are granted by means of notarial deeds, communicated to the addressee and registered at the competent office of the Companies' Register.

All the above-mentioned documentation is kept and updated by the Governing Body.

The system of powers of signature is characterised by the granting of such powers to persons with the necessary skills and is consistent with the system of internal proxies.

3.6. System for managing financial resources

In addition to being expressed by the general "Traceability" and "Segregation of Activities" control protocols, the system for managing financial resources is also manifested in the system of proxies, drawn up by the Company in accordance with the general "Powers of Signature and Authorisation Powers" protocol, which envisages the differentiation of the approval thresholds for expenditure by different persons and the procedures for affixing the corporate signature when authorising financial transactions.

The Company adopts procedures for authorising any payment to or by the Company inspired by the general principle that the office authorising the payment or collection, after verifying the existence of adequate cause and documentary evidence, is different from the office deciding the relevant transaction.

4. THE MODEL

This document, in implementation of Articles 6 and 7 of (It.) Legislative Decree no. 231/2001, describes the organisational, management and control model that the Company has adopted to mitigate the risk of the Predicate Offences being committed by its senior executives and subordinates.

4.1. Methodology followed in preparing the model

The methodology followed in preparing the Model takes into account, in addition to the provisions of (It.) Legislative Decree no. 231/2001, the guidelines laid down by case law and the instructions provided by the most representative trade associations, and is based on the main reference frameworks for internal control and risk management.

The activities carried out by the Company to prepare the organisation, management and control model and its subsequent updates were divided into four stages:

- stage 1: examination of the Predicate Offences;
- stage 2: identification of at-risk areas;
- stage 3: risk assessment, as-is and gap analysis;
- stage 4: drafting of the document describing the organisation, management and control model.

The activities carried out during each stage are briefly described below.

4.1.1. Analysis of the Predicate Offences

During the first stage, the company analysed the Predicate Offences referred to in (It.) Legislative Decree no. 231/2001 and relevant case law.

The aforementioned analysis formed the basis for a preliminary assessment as to the relevance of these cases with respect to the context in which the Company operates, the results of which were summarised in a special risk assessment and gap analysis report.

4.1.2. Identification of at-risk areas

This stage, as required by Art. 6(2)(a) of (It.) Legislative Decree no. 231/2001, consisted in identifying the activities exposed to the risk of commission of the alleged offences considered relevant on the basis of the analysis carried out in the previous stage (so-called sensitive activities).

At the same time, the persons in charge of sensitive activities were identified, i.e. the persons who, on the basis of their assigned tasks and responsibilities, have an in-depth knowledge of the sensitive activities and the relevant control protocols (so-called key officers).

The result of this stage was the preparation of a matrix (so-called at-risk area identification matrix or, more simply, MIAR) with which the sensitive activities were associated with the relevant key officers.

4.1.3. Risk assessment, as-is and gap analysis

This stage consisted of the following activities:

- analysis of the pertinent documentation;
- interviews with the key officers in order to acquire more information on how sensitive activities are carried out;
- assessment of the so-called "inherent risk", i.e. the level of risk associated with each sensitive activity in and of itself;
- identification of the control protocols put in place by the Company in order to mitigate the inherent risk (so-called "as is analysis");

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- comparison of the control protocols put in place by the Company with those of a reference model abstractly suitable for preventing the commission of the Predicate Offences, as well as the identification of the control protocols missing or to be added to the company's regulatory instruments in order to prevent the risks of offences pursuant to (It.) Legislative Decree no. 231/2001 (so-called "gap analysis");
- assessment of the so-called "residual risk", i.e. the level of inherent risk net of the level of implementation of the control protocols in place with respect to the reference model.

The results of these activities are set out in the risk assessment and gap analysis report referred to above.

4.1.4. Drafting of the document describing the organisation, management and control model

In this last stage, the contents of the organisation, management and control model were identified and the related descriptive document was prepared, which was then submitted to the Company's Governing Body for approval.

4.2. Adoption and implementation of the Model

The Model is adopted for the first time and at each subsequent update of a substantial nature by resolution of the Company's Governing Body, in accordance with Art. 6(1)(a) of (It.) Legislative Decree no. 231/2001. Any formal updates to the Model (such as, for example, those that become necessary in the event of changes in the regulatory references) can be made without the need for a resolution of the Governing Body.

The Company's Governing Body is also responsible for the implementation of the Model within the corporate organisation. To this end, it relies on the support of the Supervisory Board, which is responsible for supervising the effective implementation of the Model.

4.3. Update of the Model

An update of the Model becomes necessary whenever the reference regulatory context, the organisational structure of the Company or the activities carried out by the latter change or, again, when violations are ascertained. In particular, the need to update the Model may arise from:

- amendments to (It.) Legislative Decree no. 231/2001 or to provisions to which (It.) Legislative Decree no. 231/2001 refers and case law developments in their interpretation;
- identification of new sensitive activities or changes to previously identified sensitive activities, also possibly as a result of the start of new activities and changes to the Company's organisational structure and/or the way in which the activities are carried out;
- adoption or update of guidelines by the relevant trade associations communicated to the (it.) Ministry of Justice pursuant to Art. 6 of (It.) Legislative Decree no. 231/2001 and of Articles 5 et seq. of (It.) Ministerial Decree no. 201/2003;
- verification of significant violations of the Model or in any case violations pertinent for the purposes of (It.) Legislative Decree no. 231/2001;
- detection of deficiencies and/or gaps in the provisions of the Model following audits of its effective implementation.

Proposals for updating the Model are submitted by the Supervisory Board to the Company's Governing Body.

The Company's Governing Body evaluates the proposals for updating the Model submitted by the Supervisory Board and, after consulting the Control Body, decides on the updating of the Model.

At the same time, the Company's Governing Body identifies the corporate departments in charge of updating the Model and supervising the related activities.

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Once the Model updating activities have been completed, the appointed departments, after informing the Supervisory Board, submit the document describing the updated Model to the Company's Governing Body for approval.

The Governing Body, having consulted the Control Body, adopts the updated Model by a resolution and ensures its implementation and communication within and outside the Company.

The adoption of the updated Model is immediately communicated to the Supervisory Board, which supervises the effective implementation and communication of the updated Model.

The Supervisory Board also, by means of the periodic report on the state of effective implementation of the Model, informs the Company's Governing Body of the results of its supervisory activity on the updated Model.

The Model is, in any case, subject to periodic review every three years.

4.4. Structure of the Model

The Model consists of:

- a General Part, which contains a description of (a) the regulatory context of reference; (b) the Company's governance model and organisational structure; (c) the methodology followed to prepare the Model, the methods of adoption, implementation and updating, its structure and its relationship with the Code of Ethics; (d) the requirements, appointment, composition, duties and powers of the Supervisory Board and the regulation of information flows to it; (e) the methods of information and training on the Model; and (v) the system of sanctions;
- a Special Part which identifies the control protocols instrumental to the prevention of the Predicated Offences to which the sensitive activity is exposed, in relation to each sensitive activity;
- a regulatory appendix with details of the regulations dictated by (It.) Legislative Decree no. 231/2001 and the Predicate Offences referred to therein.

4.5. Relationship with the Code of Ethics

The Model constitutes a legally distinct and autonomous document with respect to the Code of Ethics, adopted by resolution of the Company's Governing Body. Said Code of Ethics is an integral part of the organisation, management and control and prevention system adopted by the Company.

Specifically:

- The Code of Ethics is an instrument adopted by the Company, which contains all the entity's rights, duties and responsibilities towards the Company's stakeholders;
- The Code of Ethics is intended to recommend, promote or prohibit certain conduct, regardless of and even beyond the provisions of (It.) Legislative Decree no. 231/2001 or the regulatory framework in force;
- the Model is an instrument adopted on the basis of the precise regulatory indications contained in (It.) Legislative Decree no. 231/2001, aimed at reducing the risk of committing the offences covered by (It.) Legislative Decree no. 231/2001 by the Company's senior executives and their subordinates.

5. THE SUPERVISORY BODY

Art. 6(1)(b) of (It.) Legislative Decree no. 231/2001 identifies, among the conditions contributing to the exclusion of the entity's administrative liability, the establishment of a special "*body of the entity endowed with autonomous powers of initiative and control*", better known as the supervisory body, which is entrusted with the task of supervising the functioning of and compliance with the model and ensuring that it is updated.

A similar provision is envisaged, with regard to the specific area of health and safety in the workplace, by Art. 30(4) of (It.) Legislative Decree no. 81/2008, under which the organisational model must provide for "[...] *an appropriate system of control over the implementation of the model and the maintenance over time of the conditions of suitability of the measures adopted*".

5.1. Requirements

The Governing Body guarantees the existence and maintenance over time of the requirements of autonomy and independence, professionalism and continuity of action (as elaborated by the Guidelines and interpreted by case law) that the Supervisory Board must possess. The contents of these requirements are set out below.

5.1.1. Autonomy and independence

According to the Guidelines, the requirements of autonomy and independence are closely linked and must therefore be considered together.

The requirement of autonomy concerns the position of the supervisory body within the entity's organisation: to be considered autonomous, the supervisory body must be in a position to freely exercise the powers of initiative and control that (It.) Legislative Decree no. 231/2001 attributes to it.

This means that these powers must not be limited by any form of interference or conditioning by corporate bodies or other corporate departments¹. Hence the need for the supervisory body to be in as high a hierarchical position as possible, with the power to report directly to the corporate bodies and, if necessary, to the public authorities² and not to be involved in any operational activities or management decisions.

The requirement of independence refers, on the other hand, to the position of the supervisory body in its relationship with the entity and in the fact that its sole reporting point must be top management, thus protecting it from any form of interference, interference from any department³. More precisely, it is necessary that the members of the supervisory body do not find themselves in a conflict of interest or in situations (e.g. kinship, business relationship, financial or economic dependence, etc.) such as to compromise or influence, even potentially, their objectivity of judgement in the performance of their assigned tasks. This is the case, in particular, where the members of the supervisory body are part of or appointed by the management group, are vested with operational tasks or powers, perform their activities in the context of sensitive activities or report directly to the managing director of the company, both hierarchically and functionally.

In addition to the above, the COSO Report (one of the reference documents on which the Guidelines are based) expressly recommends not to assign third-level controls and second-level controls to the same person within an organisation. Considering that the supervisory body is assigned third-level control functions (such as those assigned to internal audit and to the registered auditors), one should therefore avoid appointing as supervisory body a person who

¹ Guidelines, p. 77.

² Guidelines, p. 77-79.

³ Guidelines, p. 77-78, as well as in accordance with the ruling of the Preliminary Investigative Judge of the Court of Rome, 4 April 2003, which highlighted the fact that the Supervisory Body "*must not have operational tasks that, by making it a participant in the entity's decisions, could prejudice its freedom of judgement at the time of audits*".

performs second-level controls (such as financial and management controllers)⁴. According to the COSO Report, this would undermine the effectiveness of the internal control system as a whole.

5.1.2. Professionalism

Professionalism refers to the professional skills, knowledge and experience that the supervisory body must possess in order to be able to carry out its activities effectively⁵.

In this respect, both the Guidelines and case law have emphasised the importance of having at least one member with specific legal expertise in criminal matters and proven experience in investigative activities, advisory activities⁶, as well as in evaluating the measures, procedures and processes implemented by the entities of which they are supervisory bodies⁷. This is even more important in view of the inclusion among the predicate offences of offences subject to sectoral disciplines (such as corporate offences, market abuse, tax offences, smuggling offences, occupational health and safety offences and environmental offences)⁸.

5.1.3. Continuity of action

Continuity of action refers, lastly, to the need to have a structure dedicated exclusively and full-time to the supervision of the model. From this perspective, in the case of a multi-member composition, the presence of at least one internal member is indeed appropriate to ensure the necessary continuity of action⁹.

5.2. Composition

The Company's Supervisory Body is composed of two members, chosen from within and/or outside the company organisation, in accordance with the provisions of (It.) Legislative Decree no. 231/2001 and in accordance with the Guidelines. The functioning of the Supervisory Body and, in particular, the manner in which it is convened, the quorums for its constitution and deliberation and the reporting of its activities are governed by specific internal rules, adopted by the Body itself, after consulting the Governing Body and the Control Body.

Regarding the composition, (It.) Legislative Decree no. 231/2001 does not regulate the composition of the supervisory body¹⁰, merely providing that "*in small entities, the duties of the*

⁴ The Internal Control Integrated Framework (so-called "CoSO Report"), published by the Committee of Sponsoring Organisations of the Treadway Commission in 1992 and last updated in 2013, identifies and lays down the elements of an internal control system suitable to prevent the commission of offences.

⁵ Guidelines, p. 79.

⁶ Court of Naples, 26 June 2007, which highlighted the fact that the members of the SB must have expertise in "*inspection, consultancy, or knowledge of specific techniques, suitable to guarantee the effectiveness of the control powers and the power to make proposals entrusted to it*".

⁷ Position paper AODV231, "Requirements and Composition of the Supervisory Body", 1 February 2010.

⁸ Guidelines, p. 79-80.

⁹ Guidelines, p. 80-81, and in accordance with the ruling of the Court of Rome, 4 April 2003.

¹⁰ The Guidelines, pp.75 et seq. specify that the discipline dictated by (It.) Legislative Decree no. 231/2001 "*does not provide precise instructions as to the composition of the supervisory body. This makes it possible to opt for both single-member and multi-member composition. In the latter case, persons internal and external to the entity may be called upon to make up the body [...]. In spite of the legislator's indifference to the composition, the choice between one or the other solution must take into account the purposes pursued by the law itself and thus ensure the effectiveness of the controls. Like every aspect of the model, the composition of the supervisory body must be modulated on the basis of the size, type of activity and organisational complexity of the entity. For example, Article 6(4) of Decree 231 allows small companies to entrust the duties of the supervisory body to the governing body. If the entity does not wish to avail itself of this option, the single-member composition could well guarantee the functions entrusted to the Supervisory Body. In contrast, in medium- to large-sized companies, a multi-member composition seems preferable. Further, if the entity has a Board of Statutory Auditors (or equivalent body in the event of the adoption of forms of corporate governance other than the traditional one), it could avail itself of another opportunity offered by Decree 231 (following the amendments introduced by Law 183 of 2011): the assignment of the functions of the Supervisory Body to the Board of Statutory Auditors*".

*supervisory body may be performed directly by the governing body*¹¹ and that *“in corporations, the duties of the supervisory body may also be performed by the board of statutory auditors, the supervisory board or the management and control committee”*.

In practice, the supervisory body is composed of a single member (so-called single-member) or of two, three or more members (so-called multi-member), chosen from within the organisation of the entity (so-called internal members) or from outside (so-called external members).

5.3. Appointment

The Supervisory Body is established by resolution of the Company's Governing Body, after consulting the Control Body.

The Supervisory Body remains in office for the time determined by the Governing Body in the resolution and in any case (or in the absence of its determination at the time of appointment) for no more than three financial years, and may be re-elected.

Unless otherwise stipulated, the term of the Supervisory Body expires on the date of approval of the financial statements for the last financial year of its term of office. After the expiry of the term, the terminated Supervisory Body continues to perform its functions ad interim (under the so-called extended regime) until the appointment of the new Supervisory Body.

5.4. Causes of ineligibility and disqualification

Upon assuming office, each member of the Supervisory Body shall issue a declaration, substantially in accordance with the one in **Annex 2**, in which he/she certifies the absence of:

- relationships of kinship, marriage (or de facto cohabitation situations comparable to marriage) or affinity to the fourth degree¹² with members of the Governing Body, the Control Body or the Registered Auditor as well as with the senior executives of the Company;
- conflicts of interest, even potential ones, with the Company such as to undermine the independence required by the role and duties of the Supervisory Body, as well as coincidences of interest with the Company itself beyond the ordinary ones based on the possible relationship of employment or provision of intellectual work;
- ownership, direct or indirect, of shareholdings of such a size as to enable it to exercise a dominant or significant influence over the Company, pursuant to Art. 2359 of the (It.) Civil Code;

¹¹ In the absence of any instruction from the legislator, the notion of “small entities” is to be sought, according to the Guidelines, *“in the essentiality of the hierarchical and functional internal structure, rather than in quantitative parameters”*.

¹² In order to identify the notion of *“relatives to the fourth degree”*, reference must be made to the provisions of Art. 74 et seq., of the (It.) Civil Code. Under these provisions, kinship is the bond between persons descended from the same lineage (e.g. two siblings are kin because they are descended from the same lineage, represented by the parent). Relatives may be either in a direct or collateral line: direct relatives are those persons who descend from the other (e.g. grandfather, father and son), whereas collateral relatives are those persons who, although having a common ancestor, are not descended from each other (e.g. two brothers between them or uncle and nephew). In the straight line, there are as many degrees as there are generations, excluding the progenitor (e.g. father and son are first-degree relatives to each other, grandfather and grandson are second-degree relatives); in the collateral line, the degrees are counted from the generations, ascending from one of the relatives to the common progenitor and from this descending to the other relative, again excluding the progenitor (e.g. two brothers are second-degree relatives to each other). Thus, relatives up to the fourth degree are (a) in the direct line: parents and children as well as grandparents, great-grandparents, great-great-grandparents and grandchildren, and (b) in the collateral line: siblings, siblings and children of the same person, children and children of children of the same person, children of two siblings. According to the same provisions, affinity is the bond between a spouse and the relatives of the other spouse. In the line and degree in which a person is related to one of the spouses, he/she is related to the other spouse (e.g. a person is related in the direct line up to the fourth degree to his/her closest cousins, meaning the children of his parents' siblings, and is related in the same line and degree to the spouses of such cousins).

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- administrative functions with executive powers at the Company or companies controlled by it;
- administrative functions - in the three financial years preceding the appointment as member of the Supervisory Body - of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- public employment relationship with central or local administrations in the three years preceding the appointment as member of the Supervisory Body;
- a conviction, even if not final, or a decision establishing their liability, in Italy or abroad, for the offences referred to in (It.) Legislative Decree no. 231/2001 or similar offences;
- conviction, even if not final, or with a measure which in any event establishes their liability, to a penalty involving disqualification, even temporary, from public office, or temporary disqualification from the executive offices of legal persons and companies.

If even only one of the causes of ineligibility and disqualification should affect a member of the Supervisory Body, he/she must inform the Governing Body and the Control Body and will automatically cease to hold office.

It is understood that the assignment to a member of the Supervisory Body of operational functions and responsibilities within the company organisation that are in any case incompatible with the requirements illustrated above entails the incompatibility of that person with the function of Supervisory Body. Such incompatibility must be promptly communicated to the Company's Governing Body and to the Control Body and ascertained by the former by means of a resolution, with the consequent disqualification and replacement of such person.

5.5. Resignation and replacement

If a member of the Supervisory Body resigns from office, he/she must notify the Company's Governing Body and the Control Body of such occurrence in writing.

The resignation takes effect immediately. The Company's Governing Body takes steps to replace the member in question, appointing a replacement as soon as possible, after consulting the Control Body; said appointee shall remain in office for the time for which the person he/she replaces should have remained in office.

5.6. Revocation and withdrawal

The adoption of any act modifying or interrupting the Company's relationship with the Supervisory Body is subject to the prior approval of the Governing Body, after consulting the Control Body. In the event that unanimity is not achieved, the Company's Governing Body shall provide adequate information at the first available opportunity.

The revocation of the Supervisory Body or of one of its members, or of the powers vested in it, may only occur for just cause.

"Just cause" means serious negligence in the performance of the duties connected with the office, such as, by way of a non-limiting example, failure to draw up the periodic report to the Governing Body and to the Control Body on the activities carried out or failure to draw up the periodic audit programme or failure to implement it. In any case, omitted or insufficient supervision resulting from a conviction, even if not final, against the Company pursuant to (It.) Legislative Decree no. 231/2001 or by an order that in any event establishes their liability constitutes grave negligence.

In particularly serious cases, the Governing Body may however order - after consulting the Control Body - the suspension of the powers of the Supervisory Body and the appointment of an interim Supervisory Body.

The members of the Supervisory Body may withdraw from their appointment at any time, with at least 30 days' notice to be formally notified to the Governing Body.

5.7. Conflicts of interest and non-competition

In the event that, in relation to a certain sensitive activity, a member of the Supervisory Body is, or believes that he/she is or may be, in a situation of potential or current conflict of interest with the Company in the performance of the functions of the Supervisory Body, he/she must immediately inform the Governing Body and the Control Body, as well as any other members of the Supervisory Body.

The existence of a situation of potential or current conflict of interest entails, for such member of the Supervisory Body, the obligation to refrain from performing acts connected or related to such sensitive activity in the exercise of the functions proper to the Supervisory Body; in such a case, the Supervisory Body shall take steps to solicit the appointment of another person as his/her substitute for the exercise of the functions proper to the Supervisory Body in relation to the sensitive activity in question.

By way of example, a person is in a situation of conflict of interest in relation to a sensitive activity if he/she is linked to other persons involved in the same sensitive activity by virtue of corporate offices, relationships of marriage, kinship or affinity up to the fourth degree, employment, consultancy or remunerated work, or other relationships of a financial nature that compromise his/her independence within the meaning of Art. 2399(c) of the (It.) Civil Code.

Each member of the Supervisory Body is subject to the non-compete clause of Art. 2390 of the (It.) Civil Code.

5.8. Remuneration and reimbursement of expenses

The remuneration due to the Supervisory Body is established at the time of appointment or by subsequent decision of the Company's Governing Body.

The Supervisory Body is entitled to reimbursement of expenses incurred in connection with its office.

5.9. Spending powers and engagement of external consultants

The Supervisory Body is endowed with unlimited spending powers, which may be exercised without the need for prior authorisation by the Governing Body (excluding, in any case, interventions entailing structural innovations of the Company), without prejudice to compliance with the internal procedures in force from time to time concerning information (prior and subsequent) to the competent departments of the Company, also for the purpose of drawing up annual or interim budgets and expenditure statements (budgets) of the Company.

The Supervisory Body, in the performance of its functions, avails itself of the cooperation of the corporate departments competent at any given time and, where necessary, of the assistance of external professionals appointed by the Governing Body or the person delegated by the latter, upon request of the Supervisory Body.

When the appointment is made, the external professional must issue a declaration stating that there are no reasons preventing him/her from taking on the appointment, that he/she has been adequately informed of the contents of the Model and that he/she undertakes to comply with it.

5.10. Functions

According to Art. 6(1) of (It.) Legislative Decree no. 231/2001, the Supervisory Body performs the following functions:

- supervises the functioning of and compliance with the Model;
- updates the Model;
- provides information and training on the Model;
- manages the information flows.

In performing these functions, the Supervisory Body has the task of:

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- verifying the adequacy of the Model (i.e. its suitability to prevent the commission of the Predicate Offences) and its effective implementation (i.e. the compliance of the conduct of the addressees of the Model with the prescriptions laid down therein), by maintaining constant dialogue with the Control Body and the Registered Auditor and with the relevant corporate departments within the internal control system;
- monitoring over time, by means of checks and analysis of information flows, how sensitive activities are carried out;
- drawing up, on a regular basis, a schedule of its own verification activities;
- drafting and formulating proposals to the Governing Body to amend and update the Model aimed at correcting any dysfunctions or gaps that may emerge, at adapting the Model to substantial changes in the Company's organisational structure and/or the ways in which its activities are carried out, or at incorporating any regulatory changes;
- promoting and monitoring the implementation of training activities and other initiatives aimed at spreading knowledge of the Model within and outside the company organisation;
- examining and evaluating information received through the information flows;
- conducting, directly or in coordination with the person or office entrusted with the management of the internal reporting channel, internal investigations for the detection of violations of the provisions of the Model;
- reporting to the Governing Body any violations ascertained and proposing the adoption of any corrective actions deemed necessary;
- in the event of controls, investigations or requests for information by the competent authorities, liaising with the persons in charge of the inspection activity, providing them with adequate information support.

The Supervisory Body is vested with the following powers, among others:

- to carry out, even without prior notice, checks on the manner in which sensitive activities are carried out;
- to freely access the Company's premises and summon any Employee, Collaborator and Senior Executive without any prior consent or need for authorisation, in order to acquire any information, data or document necessary for the performance of its duties;
- to collect, process, store and otherwise process information, including information falling under the notion of personal data within the meaning of the applicable data protection legislation, necessary for the performance of its functions;
- to make use of company structures and resources to carry out its activities;

The Company's Governing Body shall ensure adequate and timely communication to the corporate departments of the functions, duties and powers of the Supervisory Body, expressly establishing specific disciplinary sanctions in the event of non-cooperation with the Body itself, as better specified in the following paragraphs.

5.11. General information obligations

Without prejudice to the provisions of the following paragraph in relation to information flows, Employees and Senior Executives are obliged to notify the Supervisory Body, even in the absence of a specific request, of any information relating to conduct that is even potentially liable to constitute a Predicate Offence or a breach of the Code of Ethics or of the Model, or in any case relevant to the effective implementation of the Model.

Similar obligations are imposed on Collaborators, Autonomous Workers, Suppliers, Consultants, Freelancers, Customers and Third Parties through specific contractual clauses.

5.12. Information flows

The Supervisory Body shall prepare and update over time a plan indicating the information and documentation that the corporate departments must transmit through the communication

channels indicated for the purpose of carrying out its supervisory activities on the Model. In relation to each information flow, the plan also indicates the corporate function concerned, the periodicity of the transmission (e.g. per event, half-yearly, yearly), the person responsible for transmission and the relevant sensitive activities.

The information flows under the plan include information and documents relating to:

- measures and/or information coming from judicial police officers, or from any other authority, from which it can be inferred that investigations are being carried out, even against unknown persons, in relation to the commission of the Predicate Offences in question by natural persons functionally linked to the Company;
- visits, inspections and assessments ordered by authorities and other bodies to whose supervision the Company is subject;
- requests for legal assistance made by persons within the company organisation subject to criminal proceedings in connection with the commission of one or more Predicate Offences, unless expressly prohibited by the judicial authorities;
- reports or other documents drawn up by the corporate departments within the scope of their control activities and from which critical deeds, facts or events may emerge that are pertinent to (It.) Legislative Decree no. 231/2001.

The persons within the company organisation who are assigned the responsibility for sending information flows shall transmit accurate, complete and truthful information and documents to the Supervisory Body within the time limits laid down in the plan.

5.13. Reporting

The Supervisory Body reports directly to the Company's Governing and Control Bodies through two reporting lines.

In particular, the Supervisory Body reports:

- to the Governing Body and to the Control Body, on a periodic basis, by means of a report illustrating the activities carried out by the SB and the state of implementation of the Model, accompanied by the schedule of verification activities for the following year and budget requests;
- to the Company's Governing Body, on an ongoing basis.

The Supervisory Body may also be convoked by the Governing Body and the Control Body whenever it is deemed appropriate, in order to report on specific facts or to discuss matters deemed of particular importance in the context of the prevention of the Predicate Offences.

As a rule, in the event of a breach of the Model by one of the members of the Governing Body or the Control Body, the Body reports to these bodies for the adoption of appropriate measures. Moreover, in view of the need to guarantee the independence of the Supervisory Body, where it deems that, due to serious and demonstrable circumstances, it is necessary to report information concerning violations of the Model by the Governing Body or the Control Body directly to the Shareholders' Meeting¹³, it is authorised to attend the first suitable Shareholders' Meeting, in order to report to the shareholders, or, in cases of extraordinary seriousness and urgency, to demand that a special meeting be convened without delay.

¹³ Although the Statutory Auditors cannot be considered - in principle - senior executives, as stated by the same Explanatory Report of (It.) Legislative Decree no. 231/2001 (p. 7), however, it is abstractly conceivable that the Statutory Auditors themselves could be involved, even indirectly, in the commission of the offences referred to in (It.) Legislative Decree no. 231/2001 (possibly by way of conspiracy with senior executives).

6. REPORTS

The Company has adopted an internal reporting system that complies with the requirements of (It.) Legislative Decree no. 24/2023 that makes it possible to submit Internal Reports of unlawful conduct relevant under (It.) Legislative Decree no. 231/2001 and violations of the Code of Ethics and the Model, as well as violations of the national and European legal provisions referred to in (It.) Legislative Decree no. 24/2023.

6.1. Internal Reports

Internal Reporting is open to persons in the following categories:

- Applicants, limited to information on violations acquired during the selection process or in other pre-contractual stages;
- Employees, including those on probation;
- former Employees, limited to information on violations acquired during the employment relationship;
- Autonomous Workers;
- Collaborators;
- workers, both employed and autonomous, and collaborators working for Suppliers;
- Freelancers;
- Consultants;
- volunteers and trainees, paid and unpaid, who work for the Company;
- shareholders and persons exercising administrative, management, control, supervisory or representative functions, including de facto, with the Company.

Internal Reports must be based on precise and concordant factual elements, recount the information they contain in as much detail as possible and be accompanied, if necessary, by appropriate supporting documentation.

Internal Reporting in anonymous form is permitted.

Internal Reports may be made either in written or oral form and will be handled in the manner described in the relevant procedure available on the Company's Intranet and institutional website.

The confidentiality of the identity of the Reporting Person is ensured at each stage of the Report's handling.

The management of the internal reporting channel is entrusted to the Supervisory Body.

In the event that the Internal Report relates to violations relevant for the purposes of (It.) Legislative Decree no. 231/2001, the Internal Report is managed in agreement with the Supervisory Body.

For further information on the Internal Reporting channel, please refer to the relevant procedure adopted by the Company.

6.2. External Reports

Pursuant to Art. 6 of (It.) Legislative Decree no. 24/2023 (of which this paragraph reproduces the essential contents), the Reporting Person may make External Reports through the External Reporting channel activated by the ANAC in the manner described on the latter's website if one or more of the following conditions is met:

- the Reporting Person considers that the Internal Reporting channel activated by the Company does not comply with the provisions of Article 4 of (It.) Legislative Decree no. 24/2023;

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- the Reporting Person has already made an Internal Report and this has not been followed up;
- the Reporting Person has reasonable grounds to believe that, if he/she made an Internal Report, it would not be effectively followed up or that the Internal Report might give rise to the risk of retaliation;
- the Reporting Person has justified reason to believe that the Breaches that are the subject of the Report may constitute an imminent or obvious danger to the public interest.

6.3. Protection of the Reporting Person and support measures

Pursuant to the provisions of Chapter III of (It.) Legislative Decree no. 24/2023 (the essential contents of which are reproduced in this paragraph), any person acting in the name or on behalf of the Company is prohibited from engaging in retaliatory acts as a consequence of the Internal Report, External Report, Public Disclosure or official complaint to the judicial and accounting authorities against:

- the Reporting Persons;
- the authors of Public Disclosures;
- those who filed an official complaint;
- the Facilitators;
- persons who are part of the Company's organisation and who are linked to the Reporting Persons, the authors of Public Disclosures and those who have filed a complaint by a stable emotional or kinship link up to the fourth degree;
- colleagues of the Reporting Persons, the authors of Public Disclosures and those who have filed an official complaint who have a regular and current relationship with them;
- the entities owned by the Reporting Persons, the authors of Public Disclosures and those who have filed an official complaint or for whom such parties work, as well as the entities operating at or on behalf of the Company.

"Retaliatory act" shall mean any conduct, act or omission, even if only attempted or threatened, put in place by reason of the Report, the official complaint to the judicial or accounting authorities or the Public Disclosure, and which causes or may cause to the Reporting Person or to the person lodging the complaint, directly or indirectly, an unjust damage and, in particular, by way of a non-limiting example:

- dismissal, suspension or equivalent measures;
- demotion or non-promotion;
- change of duties, change of workplace, reduction of salary, change of working hours;
- suspension of training or restricted access to it;
- negative merit notes or negative references;
- the adoption of disciplinary measures or other sanctions, including fines;
- coercion, intimidation, harassment or ostracism;
- discrimination or otherwise unfavourable treatment;
- the failure to convert a fixed-term employment contract into an employment contract of indefinite duration, where the employee had a legitimate expectation of such conversion;
- non-renewal or early termination of a fixed-term employment contract;
- damage, including to a person's reputation, particularly on social media, or economic or financial harm, including loss of economic opportunities and loss of income;
- inclusion on blacklists on the basis of a formal or informal sectoral or industry agreement, which may result in the person being unable to find employment in the sector or industry in the future;

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- early termination or cancellation of the contract for the supply of goods or services;
- cancellation of a licence or permit;
- the request to undergo psychiatric or medical examinations.

A person or entity that believes he/she/it has suffered a retaliatory act may communicate it to the ANAC, which will inform the (It.) National Labour Inspectorate for measures within its competence. In the event of a finding by the judicial authority of a breach of the prohibition of retaliation, the person or entity that has suffered the retaliatory act shall have access to the protection measures provided for in Art. 19 of (It.) Legislative Decree no. 24/2023.

The Reporting Persons may also request information, assistance and advice, free of charge, from the Third Sector entities included in the list set up by the ANAC, on how to submit reports, protection from retaliation, the rights of the Person Involved and the terms and conditions of access to legal aid.

The protection and support measures indicated above are not granted to the Reporting Person and to the person filing the official complaint whose criminal liability for the offences of defamation or slander or civil liability, for the same reason, has been established, even by a judgment of first instance, in cases of wilful misconduct or gross negligence.

6.4. Sanctions

Those who violate the measures for the protection of the Reporting Person, as well as those who maliciously or with gross negligence make reports that turn out to be unfounded, shall be subject to the sanctions provided for in the sanctions system set out in Chapter 8 of this document.

7. TRAINING AND INFORMATION

The Company promotes awareness of the Code of Ethics and the Model through training activities and other communication initiatives.

7.1. Initial communication to personnel

The Company's Governing Body informs Employees and Senior Executives of the first adoption of the Code of Ethics and of the Model by sending a communication to which a copy (paper or digital) of the same is attached. A digital copy of the Code of Ethics and the Model is also made available on the company Intranet or in a shared folder accessible to all Employees and Senior Executives. On receiving the communication, Employees and Senior Executives declare that they have read the Code of Ethics and the Model and undertake to comply with its provisions.

Similar declarations shall be made by new Employees upon hiring and by new Senior Executives upon taking office. New Employees and Senior Executives are also given (or otherwise given access to) a (hard or digital) copy of the Code of Ethics and of the Model.

Subsequent updates of the Code of Ethics and of the Model are communicated to Employees and Senior Executives through official information channels. The current versions of the Code of Ethics and of the Model can be consulted at any time via the company Intranet.

7.2. Training personnel

The participation of Employees and Senior Executives in training activities on the Code of Ethics and the Model is mandatory and failure to participate constitutes a disciplinary offence.

Training activities are organised by the corporate department in charge of personnel management in coordination with the Supervisory Body.

On the occasion of the first adoption of the Code of Ethics and of the Model, Employees and Senior Executives are given, face-to-face or in e-learning mode, a training course on the rules dictated by (It.) Legislative Decree no. 231/2001, the structure and contents of the Code of Ethics and of the Model, the composition, functions and powers of the Supervisory Body and the functioning of the internal reporting channel. The content of the course varies depending on the qualification of the participants, the level of risk of the area in which they operate and whether or not they have been assigned representative functions or externally effective signatory powers. A follow-up questionnaire is submitted to the participants at the end of the course. If the participant has answered the majority of the questions incorrectly, he/she must attend the course again.

For new employees, the training course is administered in the days following recruitment.

The training course is subsequently administered at least once every two years or, in any case, on the occasion of substantial changes to the regulations laid down by (It.) Legislative Decree no. 231/2001, the Code of Ethics and the Model.

The Supervisory Body may also propose specific training activities aimed at more or less restricted groups of Employees and Senior Executives.

For the purposes of organising the training course and further specific training activities, the Company shall seek the assistance and advice of experts in the field.

7.3. Communication to third parties

The competent company departments inform Collaborators, Autonomous Workers, Suppliers, Consultants, Freelancers, Customers and Third Parties of the Company's adoption of the Code of Ethics and the Model by including specific clauses in their contracts in which they declare that they are aware of the regulations dictated by (It.) Legislative Decree no. 231/2001 and the contents of the Code of Ethics and of the Model, and undertake to comply with its provisions, refraining from conduct that is even potentially liable to constitute offences under (It.) Legislative Decree no. 231/2001. A (hard or digital) copy of the Code of Ethics and of the Model (or an

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extract thereof indicating the applicable provisions) is sent or made accessible at the time the contract is concluded.

The Company, taking into account the purposes of the Model, may also communicate the contents of the Code of Ethics and of the Model (or an extract thereof) to the public by publishing them in a special section of its institutional website.

8. SYSTEM OF SANCTIONS

Pursuant to Art. 6(2)(e) and 7(4)(b) of (It.) Legislative Decree no. 231/2001, in order for a model to be implemented effectively, it must envisage a disciplinary system capable of punishing non-compliance with the measures indicated in the model.

To this end, the Company has put in place a disciplinary system aimed at penalising conduct in violation of the provisions of the Model.

Below please find an example of actions that are punishable if and to the extent that they constitute a violation of the provisions of the Model:

- the commission of unlawful acts and/or facts relevant for the purposes of (It.) Legislative Decree no. 231/2001;
- violation of the occupational health and safety rules laid down in (It.) Legislative Decree no. 81/2008;
- abuse of trust, unfair competition, breach of official secrecy;
- the performance, in competition with the company's activity, of work for one's own account or for third parties, outside working hours;
- retaliation or discriminatory acts, direct or indirect, against the Reporting Person for reasons that are directly or indirectly connected to the Internal Reports;
- violation of the safeguards provided for the protection of the Reporting Person;
- making, with malice or gross negligence, Internal Reports that turn out to be unfounded.

8.1. Sanctions against Employees

Failure by employees to comply with the provisions of the Model constitutes non-compliance with the obligations set out in Art. 2104(2) of the (It.) Civil Code and gives rise to a disciplinary offence.

The commission by Employees of disciplinary offences is punished by the Company through the application of disciplinary sanctions, in compliance with the procedures laid down in Art. 7 of (It.) Law no. 300/1970 (Workers' Statute), of the provisions of the applicable CCNL [National Collective Bargaining Agreement] (to which reference is made) and, for employees with managerial status, of Articles 2106, 2118 and 2116 of the (It.) Civil Code.

Employees with managerial status may also be suspended from work as a precautionary measure (without prejudice to the right to remuneration) as well as provisionally assigned to other duties for a period not exceeding three months. In the event of particularly serious disciplinary offences, the Company, pursuant to Art. 2119 of the (It.) Civil Code, may also terminate the employment contract early without notice.

Disciplinary sanctions are applied by the employer or the person appointed for that purpose by means of a decree taking into account the seriousness of the breach and the circumstances of the case and in compliance with the principles of harsher punishment for repeat offenders and proportionality. Employees who wish to contest the legitimacy of the measures taken against them may avail themselves of the conciliation procedures provided for in Art. 7 of the Workers' Statute or those provided for in the applicable CCNL.

The right of the Company to claim compensation from the Employees for damages suffered as a consequence of the violation shall in any case remain unaffected. The damages are commensurate with:

- the employee's level of responsibility and autonomy;
- any previous violations committed by the same offender;
- the degree of intentionality of his/her behaviour;

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- the seriousness of the consequences of his/her conduct, which means the level of risk to which the Company reasonably believes it has been exposed - pursuant to and for the purposes of (It.) Legislative Decree no. 231/2001 - as a result of the conduct complained of.

The application of disciplinary sanctions is irrespective of the outcome of any criminal proceedings initiated against Employees.

This document describing the Model (i.e. the relevant parts thereof for the purposes of this Chapter 5) must be permanently posted in workplaces accessible to all, pursuant to Art. 7 of the Workers' Statute.

8.2. Sanctions against members of the Company's Governing Body and Control Body

Without prejudice to the above provisions in relation to sanctions against Employees, in the event of non-compliance with the provisions of the Model by members of the Governing Body and of the Control Body, the Supervisory Body shall inform the Governing Body and the Control Body thereof for the adoption of any appropriate measure, which may consist, depending on the seriousness of the violation and the degree of intentionality, in:

- verbal or written censure;
- suspension of the right to the attendance token or office allowance up to a maximum corresponding to three meetings of the body;
- other measures deemed appropriate with regard to the seriousness of the violation (e.g. revocation for just cause, liability action, etc.).

8.3. Sanctions against third parties

In the event of non-compliance with the provisions of the Model by parties other than those indicated above (including Collaborators, Autonomous Workers, Suppliers, Consultants, Freelancers and Third Parties), the Supervisory Body shall inform the Governing Body or the competent corporate departments so that they may take all appropriate measures, which may consist in the termination of existing contracts with them or in the application of penalties, depending on what is established in the contracts themselves, without prejudice in any case to the right of the Company to claim compensation for damage suffered as a result of the violation.

ANNEX 1 GOVERNANCE AND ORGANISATIONAL STRUCTURE

The governance and organisational structure of the Company at the date of approval of this version of the Model is set out below.

The administration of the Company is entrusted to a Board of Directors consisting of the following five directors:

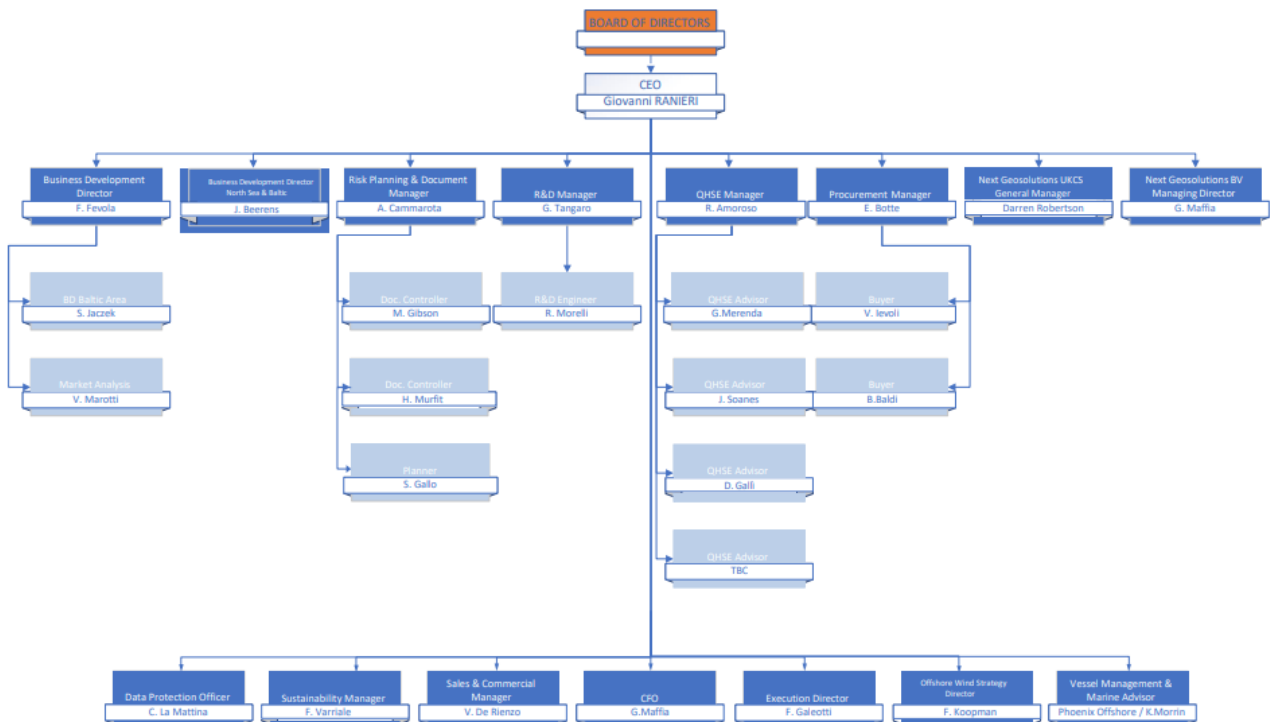
- Attilio Ievoli, Chairman;
- Giovanni Ranieri, Managing Director;
- Giuseppe Maffia, Managing Director;
- Andrea Costantini, Independent Director; and
- Giorgio Filippi, Independent Director.

The control of the Company is entrusted to a Board of Statutory Auditors consisting of the following five auditors, three standing and two alternate:

- Maurizio Vetere, Chairman;
- Davide Lorenzo Pio Barosi, Standing Statutory Auditor;
- Simone Andrea D’Aniello, Standing Statutory Auditor;
- Mauro Secchi, Alternate Statutory Auditor; and
- Marzio Mazio, Alternate Statutory Auditor.

The appointed auditing firm is PricewaterhouseCoopers S.p.A.

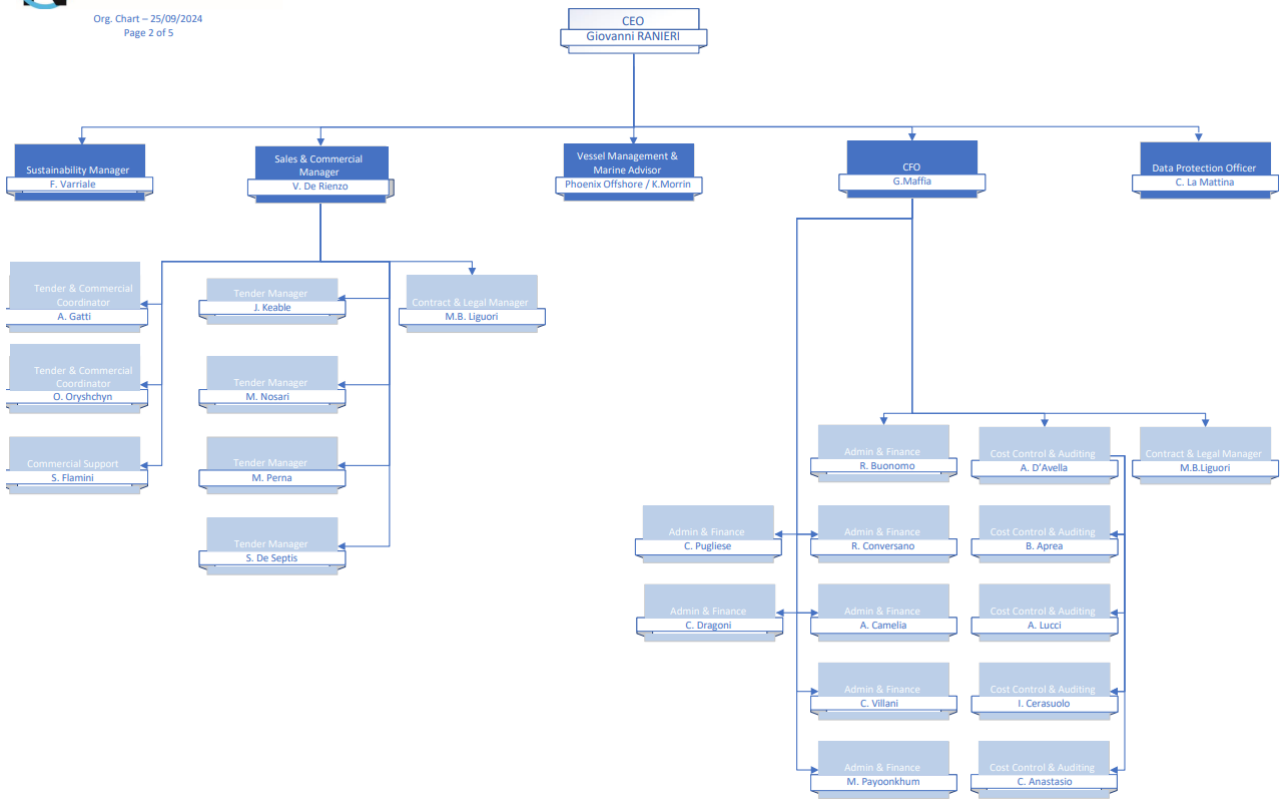
The Organisation Chart of the Company is shown below:



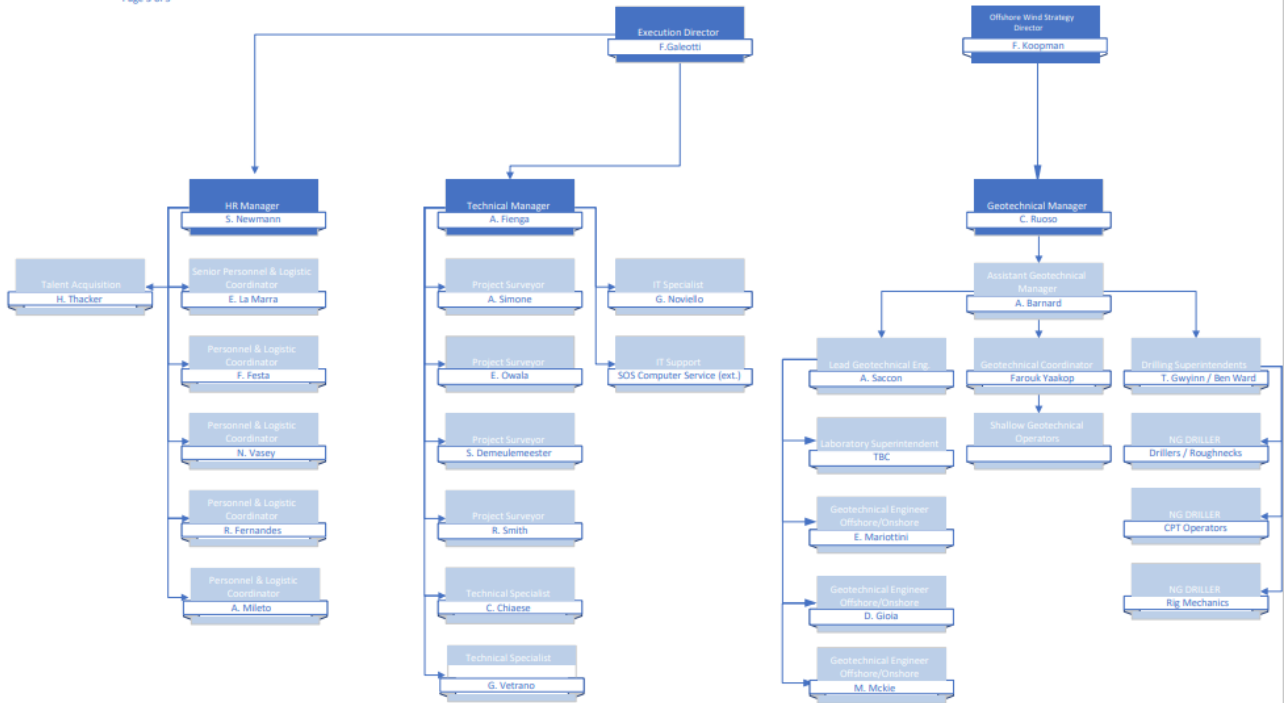
Organisation, management and control model



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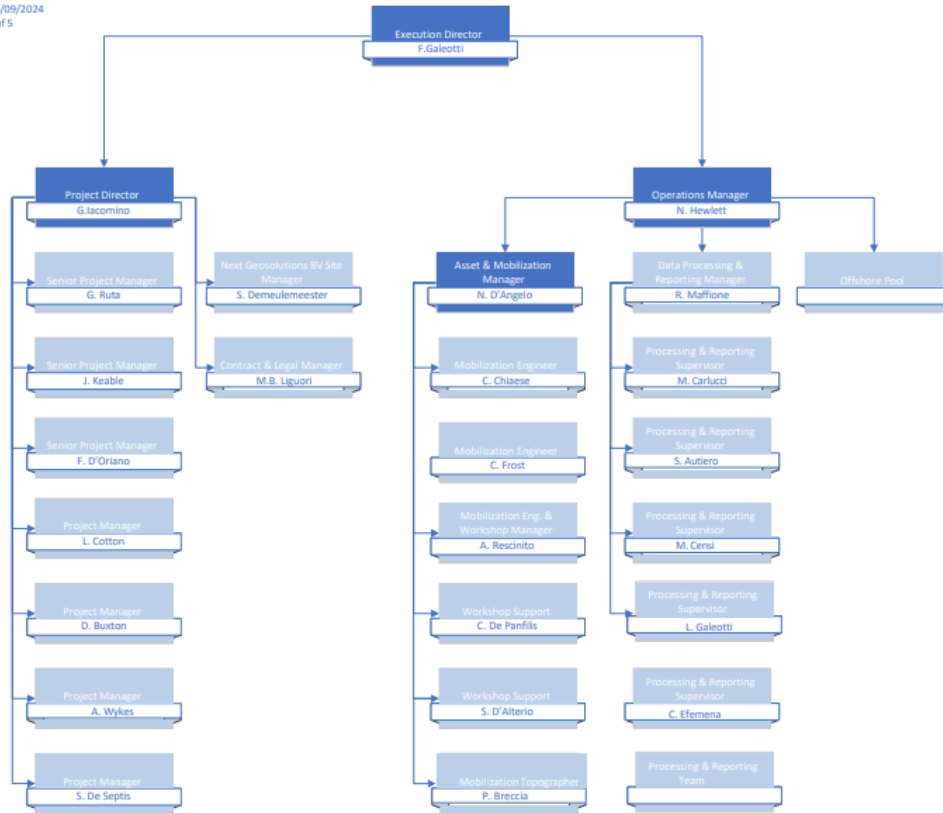
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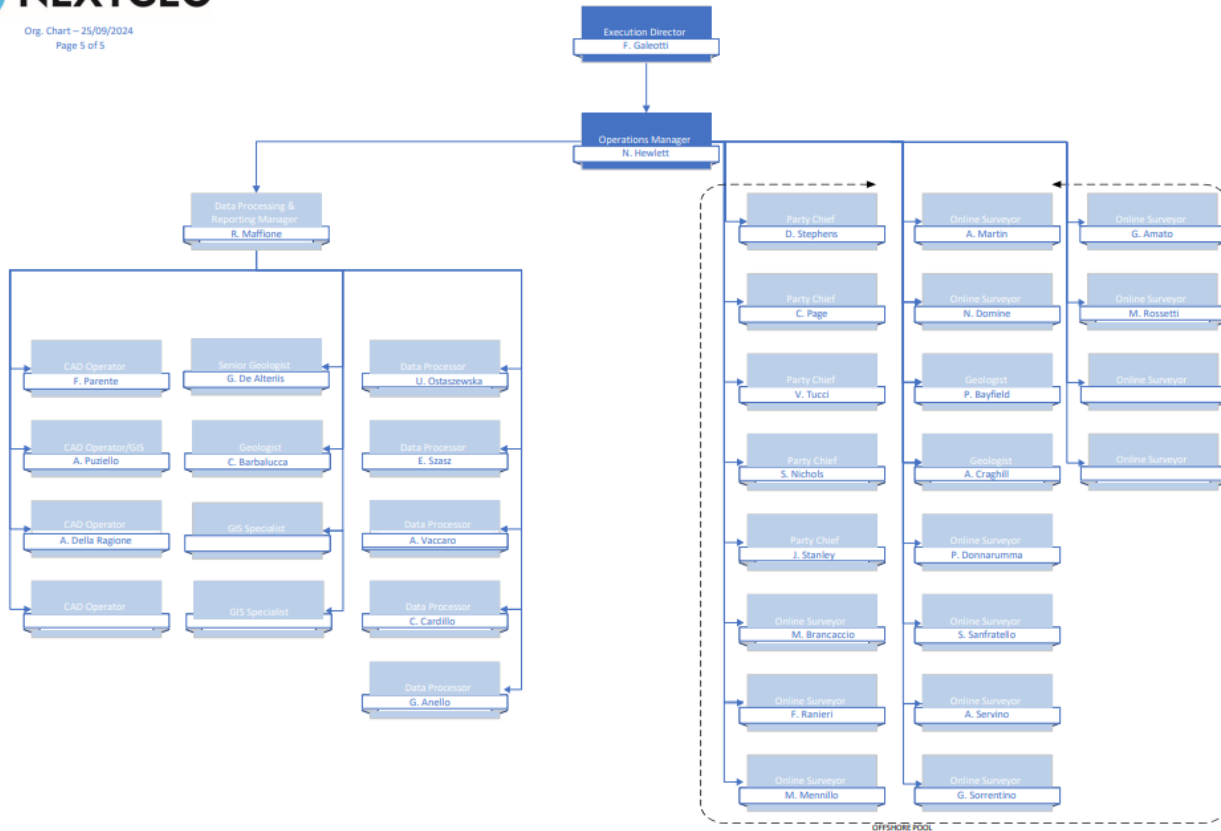
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ANNEX 2

DECLARATION BY THE SUPERVISORY BODY

Next Geosolutions Europe S.p.A.

Organisation, Management and Control Model pursuant to (It.) Legislative Decree no. 231/2001

Declaration of the Supervisory Board

I, the undersigned, [**name and surname**], born in [**place of birth**] on [**date of birth**], with regard to the proposal of appointment as Supervisory Body of Next Geosolutions Europe S.p.A. (the "**Company**") pursuant to the current organisation, management and control model *pursuant to* (It.) Legislative Decree no. 231/2001 of the Company (the "**Model**")

declare

- (i) that I be fully aware of the duties to be performed and obligations to be observed as Supervisory Body, with particular but not exclusive reference to internal procedures and the Model;
- (ii) that I possess the necessary professionalism and technical skills (with particular reference to inspection, consultancy in legal matters or analysis of control systems) to perform the functions assigned by law to the Supervisory Body;
- (iii) that I do not have any relationship of kinship, marriage (or de facto cohabitation situations comparable to marriage) or affinity to the fourth degree with members of the Company's governing body, statutory auditors and registered auditors appointed by the auditing firm, as well as senior executives of the Company currently in office;
- (iv) that I am not the owner, directly or indirectly, of shareholdings of such magnitude as to allow me to exercise a dominant or significant influence over the Company, pursuant to Art. 2359 of the (It.) Civil Code;
- (v) that I do not hold executive directorships with the Company;
- (vi) that I have not held administrative functions - in the three financial years preceding the appointment as member/officer of the Supervisory Body - of companies subject to bankruptcy, compulsory administrative liquidation or other insolvency procedures;
- (vii) that I do not exercise powers of signature and that I do not perform operational tasks in the at-risk areas identified in the Model;
- (viii) that I have no public employment relationships with central or local administrations exercising authoritative powers over the Company in the three years preceding my appointment as member/officer of the Supervisory Body;
- (ix) that I have not been convicted, even not definitively, and that I have not been the subject of decrees, in Italy or abroad, for the offences mentioned in (It.) Legislative Decree no. 231/2001 or similar offences;
- (x) that I have not been convicted, either by a judgment which has not yet become final, or by a measure which in any event establishes my liability, to a penalty which includes

Organisation, management and control model

disqualification, even temporary, from public office, or temporary disqualification from the executive offices of legal persons and companies.

Accordingly, I, the undersigned, declare that I accept the above appointment.

In witness whereof

Place, date:

Signature: