



Respirare il futuro

Sapio Produzione Idrogeno Ossigeno S.r.l.

Organisation, Management and Control Model

(pursuant to Legislative Decree no. 231/2001)

Version of Organisation, Management and Control Model approved by the Board of Directors of Sapio Produzione Idrogeno Ossigeno S.r.l. by way of the resolution passed on 29 November 2023.

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Introduction

1 FOREWORD

Through this document used to describe the Organisation, Management and Control Model adopted by Sapio Produzione Idrogeno Ossigeno S.r.l. (hereinafter also “Sapio” or “Company”), pursuant to Legislative Decree no. 231 dated 8th June 2001 (hereinafter “Leg.Dec. 231/2001” or “Decree”), the Company intends to:

- Increasingly promote a company culture geared towards ethical conduct, correctness and transparency;
- Fulfil the requirements of regulations on liability of entities for administrative offenses, analysing the potential risk of misconduct pursuant to Leg.Dec. 231/2001, promoting and integrating related control measures, designed to prevent the occurrence of said misconduct;
- Ensure that all those who work for the Company and perform at-risk activities on its behalf, are aware that in the event the provisions contained herein are violated, disciplinary and/or contractual consequences, in addition to criminal and civil sanctions, may be applicable to them;
- Stress that such forms of misconduct are highly disapproved, as they are against the law, but also incompatible with the ethical principles that the Company intends to follow when carrying out its business activities;
- Allow the Company, through the monitoring of at-risk areas, to promptly intervene in order to prevent or hinder criminal acts and punish behaviors considered to be against the law and in conflict with Company principles.

The Organisation, Management and Control Model (hereinafter also “Model”) therefore represents a coherent set of principles, procedures and provisions that impact on internal Company operations and on the ways in which it interacts with third parties. In addition, these principles regulate the diligent management and control of at-risk activities, aimed at preventing the commission, or attempted commission of the offences referred to in Leg.Dec. 231/2001.

This document and its attachments constitute the new edition of the Organisation, Management and Control Model adopted by the Company **through the resolution of the Board of Directors dated 23rd June 2021**, and replaces the previous version dated 28th March 2018, including all of the legislative and organisational updates introduced during the interim period.

2 STRUCTURE OF DOCUMENT

The Model is composed of:

- **General Section**, which describes the contents of the Decree and briefly illustrates the models of corporate governance, organisation and management adopted by the Company, aims and general operating principles of the Model, as well as the methods for its concrete implementation;
- **Special Sections**, which describe, for each business area subject to potential “231 risk”, specific types of offence, principles of conduct that must be respected, as well as control measures in place to prevent risks.

The Model also includes the following documents (hereinafter also referred to collectively as the “Attachments”), which constitute an integral part thereof:

- Code of Ethics (*Attachment 1*);
- Catalog of offences set forth by Leg.Dec. 231/2001 (*Attachment 2*);
- “Segnalazioni e flussi informativi verso l’Organismo di Vigilanza” procedure;
- Company organisation charts;
- System of powers of attorney and proxies currently in place;
- Company’s regulatory and procedural framework.

3 RECIPIENTS

The rules and provisions contained in this Model and its Attachments are applicable to, and must be respected by, those who fulfil Company management, administration, executive or control roles, whether by fact or by law, employees, and those who, despite not belonging to the Company, work under its mandate.

Hence, the “**Recipients**” of this Model are:

- Corporate bodies (including members of the Board of Directors and the Board of Statutory Auditors), as well as holders of formal titles (having direction, management and control roles within the Company, or any of its organisational units) that fall under the definition of “Top Management”;
- Persons that carry out the above-mentioned roles (direction, management and control), whether by fact or by law;
- All Company Personnel bound by any type of contractual arrangement (even if employed abroad);
- Anybody who acts in the name and on behalf of the Company, under its direction and supervision.

The Company requires collaborators, consultants, agents, intermediaries, suppliers, commercial partners and other contractual counterparties in general, to comply with the provisions of the Decree and the ethical principles adopted by the Company. These parties are therefore required to subscribe specific contractual clauses that guarantee a commitment to the requirements of Leg. Dec. 231/2001 and to the ethical principles and line of conduct adopted by the Company.

Moreover, Sapio requires all the Companies belonging to the Group to adopt the Group’s Code of Ethics and to adapt their internal control system, in line with that of the Parent Company.

General section

4 REGULATORY FRAMEWORK OF REFERENCE

4.1 Discipline for the liability of legal entities for administrative offenses

Leg. Dec. 231/2001, enacted as the implementation of the Government mandate by way of art. 11 Law no. 300 dated 29th September 2000, governs the “liability of entities for administrative offences depending on a crime.”

This discipline is applicable to all legal entities, as well as companies and associations (including those lacking legal status).

Leg. Dec. 231/2001 is the result of a series of international and European conventions ratified by the Italian Government, which introduce the concept of collective liability for certain criminal cases.

According to the discipline introduced by Leg. Dec. 231/2001, an entity (hereinafter also a “company”) may be considered “liable” for certain crimes, which may be in the interest or to the advantage of the company itself, committed or attempted by:

- top management, or those responsible for the representation, administration or management of the company or one of its organisational units, vested with financial and operational autonomy, as well as those who manage and control said units, whether by fact or by law;
- personnel coordinated or supervised by top management.

The notion of “interest” is substantiated if the criminal offence was carried out with the exclusive intention of reaping a benefit to the Company, regardless of the circumstances under which the objective was fulfilled.

Similarly, the company shall be held liable if the offender, despite not having acted in order to reap a benefit to the Company, nonetheless provided an indirect “advantage” to the legal entity, whether of an economic or other nature.

The corporate liability of companies does not substitute the criminal liability of the natural person that committed the offence and it goes hand in hand.

4.2 Types of offences covered by the Decree

The Decree covers exclusively certain specific criminal offences, explicitly referred to by the Decree itself.

In order to facilitate understanding, these offences may be grouped into the following categories:

- offences committed against the Public Administration (articles 24 and 25);
- computer crimes and unlawful data processing (art. 24-*bis*);
- criminal association (art. 24-*ter*);
- counterfeit of coins, public credit cards, revenue stamps and identification instruments or signs (art. 25-*bis*);
- crimes against industry and trade (art. 25-*bis*);
- corporate offences (art. 25-*ter*);
- crimes with the purpose of terrorism or subversion of the democratic order provided for by the criminal code and special laws (art 25-*quater*);

- practices of mutilation of female genital organs (art.25-*quater*);
- crimes against the individual (art. 25-*quinquies*);
- crimes of market abuse (art. 25-*sexies*);
- crimes of manslaughter or serious or very serious injury, committed in violation of accident prevention regulations and on the protection of hygiene and health at work (art. 25-*septies*);
- receiving, laundering and use of money, goods or benefits of illicit origin, as well as self-laundering (art. 25-*octies*);
- crimes relating to non-cash payment instruments (Article 25-*octies*.1);
- crimes relating to infringement of copyright (art. 25-*novies*);
- inducement not to make statements or to make false statements to the judicial authorities (art. 25-*decies*);
- environmental crimes (art. 25-*undecies*);
- employment of Third-Country nationals whose stay is irregular (art. 25-*duodecies*);
- racism and xenophobia (art. 25-*terdecies*);
- fraud in sports competitions, illegal gambling or betting and games of chance exercised by means of prohibited devices (art. 25-*quaterdecies*);
- tax offenses (art. 25-*quinquiesdecies*);
- contraband (art. 25-*sexiesdecies*);
- corruption between private individuals (crime introduced by Law no. 190 dated 6th November 2012, and included among the corporate offences listed in art. 25-*ter* of the Decree);
- crimes against cultural heritage (Art. 25-*septesdecies*);
- - recycling of cultural goods and destruction and looting of cultural and landscape assets (Art. 25-*duodevicies*);
- transnational offences (art. 10 Law no. 146 dated 16th March 2006).

See *Attachment 2* (List of offences covered by Leg.Dec. 231/2001) for a detailed description of the offences covered by the Decree and subsequent amendments.

4.3 Sanctions set forth

If liability is established pursuant to the Decree as a consequence of the commission or attempted commission of the above-mentioned crimes, the following sanctions shall be applicable to the Company:

- monetary penalties, calculated using a system based on Company shares, whose amount is determined by the judge within the limits of the law.
- disqualification orders, which may consist of:
 - interdiction of the activity related to the offence;
 - suspension or revocation of an authorisation, licence or concession that aided the commission of the crime;
 - prohibition on contracting with the Public Administration;

- exclusion of the organisation from preferential financing, funding, grants or subsidies;
- prohibition of advertising goods or services;
- confiscation of cost and profit related to the crime;
- publication of the sentence in one or more journals.

4.4 Conditions for exemption: Organisation, Management and Control Models

One of the defining aspects of Leg.Dec. 231/2001 is the attribution of conditions for “exemption” in the company's Organisation, Management and Control models.

The company is not liable for crimes committed in its interest or to its advantage by one or more senior figures, if it can be proven that:

- the executive body adopted and efficiently implemented Organisation, management and control models suitable to prevent the offences of the Decree;
- the task of monitoring the functioning of and the compliance with the models, along with regular updates, has been entrusted to a “Supervisory Board” (“Organismo di Vigilanza”) with autonomous powers of initiative and control;
- the persons committed the crime by fraudulently eluding the organisation models;
- the crime was committed without any omitted or insufficient supervision by the Supervisory Board.

In the event, on the other hand, of a crime committed by personnel subordinate to other managerial or supervisory figures, the entity shall be held liable if the crime was made possible by the violation of the managerial or supervisory obligations to which the entity is bound.

In any case, the corporate liability of the company is expressly excluded by legislative provision (art. 5, para. 2, Leg.Dec. 231/2001) in case Top Management and/or their subordinates have acted exclusively in their own or third-party interests.

4.5 Codes of conduct issued by representative category associations

Art. 6, para. 3, Leg.Dec. 231/2001 states that *“organisation and management models that fulfil the requirements expressed in paragraph 2, can be adopted based on codes of conduct drawn up by the entity's representative associations and sent to the Ministry of Justice, which within thirty days and in collaboration with the competent Ministers, may formulate observations on the suitability of the models in preventing crimes.”*

This Model has been drawn up taking into account the contents of the guidelines prepared by Confindustria and approved by the Ministry of Justice.

5 COMPANY ORGANISATION, MANAGEMENT AND CONTROL MODEL

5.1 Corporate governance

Sapio adopts a corporate governance system defined by:

- Shareholders' Meetings, whereby shareholders have the right to vote on corporate matters, pursuant to the law and bylaw;

- Board of Directors, responsible for managing the corporation, which attributes operational powers to delegated bodies and figures;
- Board of Statutory Auditors, which, for the intents and purposes of the Italian Civil Code, is responsible for monitoring compliance with the law and bylaw, as well as respect for the principles of corporate administration, and in particular the suitability of the organisational, administrative and accounting principles adopted by the Company and their effective implementation;
- Auditing Firm, responsible for the legal auditing of accounts and the assessment of financial statements, pursuant to the law and bylaw.

The main tools used to ensure the Company's organisation, governance and control, which were taken into account when developing this Model, can be summarised as follows:

- bylaw, which defines the rules of governance, management and organisation of the Company;
- company organisation charts, which illustrates the Company's organisational structure, defining the different hierarchical relationships between figures and operational links between the different organisational units;
- powers of attorney and delegations of authority, granting the necessary powers of representation and powers to sign, in accordance with well-defined organisational and managerial responsibilities;
- the Group Code of Ethics adopted at a Group level (*Attachment 1*), which expresses the ethical principles and values acknowledged by Sapiro Group and which must be respected by all those who work to deliver the Group's objectives. The Code of Ethics also expresses the guidelines and principles of conduct designed to prevent the crimes covered by Leg. Dec. 231/2001 and must therefore be considered an integral part of this Model and an essential tool in achieving the objectives of the Model itself;
- legislative and procedural framework, also prepared for the purposes of the Quality Control System, designed to regulate important processes.

5.2 Construction of Sapiro Organisation, Management and Control Model

This Model (in its original version and subsequent revisions) has been prepared following a series of activities intended to render the existing organisational and control model in line with the requirements of Leg.Dec. 231/2001 and with Confindustria Guidelines.

The process of developing the Model (and subsequent updates) consisted in the following phases:

1. Identification of activities and processes that, within the working environment, may potentially give rise to conditions, opportunities and/or means for the commission of crimes covered by the Decree ("areas of at-risk activities"), as well as company departments/managers involved in carrying out such activities.
The process involved mainly the analysis of available company documentation, with a particular focus on documents related to the corporate and organisational structure (e.g.: flowcharts, proxies, etc.).
2. Analysis of at-risk activities and processes, highlighting organisational and control mechanisms already in place, or which need to be adapted.

The control system was examined by taking into account the following standard prevention measures:

- existence of protocols and procedures;
- *ex post* traceability and verifiability of transactions through suitable documentation/sources of information;
- existence of a formalised powers of attorney and different levels of authorisation, consistent with assigned organisational responsibilities;
- compliance with the principle of segregation of duties;
- existence of suitable and specific control and monitoring mechanisms.

The analysis was carried out through a careful examination of company procedures, as well as interviews with involved personnel. For each identified areas of at-risk activities, it was thus possible to identify management processes and control tools implemented, with particular attention to “compliance” elements and existing preventive measures.

Following the analysis, it was possible to identify areas for improvement of the existing internal control system. Based on the results of said analysis, an action plan was prepared in order to define the organisational and control requirements that needed to be integrated into the Organisation, Management and Control Model, in order to ensure its compliance with Leg.Dec. 231/2001.

3. Upon the completion of the above-described activities, the Organisation, Management and Control Model was developed pursuant to Leg. Dec. 231/2001, structured in accordance with the Guidelines issued by Confindustria and adapted to the company structure.
4. The resulting Model was subsequently implemented through a) the approval of the Board of Directors; b) the nomination of a Supervisory Board in charge of verifying the effective implementation of and compliance with the Model; c) the definition of a disciplinary system designed to combat any violations of the Model; d) the diffusion of the contents of the Model by providing Recipients with the necessary training and information.

5.3 Identification of “areas of at-risk activities”

The following “areas of at-risk activities” were identified during the construction of the Model:

Areas of at-risk activities	Reference to Special Section
1. Management of relations with the Public Administration, fulfilment of obligations and audits 2. Dispute management	<i>A - Relations with the Public Administration</i>
3. Book-keeping and precreation of the financial statement 4. Finance and treasury management 5. Management of facilitated financing 6. Relations with board of statutory auditors, external auditors and shareholders 7. Management of “ordinary” and “extra-ordinary” corporate transactions 8. Disposal Management	<i>B - Administration and finance</i>
9. Management of workplace health and safety obligations 10. Management of environmental obligations 11. Management of relations with certifying entities	<i>C - Quality, safety and environmental control</i>

Areas of at-risk activities	Reference to Special Section
12. Procurement of goods and services 13. Management of consultancy services and professional engagements 14. Management of customs	<i>D - Purchase of goods and services</i>
15. Management of sale activities both through tenders and direct offers (public and private clients) 16. Management of agency networks and other business intermediaries 17. Management of contracts	<i>E - Management of commercial relations</i>
18. Selection, employment and management of personnel 19. Management of cost reimbursements 20. Management of relations with statutory auditors 21. Gifts and donations	<i>F - Human Resources management</i>
22. Management of information systems	<i>G - Management of information systems</i>
23. Management of fiscal matters	<i>H - Management of fiscal matters</i>
24. Management of intercompany relations	<i>I - Management of intercompany relations</i>

5.4 Supervisory Board

5.4.1 The Supervisory Board

The assignment of responsibility for the supervision of the working principles and implementation of the Model and its updates, to a body within the Company but having separate powers of initiative and control, combined with the correct and efficient execution of said powers, represents an essential condition in order to satisfy the conditions for exemption specified by Leg.Dec. 231/2001.

The main requisites of the Supervisory Board, as proposed by the Guidelines issued by Confindustria and the attributable facts set out by judicial bodies in published rulings, may be identified as follows:

- autonomy and independence;
- professionalism;
- continuous action.

The autonomy and independence of the Supervisory Board may be translated into control initiatives free of any forms of interference or conditioning by any exponents of the legal entity, and in particular, of the administrative body.

The requisite for professionalism is translated into the technical ability of the Supervisory Board to fulfil its role consisting in the supervision of the Model, as well as the ability to guarantee the dynamic nature of the Model itself, through the regular presentation of update proposals to senior management.

Finally, in regard to continued action, the Supervisory Board must continuously monitor compliance with the Model, check on its effectiveness and efficiency, promote regular updates and act as a

stable reference for all personnel performing any type of work activity for or on behalf of the Company.

Leg. Dec. 231/2001 does not provide specific guidelines regarding the composition of the Supervisory Board. In the absence of such guidelines, the Company has opted for a solution that, having taken into account the objectives pursued by the law and the orientations inferred from published rulings, is able to guarantee the effectiveness of the control activities assigned to the Supervisory Board, in proportion to its size and organisational complexity.

The Company has opted for a collective composition of its Supervisory Board, comprising a selection of three members (amongst whom a Chairman is identified) appointed by the Board of Directors, thus constituting a body, which, overall, is able to satisfy the above-described requisites of autonomy, independence, professionalism and continued action.

5.4.2 General principles for the establishment, nomination and replacement of the Supervisory Board

The Company's Supervisory Board is established through a resolution of the Board of Directors. Members of the Supervisory Board remain in charge for three years.

Members can always be re-elected. The term of the Supervisory Board shall end upon the expiry of the period established during its nomination, while continuing to fulfil its role ad interim until new members of the Board are nominated. These members must be nominated during the first Board of Directors' meeting available.

If, during the period of the mandate, one or more members of the Supervisory Board resign, the Board of Directors shall replace them by way of a resolution. The Supervisory Board will continue to function with its remaining members until the new member/s is/are nominated.

Compensation for Supervisory Board members is established by the Board of Directors, valid for the entire duration of the mandate.

Nomination as a member of the Supervisory Board is tied to the fulfilment of subjective eligibility requirements.

In particular, upon nomination, the person appointed as member of the Supervisory Board must issue a declaration, attesting the absence of any reasons for ineligibility, such as for example:

- conflicts of interest, even if potential, with the Company that may compromise the condition of independence necessary in order to fulfil the role and tasks of the Supervisory Board. Examples of conflicts of interest may include:
 - the existence of significant business relations with Sapio, its subsidiaries or associated companies, except for subordinate employment relationships;
 - the existence of significant business relations with the Chairman or delegated board members (executive directors);
 - having relations with, or being part of the family unit of the Chairman or executive directors, whereby the term family unit implies that constituted by non-legally separated spouses, relatives and kin twice removed;
 - being direct (or indirect) owners of Company shares, to such an extent as to have a significant influence over the Company;
- having had administrative responsibilities - during the three years prior to the nomination as a member of the Supervisory Board, or prior to the establishment of a consultancy

- agreement / collaboration with the Supervisory Board - for companies subject to bankruptcy, compulsory winding up or other insolvency proceedings;
- being in a state of temporary disqualification or suspension from public offices, or from the executive offices of legal entities and firms;
- the existence of any of the conditions for ineligibility or forfeiture provided for by art. 2382 of the Italian Civil Code;
- prevention measures pursuant to law no. 1423 dated 27th December 1956 or law no. 575 dated 31st May 1965 and subsequent amendments, except for the effects of rehabilitation;
- a conviction, whether in Italy or abroad, even if the sentence has not yet been handed down and even if it has been conditionally suspended, or if the sentence imposes the penalty/sanction requested by the parties pursuant to art. 444 of the Italian Penal Code (so-called “plea bargain”), except for the effects of rehabilitation, for the offences covered by Leg.Dec. 231/2001 or in any case offences that impact on professional morality;
- a conviction, even if the sentence has not yet been handed down and even if it has been conditionally suspended, or if the sentence imposes the penalty/sanction requested by the parties pursuant to art. 444 of the Italian Penal Code (so-called “plea bargain”), except for the effects of rehabilitation:
 - a custodial sentence for a period no less than one year for any of the offences covered by Royal Decree no. 267 dated 16th March 1942;
 - a custodial sentence for a period not shorter than one year for any of the crimes covered by regulations governing banking, financial, stock market and insurance activities, and by regulations governing share markets, listed securities and payment instruments;
 - a custodial sentence for a period not shorter than one year for crimes against the Public Administration, the public trust, against patrimony, against the public economy, for tax crimes;
 - for any negligent crimes entailing a custodial sentence for a period not shorter than one year;
 - for any of the crimes covered by heading XI of book V of the Italian Civil Code, as reformulated by Leg.Dec. 61/2002.

In the event any of the above-cited reasons for ineligibility are found applicable to one or more nominated members, their nomination will be automatically invalidated.

If employees of the Company are among the members of the Supervisory Board, the termination of their employment agreement shall also result in the invalidation of their appointment.

Under its own direct supervision and responsibility, the Supervisory Board, in carrying out the tasks assigned to it, may benefit from the collaboration of all departments and structures forming part of the Company or Group, specifically third-party consultants, utilising their respective skills and professionalism. This faculty shall allow the Supervisory Board to ensure a high level of professionalism and the necessary constant action.

To this end, the Board of Directors assigns the Supervisory Board a budget, taking into account any requests by the latter, which must be formally submitted to the Board of Directors.

The assignment of a budget allows the Supervisory Board to operate autonomously, using instruments suitable to ensure the efficient execution of the tasks assigned to it by this Model, pursuant to Leg.Dec. 231/2001. If necessary, the Supervisory Board may ask the Board of Directors to increase the amount of available funds, providing suitable accounting records.

In order to guarantee the necessary stability of Supervisory Board members, the revocation of powers of the Supervisory Board and the attribution of such powers to another party, may only occur with just cause. The latter may be linked to organisational corporate restructuring, formalised by way of a resolution by the Board of Directors and after having consulted the Board of Statutory Auditors.

In this regard, “just cause” for the revocation of powers associated with the role of Supervisory Board member, may include but is not limited to the following:

- a final conviction pursuant to the Decree or res judicata plea bargain, whereby the “omission or insufficient supervision” of the Supervisory Board has been established, pursuant to art. 6, paragraph 1, lett. d) of the Decree;
- a final conviction or plea bargain applicable to one of the members of the Supervisory Board for having committed any of the crimes or administrative offences covered by the Decree (or crimes/administrative offences of a similar nature);
- a violation of the confidentiality obligations to which the Supervisory Board is bound;
- failure to participate in one or more consecutive meetings without a justified reason;
- serious negligence in the fulfilment of assigned tasks, for example the failure to publish a half-yearly report on the activities performed, for subsequent presentation to the Board of Directors;
- the attribution of operational roles and responsibilities within the company organisation, which are incompatible with the requisites of “autonomy and independence” and “continuous action” of the Supervisory Board itself.

In particularly serious cases, after hearing the Board of Statutory Auditors, the Board of Directors may in any case suspend the powers of the Supervisory Board and nominate an ad interim Supervisory Board.

5.5 Roles and powers of the Supervisory Board

The Supervisory Board is vested with powers of initiative and control necessary to ensure the effective and efficient supervision of the working principles and implementation of the Model, pursuant to art. 6 of Leg.Dec. 231/2001.

In particular, the Supervisory Board oversees:

- the actual suitability and effectiveness of the Model, in terms of its ability to prevent the commission of the crimes covered by Leg.Dec. 231/2001, taking into account the size and organisational/operational complexity of the Company;
- the ability of the Model to satisfy requirements of suitability and effectiveness over time;
- recipient compliance with provisions set forth by the Model, highlighting any violations and proposing suitable corrective actions and/or sanctions to the relevant company figures;
- updates to the Model in the event it needs to be adapted to satisfy changing company or regulatory circumstances, proposing suitable corrective actions to relevant company figures and monitoring their implementation.

In order to carry out and fulfil its role, the Supervisory Board is assigned the following roles and powers:

- access to all Company structures and relevant documentation in order to ascertain fulfilment of, and compliance with the Model;

- authorisation to carry out sample inspections on specific at-risk activities/operations and check compliance with the control measures and rules of conduct adopted and specified by the Model, as well as company procedures;
- drive the updating of risk assessment in the event of significant variations to the company organisation, or the introduction of additional crimes covered by Leg.Dec. 231/2001;
- interact with company Departments to assess the suitability of the internal regulatory framework and define any proposals for alignment and improvement (internal rules, procedures, operating and control methods), subsequently monitoring their implementation;
- monitor information and training initiatives intended to create awareness and develop understanding of the Model within the Company;
- make requests to the Management, in particular those that work in at-risk areas, for any information that may be useful in ascertaining the suitability and effectiveness of the Model;
- receive notification reports from any Recipient of the Model in relation to a: i) any problems with the measures set forth by the Model; ii) any violations of the same; iii) any situation, known to the reporter in the context of the work context, which may expose the Company to the concrete risk of harming its integrity;
- periodically notify the CEO and relevant Department Managers of any violations of the control measures set forth by the Model and/or the company procedures, or of any identified omissions, in order that suitable corrective actions can be implemented, involving the Board of Directors where necessary;
- supervise the consistent application of sanctions set forth by internal regulations in the case of violations of the Model, without prejudice to the authority of the executive body to apply punitive measures;
- highlight any breaches of the rules of conduct, which may be identified following an analysis of information flows and the notification reports that Recipients of the Model are obliged to make.

The Supervisory Board adopts its own set of rules, which include among other things, the scheduling and methods of meetings and voting procedures, as well as the procedure for handling notification reports.

All members of the Supervisory Board are bound by the obligation to maintain the confidentiality of all information about which they become aware during the ordinary execution of their tasks.

Information may only be disclosed to the parties and using the methods specified by this Model.

5.6 Obligation for disclosure to the Supervisory Board

a) Reporting - whistleblowing system

The Law of 30 November 2017, n. 179, on "*Provisions for the protection of the authors of reports of crimes or irregularities that have come to know in a public or private employment relationship*" in regulating the system of protection for workers belonging to the public and private sector who

report an offence of which they have had knowledge during work, added three new paragraphs to art. 6 (paragraph 2-bis, 2-ter and 2-quater) of the Decree, introducing, also for the private sector, certain safeguards (e.g. prohibition of acts of retaliation or discrimination for reasons related, directly or indirectly to the reporting and protection of the confidentiality of the reporter, etc.) against the top subjects and their subordinates who report illegal conduct, relevant pursuant to Decree 231/2001 or violations of the Model, of which they became aware by reason of their office.

Subsequently, with Legislative Decree No. 24 of 10 March 2023, published in the Official Journal No. 63 of 15 March 2023, has been implemented in our legal system to the Directive (EU) 2019/1937 on the protection of persons who report infringements of European Union or national law, by extending the scope of the regulation's objective and subjective application and by strengthening the measures taken to protect the complainant. In addition, as far as interest here, the novella repeals art. 6 paragraphs 2-ter and 2-quater of the Decree, as well as art. 3 of L.179/2017.

In the light of the aforementioned legislation, the ODV (as a person deemed competent and chosen as the addressee of the reports) can be informed in accordance with the provisions of the Model and Legislative Decree no. 24/2023. In particular, employees, self-employed persons, self-employed persons, self-employed persons and consultants, volunteers, trainees (including unpaid workers) who work for the Company, probationary staff, those who have not yet established legal relations with the Company if they have become aware of the infringement in the selection process or in the pre-contractual stages of the relationship, former employees who have become aware of the circumstances reported during the employment relationship with the Company, or shareholders and persons with the function of administration, management, control, supervision or representation at the same Company, even if these functions are performed merely as a matter of fact, they may transmit the alerts referred to in the aforementioned applicable legislation.

Such reports may have as their subject: (i) offences 231 (and therefore conduct that may integrate criminal offences that are also a presumed offence for 231 purposes); (ii) violations of the Model; (iii) any offence committed in violation of European Union legislation indicated in Annex 1 to Legislative Decree no. 24/2023 and all national provisions implementing it; (iv) any act or omission affecting the financial interests of the European Union as identified in EU regulations, directives, decisions, recommendations and opinions; (v) any act or omission relating to the internal market, which compromises the free movement of goods, persons, services and capital; (vi) any act or

omission which nullifies the subject-matter or purpose of the European Union provisions in the areas referred to in (iii)/(iv)/(v) above.

Detailed reports based on precise and consistent facts may be made through the following channels:

- **in person**: through a direct meeting with the ODV within a reasonable time;
- **by dedicated IT application**: via the Legal Whistleblowing platform available on the company's website at the following link: <https://sapio.segnalazioni.net/>.

Without prejudice to the confidentiality obligations imposed by the applicable legislation, the reporting agent may specify that the alert is an alert for which it is intended to keep its identity confidential and to benefit from the protection provided in the event of any retaliation.

The Supervisory Board receives and manages the reports in full compliance with the relevant provisions of Legislative Decree no. 24/2023 and the clarifications and operational indications provided by ANAC within the "Guidelines on the protection of persons who report breaches of Union law and the protection of persons who report breaches of national legislation. Procedures for the submission and management of external reports" – approved by resolution no. 311 of 12 July 2023 and published on 14 July 2023.

In particular, the Supervisory Board, also through the functionalities of the aforementioned dedicated computer application, can, at any time, interloquire with the alerter and, where appropriate, request additional information or documentation in relation to the information submitted with the alert, or request that it be heard.

Once the alert has been received, the Supervisory Board, by means of the application or by ordinary mail (depending on the method of transmission of the alert used by the reporting agent), within seven days from the date of receipt, issue the acknowledgement of receipt to the signaller.

The Supervisory Board shall assess the reports received and the activities to be carried out and provide feedback to the report no later than three months after the expiry of the seven-day reporting period, taking any consequential measures to be defined and applied in accordance with the provisions of paragraph 6.7 of the Model relating to the disciplinary system.

Such measures shall be taken at the reasonable discretion and responsibility of the Supervisory Board, which shall give written reasons for its decisions, including any refusal to carry out an internal investigation.

Bona fide whistleblowers shall be guaranteed against any form of retaliation, discrimination or penalisation; in any event, the confidentiality of the identity of the whistleblower shall be ensured,

without prejudice to legal obligations and the protection of the rights of the Company or of persons wrongly or wrongly accused.

All information, documentation and reports collected by the Supervisory Board in the performance of its institutional tasks must be stored and kept for the time necessary for their processing and in any case no later than five years, in compliance with all the provisions on the protection of the security and confidentiality of data provided for by the applicable legislation.

It is understood that:

- acts of direct or indirect retaliation against the person giving the alert or those who have assisted him in the alert, colleagues, relatives and any persons connected to him for reasons connected, directly or indirectly, upon reporting. By way of example and not exhaustive, the aforementioned subjects may not be sanctioned, dismissed, assigned, revoked, replaced transferred or subjected to any measure that adversely affects employment contracts, for related reasons, directly or indirectly, to reporting or reporting, as well as to a number of other serious distressing conduct, such as the request for submission to medical or psychiatric examinations and discriminatory actions from which economic or financial prejudice also results in terms of loss of income or opportunities:
- obstructive signalling behaviour is prohibited;
- the use of information on breaches covered by the report is prohibited beyond the time necessary to follow up the breach;
- it shall be prohibited to disclose the identity of the alerter or those who assisted/facilitated the alert, colleagues, relatives or any other person related to him, or detect any other information from which such identities can be directly or indirectly inferred, without prejudice to the possibility for the reporting agent to give his written consent to the disclosure;
- it is forbidden to process the data related to the reporting in disregard of the legislation on the protection of privacy and data security and on privacy;
- the alerter must be aware of the civil and criminal liability and consequences of false statements and/or the formation or use of false acts. In the event of abuse or falsehood of the report, any liability of the reporting agent for slander, defamation, ideological false, moral damage or other civil or penal damage remains unaffected;
- if, following internal checks, the report is found to be unsubstantiated, investigations will be carried out into whether there is serious culpability or intent to report wrongly and, if so, disciplinary action will be taken, after consulting the Board of Directors, also in accordance with the sanction system adopted pursuant to the Model and of Decree 231/2001 and/or

also criminal complaints against the signaller unless these do not produce further elements to support its reporting.

In addition, in the event of alerts concerning infringements (of national or European law) which consist of offences concerning the areas listed in the Annex to Legislative Decree no. 24/2023 or which affect the financial interests of the European Union or concerning the internal market or which nullify the object or purpose of acts of the European Union, for the purposes of the same report, the D.C. external channel (as activated by the National Anti-corruption Authority) may also be used to use one of the following conditions:

- the internal signalling channel is not active or, even if activated, does not comply with the applicable legislation;
- the reporting person has already issued an internal alert and has not been followed up;
- the reporting person has reasonable grounds to believe that, if he made an internal alert, it would not be effectively followed up or that the same alert could lead to the risk of retaliation;
- the reporting person has reasonable grounds to believe that the infringement may constitute an imminent or manifest danger to the public interest.

The aforementioned external channel established by ANAC is managed in accordance with the provisions of the "*Regulation for the management of external reports and exercise of the sanction power Anac*" - approved by the Authority n. 301 of 12 July 2023.

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b) Information flows

In addition to the notification reports described above, involved company departments must necessarily inform the Supervisory Board of the following (so-called "**general information**"):

- any injunctions and/or notices issued by judiciary police or any other type of authority, even if to unknown persons, providing details of criminal investigations or proceedings relative to facts of interest and/or which may involve the Company (as per Leg.Dec. 231/01 and non);
- any injunctions and/or notices, the object of which is the existence of administrative or civil proceedings related to requests or initiatives by public Authorities;
- any acts or subpoenas to testify, which involve Company figures or collaborators;
- requests for legal assistance made by employees in the event of criminal or civil charges pressed against them (not only in relation to crimes covered by Leg.Dec. 231/01);
- information related to any audits conducted by Public Administration officials and memos from all company Departments;
- notices related to any past disciplinary proceedings and sanctions imposed, or any decisions to dismiss, accompanied by the relevant reasons;

- any correspondence related to organisational or corporate changes implemented in one's own area of activity;
- any anomalies or problems encountered by Managers while performing at-risk activities, for the purposes of Leg.Dec. 231/01.

Each of the Company Department Directors, insofar as responsible for the complete and correct adoption of company rules and the monitoring of risks identified within their area of responsibility, is also required to promptly and periodically provide the Supervisory Board with any data and information formally requested by the latter, as specified in the related procedures (so-called “**specific information**”).

General information and specific information must be sent to the Supervisory Board in writing at the email address: odv@sapio.it.

All information and notifications reported are filed by the Supervisory Board in a special archive (electronic or paper file).

5.7 Reporting by Supervisory Board to corporate bodies

In order to guarantee full autonomy and independence when carrying out its role, the Supervisory Board reports directly to the Company Board of Directors.

In particular, the Supervisory Board sends the Board of Directors (with the Board of Statutory Auditors in copy):

- an informative report regarding the activities performed, twice per year;
- in the event of confirmed violations of the Model, with the presumed commission of a crime, written communication within the scope of their responsibility.

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The Supervisory Board nonetheless has the faculty to request a meeting with the Board of Directors or the Board of Statutory Auditors, when deemed necessary.

Similarly, the Board of Directors and the Board of Statutory Auditors have the right to summons the Supervisory Board whenever they deem appropriate.

The following aspects are covered by half-yearly reporting:

- controls and audits conducted by the Supervisory Board and the outcomes of the same;
- any critical situations detected;
- the progress of any corrective or improvement actions to the Model;
- any legislative updates or organisational changes that require an update to reflect newly identified risks or variations to the Model;
- any disciplinary sanctions imposed by competent bodies, following violations of the Model;
- the action plan for the following semester;
- other information deemed significant.

Meetings with corporate bodies to whom the Supervisory Board reports must be documented. The Supervisory Board is responsible for preparing adequate documentation.

6 DISCIPLINARY AND PUNITIVE SYSTEM

6.1 Objectives of the disciplinary system

The definition of a suitable disciplinary system with sanctions proportionate to the seriousness of the violation in terms of the infraction of the rules of this Model and related Attachments by its Recipients, constitutes an essential condition for the efficiency of the Model itself.

The sanctions set forth shall be applied to each violation of the provisions contained in the Model, regardless of the development and outcome of the criminal lawsuit eventually commenced by the Judicial Authority, in the event the conduct to be censured constitutes one of the offences for the purposes of Leg.Dec. 231/2001.

In any case, the sanction is handled independently of the crime and is manifested as the Company's reaction to the failure to respect the rules of conduct or procedures set forth by the Model and its Attachments.

6.2 Disciplinary measures imposed on non-executive personnel

The violation of provisions and rules of conduct set forth by the Model and its Attachments by Company employees constitutes contractual non-compliance.

Consequently, the violation of individual provisions and rules of conduct set forth by the Model and its attachments by Company employees may result in the adoption of disciplinary sanctions, within the limits set forth by applicable National Collective Bargaining Agreements (Contratti Collettivi Nazionali Lavoro, "CCNL").

Disciplinary measures that can be imposed on Company employees, pursuant to the provisions of art. 7, Law no. 300 dated 20th May 1970, are those set forth by the disciplinary regulations of the National Collective Bargaining Agreement for workers in the chemical, chemical-pharmaceutical, chemical fibre industries, and in the ceramics, abrasives, lubricants and LPG sectors (hereinafter CCNL), in particular:

- verbal warning;
- written warning;
- fines;
- suspension (of services and/or wages);
- termination of employment contract.

The type and severity of the sanction is defined by taking into account the seriousness and/or recidivism of the violation and the severity of its effect, more specifically:

- intentional nature of the conduct;
- existence of aggravating or mitigating circumstances;
- importance of violated obligations;
- severity of damage inflicted on the Company;
- role, level of hierarchical responsibility and autonomy of the employee;
- eventual sharing of responsibility with other parties that contributed to the shortcoming;

- any similar previous disciplinary actions.

For example, if there is a violation of the rules set forth by the Model and its Attachments, or the rules to which it refers, and in the event of the commission (even attempted) of any type of criminal offence to which Leg.Dec. 231/2001 applies, the measures listed below shall be applied.

A verbal warning, written warning, fine or suspension will be issued to employees that violate internal procedures or those referred to by this Model, for example: failure to follow protocols, failure to provide the Supervisory Board with the necessary information, failure to carry out checks within their scope of responsibility, failure to inform the Prevention and Protection Service of any risks inherent to workplace health and safety, failure to use or scarce use of Personal Protective Equipment, or the adoption of behaviour that is non-compliant with the provisions set forth by this Model during the execution of at-risk activities. The sanction shall be commensurate to the seriousness of the infraction and the reiteration of the same.

6.3 Disciplinary measures imposed on executive personnel

In relation to executives and taking into account their relationship of trust with the employer, if the general principles of the Organisation, Management and Control Model, or the rules of conduct set forth by the Code of Ethics and company procedures are violated, the Managing Director / CEO shall be called upon, or the Board of Directors if there is a conflict of interest or in more serious cases, in order to impose disciplinary measures proportionate to the violations committed, taking into account that said violations constitute non-compliance with the obligations of the employment relationship.

The following is a non-exhaustive list of possible infractions:

- the commission or attempted commission of a crime to which Leg. Dec. 231/2001 is applicable, while carrying out one's own role;
- failure to comply with the rules of the Model or Code of Ethics;
- failure to properly supervise subordinate workers in relation to their respect for the Model and rules stated therein;
- non-compliance with the obligation to make "notification reports" and provide "information" to the Supervisory Board;
- the tolerance of, or failure to provide notification of any irregularities committed by other workers or partners of the Company.

In any case, if the violation of the Model compromises the relationship of trust, the sanction shall involve the termination of the employment contract.

All actions related to punitive measures must be communicated to the Supervisory Board for assessment and monitoring within its scope of responsibility.

6.4 Disciplinary measure imposed on Board Members

After receiving notice of a violation of the provisions and rules of conduct of the Model or Code of Ethics by Board Members, the Supervisory Board must promptly inform the entire Board of Directors of the event. After assessing the facts of the notification report and making the necessary

checks, the Board of Directors may impose the relevant disciplinary measures set forth by the Law, after hearing the opinion of the Board of Statutory Auditors.

In particular, the Board of Directors may summons a Board of Directors' meeting in order to adopt the most suitable measures set forth by the law, including the potential revocation of the mandate and/or a decision to file a lawsuit against the board members involved in the violation.

The following is a non-exhaustive list of possible violations by Board members:

- the commission or attempted commission of a crime in the execution of their role, to which Leg. Dec. 231/2001 is applicable;
- failure to comply with the rules of the Model or Code of Ethics;
- failure to properly supervise workers or partners of the Company in relation to their respect for the Model and rules stated therein;
- non-compliance with the obligation to make "notification reports" to the Supervisory Board;
- the tolerance of, or failure to provide notification of any irregularities committed by other workers or partners of the Company.

All actions related to punitive measures must be communicated to the Supervisory Board for assessment and monitoring within its scope of responsibility.

6.5 Disciplinary measures imposed on Statutory Auditors

After receiving notice of a violation of the provisions and rules of conduct of the Model or Code of Ethics by one or more Statutory Auditors, the Supervisory Board must promptly inform the entire Board of Statutory Auditors and the Board of Directors of the event. After assessing the facts of the notification report and making the necessary checks, the Board of Directors may impose the relevant disciplinary measures set forth by the Law, including for example a summons for a Board of Directors' meeting, in order to adopt the most suitable disciplinary measures set forth by the law.

All actions relative to punitive measures must be communicated to the Supervisory Board for assessment and monitoring within its scope of responsibility.

6.6 Disciplinary measures imposed on commercial partners, third-party consultants and collaborators

In the event commercial partners, suppliers, agents, intermediaries, third-party consultants or collaborators, regardless of their title, or other parties in a contractual relationship with the Company, behave in a manner non-compliant with Leg. Dec. 231/2001 and with the principles and values of the Code of Ethics, said parties shall be sanctioned according to the terms of specific contractual clauses inserted in their relative contracts.

The serious or repeated violation of the Code of Ethics, or the adoption of behaviour non-compliant with Leg. Dec. 231/2001 shall be considered non-compliance with contractual obligations and shall result in the dissolution of the contract by the Company.

The Legal Department is responsible for continuously monitoring the applicability of contractual clauses.

6.7 Sanctioning system for breaches of the Whistleblowing reporting discipline

The Model, in relation to the reporting system (referred to in paragraphs 5.6 *a*) above), provides in its disciplinary system for:

- sanctions against whistleblowers who maliciously or grossly negligently make reports that turn out to be false and/or unfounded;
- sanctions against those who breach the measures for the protection of the reporter or of the persons connected to him/her (breach of the prohibition of retaliation or breach of the obligation of confidentiality placed for the protection of all the persons involved in the report) or against those who engage in conduct obstructing the report and/or who are responsible for breaching the obligation of confidentiality in the handling of reports.

If, following internal checks, a report proves to be unfounded, investigations will be carried out to determine whether there is serious guilt or wilful misconduct in respect of the undue report and, if the outcome is positive, the Board of Directors and/or the relevant company department will initiate the sanctions, measures and/or disciplinary actions provided for by the applicable CCNL or by the applicable contracts and laws, as well as, where the conditions or reasons are met, criminal charges against the reporter, unless the latter provides further information in support of his report. In the event of abuse or falsity of the report, any liability of the whistleblower for slander, defamation, ideological falsehood, moral damage or other civil or criminal damage remains unaffected.

Breach of the obligation of confidentiality of the whistleblower or of the persons involved in the report, or the performance of retaliatory acts against the whistleblower or persons connected to him/her (facilitators, persons in the same working environment, co-workers who have a habitual and current relationship with the complainant, and also legal entities in cases where they are the property of the complainant, public disclosure or entities in which he works or entities operating in the same working context), is a source of contractual and/or disciplinary liability under the applicable contracts and the applicable law, without prejudice to any further form of liability provided for by the law and the nullity of any retaliatory act performed.

Should the members of the Supervisory Board be found responsible for violating the obligations of confidentiality of the identity of the whistleblower laid down in this Model, such violation may entail, depending on the seriousness of the violation, either a written warning to comply with the Model from the Board of Directors or the termination of the relationship and compensation for damages, also taking into account the provisions of the letters of appointment or the agreements governing the relationship.

The aforementioned sanctions are in addition to the administrative pecuniary sanctions that may be imposed by the ANAC pursuant to Article 21 of Legislative Decree 24/2023.

7 DISTRIBUTION OF MODEL

7.1 Foreword

Suitable training and regular sharing of information to Recipients regarding the principles and provisions of the Model and its Attachments, are essential factors in ensuring the correct and efficient implementation of the same.

All Recipients of the Model must be completely aware of the objectives of correctness and transparency pursued by the Model, and the methods through which the Company intends to achieve such objectives, implementing suitable procedures and controls.

Communication and training on the principles and contents of the Model are guaranteed by the Group Human Resources Department that, in agreement with the Supervisory Board, identifies the best ways of providing these services.

Communication and training activities (including therein training programs) are overseen by the Supervisory Board, which can eventually propose any necessary integration.

7.2 Communication

The adoption of this Model (and any subsequent updates) is communicated to members of the various corporate bodies and to all executive and non-executive personnel, using the following means: i) email to which an electronic copy of the Model and relative Attachments is attached; ii) projection of the Model's relevant information on the Company's digital notice boards; iii) publication of a notice containing clear information on the channel, procedures and prerequisites for making internal reports, as well as on the channel, procedures and prerequisites for making external reports on the Company notice board; iv) publication of a notice containing clear information on the channel, procedures and prerequisites for making internal reports, as well as on the channel, procedures and prerequisites for making external reports on the Company's website.

7.3 Employee training

In order to facilitate the understanding of the regulations set forth by the Decree and Model, including the whistleblowing legislation in force from time to time), employees are obliged to participate in specific training activities, characterised by different methods depending on their role and level of involvement in activities defined as sensitive pursuant to Leg. Dec. 231/2001.

Through the Group Human Resources Department, the Company guarantees specific training activities for executives personnel and other employees involved in at-risk activities, whose frequency and contents are considered suitable to guarantee knowledge of the Decree and awareness of the Model and Code of Ethics.

Participation in training programs is mandatory for all Recipients and must be documented. Regular attendance checks and tests are also part of the training procedure.

7.4 Information to commercial partners, third-party consultants and collaborators

At the start of their collaboration, commercial partners, third-party consultants and collaborators are informed of the Company's adoption of the Model and Code of Ethics, and the requirement for their compliance with the provisions of Leg. Dec. 231/2001, as well as with the ethical principles and line of conduct adopted by Sapio through the Code of Ethics.

8 MODEL UPDATES AND REVIEWS

The Board of Directors meets to deliberate and approve updates to the Model in order to reflect changes and/or integrations that may become necessary due to, for example:

- changes to the organisational structure of the Company and/or methods of performing company activities;
- legislative updates;
- outcomes of controls;
- significant violations of the provisions of the Model.

If changes of an exclusively formal nature are necessary, such as clarifications or textual specifications, the Managing Director may autonomously implement the changes after having properly shared the need with the Supervisory Board, without summoning the Board of Directors.

In any case, any events resulting in the need to make changes to, or update the Model, must be notified in writing by the Supervisory Board to the Board of Directors, in order that the latter can make the necessary decisions within its scope of responsibility.

Changes to company rules and procedures necessary in order to implement the Model, are made by the interested entities. The Supervisory Board is constantly informed about updates to new operating procedures and their implementation, and has the faculty to express its opinion on the proposed changes.