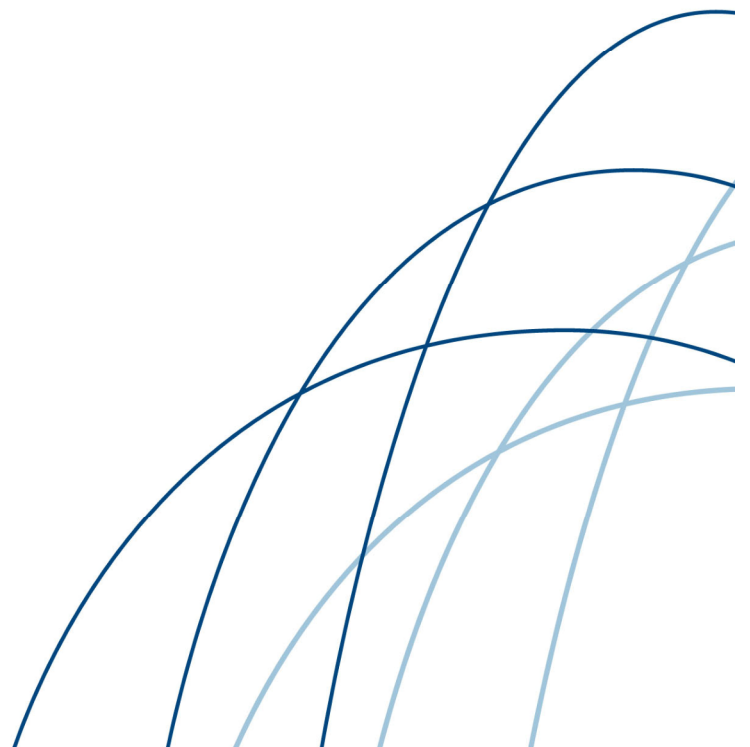




**ORGANISATION, MANAGEMENT AND  
CONTROL MODEL**

**Adopted pursuant to Legislative Decree  
8 June 2001, n. 231**



**ORGANISATION, MANAGEMENT AND CONTROL MODEL**  
*Adopted pursuant to Legislative Decree no. 231 of 8 June 2001*

*Approved by the Board of Directors of Tecnimont S.p.A on 25 July 2019*

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## GLOSSARY

In this document the following definitions apply:

- **Tecnimont S.p.A., TCM or Company:** Tecnimont S.p.A. with registered office in Via Gaetano De Castiglia 6A, Milan, registered in the Milan Business Register with the registration number and VAT number 01628410159.
- **NCBA:** National Collective Bargaining Agreement for employees of Chemical and Pharmaceutical Chemistry Industries and for managers of Manufacturing Companies offering Goods and Services.
- **BoD:** Board of Directors of Tecnimont S.p.A.
- **Code of Ethics:** Group Code of Ethics in force pro tempore, represents the set of conduct values, principles and guidelines that inspire the entire operations of the Group.
- **Conflicts of interest:** this is a situation in which a personal interest may interfere with or prevail over that of the Company. Merely by way of example, the following are situations of conflicts of interest:
  - having economic and financial interests, including through family members, with suppliers, sub-suppliers, actual or potential customers, commercial *partners* or competitors;
  - accepting gifts that are not compliant with the provisions of the Model, Code of Ethics, the current document system or in any case which are such as to influence independence of judgement, favours or other benefits of any kind from people, companies or entities that are doing, or intend to do business with the Company;
  - using a personal position in the Company to pursue personal interests or those of third parties, whether or not they are in conflict with those of the Company;
  - starting negotiations and/or stipulating agreements - for and/or on behalf of the Company - with counterparties that are family members or shareholders, or legal entities that are connected with the Target Audience or in which they have any interest.
- **CONSOB:** Commissione Nazionale per le Società e la Borsa [Italian Securities and Exchange Commission].
- **Target Audience:** all the subjects required to comply with this Organisation, Management and Control Model, as defined in the paragraph entitled “Model Target Audience”, below.
- **Decree or Legislative Decree 231/2001:** Italian Legislative Decree 231 of 8 June 2001, concerning the

"Regulations governing the administrative liability of legal persons, companies and associations also without legal status, in accordance with article 11, Law 300 of 29 September 2000" as amended and supplemented.

- **Entities:** subjects with legal status, companies and associations also without legal status with the exclusion of the State, local authorities, other non-economic public bodies, as well as entities with constitutional functions.
- **Group:** companies belonging to the Maire Tecnimont Group.
  
- **Maire Tecnimont, MET or Parent Company:** Maire Tecnimont S.p.A. with registered offices in Rome, via Castello della Magliana 27, registered in the company register of Rome with the registration number and tax code 07673571001, VAT No. 07673571001.
  
- **Model:** this Organisation, Management and Control Model adopted by Tecnimont S.p.A. in accordance with art. 6, paragraph 1, letter a) of Italian Legislative Decree 231/2001.
  
- **Supervisory Body or SB:** the organism with independent powers of supervision and control, which is entrusted by the Company with the responsibility for supervising the operation of and compliance with the Model, as well as its updating.
  
- **Protocols:** specific protocols, in compliance with the provisions of Article 6, paragraph 2, letter b) of Legislative 231/2001, which contain a set of control and conduct rules and principles deemed suitable to govern the identified risk profile.
  
- **Crimes:** the Crimes for which administrative liability is provided for pursuant to Italian Legislative Decree 231/2001.
  
- **HOU:** Head of Operational Unit, i.e. the Target Audience who have operational responsibility for each area of company activity in which there is a potential risk of Crimes being committed.
  
- **Sister Company:** the companies directly controlled by Maire Tecnimont S.p.A.
  
- **Private Individuals:** directors, general managers, managers responsible for preparing corporate accounting documents, auditors, liquidators of a third party company or those who are under their management or supervision or those who, according to current legislation, may be the targets of acts of corruption among private individuals pursuant to art. 2635 of the Italian Civil Code.
  
- **Third Parties:** such as contract workers, interns, temporary workers, employees of Group Companies on secondment to the Company.
  
- **Other Parties:** merely by way of example, suppliers, consultants, professionals, employment agencies, contractors of services pursuant to articles 4 and 20 of Italian Legislative Decree 276/2003,

subcontractors and business *partners* as well as any other persons that the Company deems appropriate to identify.

For proper understanding and application of the Model and Protocols, given the numerous references contained therein and the significance of the issue for the Company, the definitions of “Public Officer” and “Civil Servant”, as defined by the Criminal Code, and the notion of “Public Administration”<sup>1</sup> as expressed in doctrine and case law are listed below:

- **Public Officer** (art. 357 of the criminal code): *“For the purposes of criminal law, public officials are those who perform a public legislative, judicial or administrative function. For the same purposes the administrative function governed by public law and authoritative acts and characterised by the formation and manifestation of the will of the public administration or its performance by means of powers of authorisation or certification is public”;*
- **Civil Servant** (art. 358 of the criminal code): *“For the purposes of criminal law, civil servants are those who, for whatever reason, perform a public service. Public service means an activity regulated in the same way as the public function, but characterised by the lack of powers typical of the latter, and excludes the performance of simple tasks of order and the provision of merely material works”;*
- **Public Administration:** the legislator does not define in a general way the concept of public administration and, therefore, at present, the broadest and most reliable notion, even if reserved for the specific sector, is that contained in the Consolidated Act on Public Employment (art. 1, par. 2 of Italian Legislative Decree 165/2001), according to which the term *“public administration”* is used to refer to *“all State administrations, including institutes and schools of all levels and types and educational institutions, State businesses and administrations with their own autonomous order, Regions, Provinces, Municipalities, Comunità Montane and their consortia and associations, university institutions, autonomous Institutes for municipal housing, Chambers of commerce and their associations, all national, regional and local non-economic public entities, the administrations, businesses and entities of the National Health Service, the Agency providing business representation of the public administrations (ARAN) and the Agencies pursuant to Italian Legislative Decree 300 of 30 July 1999”*. For a more detailed definition of Public Administration, please refer to Attachment 1.

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<sup>1</sup> For a more detailed definition of “Public Administration”, please refer to attachment 1.

## FOREWORD

### GENERAL PRINCIPLES

#### **Adoption of Models within Maire Tecnimont Group**

Within the Maire Tecnimont Group, the Parent Company Maire Tecnimont has adopted its own Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.

The Parent Company has promoted the adoption and effective implementation of its own organisational models by all Group companies.

Each Group company independently prepares and adopts its own Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001, also taking into account the principles of conduct adopted by the Group.

It is the responsibility of the individual companies of the Group to implement the control principles set out in the Model in relation to the activities actually carried out in the areas of potential risk in relation to the categories of Crimes set out in Italian Legislative Decree 231/2001.

It should be noted that, in the exercise of its management and coordination powers, the Parent Company:

- does not give precise and binding indications in the elaboration and revision of the Models of the companies of the Group;
- provides consulting support, aimed at facilitating the adoption, updating, implementation and monitoring of the Models by the individual companies of the Group;
- outlines specific rules for fairness and transparency in relations with individual Group companies through communications made in an official and traceable form.

Each Group company adopts ethical-behavioural principles and control measures specifically determined in relation to its own operations and the types of Crimes pursuant to Italian Legislative Decree 231/01 that are relevant to it.

Channels of communication are established between all Group companies regarding the state of implementation of the system adopted pursuant to the Decree.

Finally, the possibility of centralised organisational solutions and the adoption of centralised procedures and/or activities *outsourced* to Group companies are subject to the following conditions: the system of intra-group *governance* ensures that they are inspired by the principles of transparency and correct accounting;

- the powers granted to the top management of Group Companies must be respected, as they act in the interest of the company;
- the respective financial and patrimonial autonomy of the Companies of the Group must not be violated;

#### **Adoption of the Model by Tecnimont S.p.A.**

Tecnimont is a wholly owned subsidiary of Maire Tecnimont. Within the Maire Tecnimont Group, Tecnimont represents the entrepreneurial spirit in Engineering, Procurement & Construction of large-scale projects worldwide. Tecnimont is an international leader in plant engineering, rooted in the pioneering experience of Italian industrial technology that shapes the new frontiers of engineering innovation.



Tecnimont is organised according to the traditional administration and control model, including the Shareholders' Meeting, Board of Directors and Board of Statutory Auditors. The activity of statutory auditing of the accounts is entrusted to an auditing firm.

### **OBJECTIVES OF THE MODEL**

Tecnimont S.p.A., as part of a broader corporate policy common to the entire Maire Tecnimont Group, sensitive to the need to ensure fairness and transparency in the conduct of business and corporate activities, to protect the Company itself, as well as the expectations and interests of its *stakeholders*, has deemed it appropriate to analyse and strengthen all the control and corporate *governance* instruments already adopted, proceeding with the implementation and regular updating of the Organisation, Management and Control Model of the Company as provided for by Italian Legislative Decree 231/2001 on the administrative liability of entities.

On 26 November 2004 the Board of Directors of Tecnimont adopted the first version of its Model. In view of the subsequent interventions of the legislator aiming to extend the scope of application of Italian Legislative Decree 231/2001, new legal guidelines in the meantime consolidated and organisational changes in the structure of the Company, the Board of Directors has updated the Model over time, most recently by resolution dated 25 July 2019.

With the adoption of this Model, Tecnimont aims to achieve the following objectives:

- reiterate that any unlawful conduct is totally condemned by the Company, even if inspired by a misinterpreted corporate interest and even if Tecnimont was apparently not in a position to benefit;
- determine in all those who act in the name and on behalf of Tecnimont and, in particular, in the areas identified as "at risk" of Crimes pursuant to the Decree, awareness of the duty to comply with the provisions of the Model and Code of Ethics and with the company regulations in general;
- inform the Target Audience that violation of the provisions of the Model constitutes a conduct punishable by disciplinary measures and that in the event of commission of any crime pursuant to the Decree, in addition to criminal sanctions applicable to them personally, there could also be administrative liability on the part of the Company, with the consequent application of sanctions to the same;
- enable the Company, by strict control and monitoring of areas at risk and sensitive activities in terms of the possible commission of Crimes pursuant to the Decree and implementation of *ad hoc* instruments, to take prompt action to prevent or combat the commission of said crimes.

### **STRUCTURE OF THE MODEL**

This document consists of a General Part and a Special Part.

The General Part describes the contents of the Decree, recalling the types of crimes that determine administrative liability of an entity, the possible sanctions and the conditions for the exemption from liability (Section one), as well as the organisational structure of the Company and the activities carried out for the construction, dissemination and updating of the Model (Section two).

The Special Part contains the Protocols, i.e. a set of control and conduct rules and principles deemed suitable to govern the areas for which a potential risk of committing Crimes of administrative liability has been identified pursuant to Italian Legislative Decree 231/2001.

The rules contained in the Model are supplemented by with those of the Code of Ethics, even though the former, for the purposes it intends to pursue in implementing the provisions contained in the Decree, has a different objective than the latter. It is pointed out, in fact, that:

- the Code of Ethics is an independently adopted instrument for general application by the Company in order to establish the principles of “corporate ethics” which Tecnimont S.p.A. and the Group recognise as their own and which the Target Audience is called upon to comply with;
- the Model complies with specific requirements contained in Italian Legislative Decree 231/2001, with the objective of preventing the commission of Crimes that may result in the administrative liability of the Company.

#### **TARGET AUDIENCE OF THE MODEL**

The rules contained in the Model apply to all those in the Company, also belonging to other Maire Tecnimont Group companies, who are involved, also de facto, in Tecnimont activities considered at risk for the purposes of said legislation.

In particular, the Model applies to the following Target Audience:

- all members of corporate bodies (Board of Directors and Board of Statutory Auditors);
- senior managers (i.e. those defined as such according to the applicable National Collective Bargaining Agreement);
- employees (i.e. workers with employment contracts, also fixed-term);
- Third Parties.

Third parties must be bound to comply with the provisions of Italian Legislative Decree 231/2001, the Model and the ethical and conduct principles adopted by Tecnimont via the Code of Ethics by signing the appropriate contractual clauses, which allow the Company, in the event of breach, to unilaterally terminate the contracts stipulated and to claim compensation for any damage incurred (including possible imposition of sanctions pursuant to the Decree).

The Company binds the Additional Subjects to the respect of the prescriptions dictated by Italian Legislative Decree 231/2001 and the ethical and conduct principles adopted by Tecnimont via the Code of Ethics and Model 231 by signing the appropriate contractual clauses, which allow the Company, in the event of breach, to unilaterally terminate the contracts stipulated and to claim compensation for any damage incurred (including possible imposition of sanctions pursuant to the Decree).

**GENERAL PART**

## SECTION ONE

### LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

#### 1. ADMINISTRATIVE LIABILITY OF ENTITIES

##### 1.1 THE LEGAL SYSTEM OF ADMINISTRATIVE LIABILITY OF LEGAL PERSONS, COMPANIES AND ASSOCIATIONS

Italian Legislative Decree 231 of 8 June 2001, in partial implementation of the enabling law no. 300, art. 11 of 29 September 2000, regulates - introducing it for the first time into national law - administrative liability of legal persons, companies and associations without legal status.

In particular, the enabling law no. 300 of 2000 which ratifies, among other things, the Convention on financial protection of the European Communities of 26 July 1995, the EU Convention of 26 May 1997 on the fight against corruption and the OECD Convention of 17 September 1997 on combating the corruption of foreign public officials in international business transactions, fulfils the obligations provided for by such international and, in particular, Community instruments which provide for liability of legal persons paradigms and a corresponding sanction system affecting corporate crime.

Italian Legislative Decree 231/2001 therefore fits in the context of implementation of international obligations and - aligning itself with the regulatory systems of many European countries - establishes liability of the *companies*, considered *“as an independent centre of interest and legal relationships, point of reference of precepts of various kinds, and matrix of decisions and activities of persons operating in the name, on behalf or otherwise in the interests of the entity”*.

With regard to the actual nature of the liability pursuant to Italian Legislative Decree 231/2001, the same seems to combine features of both administrative and criminal liability. The ministerial report to the Decree, in fact, highlights the fact that such form of liability, being the result of a crime and linked to the guarantees of the criminal trial, differs in several points from the classical paradigm of administrative crime and constitutes an autonomous type of liability *“which combines the essential features of the criminal and administrative systems in an attempt to reconcile the issues of preventive efficacy with those, even more inevitable, of maximum guarantee”*.

In particular, Italian Legislative Decree 231/2001 provides for a broad system of sanctions which ranges from the milder monetary sanctions up to the heavier disqualification sanctions, including the sanction of disqualification from business activities.

The administrative sanctions provided for by the Decree can in fact only be applied by the criminal court, with the guarantees of the criminal trial, only if all the objective and subjective requirements set by the legislator are met: the commission of an offense in the interest or for the benefit of the Entity, by qualified persons (top management or subordinates).

Administrative liability on the part of an Entity arises in the following cases:

- commission of a Crime *in its own interest*, i.e. whenever the illegal conduct is put in place with the intent of creating an exclusive benefit for the Entity;

- the same derives some kind of *advantage* (financial or otherwise) of an indirect type from the illegal conduct, the offender having acted without the sole purpose of creating a benefit for the Entity.

In contrast, the *exclusive* benefit of the offender (or of a third party with respect to the entity) excludes the liability of the Entity, being the same absolutely and manifestly extraneous to the commission of the crime.

With regard to the subjects, the legislator, in art. 5 of Italian Legislative Decree 231/2001, provides for the liability of the Entity if the crime is committed:

- a) “by persons who are representatives, directors or managers of the entity or one of its organisational units with financial and functional autonomy, as well as by persons who, also *de facto*, exercise management and control of the same” (so-called **top management**);
- b) “by persons reporting to top management or under the supervision of those referred to in letter a)”.

If the crime has been committed by a person under the management or supervision of one of the subjects pursuant to letter a), the entity is liable if the prosecution manages to show that the commitment of the crime was made possible by failure to comply with management or supervisory obligations. These obligations are assumed to have been fulfilled when the entity, before committing the crime, has adopted and effectively implemented a Model able to prevent crimes of the type that have taken place.

More specifically, the liability of the entity is assumed where the crime is committed by natural persons holding a senior or managerial position; consequently, the burden of showing that it had nothing to do with the events lies with the entity. Vice versa, the liability of the entity needs to be shown where the person who committed the crime does not hold a senior position in the corporate organisational system; the burden of proof in this case lies with the prosecution.

For the purposes of affirming liability of the Entity, in addition to the existence of the mentioned requisites that allow the crime to be objectively connected to the entity, the legislator also requires ascertainment of the guilt of the entity. Such subjective requirement is identified by an *organisational guilt*, that is, violation of rules set by the entity to prevent specific types of crime.

The liability of Entities also extends to Crimes committed abroad, provided they are not prosecuted by the State of the place where the act was committed and that the particular conditions exist, as provided for in Italian Legislative Decree 231/2001.

The increasingly global nature of business markets makes verification of the extraterritorial approach of punitive laws anything but secondary, as established to cover the rules governing business activities in general and those contained in Italian Legislative Decree 231/2001.

Italian Legislative Decree 231/2001, in fact, contains a provision (art. 4 of the Decree), inspired by a moderate principles of *universality* of jurisdiction, according to which administrative liability can be applied to an Entity with head office in Italy for the commission of one of the predicate Crimes, included in the 231 catalogue of Crimes, even where this has been entirely committed abroad. In particular, paragraph 1 of art. 4 mentioned above provides for the administrative liability of the Entity in all cases in which, for predicate crimes committed abroad, the natural person who committed it must also be punished under articles 7, 8, 9 and 10 of the criminal code.

For the Italian judge to exercise his jurisdiction, and apply the administrative penalties prescribed by the Decree to the Entity, in the event of commission of crimes abroad, the following specific pre-requisites are required:

1. the Crime must be committed abroad (and entirely completed abroad) by the qualified person (“top management” or “subordinate”);
2. the Entity must have its head office in Italy (articles 2196 and 2197 of the Italian Civil Code);
3. one of the conditions provided for in articles 7, 8, 9 and 10 of the criminal code, is met;
4. the State in which the act was committed does not take action against the Entity;
5. in the cases in which the law provides that the guilty person be punished at the request of the Minister of Justice, action is taken against the Entity only if the request is also formulated against the latter.

Although the rule does not refer to entities not established in Italy, the orientation that emerged in the case law on the merits (Preliminary investigations magistrate of Milan, ord. 13 June 2007, same, ord. 27 April 2004, Court of Milan, ord. 28 October 2004) sanctioned, basing its decisions on the principle of territoriality, the existence of national jurisdiction in relation to Crimes committed by foreign entities in Italy.

## **1.2 CRIMES THAT DETERMINE ADMINISTRATIVE RESPONSIBILITY OF THE ENTITY**

The types of crime and administrative liability subject to the administrative liability of the Company are only those specifically indicated by the legislator in Italian Legislative Decree 231/2001 or in special laws that refer to the same regulatory framework.

Over the years, the number of Crimes "presupposed" under Italian Legislative Decree 231/2001 has expanded considerably and currently includes the following "families":

- Crimes against the Public Administration and its assets (articles 24 and 25);
- Computer crimes and unlawful data processing (art. 24-*bis*);
- Organised crimes (art. 24-*ter*);
- Crimes relating to forgery of money, public credit cards, revenue stamps or identification instruments or marks (art. 25-*bis*);
- Crimes against industry and commerce (art. 25-*bis*.1);
- Corporate crimes, including the Crime of private corruption (art. 25-*ter*);
- Crimes for the purpose of terrorism and the subversion of the democratic order (art. 25-*quater*);
- Crimes relating to the mutilation of female genitals (art. 25-*quater*.1);
- Crimes against the individual person (art. 25-*quinquies*);
- Administrative crimes and crimes of market abuse and manipulation (art. 25-*sexies*);
- Manslaughter and serious or grievous bodily harm, committed in violation of the rules on the protection of health and safety at work (art. 25-*septies*);
- Handling, recycling and use of money, goods or assets of illicit origin as well as money laundering (art. 25-*octies*);

- Crimes relating to breach of copyright (art. 25-*novies*);
- Crime of induction to not make statements or to make false statements to the Judicial Authorities (art. 25-*decies*);
- Environmental crimes (art. 25-*undecies*);
- Crime of use of third-country citizens whose stay is irregular (art. 25-*duodecies*);
- Crimes relating to racism and xenophobia (art. 25 - *terdecies*);
- Crimes of fraud in sporting competitions, abusive gambling or betting and games of chance by means of prohibited apparatus (art. 25-*quaterdecies*);
- Transnational crimes (Law no. 146 of 16 March 2006).

For details of the individual types of crime for which administrative liability is envisaged *pursuant* to Italian Legislative Decree 231/2001, please refer to the catalogue attached to this Model (Attachment 1).

### **1.3 SANCTIONS APPLICABLE TO THE ENTITY**

The sanctions provided for by Italian Legislative Decree 231/2001 for Entities as a result of the commission or attempted commission of the Crimes mentioned above are:

- fines ranging from a minimum of € 25,822.84 up to a maximum of € 1,549,370.69;
- disqualification of not less than three months and not exceeding two years, which, in turn, may consist of:
  - disqualification from exercising activities;
  - suspension or revocation of permits, licenses or concessions relating to the commission of the crime;
  - prohibition of negotiating with Public Administration;
  - exclusion from benefits, loans, grants or subsidies and possible revocation of those granted;
  - prohibition of advertising goods or services;
- confiscation of the price or profit of the Crime (and precautionary seizure);
- publication of the sentence (in the case of disqualification).

### **1.4 THE EXEMPTION FROM LIABILITY: THE ORGANISATION, MANAGEMENT AND CONTROL MODEL**

Italian Legislative Decree 231/2001 specifically envisages, under articles 6 and 7, exemption from administrative liability if the Entity has organisation and management models suitable to prevent Crimes of the type which occurred. In particular, liability is excluded if the Entity proves that:

- a) the management body has adopted and effectively implemented, prior to the commission of the act, organisation and management models suitable to prevent Crimes of the type which occurred;
- b) the task of supervising the functioning and observance of the models and their updating has been entrusted to a body with independent powers of initiative and control (the so-called “Supervisory Body”);
- c) the persons have committed the act by fraudulently eluding the organisation and management models;
- d) there was no lack or insufficiency of supervision by the body referred to in point b).

The Decree specifies the needs that must be met by organisation, management and control models.

In particular, the Model must:

- a) identify the activities in which Crimes may be committed (so-called risk “mapping”);
- b) provide for specific protocols aimed at planning the formation and implementation of decisions of the Entity in relation to the Crimes to be prevented;
- c) identify procedures for managing financial resources in order to prevent the commission of Crimes;
- d) provide for obligation of information to the body responsible for supervising functioning and observance of the Models;
- e) introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

Moreover, the Model should also provide for, in connection with the nature and dimension of the organisation as well as with the type of business carried out, suitable measures able to guarantee the conduct of business in compliance with the law and the discovery and prompt elimination of risk situations (art. 7, paragraph 3 of the Decree).

The *efficient implementation* of the Model requires:

- a) a periodic review and possible amendment of the same when significant violations of the provisions are found or when there are changes to the organisation or activity (updating of the Model);
- b) a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the Model.

The adoption of an Organisation, Management and Control Model does not constitute an obligation for Entities but merely an option which, however, provides exemption from liability and other benefits in terms of reduction of sanctions.



#### **1.4.1 EXEMPTION FROM ADMINISTRATIVE LIABILITY WITH REGARD TO HEALTH AND SAFETY AT WORK**

With reference to manslaughter and serious or grievous bodily harm, committed in violation of the rules on protection of health and safety at work, art. 30 of Italian Legislative Decree 81/08 expressly refers to Italian Legislative Decree. 231/2001, provides, in particular, for exclusion from administrative liability for the Entity that has adopted and effectively implemented a model that ensures a corporate management to fulfil all legal obligations relating to:

- compliance with the technical and structural standards of the law relating to equipment, facilities, workplaces, chemical, physical and biological agents;
- risk assessment and implementation of prevention and protection measures;
- organisational activities, such as emergencies, first aid, contract management, regular safety meetings, consultations with worker safety representatives;
- health surveillance activities;
- worker information and training;
- supervisory activities with regard to compliance with work safety procedures and instructions by workers;
- acquisition of documentation and certificates required by law;
- periodic verification of application and effectiveness of the procedures adopted.

For all the activities listed above, the Model must provide for suitable systems recording implementation and also, insofar as required by the nature and size of the organisation and the type of activity carried out, an articulation of functions that ensures the technical skills and powers necessary for verification, evaluation, management and control of risk, as well as a disciplinary system able to sanction failure to comply with the measures specified therein. The Model must also envisage a suitable system to control its implementation and the maintenance over time of the conditions of suitability of the measures adopted. Review and possible modification of the Model must be adopted whenever significant violations of the rules relating to accident prevention and hygiene at work are found, or when there are changes in the organisation and activities in relation to scientific and technological progress.

## **2. SOURCES FOR CONSTRUCTION OF THE MODEL: CONFINDUSTRIA GUIDELINES FOR THE ADOPTION OF ORGANISATIONAL MODELS ON ADMINISTRATIVE LIABILITY**

By express legislative provision (art. 6, paragraph 3, of Italian Legislative Decree 231/2001), organisation and management models can be adopted on the basis of codes of conduct prepared by the associations representing Entities, notified to the Ministry of Justice.

The preparation of this Model is inspired by the current Confindustria Guidelines, which were issued for the first time on 7 March 2002 and lastly updated in March 2014.

The Confindustria Guidelines indicate a sequence that can be briefly summarised as follows:

- identification of areas of risk, in order to ascertain in which company area/sector it is possible for the adverse events to occur, provided for by Italian Legislative Decree 231/2001;
- preparation of a control system capable of preventing the risks through the adoption of specific protocols. The most important components of the Confindustria control system are:
  - Code of Ethics;
  - organisational system;
  - manual and computerised procedures;
  - powers of authorisation and signature;
  - management control systems;
  - communication to personnel and training.

The components of the control system must be based on the following principles:

- verifiability, traceability, coherency and consistency of every transaction;
- application of the principle of separation of functions (no one can independently manage an entire process);
- documentation of controls;
- provision of an adequate system of sanctions for violation of the Code of Ethics and procedures provided for by the Model;
- identification of the requirements of the Supervisory Body, summarised as follows:
  - autonomy and independence;
  - professionalism;
  - continuity of action.
- obligation of information on the part of the Supervisory Body.

For preparation of its Model, the Company has therefore explicitly taken into account:

- the provisions of Italian Legislative Decree 231/2001, of the accompanying ministerial report and of Italian Ministerial Decree 201 of 26 June 2003 concerning the implementation regulations of Italian Legislative Decree 231/2001;
- the Confindustria Guidelines;
- the current doctrine and case law.

## SECTION TWO

### THE CONTENTS OF THE TECNIMONT S.P.A. MODEL

#### 1. ADOPTION OF THE MODEL

##### 1.1 THE ACTIVITIES AND ORGANISATIONAL STRUCTURE OF TECNIMONT S.P.A.

The organisational structure of Maire Tecnimont is described in detail in the company organisation chart in which the Functions and corresponding Managers are identified. This organisational structure is continuously updated, due to any corporate evolution and/or changes, and it is the responsibility of the relevant functions of the Company to promptly inform the Supervisory Body.

The organisational system must respect the requirements of: (i) clarity, formalisation and communication, with specific reference to the attribution of responsibilities, the definition of hierarchical lines and the assignment of operations; (ii) separation of roles, i.e. the organisational structures are structured in such a way as to avoid any functional overlay and concentration on a single person of activities with a high level of criticality or risk.

In order to guarantee these requirements, the Company has organisational tools (organisational structure, organisational communication, *job description*, etc.) hinged on general principles of: (i) knowledge within the Company; (ii) clear description of reporting lines; (iii) clear, formal outlining of roles, with a description of the tasks and responsibilities assigned to each Function.

Tecnimont is organised according to the traditional administration and control model, including the Shareholders' Meeting, Board of Directors and Board of Statutory Auditors. The Company is administered by a Board of Directors with full powers of ordinary and extraordinary administration, which has internally delegated specific powers to the Chairman of the Board of Directors and the Chief Executive Officer. The Company also has a system of delegations and powers of attorney.

The Board of Statutory Auditors has the task of monitoring compliance with the law and the articles of association, compliance with standards of correct administration and, in particular, the suitability of the organisational, administrative and accounting structure adopted by the Company and its concrete function.

Tecnimont is subject to the control of Maire Tecnimont S.p.A., a company that carries out management and coordination activities. Specifically, Maire Tecnimont carries out strategy-oriented and co-ordination activities regarding both the industrial set-up and the activities performed by its subsidiaries. In particular, the Company provides assistance to the companies for the Group regarding definition of strategies, also with reference to the policies of Merger & Acquisition and cooperation agreements, local content, concerning internal audit, governance and compliance, institutional relations & communication, investor relations, social responsibility, security, organisation, development & compensation and technology.

Maire Tecnimont also coordinates and directs Group Companies in matters regarding: legal, corporate affairs, human resources development and remuneration policy, industrial relations, procurement, administration, finance and management control, project control and contract management, system quality, HSE, project quality & Risk Management, general services, communication, as well as management and development of the Group's IT platform.

The decision of the Board of Directors of Tecnimont to adopt a Model fits into the broader Company policy - common to the entire Group - which is expressed by actions and initiatives to raise awareness of both Tecnimont personnel (from *management* to employees) as well as all Third Parties in the transparent and proper management of the Company, in compliance with current legislation and the fundamental principles of business ethics in the pursuit of the business purpose.

## 1.2 THE GUIDING PRINCIPLES OF THE MODEL

This Model has been prepared in accordance with the peculiarities of Company activities and its organisational structure, as well as with the specific instruments already existing in TCM aimed at planning the formation and implementation of business decisions and carrying out checks on company activities, and specifically the following:

- Governance instruments;
- Internal audit and risk management system.

### 1.2.1 GOVERNANCE INSTRUMENTS

In the construction of the Model, TCM has taken into account the organization governance instruments of the Company which guarantee its functioning, developed in-house and at the Group level, which can be summarised as follows:

- **Articles of Association** which, in accordance with current legislation, contains various provisions relating to corporate governance to ensure the proper management.
- **Code of Ethics** consisting of a set of general rules of conduct that all internal and external parties, which have a direct or indirect relationship with the Group, must adhere to. It has been adopted by the Company as a confirmation of the importance attributed to ethical profiles and to consistent conduct based on rigour and integrity.
- **Matrices** showing the levels of activation for *Sister Companies* that determine, by business segment, the thresholds beyond which there is the duty to involve the subsidiaries of the Parent Company Maire Tecnimont and a corresponding obligation to respond on the part of the latter.
- **System of delegations and powers of attorney** which establishes the assignment of general and special powers of attorney, powers to represent or commit the Company and, through the system of internal delegations, responsibilities with regard to aspects concerning quality, health & safety and the environment. Updating of the system of delegations and powers of attorney takes place on review/modification of the organisational structure and/or of Organisational directives or on notification by individual Organizational Units.

The system of delegations regards both internal powers of authorisation, on which the company's decision-making processes depend as regards the operations to be implemented and the powers of representation for signing acts or documents intended for external use and which are binding on the Company (referred to as special or general "powers of attorney"). Delegations must comply with the following requirements: (i) they must be clearly defined and formally assigned in the form of written communications; (ii) they must be coherent with the responsibilities and duties delegated and with the positions held within the organisational structure; (iii) they must establish limits to operation in line with the roles assigned, with particular attention paid to spending powers and authorisation powers and/or of signature of operations and acts considered as "at risk" in the company scope; (iv) they must be updated according to organisational changes.

- **Organisational directives and organisational communications** - allowing, at any time, the corporate structure, the distribution of fundamental responsibilities and also the identification of the persons to whom these responsibilities are entrusted to be understood.
- **Group Standards and Procedures, policies and guidelines** on specific topics of relevance for all Group Companies.
- **Integrated Quality, Health & Safety and Environment Management System** prepared by the Company in compliance, respectively, with ISO 9001 and ISO 14001 and the international OHSAS 18001 standard.
- **Current document system** consisting of procedures and standards aimed at clearly and effectively regulating significant Company processes. The current document system is established with the following characteristics: (i) suitable dissemination within the corporate structures involved in the activities; (ii) regulation of the terms and conditions for the conduct of activities; (iii) clear definition of responsibilities for activities, in respect of the principle of separation between the subject who starts the decision-making process, the subject who implements it and concludes it and the subject who controls it; (iv) traceability of acts, operations and transactions through suitable document supports showing the characteristics and reasons for the operation and identifying the various subjects involved in the operation (authorisation, implementation, registration, verification of the operation); (v) making the decision-making processes objective, through the provision, where possible, of defined reference criteria and methods for implementing company choices; (vi) provision for specific control mechanisms (such as reconciliation, balancing, etc.) as to guarantee the integrity and completeness of the data managed and information exchanged under the scope of the organisation.
- **Management Contract** with which the Parent Company Maire Tecnimont S.p.A. formalises its role of Management and Coordination with regard to Sister Companies specifying the areas in which the activity as Parent Company is carried out, which are the services rendered and the cost of such services.
- **Service contracts**, formally regulating the provision of services rendered by the companies of the Group, ensuring transparency of the services provided and the related costs.
- Further specific instruments, *job descriptions*, etc.

The rules, procedures and principles contained in the documentation listed above, although not reported in detail in this Model, are a valuable tool for monitoring illegal conduct in general, including those referred to in Italian Legislative Decree 231/2001, which is part of the broader system of organisation, management and control that the Model intends to integrate and that all the Target Audience required to respect, in relation to the type of relationship in place with the Company.

### **1.2.2 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The existing Internal control and risk management system implemented by Tecnimont, also as a result of the transposition of and adaptation to the recommendations and standards contained in the Code of Corporate Governance applicable to the Parent Company, is a comprehensive and structured set of activities, procedures, rules of conduct, service communications and organisational structures aimed at the ongoing monitoring of the main risks. This system penetrates all company activities, involving different parties.

The main objectives of the Company's Internal control and risk management system are to ensure with reasonable certainty the achievement of operational, information and compliance objectives:

- the operational objective of the Internal control and risk management system concerns the effectiveness and efficiency of the Company in employing resources, protecting itself from losses and safeguarding the corporate assets: in this case, the Internal control and risk management system aims to ensure that throughout the organisation the personnel work to achieve the Company's objectives and without putting other interests before those of the Company;
- the information objective is expressed by the preparation of timely and reliable reports for the decision making process in the organisation and also responds to the need to ensure reliable documents for outside the Company, in compliance with the protection of confidentiality of corporate information assets;
- the compliance objective ensures that all transactions are conducted in compliance with laws and regulations, prudential requirements, as well as relevant internal procedures.

The Internal control and risk management system involves every sector of Company activities through distinction between operational and control tasks, reasonably mitigating any possible conflicts of interest.

The basis of this control structure are the following general principles:

- every operation, transaction or action must be documented and consistent;

- traceability: each operation must be suitably registered. The decision-making, authorisation and implementation process must be verifiable *ex post*, including through suitable document supports and, in any case, the cases and methods of any possible cancellation or elimination of the records made, must be regulated. In compliance with the general principle of the traceability of all operations, for the prevention of certain types of Crime, including money laundering and self-laundering, special attention is paid to the need for all Company cash flows to be suitably traced (both incoming and outgoing), not just those referring to normal corporate operations (collections and payments), but also those relating to financial needs (financing, cover of risks, etc.), extraordinary or capital operations (mergers, acquisitions, sales, capital increases, liquidations, share trades, etc.).
- No one must be able to independently manage an entire process<sup>2</sup> (segregation of duties).

The Internal risk management and control system must be able to document the performance of controls, including supervision.

Controls shall also involve, in different roles, the Board of Directors, the Board of Statutory Auditors, under the scope of and in accordance with the provisions of the law, legislation and current codes of conduct, as well as specific corporate functions in charge of the internal control and risk management activities, for all the processes for which they hold managerial responsibility.

The existing type of company control is structured, as provided for by the *COSO Report*<sup>3</sup>, and as suggested in the *AIIA (Italian Association of Internal Auditors) Corporate Governance Paper - Integrated approach to internal control system - on three levels*:

- **a first level** that defines and manages the so-called line controls, inherent in the operational processes: these are those procedural, IT, behavioural, administrative-accounting controls, etc. carried out both by those who carry out a specific activity, and by those responsible for supervision. All company functions perform such direct controls in the management of their responsibilities (operational *management, process owners*, HOU for that part of operational activities carried out by the same etc.); these are both hierarchical and functional controls aimed at ensuring the proper conduct of operations.
- **a second level** which oversees the assessment and risk control process, ensuring its consistency with corporate objectives, complying with the criteria of organisational segregation sufficient to allow effective monitoring. These types of controls are carried out, for example, by the Manager responsible for preparing corporate accounting documents (the “Financial Reporting Manager”), by the Functions in charge of managing the HSE, Quality and *Risk Management*, etc.

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<sup>2</sup> The term business process implies a set of interrelated and consequential activities whose aim is to create a product/service intended for an internal or external party, using the resources of one or more organisational units.

<sup>3</sup> Framework, issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), which defines the components of the internal control system.

- a **third level** which guarantees the soundness of the design and operation of the overall Internal control and risk management system. The third level is, moreover, characterized by continuous improvement plans defined with and by *Management*<sup>4</sup>. This activity is carried out by the Company's Supervisory Body and by *Internal Audit* through monitoring of line risks and controls in place.

The existing corporate governance and control system contains valid elements to be used for the prevention of Crimes contemplated by the Decree. In any case, the Board of Directors, sensitive to the need to ensure conditions of fairness and transparency in the conduct of business and corporate activities, with the aim of safeguarding the expectations of its shareholders and the work of its employees, making use of the appropriate corporate functions and with the support when necessary of the Committee for the Protection of the Internal Control System (the so-called "**SCIR Committee**") and the Risk and Sustainability Control Committee (so called "**SCIR Committee**") of the Parent Company monitors the organisational, management and control tools, in order to verify the correspondence of the behavioural principles and procedures already adopted with the purposes provided for by the Decree as amended in recent years, where necessary, adapting them in order to make them compliant with the aforementioned purposes. Such verification is carried out regularly in order to systematically monitor the correspondence of said principles with the objectives of the Decree.

### 1.2.3 METHODS FOR THE MANAGEMENT OF FINANCIAL RESOURCES

The financial resource management system must ensure the separation and independence between subjects involved in deciding how to use resources, those implementing said decisions and those in charge of controlling their use.

In order to implement decisions of use, the Company uses financial and banking intermediaries subject to transparency and stability regulations in compliance with those adopted by EU Member States.

All operations entailing the use of financial resources must have a suitable cause and be documented and recorded using manual and computerised means, in compliance with standards of professional and accounting correctness; the related decision-making process must be verifiable.

### 1.3 CONSTRUCTION OF THE MODEL

The decision of the Board of Directors of Tecnimont to adopt a Model fits into the broader Company policy which is expressed by actions and initiatives to raise awareness of both Tecnimont personnel (from *management* to employees) as well as of all Third Parties in the transparent and proper management of the Company, in compliance with current legislation and the fundamental principles of business ethics in the pursuit of the business purpose.

For this reason, on 26 November 2004 the Company adopted the first edition of its Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001, which is periodically updated as a result of changes in legislation, organisational changes and *best practice*.

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<sup>4</sup> This includes both Operational Management (Function Managers) as well as Top Management (CEO, Board of Directors, etc.), according to the subject and the importance of the topics in question.



The latest update of the Model was resolved by the Company's Board of Directors on 25 July 2019.

The “construction” of this Model started from the analysis of the system of *governance*, of the organisational structure and of all the inspiring principles referred to in paragraph 1.2 above, and took into explicit consideration the indications currently found in case law, together with those expressed by Trade Associations (typically Confindustria) and industry *best practice*.

The Model construction process was originally thus developed in various stages, based in compliance with the principles of traceability and verifiability of the activities carried out.

The starting point was identification of the **map of high risk activities**, i.e. the activities carried out by the Company in the context of which Crimes may be committed, as expressly provided for by the Decree.

Evaluation of the Internal control and risk management system to monitor identified risks, adoption of the **Code of Ethics** and of specific **Protocols**, designed to govern the risk profiles enucleated as a result of the mapping of company activities, was then carried out, as required by the Decree.

In compliance with the provisions of art. 6, par. 2, letter d) and letter e) of the Decree, the Company then proceeded:

- to define the characteristics, roles and tasks of the **Supervisory Body**, specifically responsible for overseeing the effective implementation of the Model and its monitoring in terms of adequacy and effectiveness;
- to outline a **sanctioning system** in relation to all violations of the Model;
- to define the methods of **dissemination** of the Model and related staff training;
- to define the procedures for **updating** the Model.

### 1.3.1 THE MAP OF ACTIVITIES AT RISK

The Tecnimont Model is based on identification of the map of high-risk activities, i.e. the activities in the context of which Crimes may potentially be committed, as expressly provided for by art. 6, par.II, letter a) of the Decree.

The mapping of activities at risk was achieved by assessing the specific operational areas and the organisational structure of the Company, with reference to concrete potential crime risks.

The methodology followed in the preparation of the Model, and its subsequent updates, has seen the involvement of an integrated Working Group involving the heads of the Company's functions on a multidisciplinary working table, also supported by the *Group Corporate Affairs Governance & Compliance - Financial Controls;- Legal Affairs & Contracts - Group Organisation, ICT & System Quality - Group HSE, Project Quality & Risk Management - Internal Audit* functions.

The integrated Working Group involved the *key* owners of the processes and corporate activities, sensitised even more with respect to the approach taken to risk and use of levers enabling the maximisation of risk management.

The integrated Working Group benefited from the support of a consulting firm with *risk management* and internal control, legal and criminal expertise.

Below are the methods applied and the criteria adopted in the latest update of the mapping of risk activities (*risk assessment*).

### **1.3.2 PRELIMINARY ANALYSIS OF THE BUSINESS CONTEXT**

This stage aimed to ensure the preventive examination, by means of document analysis and interviews with the *key owners* and parties informed within the business structure, of the organisation and activities carried out by the various Functions as well as of the corporate processes into which the activities are structured.

The purpose of the phase in question was the prior identification of processes, sub-processes and business activities and therefore identification of areas of risk or business areas within which crimes may be committed.

Company resources responsible for the above mentioned business processes and existing control mechanisms have then been identified, which were interviewed by the Working Group in order to update a Model adhering as closely as possible to the specific operational areas and organisational structure of the Company, with reference to potentially concrete Crime risks.

The interviews, in fact, are also aimed at strengthening the process of raising awareness of the provisions of Italian Legislative Decree 231/2001, to the activities of Company adjustment to said Decree and to the importance of compliance with the internal rules adopted by the Company for the prevention of Crimes, were conducted with the objective of identifying and updating the processes and activities potentially at risk of commission of crimes provided for in the Decree, as well as existing measures to mitigate said risks.

### **1.3.3. IDENTIFICATION OF THE BUSINESS ACTIVITIES AND BUSINESS PROCESSES CONSIDERED AT “RISK OF CRIME”**

Through the above preliminary analysis of the business context, the following have been identified:

- the areas of activities that are “sensitive” to the commitment of Crimes, namely the activities under which scope opportunity may theoretically arise to act in the unlawful ways established by the Decree;
- the “instrumental” processes to the commitment of the crimes pursuant to the Decree, namely the processes under which scope, by way of principle, the conditions and/or tools to commit the crimes may arise.

The analysis, reported in the “mapping of sensitive activities and instrumental processes” pursuant to Attachment 2, involved the activities sensitive to the committing of some of the crimes pursuant to articles 24 and 25 of the Decree (crimes against the public administration and its assets), pursuant to art. 24-bis (computer crimes and unlawful data processing), pursuant to art. 24-ter (crimes of organised crime), pursuant to art. 25 bis-1 (crimes against industry and commerce), pursuant to art. 25-ter (corporate crimes, including the crime of corruption between private individuals), pursuant to art. 25-quater (crimes of terrorism), pursuant to art. 25 quinquies (Crimes against individual personality) pursuant to art. 25-sexies (crimes and administrative crimes of market manipulation and abuse), crimes of manslaughter and serious or grievous bodily harm, committed in violation of the rules on protection of health and safety at work (art. 25-septies), pursuant to art. 25-octies (handling, recycling and use of money, goods or assets of illicit origin and money laundering), pursuant to art. 25-novies (crimes involving the violation of copyright), pursuant to art. 25-decies (induction to not make statements or to make false statements to the judicial authorities), pursuant to art.

25-undecies (environmental crimes), pursuant to art. 25-duodecies (use of third-country citizens whose stay is irregular).

Instead, with reference to the crimes referred to in art. 25-bis (counterfeit currency, public credit cards, revenue stamps and identification tools or marks), crimes 25-quater.1 (crime of female genital mutilation practices) and some of the Crimes of the principles, provisions and rules of conduct referred to in the Code of Ethics and to this General Part of the Model have been considered valid and adequate in the categories of the previous paragraph not listed in Attachment 2.

Finally, for the crimes concerning racism and xenophobia pursuant to art. 25-terdecies and the crimes of fraud in sports competitions, abusive gambling or betting practices and games of chance exercised by means of prohibited equipment pursuant to art. 25-*quaterdecies*, not shown in attachment 2, although their abstract verifiability cannot be ruled out entirely, their actual realization is unlikely, both in consideration of the operational reality of the Company, and in consideration of the elements necessary for the realization of the crimes in question (with particular reference to some of the psychological element of the crime).

As regards the Crime of association with the attempt to commit crime, pursuant to art. 416 of the criminal code, the analysis focused on the profiles of the traceability of said situations to the Crimes considered in mapping the activities and instrumental processes.

In short, despite not being able to entirely exclude the reference of criminal association also for different crime types to those being mapped, the analysis carried out has led to the consideration, in priority terms, in compliance with the principle of acceptable risk and *cost-effectiveness* of internal control processes, the profiles of the activities typical of the Company's operating context.

Therefore, without prejudice to the examples of crimes identified in the mapping with respect to the individual activities and sensitive processes and without prejudice to the standards of conduct and control identified in this Model (developed in compliance with the principle of the compulsory nature of the crimes envisaged), the crime pursuant to art. 416 of the criminal code is considered according to the "association" nature with which the crime may be committed. In concrete terms, consideration is taken of the fact that the crime may hypothetically be committed or even only planned by three or more subjects in the organisation or outside its scope (e.g. in relations with suppliers or business *partners*).

With regard to the crime of "self-laundering" introduced by Law 186/2014 sub art. 25-*octies* of Italian Legislative Decree 231/2001, the analysis, in the light of the strict compliance with the principles expressed in art. 2 and 3 of Italian Legislative Decree 231/2001, with particular reference to the mandatory nature of the underlying cases, was conducted according to two profiles:

- considering the crime of self-laundering as a method by which, as part of the economic-entrepreneurial activity of the Company, cash, assets or other benefits obtained from negligence, may be used, replaced or transferred, which already constitute situations envisaged in accordance with Italian Legislative Decree 231/2001 mapped in the risk analysis. In concrete terms, the crime of self-laundering may be considered in this sense as an "instrumental" crime to the situations envisaged concerning negligence, as already mapped. In these terms, the standards of conduct and control of the "source" crime of self-laundering, with exclusive reference to the categories of crime that are

included on the list envisaged in accordance with Italian Legislative Decree 231/2001, are those established in the Special Part of the Model;

- also considering self-laundering with attention paid to the time at which the crime is committed, with special reference made to the modal clause of the standard, which highlights, for the crime of self-laundering to be committed, the need for conduct aimed at actually hindering the identification of the criminal origin of the money, goods or other benefits deriving from the commitment of any crime of negligence (and, therefore, including any that may not have been mapped).

In these terms, the analyses focussed on the traceability of cash flow and treasury, as these are the processes in which hindrance of the identification of criminal origin can specifically take place, with special, but not exclusive reference to flows connected with extraordinary operations, such as mergers, acquisitions, sales of business units, shareholder loans or *intercompany* loans, investments and asset or investment management, etc.

In this respect, further standards of conduct and control have been added to the Special Part of the Model.

For the areas of activities and instrumental processes defined and identified as sensitive, the potential situations of crime risk have been identified, along with the possible methods by which they can be carried out and the main business functions involved. The potential risk level associated with each sensitive activity/process (inherent risk) was therefore assessed, according to a *risk assessment* method based on the following elements:

- identification and weighting of the two macro axes for risk analysis;
- probability axis, indicative of the level of possibility that the event at risk should occur;
- impact axis, indicative of the consequences of the development of the event at risk;
- assignment and weighting, for each of the macro axes, of specific assessment parameters, according to the following model:

for probability:

- frequency of occurrence/carrying out of the activity described and other relevant economic-quantitative indicators of the business process or activity (e.g. economic value of the operations or acts, number and type of subjects involved, etc.);
- probability of occurrence, in the operative context, of the crime hypothesised (e.g. presumed “ease” of acting in the criminal manner with respect to the reference context);
- any history of the crimes being committed in the Company or, more generally, in the sector in which it operates.

for impact:

- severity of the sanctions potentially associated with the committing of one of the crimes envisaged by Italian Legislative Decree 231/01 in carrying out the activity;
  - potential benefit ensuring for the Company following the commitment of the unlawful conduct hypothesised and which may constitute leverage for the commitment of the unlawful conduct by the company staff;
- assignment of a *score* to each assessment parameter on the basis of a qualitative scale (e.g. very low - low - medium - high - very high);

- definition of final *score* (for the axis and total) and assignment of a summary judgement of the risk according to this, qualified as follows: RED - high risk, YELLOW - medium risk, GREEN - low risk.

Please note that the above variables have been used in order to define a general degree of risk associated with the individual sensitive processes/activities (defined as the “*risk ranking*”).

The risk mapping has been shared by the Working Group with the Function Managers interviewed and thereafter with the Supervisory Body, the *top management* and the Risk and Sustainability Control Committee, as well as having been approved by the Board of Directors.

With reference to the crimes referred to in art. 25 - *septies* of Italian Legislative Decree 231/2001 - crimes committed in violation of the accident prevention and health and safety at work regulations (negligent homicide and serious or very serious personal injury), given the technical specificity of the individual obligations in terms of health and safety at work required by Italian Legislative Decree 81/08, the detailed assessment of which is also reflected in the Risk Assessment Document adopted by the Company, the above analysis variables were not applied. By virtue of the specificity of the perimeters analysed, for these areas, reference is made to the risk assessment given in the Risk Assessment Document adopted in accordance with Italian Legislative Decree 81/08 and in the Integrated Quality, Health and Safety and Environment Management System prepared by the Company in compliance with OHSAS 18001 standards.

Also with regard to the Crimes pursuant to art. 25 - *undecies* of Italian Legislative Decree 231/2001 (Environmental crimes), given the technical specificity of the individual environmental requirements, the detailed assessment of which is also reflected in the environmental risk analyses adopted by the Company, the above analysis variables, with the sole exception of the crimes of illegal waste trafficking and activities organised for the illegal trafficking of waste, have not been applied. By virtue of the specific nature of the perimeters being analysed, for these areas reference should be made to the risk assessments set out in the risk and environmental impact analyses adopted pursuant to current legislation and in the integrated quality, health and safety and environmental management system prepared by the Company in accordance with ISO 14001 standards.

With reference to the crime referred to in art. 346 *bis* of the criminal code (trafficking in illicit influences), in view of the fact that the Supreme Court has also clarified that “*the crime referred to in art. 346-bis of the criminal code punishes conduct preparatory to the commission of any bribery ... it being understood that the money and assets must be aimed at those who are called upon to exercise influence and not at the person who exercises the public function*” (see the Criminal Cassation, Sec. VI, no. 4113/2016) and that, therefore, this case is precursor to the possible and subsequent commission of the crimes referred to in articles 319 and 319-ter of the criminal code, the maximum level of *scoring* provided for in relation to the crimes of bribery/instigation to corruption has been applied to the analysis variables set out above.

In accordance with the provisions of art. 6, paragraph 2, letter a) of Italian Legislative Decree 231/2001 the **areas of business activities identified as being at risk**, i.e. within which there may be a potential risk of commission of the crimes provided for in the Decree, are given.

In particular the following areas of risk have been identified:

1. Management of monetary and financial flows;
2. Human Resources;
3. Management of compliance and relations with the Public Administration (construction site);
4. Management of compliance and relations with the Public Administration and the Supervisory Authorities (Headquarters);
5. Participation in tenders, conclusion and execution of contracts;
6. Identification and management of business partners;
7. Management of commercial business introducers and commercial collaborators;
8. Management of litigation and settlement agreements;
9. Procurement of goods and services;
10. Award and management of contracts/subcontracts;
11. Administrative management of the order;
12. Consultancies and professional assignments;
13. Request and management of public loans;
14. Management of accounting and preparation of the financial statements;
15. Management of relations with corporate bodies, control bodies, shareholders and extraordinary capital transactions;
16. Management of M&A operations and establishment and extinction of companies;
17. Management of privileged information;
18. Management of intercompany transactions;
19. Management of corporate communication;
20. Management of information systems and ICT copyright;
21. Management of institutional relations and communication, promotion of corporate image, *business and project development* and the coordination of development activities in the reference territories.
22. Health and safety at work;
23. Compliance with environmental obligations.

With regard to the above, it should be noted that the Tecnimont Organisational model provides for *outsourcing* of business activities, or parts of them, to other Group companies.

In entrusting *outsourced* activities, Tecnimont safeguards its social interest and preserves the necessary skills and responsibilities for the outsourced services.

Therefore, for all activities that are carried out (in whole or in part) in *outsourcing* by *Sister Companies* and Maire Tecnimont, the control measures seek to ensure:

- compliance with the provisions of this Model;
- compliance with the additional requirements contained in the Organisation, Management and Control Models pursuant to Italian Legislative Decree 231/2001 and the procedures adopted by each individual Group company.

The supervision by Tecnimont aims to ensure that, in the activities carried out by the *outsourcer*, said rules are complied with, with specific reference to their application directly attributable to the activity of Tecnimont.

A detailed analysis of the potential risk profile associated with the “sensitive” activities and “instrumental” processes identified (opportunity, description of the risk, main Functions involved, associated situations) is given in the “mapping of sensitive activities and instrumental processes” available in Attachment 2, whilst Attachment 3 gives the methods and *drivers* with which the *risk assessment* has been organised.

With the support of the Supervisory Body and the competent Company functions, the Board of Directors has been assigned the task of guaranteeing the continuous updating of the “mapping of sensitive activities and instrumental processes”, to be carried out particularly carefully at time of company change (e.g. opening of new offices, extension of activities, acquisitions, reorganisations, etc.) and/or legislative updates.

### 1.3.4 THE PROTOCOLS

Following the identification of the activities at risk and on the basis of the relative existing control system, the Company has drawn up **specific Protocols**, in compliance with the provisions of art. 6, paragraph 2, letter b) of Italian Legislative Decree 231/2001, which contain a set of control and conduct rules and principles deemed suitable to govern the identified risk profile.

Within the scope of each Protocol the following are identified:

- objectives of the document;
- scope of application;
- principles of conduct;
- principles of control;
- information flows to the Supervisory Body.

The control principles contained in the Protocols refer to:

- authorisation levels;
- functional segregation of authorisation, operational and control activities;
- specific controls;
- traceability of the decision-making process and filing of supporting documentation.

The Protocols have been submitted to the examination of those responsible for the management of activities at risk for their assessment and approval.

The definition of the Protocols is completed and supplemented by the Code of Ethics and the current document system, to which the Company intends to align the management of its activities also in relation to conducts that may constitute the crimes governed by Italian Legislative Decree 231/2001.

Ethical principles are the foundation of corporate culture and represent the *standards* of everyday conduct inside and outside Tecnimont.

In particular, the Company undertakes to:

- operate in compliance with the law and current regulations;
- base relations with the Public Administration and with Private Individuals on ethical principles such as legality, loyalty, transparency and correctness;
- keep in the relations with customers, suppliers, contractors, business *partners* and third parties in general based on ethical principles such as legality, loyalty, transparency and fairness;

- avoid conflicts of interest.

Clearly, this document system, just like the organisational and *governance* system, is, by nature, dynamic, insofar as it is subject to the changing operative and managerial needs of the business, including, merely by way of example, organisational changes, altered *business*, needs, changes to the reference legislative systems, etc.

The dynamism of the document system implies its continuous updating, which is reflected in the event of significant changes pursuant to Italian Legislative Decree 231/2001 and the associated risk profiles, in the need to adapt this Model.

The document system as a whole is compulsory and no exceptions can be made, for all the Target Audience of this Model. The document system, which is hinged in compliance with the standards of conduct and control laid out in this Model, specifies both the general and timely operating elements with which the Company organises and controls management activities.

The document system is the primary tool with which the Managers of the various corporate Functions direct and control the corporate management delegating to the operational practice, to be performed in compliance with the principles established by this Model and by the Code of Ethics.

The document system is suitably disseminated and made available to all the Model Target Audience in the ways considered most appropriate (e.g. through network spaces dedicated to the procedures applicable in the various Functions, internal communication, etc.).

## 2. SUPERVISORY BODY

### 2.1 CHARACTERISTICS OF THE SUPERVISORY BODY

The exemption from administrative liability - as regulated by art. 6, paragraph 1 of Italian Legislative Decree 231/2001 – also provides for the mandatory creation of a Supervisory Body within the Entity, with both autonomous power of control (which allows constant monitoring of the functioning of and compliance with the Model), and autonomous power of initiative, to guarantee updating of the Model itself, in order to ensure effective and efficient implementation of the Model.

The characteristic **of autonomy of the powers of initiative and control** of the SB is met if:

- the SB is guaranteed hierarchical independence with respect to all corporate offices which it is called upon to supervise;
- its members are not directly involved in management activities that are subject to control by the Body itself;
- it has financial independence.

The Supervisory Body must therefore remain outside all forms of interference and pressure by senior management and shall in no way be involved in the exercise of operating activities and management decisions. The SB shall not find itself in a situation of conflict of interest and the Body as a whole, but also individual members, must not be assigned operational tasks that may affect its autonomy.



The Supervisory Body must report to the senior operative management of the Company and with this must be able to dialogue “on equal footing”.

In addition to the autonomy of powers provided for by the Decree, the Company has also decided to adhere to the Confindustria Guidelines, as well as to the rulings of the judiciary on the subject, who have also indicated the requirements of professionalism and continuity of action as being necessary.

With regard to the requirement of **professionalism**, it is necessary that the SB is able to carry out its inspection functions with regard to the effective application of the Model and that, at the same time, has the necessary qualities to ensure the dynamism of the Model itself, through update proposals to be addressed to the Board of Directors. The members of the SB must be in possession of the tools and techniques necessary to concretely, effectively go about the activities assigned. The professionalism and authority of the Body are then connected with its professional experience. In this sense, the Company believes that a careful examination of the CVs of possible candidates and their previous experiences is particularly important, privileging profiles with specific professional skills in the area.

Finally, with regard to **continuity of action**, the Supervisory Body must ensure constant monitoring and updating of the Model and its variation with changing company conditions of reference and be a constant point of reference for the Model. The SB carries out the activities necessary to supervise the Model constantly, with suitable commitment and the necessary powers of investigation, meeting at least once a quarter.

## 2.2 IDENTIFICATION OF THE SUPERVISORY BODY

Bearing in mind the magnitude and complexity of its structure and of the activities carried out, the Board of Directors has decided to set up a collegiate three-member body, one of whom acts as the Chairman, in order to ensure greater effectiveness of controls delegated by the Decree to the SB.

With the exception of the Chairman, who must necessarily be external to the organisation, the remaining members of the Supervisory Body, always in compliance with the requirements of independence, authoritativeness and autonomy of powers of initiative and control, can be identified in persons both internal as well as external to the organisation, thereby ensuring the contribution of different skills.

The Supervisory Body is appointed by the Board of Directors and remains in office for a period not exceeding **three years**, regardless of the term of office of the Board of Directors itself. Each member of the Supervisory Body may be re-elected, but consecutively not for more than **three terms**.

Appointment as a member of the Supervisory Body is determined by subjective eligibility requirements, whose presence and permanence are ascertained by the Board of Directors case by case.

First of all, the members of the Supervisory Body of Maire Tecnimont, for the purposes of assessment of the **requirement of independence**, from the time of appointment and throughout the term of the office, must not:

- hold executive or delegated powers in the Board of Directors of the Company;
- carry out, within the company, operational activities directly related to the *business* and/or operational management activities of the Company such as to determine a change in the profit and loss of Tecnimont. The existence or otherwise of the requirement of independence, in such cases,

must be determined by considering the function of the internal member of the SB and the duties and responsibilities attributed to the same;

- be part of the family nucleus of executive directors or the shareholder or of one of the shareholders of the controlling group, where by family nucleus is meant that consisting of the not legally separated spouse and of relatives and kin up to the fourth degree.

In addition, the Company has determined that the members of the SB must be in possession of the **requirements of professionalism and integrity** envisaged for Directors and, in particular, those envisaged by art. 147-quinquies of Italian Legislative Decree 58/98<sup>5</sup>.

Any revocation of the members of the Supervisory Body may only be arranged for reasons related to serious breaches with respect to the mandate assumed, including violations of confidentiality obligations (also with reference to what is regulated by art. 6, paragraph 2, letter e) of Italian Legislative Decree 231/2001) and the causes of ineligibility mentioned above. By mere way of example, just cause for revocation of members of the SB are proven gross negligence and/or gross incompetence in monitoring the correct application of the Model and on its observance, as well as - more generally - in the performance of their mandate.

Revocation of the mandate must, in any case, be decided by the Board of Directors of the Company with a document clearly specifying the reasons for the decision taken.

The members of the Supervisory Body forfeit their office when, following their appointment, they come to be:

1. in one of the situations referred to in art. 2399 of the Italian Civil Code paragraph 1 letters a), b) and

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<sup>5</sup> "Subjects carrying out administrative and management tasks must have the requirements of integrity (\*) established for members of control bodies, with the regulation issued by the Ministry of justice in accordance with Article 148, paragraph 4". (Regulation no. 162 of 30.3.2000).

(\*) Requirements of integrity:

Art. 2 of Regulation no. 162 of 30.3.2000

1. The office of auditor of the companies indicated in art. 1, paragraph 1, may not be covered by those who:
  - a) has been subjected to preventive measures ordered by the judicial authority pursuant to the Law of 27 December 1956, n. 1423, or to the Law of 31 May 1965, n. 575 and subsequent amendments and additions, subject to the effects of rehabilitation;
  - b) has been sentenced with irrevocable sentence, save the effects of rehabilitation:
    - 1) to imprisonment for one of the crimes envisaged by the rules governing banking, financial and insurance business and by rules governing markets and financial instruments, tax matters and payment instruments;
    - 2) to imprisonment for one of the crimes envisaged under title XI of book V of the Italian Civil Code and Royal Decree 267 of 16 March 1942;
    - 3) to imprisonment for a term of not less than six months for a crime against the Public Administration, public trust, property, public order or the public economy;
    - 4) to imprisonment for a term of not less than one year for any crime of negligence.
2. The office of Statutory Auditor in the companies referred to in art. 1, paragraph 1, cannot be held by anyone to whom, at the request of the parties, any of the penalties envisaged by paragraph 1, letter b) has been applied, save for the case of the extinguishing of the crime.

c) and in particular:

- a. those who are in the conditions provided by article 2382 c.c. (persons disqualified, incapacitated, bankrupt or convicted with a sentence leading to disqualification, even temporary, from public offices or incapacity to hold management positions);
  - b. the spouse, relatives and similar by the fourth degree of the directors of the Company, the directors of the companies controlled by it, the spouse, relatives and the like within the fourth degree of the directors of the companies controlled by this company, of the companies that control it and those subject to common control;
  - c. those who are related to the Company or its subsidiaries or to the companies that control it or those subject to common control by a continuous consultancy or paid work relationship, or by other relationships of a financial nature that compromise the independence.
2. Convicted with a definitive sentence (meaning by sentence also that pronounced pursuant to art. 444 of the criminal procedure code) for one of the crimes indicated in the requirements of integrity mentioned above.

Grounds for revocation of the function of member of the Supervisory Body are also constituted by:

1. conviction with non-definitive sentence for one of the crimes indicated in the requirements of integrity specified above;
2. application of one of the penalties envisaged for one of the crimes indicated in the requirements of integrity specified above;
3. application of a personal precautionary measure;
4. provisional application of one of the precautionary measures provided for by art. 10, paragraph 3 of Law no. 575 of 31 May 1965, as replaced by art. 3 of Law no. 55 of 19 March 1990, as amended, and accessory administrative sanctions provided for by art. 187-*quater* of Italian Legislative Decree 58/1998 (Consolidated Finance Act).

Finally, the following constitute further grounds for ineligibility or disqualification for members of the SB with respect to those previously outlined:

- a) having been subjected to precautionary measures imposed by the Court pursuant to the law on prevention measures against persons representing a threat to security and public morality (Law no. 1423 of 1956) or Law no. 575 of 1965 (provisions against the Mafia);
- b) being under investigation or convicted, even with non-definitive sentence or a sentence issued pursuant to arts. 444 et seq. of the criminal procedure code (plea bargain) or also with a conditionally suspended sentence, without prejudice to the effects of rehabilitation for one or more crimes among those specifically provided for by Italian Legislative Decree 231/2001.

Finally, note that forfeiture of office of members of the SB automatically takes place from the moment of occurrence of the cause that produced it, without prejudice to the other obligations described below.

The appointment of members of the Supervisory Body by the Board of Directors takes effect only upon issue by each member of formal written acceptance of the assignment that also contains a statement concerning the existence of the requirements prescribed by the Model and, in particular, those of eligibility, professionalism, autonomy and independence.

Each member of the Supervisory Body may renounce office at any time upon notice to be submitted in writing to the Board of Directors and to Board of Statutory Auditors and copy to the other members.

In the event of a supervening cause of forfeiture of office, the member of the SB concerned must immediately notify the Board of Directors in writing, with copy to the Board of Statutory Auditors and to the other members of the Supervisory Body itself. Also in the absence of such notice, each member of the Supervisory Body who becomes aware of the existence of a cause of forfeiture on the part of another member, must give timely notice in writing to the Board of Directors with copy to the Board of Statutory Auditors in order for the same to take the necessary measures as appropriate.

In the event of resignation, incapacity, death, revocation or forfeiture of a member of the SB, the Board of Directors decides the appointment of the substitute, without delay.

In the event of resignation, incapacity, death, revocation or forfeiture of the Chairman, the latter is replaced by the oldest member who remains in office until such time as the Board of Directors decides the appointment of the new Chairman of the SB.

During any period of *vacancy* due to one of the events outlined above, the remaining members of the Supervisory Body remain in office with the obligation to request the Board of Directors to swiftly proceed with the appointment of the missing member.

### 2.3 DEFINITION OF THE DUTIES AND POWERS OF THE SUPERVISORY BODY

The provision pursuant to art. 6, paragraph 1, letter b) of the Decree expressly states that the duties of the SB are to supervise the functioning and observance of the Model, as well as to ensure its update.

In particular, the SB must perform the following specific tasks:

- a) **supervise the functioning of the Model and observance of the provisions contained therein** on the part of the Target Audience, verifying consistency between actual behaviour and that defined by the Model. More specifically it must:
  - verify the adequacy of the organisational solutions adopted for implementation of the Model (definition of *standard* clauses, training of administrators and attorneys, disciplinary measures, etc.), with the support of the appropriate company and/or Group structures;
  - notify the need to adopt procedures for implementation of the control system;
  - prepare the regular audit plan;
  - carry out periodic audits, as part of the approved plan, of the activities or transactions identified in the areas at risk;
  - perform targeted audits on certain transactions or specific and significant actions put in place by the Company in the areas of risk, as well as on the system of delegations and powers in order to ensure

continued effectiveness of the Model;

- promote regular meetings (at least once a year) with the Board of Statutory Auditors and the Independent Auditors for exchange of information relevant to supervision of the functioning of the Model;
- promote appropriate initiatives for the diffusion of knowledge and understanding of the principles of the Model;
- define appropriate information mechanisms providing for an e-mail address and identifying the information that must be transmitted to the SB or placed at its disposal;
- collect, examine, process and store information relevant to compliance with the Model;
- assess reports of possible violations and/or breaches of the Model;
- promptly report to the management body (Board of Directors), for implementation of the appropriate disciplinary measures with the support of the competent Company functions, ascertained violations of the Model that could give rise to liability of the Company and propose any sanctions;
- verify that the violations of the Model are effectively and appropriately sanctioned in accordance with the sanctions system adopted by Tecnimont.

b) **Monitor the need to update the Model**, informing the Board of Directors in the event of the need to extend the category of Crimes that involve application of the Decree, evidence of serious violation of the same by the Target Audience or significant changes to the structure of the Company and/or the procedures for carrying out business activities. In particular, the Supervisory Body must:

- monitor the evolution of the reference legislation and verify alignment of the Model with these regulatory requirements, reporting to the Board of Directors possible areas of intervention;
- monitor the adequacy and updating of Protocols with regard to the need for Crime prevention and ensure that every party contributing to the implementation of the Model is and remains aligned with and adequate for the objectives of the Model as identified by law, to this end being able to make recourse to the information and cooperation of the competent corporate Functions;
- evaluate, in the case of actual commission of Crimes and significant violations of the Model, the opportunity to introduce changes thereto;

In carrying out its supervisory and control activities, the SB, without the need for any prior authorisation:

- will have unlimited access to all the structures and offices of the Company, will be able to interact with any subject operating in the aforementioned structures and offices and freely access all the information and acquire the documents and data that it deems relevant. In case of justified refusal by the target audience of requests, the SB prepares a report to be sent to the Board of Directors;
- may request access to data and information as well as the submission of documents to members of corporate bodies, the External Auditors, Third Parties and in general to the entire Target Audience of the Model. With specific reference to Third Parties, the obligation to comply with the requests of the SB must be expressly provided for in the individual contracts entered into by the Company;

- may also carry out periodic inspections in various corporate Functions, also with regard to specific transactions (also in progress) put in place by the Company.

The Supervisory Body may make recourse to the support of the corporate Functions institutionally equipped with the appropriate technical skills and human and operational resources to ensure performance of the audits, analyses and other necessary activities.

Finally, as regards the issues of protection of occupational health and safety and environmental protection, the Body can also make recourse to the Functions responsible for the matters and all the resources assigned to the management of such aspects (Employer, Health and Safety Manager and environmental aspects representative) as well as those additionally specified by industry regulations and, in particular, by Italian Legislative Decree 81/08 and by Italian Legislative Decree 152/06.

Where the need arises, according to the specificity of the issues addressed, the SB may make recourse to external consultants for the specific skills that the Supervisory Body deems appropriate.

In particular, the SB of Tecnimont can discuss with the supervisory bodies of the Parent Companies of the Sister Companies and other Group companies, also through periodic meetings, in order to have an overall view of the efficiency of the Internal control and risk management system and the monitoring of the crime risks, without prejudice to the exclusive jurisdiction of the SB of Tecnimont to monitor implementation and compliance of the Company's Model.

To ensure full and independent performance of its duties, the SB is assigned an adequate annual *budget*, established by resolution of the Board of Directors, in order to allow the SB to carry out its tasks in full autonomy, without limitations which may result from insufficient financial resources. The SB may, where duly necessary and urgent, use amounts that have not been included on the *extra budget*, save for its obligation to inform the Board of Directors.

For all the other aspects, the SB, in order to preserve its independence and impartiality, ensures self-regulation through the formalisation, as part of a regulation, of a set of rules that ensure its optimal operation (concerning, for example, the scheduling of activities, report formats and definition of the audit plan). The SB sends, for information, a copy of the regulation to the Board of Directors and to the Board of Statutory Auditors of the Company.

#### **2.4 INFORMATION FLOWS TO THE SUPERVISORY BODY**

In accordance with art. 6, paragraph 2, letter d), of Italian Legislative Decree 231/2001, among the requirements to be met by the Model there is the *“obligation of information to the body responsible for supervising the functioning and observance of the models”*.

The SB must be informed by the Target Audience of the Model concerning events that could lead to liability under the Decree or that represent violations of the rules defined in the Model, in the Code of Ethics and in the current document system. Similarly, the SB must be sent all documents that report such circumstances.

In particular, for the purpose of a more efficient and effective implementation of the provisions of the Model, the Company makes recourse to Head of **Operational Unit** (“HOUs”) who are those who have operational responsibility for each area of company activity at potential risk of committing Crimes. These subjects, identified with the support of the Supervisory Body, are appointed by the Function responsible for Human

Resources in collaboration with the Function responsible for corporate affairs and *compliance* of the Group, which will promptly communicate the appointment to the Supervisory Body. Head of Operational Unit must be formally assigned the following functions:

- without prejudice to the duties and responsibilities of the Target Audience, personally and on the part of the Target Audience subject to their management and supervision, foster compliance with and application of the standards and rules of conduct defined in this Model, in the Code of Ethics and in the current document system;
- support the Supervisory Body in the exercise of the activities related to the responsibilities assigned to it, interfacing with the same and ensuring regular information flows through audit and control activities.

An obligation to report to the Supervisory Body has therefore been established, which takes the form of information flows **pre-defined by the Model**, in which information, data and news are reported in compliance with the control and conduct principles established by the Model, the Code of Ethics and the Protocols, which are sent to the Supervisory Body by the company structures involved in the activities potentially at risk, within the times and in the ways defined by the Supervisory Body. These flows are divided into:

- a) **Periodic information flows**, addressed to the Supervisory Body, **every six months**, by the HOU's involved in activities at risk pursuant to Italian Legislative Decree 231/2001, which, by means of an overall self-diagnosis process on the corporate situation and the activities carried out, highlight the changes that have affected the Company and attest to the level of implementation of the Model and the Code of Ethics, with particular attention to compliance with the documental system in force.

Through this formal self-assessment activity, they report any critical issues in the processes managed, any deviations from the indications dictated by the Model, the Code of Ethics, the Protocols or more generally the current document system – highlighting the actions and initiatives adopted for the solution - or its adequacy.

RUO certificates are sent, within 15 days of the end of the semester (**on 30 June and 31 December**), to the Supervisory Body. The Technical Secretariat of the Supervisory Body will archive the documentation;

- b) **Event-based information flows**, addressed to the Supervisory Body by the Target Audience of the Model, to the occurrence of an event from which critical issues may emerge with respect to the application of the Model or the potential commission of Crimes, as specifically provided for in the Protocols.

These flows must indicate any information, data, news, report or document that the Protocols envisage forwarding to the SB without delay, as well as any circumstance not expressly regulated, but which lends itself to dubious interpretations and/or applications or such as to impose derogations from the application of the Protocols themselves.

In addition to the pre-defined information flows, in accordance with art. 6, paragraph 2-bis, of Italian Legislative Decree 231/2001, one of the requirements to which the Model must respond is also specified in the provision that it must provide one or more channels that allow the Target Audience of the Model to present, for the protection of the integrity of the Company, detailed reports of unlawful conduct, relevant under Italian Legislative Decree 231/2001 and based on elements of precise and consistent facts, or violations

of the Model of which they have become aware by reason of the functions performed<sup>6</sup>, even in addition to those provided for in the Protocols (so-called **occasional reports**).

#### **2.4.1 CHANNELS FOR TRANSMITTING REPORTS AND GUARANTEEING THE RIGHT OF CONFIDENTIALITY OF THE WHISTLEBLOWER**

As prescribed by art. 6, paragraph 2-bis of Italian Legislative Decree 231/2001, all channels of communication of reports relating to the provisions of this Model ensure confidentiality<sup>7</sup> the identity of the whistleblower in the reporting management activities, as soon as the report is received and at each subsequent stage.

In a general and privileged way, reports must be written and sent to the Supervisory Body through the following alternative communication channels:

- information channel accessible only to the Supervisory Body and the Maire Tecnimont Group Corporate Affairs Governance & Compliance Function, responsible for the management of the report and suitable for guaranteeing the confidentiality of the identity of the whistleblower, which the Company undertakes to communicate to all Target Audiences: [whistleblowing.mairetecnimont.com](mailto:whistleblowing.mairetecnimont.com)
- a physical address to which the report is to be sent in a sealed envelope, marked “confidential/personal” on the outside: Supervisory Body of Tecnimont S.p.A., Via Gaetano De Castilla, 6/A, 20121 Milan.

Alternatively, the whistleblower may ask to be heard by the SB in order to present the report orally. This procedure provides for the written recording of the report.

The Supervisory Body, together with the Maire Tecnimont *Group Corporate Affairs Governance & Compliance Function*, evaluates the reports and information received and any consequent initiatives to be implemented, in compliance with the provisions of the document system, including the internal disciplinary system, possibly listening the author of the report and/or the person responsible for the alleged violation, justifying in writing any decision and giving rise to all the investigations and investigations that he deems necessary.

Without prejudice to the above, the Supervisory Body, together with the *Group Corporate Affairs Governance & Compliance Function*, of Maire Tecnimont, will also evaluate reports received anonymously, provided that they are also adequately detailed and based on *precise and consistent elements of fact*, while will not consider and immediately archive reports that are clearly not relevant, not sufficiently detailed or with defamatory content.

All information, documents, reports and *alerts* provided for in this Model are kept by the *Group Corporate Affairs Governance & Compliance Function* of Maire Tecnimont, taking care to keep the documents and information acquired confidential.

In the sole case in which the subject of the report is a conduct by a member of the Company's Supervisory

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<sup>6</sup> With law no. 179 of 30 November 2017, paragraph 2-bis was inserted into art. 6 of Italian Legislative Decree 231/2001, which regulates the “*Protection of employees or collaborators who report crimes in the private sector*”.

<sup>7</sup> As clarified in the “Guidelines for the protection of public employees who report crimes (so-called *whistleblowers*)” issued by the ANAC (National Anti-Corruption Authority) in Determination no. 6 of 28 April 2015, “*the guarantee of confidentiality presupposes that the whistleblower discloses his identity. (...) In essence, the rationale of the rule is to ensure the protection of the employee, keeping his identity confidential, only in the case of reports from public employees identifiable and recognizable*”



Body, or by the entire Body, the whistleblower must address directly to the Board of Directors of the Company, which, in turn, may appoint an operational manager to manage the report, in accordance with the provisions of the document system.

#### **2.4.2 PROTECTION OF WHISTLEBLOWERS**

It is expressly prohibited by law<sup>8</sup> to carry out acts of retaliation or discrimination, direct or indirect, against the whistleblower for reasons related, directly or indirectly, to the report.

The Company, in accordance with the provisions of Law 179/2017, protects whistleblowers from such acts.

The Supervisory Body and the Group Corporate Affairs Governance & Compliance Function, therefore, act by guaranteeing the whistleblowers against any form of retaliation, discrimination or penalization, and ensuring the utmost confidentiality regarding the identity of the whistleblower and any news, information, reporting, under penalty of specific sanction application, without prejudice to the requirements inherent to the carrying out of investigations in the hypothesis in which the support of consultants external to the SB or other corporate structures is necessary.

The adoption of discriminatory measures against persons who make the reports referred to in paragraph 2-bis of art. 6 of Italian Legislative Decree 231/2001 may be reported to the National Labour Inspectorate, for measures falling within its competence, not only by the party making the report, but also by the trade union indicated by the same<sup>9</sup>.

Retaliatory or discriminatory dismissal of the whistleblower shall be null and void.

Any change of duties pursuant to art. 2103 of the Italian Civil Code, as well as any other retaliatory or discriminatory measure adopted against the whistleblower, are also null and void.

It is the Employer's responsibility, in the event of disputes related to the imposition of disciplinary sanctions, or to demansion, dismissal, transfer, or submission of the whistleblower to another organisational measure having a negative effect, direct or indirect, on working conditions, after the submission of the report, to demonstrate that such measures are based on reasons unrelated to the report itself.

#### **2.5 SUPERVISORY BODY REPORTING ACTIVITY**

In order to guarantee its full autonomy and independence in the performance of its duties, the Supervisory Body reports directly to the Board of Directors of the Company.

In particular, during the approval of the Annual Financial Report and the Interim Report, the SB sends to the Board of Directors and Board of Statutory Auditors a detailed report on the following aspects:

- a description of significant events that have affected the Company;

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<sup>8</sup> Art. 6 paragraph 2-bis letter c) of Italian Legislative Decree 231/2001

<sup>9</sup> Art. 6 paragraph 2-ter of Italian Legislative Decree 231/2001

- evolution of legislation concerning Italian Legislative Decree 231/2001;
- the state of updating of the Model;
- the reports received by the SB in respect of the standards of confidentiality and protection of the whistleblower, as described above;
- evidence contained in the information flows received by the Supervisory Body on the areas of risk;
- the activities carried out;
- the activity plan, including the periodic audit plan;
- relations with the relevant judicial bodies pursuant to Italian Legislative Decree 231/2001;
- conclusions concerning the functioning, compliance with and updating of the Model;
- all other information considered relevant to the Model and Italian Legislative Decree 231/2001.

In case of serious anomalies in the functioning of and compliance with the Model or violations of provisions of the same, the SB promptly reports to the Board of Directors.

The SB may be called at any time by the Board of Directors or may, in turn, request - if it considers it appropriate or otherwise deemed necessary - to be heard by such body to report on particular events or situations related to the functioning of and compliance with the Model urging, if necessary, intervention by the same. Furthermore, the SB, if deemed necessary or appropriate, may request to meet the Board of Statutory Auditors.

To ensure a smooth and efficient information flow, the SB also has the possibility, for the purpose of full and proper exercise of its powers, to seek clarification or information directly to the CEO and parties with the main operational responsibilities.

Meetings with bodies to which the SB reports must be recorded and copies of the minutes must be kept by the SB.

Lastly, the SB operates according to a continuous reporting line with the Chief Executive Officer, for example on the results of its regular controls and audits.

## **2.6. REGULAR AUDITS BY THE SUPERVISORY BODY**

The supervisory activity carried out continuously by the SB to (a) verify the effectiveness of the Model (i.e., the consistency between the concrete conduct of the Addressees and the Model itself), (b) carry out the periodic assessment of the adequacy, with respect to the needs of prevention of the crimes as per Legislative Decree 231/2001, of the documental system that regulates the activities at risk and (c) proceed with the appropriate updates of the Model, takes the form, first of all, in the work plan of the control activity of the SB. The SB control system aims to:

- ensure that the operating management method complies with the Model provisions and current provisions of law;
- identify the areas requiring corrective action and/or improvements and verify the effectiveness of the

corrective actions taken.

Internal audits are managed by the Supervisory Body.

In order to carry out the audits planned, the Supervisory Body may collaborate with the *Internal Audit Function* or staff of other Functions, not involved in the activities being audited and with specific competences in the matter.

Extraordinary controls not included in the plan of work may be planned in the event of substantial changes to the organisation of business processes or in the case of suspects or communications of non-compliance or in any case whenever the SB decides to carry out *ad hoc* occasional controls.

The results of the controls are always described in a report and sent in the ways and with the frequency set out in the Model.

The Company considers the results of these audits as essential to improving its Organisational Model. Therefore, also with a view to guaranteeing the effective implementation of the Model, the results of the audits relating to the suitability and effective implementation of the Model are discussed by the Supervisory Body and may entail the application of the disciplinary system, where appropriate.

## **2.7 RELATIONS BETWEEN THE SUPERVISORY BODY OF THE PARENT COMPANY AND THE SUPERVISORY BODIES OF THE COMPANIES UNDER ITALIAN LAW THAT ARE DIRECT AND INDIRECT SUBSIDIARIES OF MAIRE TECNIMONT**

The Supervisory Body of the Parent Company promotes the dissemination and knowledge, by its subsidiaries, of the methodology and instruments for implementation of the Model in complete compliance with the principle of the autonomy of the Supervisory Body of the subsidiaries and equal level of ethics of all Supervisory Bodies. In this regard, the Maire Tecnimont Supervisory Body promotes the organisation of periodic meetings with the Supervisory Bodies of subsidiaries dedicated to examining and sharing any significant experience. On this occasion, the Supervisory Body of Tecnimont, as the SBs of the other Maire Tecnimont subsidiaries, can report events they believe to be relevant with respect to the correct monitoring of risk for the purpose of the Decree (by way of example, aggregated indications on the state of implementation of the system adopted in accordance with the Decree, updates made to the Model, etc.). These facts must also include the sharing, by the Supervisory Bodies of the companies involved, of any risk profiles in connection with the crimes pursuant to Italian Legislative Decree 231/2001 which may arise in the execution of intra-group service contracts. Information flows are managed ensuring the autonomy of the Supervisory Bodies and the Organisation, Management and Control Models of each company and avoiding any decision-making by the Parent Company in the activities involved in the implementation of the Decree by the subsidiaries.

In order to ensure a spirit of collaboration between the Group SBs and the common sharing of crime prevention procedures, the Maire Tecnimont Supervisory Body, or the Supervisory Body of a subsidiary of Maire Tecnimont, may make requests to the Supervisory Bodies of other Group Companies, relevant to the performance of activities pertaining to the same or to ask to be informed of the onset of any events or

circumstances of the nature just mentioned. The Supervisory Body of the company to which the request is addressed shall assess it in respect of its autonomy and independence.

### 3. DISCIPLINARY SYSTEM

The provision of a suitable disciplinary system to sanction the failure to comply with the rules indicated in the Model is a condition required by Italian Legislative Decree 231/2001 for the exemption from administrative liability of Entities and to ensure the effectiveness of the Model itself.

In particular, art. 6, paragraph 2, of Italian Legislative Decree 231/2001, in listing the items that must be found in Models put in place by Entities, under letter e) expressly provides that the Entity must *"introduce a disciplinary system to sanction non-compliance with the measures indicated in the Model"*.

In addition, in application of the provisions of art. 6, paragraph 2-bis, letter d), of Italian Legislative Decree 231/2001, this disciplinary system must also provide for sanctions against *"those who violate the measures for the protection of the whistleblower, as well as those who make reports with intent or gross negligence that prove to be unfounded"*.

It is nevertheless the case that also if a certain type of conduct is not included among those listed below, where it is in violation of the Model it may still be subject to sanctions.

#### 3.1 THE FUNCTIONS OF THE DISCIPLINARY SYSTEM

Tecnimont S.p.A. ("The Company" or "Tecnimont"), in order to induce those acting in the name or on behalf of the company to operate in compliance with the Model, has therefore put in place a disciplinary system specifically designed to punish all those activities that constitute violations of the Model and the Code of Ethics, through application of specific sanctions resulting from a combination of the type of contract and the principles and requirements of the Model.

Such disciplinary system is therefore addressed to all those who work with the Company in the capacity of Directors, Statutory Auditors, employees (managers and non-managers), the self-employed, third party collaborators and consultants acting on behalf of or within the Company and all those having a contractual relationship with the Company for the performance of any professional service or work.

The SB, should it discover in the course of its monitoring and control a possible violation of the Model or of the Code of Ethics, gives rise to disciplinary proceedings against the author of the potential infringement, independently of any criminal action by the judicial authorities against the author, as well as of any other action deemed appropriate or necessary (e.g. action for damages).

Ascertainment of actual liability arising from violation of the Model and application of the corresponding sanction take place in accordance with current legislation, the rules of the applicable collective bargaining agreement, internal procedures, the provisions relating to *privacy* and in full compliance with the fundamental rights of dignity and reputation of the parties involved.

Any imposition of disciplinary sanctions must be guided by the principles of timeliness, immediacy and, as far as possible, fairness.

### 3.2 THE TARGET AUDIENCE OF THE DISCIPLINARY SYSTEM

The disciplinary system, just as the Model, is addressed, in fact, to the entire Target Audience, namely the members of the corporate offices (Directors and Statutory Auditors), employees, managers, third parties and other parties.

### 3.3 SANCTIONS

#### 3.3.1 MEASURES APPLICABLE TO MIDDLE MANAGERS AND WHITE COLLARS

Violations of the rules of conduct provided for by the Model and the Code of Ethics, as well as by the auditing principles provided for in the current document system, committed by employees constitute a breach of contract and may result in disciplinary sanctions within the limits established by the collective agreement applicable to the employment relationship.

In particular, the National Collective Bargaining Agreement for the Chemical and Pharmaceutical Chemistry Industry governing the employment relationship between the Company and its non-managerial employees, establishes application of the following disciplinary measures for breaches of contract:

- a) verbal warning;
- b) written warning;
- c) fine;
- d) suspension;
- e) dismissal.

All the provisions of art. 7 of the Law of 20 May 1970, n. 300 (so-called "Workers' Statute") shall remain in force, and are herein stated, in relation to both the disclosure of the disciplinary code and the obligation of prior notification of the charge to the employee, also in order to allow the same to prepare a suitable defence and to provide any justifications.

In accordance with the provisions of the Workers' Statute, the type and entity of the sanction is identified bearing in mind the gravity of the infringement, the recidivism of non-compliance and/or the degree of guilt, assessing in particular:

- the intentionality and circumstances, mitigating or aggravating, of the overall conduct;
- the hierarchical role and level of responsibility and autonomy of the employee;
- any sharing of responsibilities with other workers in agreement with each other in putting in place the violation;
- any similar disciplinary precedents;
- the significance of the requirements violated;
- the consequences for the Company, the extent of damage or danger as a result of the infringement for the Company and for its stakeholders.

The disciplinary sanctions provided for in **points (a) and (b)** generally are imposed on employees who, through

negligence, violation of the provisions of the Model, the Code of Ethics and the current document system, adopt conduct non-compliant with the same or not adequate, but such as not to undermine the effectiveness of the above mentioned documents.

More precisely:

- the verbal **warning sanction** may be applied in cases of minor non-compliance with the principles of the Model, the Code of Ethics and the provisions of the current document system developed in application of the provisions of the Model, due to negligence on the part of the employee. By way of example but not limited to, the employee who, through negligence, fails to accurately maintain the necessary supporting documentation to reconstruct the operations of the Company in the areas at risk is punishable with a verbal warning;
- a **written warning** is adopted in cases of repeated shortcomings punished with verbal warnings, or in the event of culpable violation of the principles of the Model, the Code of Ethics and the provisions of the current document system developed in application of the provisions of the Model, through non-compliant or inappropriate conduct: by way of non-exhaustive example in the event of delayed reporting to the SB of the information due pursuant to the Model;
- the disciplinary sanctions pursuant to **points (c) and (d)** are imposed on employees in the event of repeated infringements pursuant to the previous points or in the case of culpable and/or negligent conduct put in place by employees working in areas at risk, which can even only potentially undermine the effectiveness of the Model, the Code of Ethics and the current document system.

More precisely:

- a **fine** may be imposed in an amount not exceeding that of four times
- the normal remuneration pursuant to the National Collective Bargaining Agreement for the Chemical and Pharmaceutical Chemistry Industry, in the case of non-compliance with the principles and rules of conduct established by this Model, of the Code of Ethics and of the provisions of the current document system, for conduct not compliant or not adequate with respect to the provisions of the Model to such an extent as to be considered of a certain gravity. By way of example but not limited to, such conduct includes violation of the obligations to provide information to the SB concerning irregularities in the conduct of one's activities, or repeated failure to take part, without justification, in training sessions provided by the Company concerning Italian Legislative Decree 231/2001, the Organisation, Management and Control Model and the Code of Ethics or in relation to related matters;
- the **suspension from duty without pay** may not be imposed for more than three days and must be applied in the case of serious procedural violations such as to expose the Company to third party liability. By way of example and not limited to: failure to comply with the provisions of the Code of Ethics; omission or issue of false declarations relating to compliance with the Model; failure to comply with the provisions of the powers of signature and the system of proxies; failure to supervise the conduct of personnel operating within their sphere of responsibility in order to verify their actions in the areas of risk; violation of the obligations to inform the Supervisory Body of any situation at risk of verification of the predicate crimes perceived in the performance of their activities; the execution with gross negligence and/or wilful misconduct of a report pursuant to art. 6 paragraph 2-bis of Italian

Legislative Decree 231/2001 which proves to be unfounded; the violation, through serious negligence, of the measures for the protection of the whistleblower; any and all other breach of contract or specific provisions communicated to the employee;

- the disciplinary sanction pursuant to point **e)** is imposed on the employee who puts in place, in carrying out his activities, conduct which does not comply with the requirements of the Model, Code of Ethics and the provisions of the current document system and unequivocally aimed at committing a crime sanctioned by the Decree and which could result in the application of administrative sanctions resulting from crimes provided for in the Decree.

More precisely:

- **the dismissal with notice** for just cause is a sanction imposed as a result of a breach of contract by the employee. The following intentional behaviours fall within the scope of the aforementioned sanction: repeated non-compliance with the provisions of the Model, the Code of Ethics and the provisions of the current document system; willful omission in fulfilling the requirements of the Model, the Code of Ethics and the provisions of the current document system; adoption, in the corporate areas at risk, of conduct that does not conform to the provisions of the Model solely directed to the fulfilment of one of the crimes provided for by the Decree; failure to notify the SB of relevant information regarding the commission, even attempted, of one of the alleged crimes; malicious reporting pursuant to art. 6 paragraph 2-bis of Italian Legislative Decree 231/2001 which is unfounded; violation of the protection measures of the whistleblower;
- **the dismissal without notice** for just cause is a sanction imposed as a result of intentional or grossly negligent conduct, such as not to allow the continuation, even temporary, of the employment relationship. Among the violations liable to the aforementioned sanction: fraudulent behaviour unequivocally directed to the commission of one of the crimes provided for by the Decree, such as to eliminate the fiduciary relationship with the Employer; drafting of documents of significant importance for the Group, incomplete or untruthful, wilfully or maliciously aimed at preventing the transparency and verifiability of the activity carried out; wilful or grossly negligent violation of external procedures; failure to prepare the documentation required by the Model; intentional or grossly negligent violation or avoidance of the control system envisaged by the Model in any way carried out, including the removal, destruction or alteration of components of the current document system; behaving in a manner that hinders or evades the controls of the SB, impediment of access to information and documentation by the subjects in charge of controls or decisions;  
  
malicious or grossly negligent report pursuant to art. 6 paragraph 2-bis of Italian Legislative Decree 231/2001 which is unfounded and particularly burdensome to the reported person; violation of the protection measures of the whistleblower.

On becoming aware of a suspected violation of the rules of conduct of the Model, the Code of Ethics and the provisions of the current document system by a non-managerial employee, the Supervisory Body informs the Human Resources Function of the Company for adoption of the appropriate measures. Proceedings are assigned to the specified Company Function, which will impose the sanction pursuant to the law and the contract.

The employee is **suspended from work** as a precautionary measure - without prejudice to remuneration for

managers, for a period limited to the time required to carry out the procedure to which the suspension gives rise, and it shall cease effectiveness as soon as this procedure is completed; furthermore, again on a provisional basis and if necessary, for a period not exceeding six months, the assignment of different tasks in compliance with art. 2103 of the Italian Civil Code - in the event of a serious violation of one or more behavioural or procedural rules of the Model, the Code of Ethics and the provisions of the current document system, developed in application of the provisions of the Model; or in the case of a report made with serious negligence pursuant to art. 6, paragraph 2-bis of Italian Legislative Decree 231/2001 that proves to be unfounded or of a violation, due to serious negligence, of the measures for the protection of the whistleblower;

The Employee may also have any powers of attorney or delegations conferred revoked.

### 3.3.2 MEASURES APPLICABLE TO EXECUTIVES

Compliance by Company managers with the provisions and procedures provided for in the Model, Code of Ethics and current document system, as well as fulfilment of the obligation to enforce the provisions of said documents, are fundamental elements of the relationship between them and the Company.

Every manager receives a copy of the Model and the Code of Ethics and, in the case of ascertained violation by a manager of conduct compliant with the provisions of the Model, or if it is proved that the manager has allowed hierarchically subordinate employees to engage in conduct constituting violation of the principles of the Model, Code of Ethics and provisions of the current document system, developed in application of the provisions of the Model, the Company applies the sanction deemed most appropriate against the manager according to the severity and/or recidivism of the conduct of the manager and in any case on the basis of that provided for by the National Collective bargaining Agreement for Managers, mainly art. 7 of workers' statute.

Specifically, in addition to the sanctions provided for non-managerial staff, the following sanctions may be applied against managers:

the manager incurs a **written warning** to comply with the provisions of the Model, in the case of a non-serious violation of one or more conduct or procedural rules provided for in the Model, Code of Ethics and provisions of the current document system, developed in application of the provisions of the Model;

- the manager incurs measure of the **dismissal with notice** in the event of repeated and serious violations of one or more of the provisions of the Model, the Code of Ethics and the provisions of the current document system, developed in application of the provisions of the Model such as to constitute a significant breach; or in the case of intentionally making a report pursuant to art. 6, paragraph 2-bis of Italian Legislative Decree 231/2001 that proves to be unfounded or in the case of violation of the measures for the protection of the whistleblower;
- the manager is **dismissed without notice** if the violation of one or more of the provisions of the Model, the Code of Ethics and the provisions of the documental system in force, developed in application of the provisions of the Model, is so serious as to irreparably damage the relationship of trust, not allowing the continuation, even temporarily, of the employment relationship or in the case of maliciously making a report pursuant to art. 6, paragraph 2-bis of Italian Legislative Decree 231/2001 that proves to be unfounded and particularly burdensome towards the person reported or violation of the measures to protect the person reporting the violation.



This without prejudice to the Company's right to claim compensation for further damages as a result of the conduct of the manager.

The manager may also have any powers of attorney or delegation of powers conferred revoked.

The type and entity of the sanction are identified bearing in mind the gravity of the infringement, the recidivism of non-compliance and/or the degree of guilt, assessing in particular:

- the intentionality and circumstances, mitigating or aggravating, of the overall conduct;
- the hierarchical role and the level of responsibility and autonomy of the employee/manager submitted to the manager;
- any sharing of responsibilities with other workers in agreement with each other in putting in place the violation;
- any similar disciplinary precedents, within the two-year period provided by law;
- the significance of the requirements violated;
- the consequences for the Company, the extent of damage or danger as a result of the infringement for the Company and for the stakeholders of the Company.

By way of example and not limited to, the violation of obligations to provide information to the SB in relation to the commission of the significant crimes, even if only attempted, constitutes a serious breach.

On becoming aware of a violation of the rules of conduct of the Model and the Code of Ethics by a manager, the Supervisory Body informs the Board of Directors for adoption of the appropriate measures. Proceedings are assigned to the Company's Human Resources Function, which will impose the sanction pursuant to the law and the contract.

### **3.3.3 MEASURES APPLICABLE TO WORKERS SECONDED TO TECNIMONT**

Should any workers operating under secondment (total or partial) from other Group Companies at Tecnimont, are responsible for violations of the Code of Ethics and the Model of the Company, of measures to protect the whistleblower, as well as in case of execution with intent or gross negligence of reports that prove to be groundless and the provisions of the current document system, the Chief Executive Officer, after consulting the Supervisory Body, will promptly inform the management bodies of the posting company and the competent function responsible for human resources of the same so that every provision deemed appropriate and compatible with the current legislation and according to the internal sanctioning rules by the same posting company is adopted.

The employees/managers seconded by other Group Companies are subject to the penalty system for the staff of Tecnimont corresponding to the relative qualification they hold. In any case, Tecnimont makes a specific disclosure to the seconding company for any further disciplinary assessments under its responsibility.

### **3.3.4 MEASURES APPLICABLE TO DIRECTORS**

In the event of proven violation of the Model, or Code of Ethics and of measures to protect the whistleblower, as well as in case of fraudulent or gross negligence of reports that prove unfounded by one or more Directors, the Board of Directors and in conformity with applicable provisions of the law, or in the case of inertia of the Board, in accordance with art. 2406 of the Italian Civil Code, the Chairman of the Board of Statutory Auditors on receiving the report of the infringement from the SB, immediately or otherwise in a timely manner convenes the Shareholders' Meeting to decide on possible revocation of the mandate or taking legal action for liability against the directors pursuant to art. 2393 of the Italian Civil Code.

The Shareholders' Meeting, after examining the report, formulates in writing any claim against the Director, delegating actual notification to the interested party and to the Supervisory Body and to the Chairman of the Board of Statutory Auditors. The Shareholders' Meeting, in a subsequent meeting, in accordance with the most appropriate terms of defence, decides on the application and possible type of sanction, according to the principle of proportionality, delegating actual notification to the interested party, to the Supervisory Body and to the Board of Statutory Auditors.

Directors who violate the provisions of the Model and measures to protect the whistleblower, as well as to carry out malicious or gross negligence reports that prove to be unfounded, may nevertheless still be subject to legal action for liability and any consequent claim for compensation for damages in accordance with the Italian Civil Code under the applicable regulation.

### **3.3.5 MEASURES APPLICABLE TO STATUTORY AUDITORS**

In the event of proven violation of the Model and Code of Ethics and measures to protect the whistleblower, as well as to carry out malicious or gross negligence reports that prove to be unfounded, by one or more Statutory Auditors, the Board of Directors, pursuant to art. 2407 of the Italian Civil Code and in conformity with the applicable provisions of the law, on timely reporting of the infringement ascertained by the SB, immediately or otherwise in a timely manner convenes the Shareholders' Meeting to decide on possible revocation of the mandate or taking legal action for liability against the Statutory Auditors pursuant to art. 2393 of the Italian Civil Code.

The measures of the Shareholders' Meeting in relation to the alleged non-compliance with the Model are made in writing, delegating actual notification to the interested party and to the SB by the Chairman of the Board of Directors. The Shareholders' Meeting, in a subsequent meeting, in accordance with the most appropriate terms of defence, decides on the application and possible type of sanction, according to the principle of proportionality, delegating actual notification to the interested party, to the Supervisory Body and to the Board of Directors.

Statutory Auditors may nevertheless still be subject to legal action for liability and any consequent claim for damages in accordance with the Italian Civil Code.

### **3.3.6 MEASURES APPLICABLE TO THIRD PARTIES AND TO OTHER PARTIES**

Any conduct put in place by Third Parties which, in contrast with the law, with this Model, the Code of Ethics and the current document system, is likely to lead to the risk of committing one of the crimes for which the

Decree is applicable, determines, as required by the specific contractual clauses, unilateral advance termination of the same, without prejudice to the further right to compensation before the competent legal authorities if from such conduct material damage is caused to the Company.

Any behaviour carried out by Other Parties that, in contrast with the prescriptions of Italian Legislative Decree 231/2001 and with the ethical standards and those of conduct adopted by Maire Tecnimont through the Code of Ethics, is likely to lead to the risk of committing one of the crimes for which the Decree is applicable, determines, as required by the specific contractual clauses, unilateral advance termination of the same, without prejudice to the further right to compensation before the competent legal authorities if from such conduct material damage is caused to the Company.

The same early termination of the contractual relationship is provided for in the event of violation of the measures to protect the whistleblower and / or the execution, with intent or gross negligence, of reports that prove unfounded.

Such conduct is evaluated by the Supervisory Body which, having heard the opinion of the Head of Function that requested the intervention of the Third Party and/or Other Party, promptly reports to the Chief Executive Officer.

### **3.3.7 MEASURES AGAINST MEMBERS OF THE SUPERVISORY BODY**

Without prejudice to the provisions of paragraph 2.2.2, in the event of ascertained adoption, by a member of the Supervisory Body, of a conduct not in compliance with the provisions of the Model, as well as of a violation of the measures for the protection of the whistleblower and/or the execution, with intent or gross negligence, of reports that prove to be unfounded, the Company shall apply the sanction it deems most appropriate to the person responsible, on account of the seriousness and/or recidivism of the conduct of the member of the SB. In particular, the Board of Directors will assess any appropriate measure to be taken against the member of the Supervisory Body until the revocation of the appointment.

## **4. DISSEMINATION OF THE MODEL**

The system of administrative liability provided for in the applicable law and adoption of the Organisation, Management and Control Model by Tecnimont form a system that must be find a coherent and effective response in the operational conduct of the Target Audience.

In this regard, communication and training in order to facilitate the dissemination of the provisions of the Decree and of the Model is vital, in order for awareness of the subject and compliance with the rules deriving from the same to become an integral part of the professional culture of each employee and collaborator.

With this in mind, Tecnimont has structured an internal communication, information and training plan addressed to all employees but diversified depending on the Target Audience to whom it is addressed, which has the objective of creating widespread awareness and a corporate culture appropriate to the issues in question, thus mitigating the risk of commission of crimes.

The plan is managed by the competent Company Functions or Group companies, in coordination with the Supervisory Body.

In particular, with regard to **communication**, the following is provided for:

- initial communication at the initiative of the Board of Directors to members of corporate offices, the External Auditors, employees and all personnel responsible for the Functions of Group companies that *outsource* Company activities;
- dissemination of the Model and the Code of Ethics on the Group portal, in a specific dedicated area;
- for all those who do not have access to the Group portal, the Model and the Code of Ethics are available to them via alternative means, such as enclosure in the payslip or other computer systems;
- appropriate communication tools will be adopted to inform the Target Audience of any changes to the Model and/or the Code of Ethics and the current document system.

With regard to **information** mechanisms, it is provided that:

- members of corporate offices and persons with powers of representation of the Company receive a copy of the Model and the Code of Ethics at the time of acceptance of their appointment and sign a declaration of compliance with the principles contained therein;

Third Parties and Other Parties are provided, by attorneys with institutional contacts with the same, with a methodology approved by the Supervisory Body, specific information on the principles and policies adopted by Tecnimont - on the basis of the Model and the Code Ethics - as well as on the consequences that conduct contrary to current legislation or ethical principles adopted may have with regard to contractual relations, in order to raise awareness that their conduct complies with the law, with particular reference to the provisions of Italian Legislative Decree 231/2001;

- newly hired employees receive, at the time of hiring, a letter in which it is communicated that all the information documents including, in particular, the Model and the Code of Ethics are available on the Group portal and that compliance with the same is an integral part of the contractual obligations. Signing of the above letter attests to having received the documents and the commitment to comply with the corresponding provisions.

Finally, as regards **training**, a training plan is envisaged which aims to make all managers and employees of the Company aware of the contents of the Decree, the Model and the Code of Ethics.

The training plan, constructed and managed by the function responsible for employee training, in coordination with the Supervisory Body and the Function responsible for corporate affairs and Group *compliance*, takes into account multiple variables, in particular:

- the *targets* (the target audience of interventions, their level and organisational role);
- the contents (topics related to the role of the person);
- the delivery tools (classroom, *e-learning*).

The plan envisages:

- basic *e-learning* training for all staff: the *e-learning* training support allows the timely and widespread

dissemination of the contents common to all staff - reference standards (Italian Legislative Decree 231/2001 and predicate crimes), the Model and its functioning, the contents of the Code of Ethics - and is enriched by self-assessment and learning *tests* ;

- specific classroom interventions for those who work in structures where there is a greater the risk of illegal conduct, in which also the specific Protocols are explained;
- in-depth modules in the case of legislative or internal procedure updates.

## 5. UPDATING OF THE MODEL

Updating, meaning both integration and modification, is aimed to ensure adequacy and suitability of the Model, evaluated in terms of the preventive effect of committing the Crimes specified in Italian Legislative Decree 231/2001.

The adoption and effective implementation of the Model constitute, by express legislative provision, a responsibility of the Board of Directors.

Therefore, the power to update the Model - expression of an effective implementation of the same - lies with the Board of Directors, which exercises the same directly by resolution or by delegation of powers to one of its members and according to the procedures provided for adoption of the Model.

In detail, the Board of Directors has the power to adopt, also on the basis of suggestions and proposals from the SB, modifications and/or integrations to the Model and its attachments that might become necessary as a result of:

- significant violations of the provisions of the Model adopted;
- regulatory changes that involve the extension of administrative liability of entities to other types of crimes for which it is deemed there is a risk of commission in the interest or to the benefit of the Company;
- significant changes to the organisational structure, the system of powers and the operating procedures of activities at risk and controls to monitor the same.

In order to apply to the Model all those formal and not substantial changes as may be required over time, the Board of Directors of the Company, in its decision-making autonomy, has the right to confer upon one of its members the power to make the above changes with obligation to formally communicate any changes to the Board of Directors.

## 6. GROUP GUIDELINES ON ADMINISTRATIVE LIABILITY OF ENTITIES

Without prejudice to the autonomous liability of each company belonging to the Maire Tecnimont Group regarding the adoption and effective implementation of its Model pursuant to the Decree, MET, in the exercise of its specific role as Parent Company, has the power to provide general indications on the processes for the adjustment to comply with the Decree, including in the form of offering consultancy services through its Compliance Functions.

The persons appointed by MET as representatives of the same in the corporate offices of subsidiaries, consortia and *joint ventures* promote the principles of the Decree, the Code of Ethics and the contents of the

Model in their respective areas of responsibility.

The MET Supervisory Body can organise opportunities to meet and share and facilitate the exchange of information with the Supervisory Bodies of subsidiaries in respect of the foregoing.

In order to standardise at Group level the methods to assimilate and implement the contents of Italian Legislative Decree 231/2001, the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 of the Parent Company defines the guiding principles to which all subsidiaries under Italian law must adhere, in compliance with their legal autonomy and the principles of correct corporate management.

## **7. LIST OF ATTACHMENTS**

1. List of relevant crimes pursuant to Italian Legislative Decree 231/2001 and definition of Public Administration.
2. Mapping of sensitive activities and instrumental processes.
3. Risk assessment method and drivers.