



Organizational, Management

and Control Model

**Pursuant to Legislative Decree no. 231 of
08 June 2001**

- GENERAL SECTION -





TAMINI
Trasformatori

Approved by the Board of Directors of TAMINI
Trasformatori S.r.l. on May, 31 2005 and
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DEFINITIONS

The following definitions refer to all the sections of the Model, except for any other definitions contained in the individual special sections.

CEO: the CEO of the Company.

At-Risk Areas: the Group’s areas of activity in which there is a greater risk of crimes being committed.

BS OHSAS 18001: the acronym OHSAS stands for *Occupational Health and Safety Assessment Series* and identifies the British standard for an occupational health and safety management system.

CCNL: National Collective Labor Contracts applied by the Company.

Code of Ethics: the Code of Ethics adopted by the Group and approved by the Company's Board of Directors on July 9, 2014 and relative updates.

External Contractors: all external contractors, including Consultants, Partners, Suppliers, Clients and individuals that act in the name and/or on behalf of the Group by virtue of a mandate contract or other type of professional collaboration contract, including non-standard contracts.

Intended Recipients: Company Representatives and External Contractors.

Employees: those individuals that are employed by TAMINI, including managers.

Privacy Regulation: EU Regulation 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR), Directive 196/2003, Italian Legislative Decree no. 101/2018 as well as any other legislation regarding the protection of personal data applicable in Italy, including the provisions of the Data Protection Authority.

Italian Legislative Decree 231/2001 or the **Decree:** Italian Legislative Decree no. 231 dated Friday, June 8, 2001 and subsequent amendments and additions;

Entity/ies: entities with legal personality or companies or associations, also without legal personality.

Company Representatives: directors, auditors, liquidators, managers and employees of the Company.

Group: TERNA S.p.A. and its subsidiaries according to the terms established in Article 93 of the TUF.

Administrative Crimes: administrative crimes regarding insider trading (Article 187-bis, TUF) and market manipulation (Article 187-ter, TUF).

Person in Charge of a Public Service: pursuant to Article 358 of the Italian Criminal Code, *"persons in charge of a public service are those who carry out a public service, with any professional qualification. Public service must be considered an activity regulated in the same ways as a public function, but characterized by a lack of power which is typical in the latter, and with the exclusion of carrying out simple secretarial duties and performance of merely material work"*.

ISO-14001: ISO 14001 is an international management system standard published by ISO (International Organization for Standardization), that establishes a certified framework to guarantee compliance of an environmental management system with applicable legislation.

Guidelines: Guidelines adopted by Confindustria for preparing organizational, management and control models according to the terms established in Article 6, section 3 of Italian Legislative Decree 231/2001.

Anti-Corruption Guidelines: document prepared taking into account the major international conventions, Community legislation, the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act on preventing and combating corruption. The Guidelines contain principles and rules of conduct adopted by each company of the Group and those individuals acting in the name and/or on behalf of a company of the Group, including in the case of single transactions.

Model: the organizational, management and control model adopted by the Parent Company as per Italian Legislative Decree 231/2001.

Corporate Bodies: the Board of Directors and the Board of Statutory Auditors of the Company and their members.

Vigilance Body or VB: the internal control body, appointed under the terms of Article 6 of Italian Legislative Decree 231/01, assigned with vigilance on the operation and observance of the Model, as well as providing for updating

P.A.: the public administration and, with reference to crimes committed against the public administration, public officials and persons in charge of a public service.

Model 231 Control: Model 231 Control - Corporate Affairs and Governance of the Legal and Corporate Affairs Department of TERNA S.p.A. that acts as Technical Secretariat for the Vigilance Bodies of the Group.

Public Officials: pursuant to Article 357 of the Italian Criminal Code, *"public officials" are those who perform a public legal, juridical or administrative service. The administrative function is public to the same extent, being governed by public law regulations and by authoritative writs, and characterized by the development or*

demonstration of will on the part of the public administration or by its carrying it out by means of authoritative or certifying powers”.

Crimes: the types of crimes to which the disciplinary measures established by Italian Legislative Decree 231/2001 apply regarding administrative responsibilities of corporations.

231 Representative: party, identified from the roles directly beneath the Head of the structure, with the task of promoting the dissemination of the Model 231 within their department and facilitating its implementation, also through coordination with the Vigilance Bodies of the Group Companies.

Company or TAMINI: TAMINI Trasformatori S.r.l.

TERNA or Parent Company: TAMINI’s Parent Company, TERNA - Rete Elettrica Nazionale Società per Azioni.

TUF: Italian Legislative Decree no. 58 dated Tuesday, February 24, 1998 and subsequent amendments and additions;

Whistleblowing: Whistleblowing is the tool that allows employees, consultants, collaborators and any party that does not have a direct relationship with the Company to report any irregularities that they become aware of either through performance of their work within the company itself or via other circumstances, and also allows them to present reports, for the safeguarding of the organization, of substantiated illegal conduct significant under the terms of Italian Legislative Decree 231/01 or violations of the organizational and management model of the Company which they have become aware of on the basis of the roles they perform.

1. DESCRIPTION OF THE LEGISLATIVE FRAMEWORK

1.1 THE ADMINISTRATIVE RESPONSIBILITY SYSTEM FOR CORPORATIONS, COMPANIES AND ASSOCIATIONS.

On June 8, 2001, Italian Legislative Decree no. 231 was passed providing "Regulations governing the administrative responsibility of corporations, companies and associations, also those not having a legal status", in implementation of Articles 11 and 14 of Italian Law no. 300 of September 29, 2000, empowering the Government to adopt a legislative decree for regulation in this regard.

In fact, this is an obligation deriving from provisions contained in International Conventions signed by Italy and, specifically:

- the Brussels Convention dated July 26, 1995 on the protection of the European Communities' economic interests;
- the Brussels Convention dated May 26, 1997 on the fight against corruption, in which officers of the EC or of Member States are involved;
- the OECD Anti-Bribery Convention dated December 17, 1997 on combating bribery of foreign public officials in international economic business transactions.

Following introduction of the Decree, a system was introduced into the Italian legal structure of "administrative responsibility deriving from a crime" for corporations with legal personality and companies and associations also without legal personality, in the interest or to the advantage of the said Corporations, (i) by individual persons having a representative, administrative or managerial position within

the Corporations or within a business unit linked to them albeit financially and functionally independent, as well as by individual persons managing, even de facto, such Corporations, as well as (ii) by individual persons subject to the management or supervision of one of the above-mentioned parties. Such responsibility is in addition to the personal responsibility of the person who actually committed the crime.

In this regard, it is noted that the responsibility as per Italian Legislative Decree 231/01 is also attributable to the corporation in the case of "attempted offenses" pursuant to Article 56 of the Italian Criminal Code, or in the event of a natural person committing "*...qualifying actions, clearly aimed at committing an offense...*" from amongst those defined by Italian Legislative Decree 231/01. In particular, Article 26, of the Decree establishes that *in cases where crimes indicated are committed as attempts, fines (in terms of amount) and disqualification sanctions (in terms of time) are reduced by between one third and one half, and that no penalties are applied where the party "purposely takes action to block a breach in progress or to hinder its completion"*.

It is furthermore underlined that the responsibility defined by the Decree also applies in cases where the Crimes are "*committed abroad*" pursuant to Article 4 of Italian Legislative Decree of 2001 or are "*transnational*" pursuant to Article 10 of Italian Law no. 146, dated March 16, 2006.

Regarding the types of Crimes defined by the Decree and, therefore in the abstract qualifying as a foundation for

responsibility of the corporation, please see Annex A. In this regard, it is noted that the tendency of the legislator is to extend the scope of subjective application of the regulation to an increasing number of crimes.

1.2 THE ADOPTION OF THE “ORGANIZATIONAL AND MANAGEMENT MODEL” AS A POSSIBILITY TO AVOID ADMINISTRATIVE RESPONSIBILITY.

By introducing the above-mentioned system of administrative responsibility deriving from a crime, the Decree provides for a specific exemption from this responsibility provided that the Corporation proves that:

- a) prior to the commission of the crime, the managing body of the Corporation had adopted—and effectively implemented—*organizational and management models* that were suitable for preventing crimes similar to those committed;
- b) the task of supervising the model implementation, as well as its application and updating, had been entrusted to a department of the Corporation, having independent initiative and control powers;
- c) the crime had been committed by fraudulently avoiding compliance with the aforementioned organizational and management models;
- d) the department indicated under previous point b) didn't fail to supervise, nor was the supervision insufficient.

The Decree also defines that the models indicated under latter a) must meet the following requirements:

- identify the activities in which crimes may be committed;
- draft specific agreements aimed at planning the corporation's decision-making process concerning the

crimes to be prevented;

- identify management procedures for financial resources that are suitable to prevent the crimes from being committed;
- make provision for information obligations to the body in charge to supervise the implementation of the models and compliance with them;
- introduce a disciplinary system suitable for punishing non-compliance with the provisions indicated in the Model;
- one or more channels that enable the parties indicated in Article 5, section 1, parts a) and b) to report, in order to protect the integrity of the corporation, any illegal conduct pursuant to this decree and founded on precise, substantiated facts or breaches of the corporation's organizational and management model that they have become aware of based on the roles they perform. These channels guarantee the confidentiality of the reporting party's identity in managing the report;
- at least one alternative reporting channel suitable to guarantee the confidentiality of the reporting party's identity using IT tools;
- prohibition of direct or indirect retaliatory or discriminatory actions towards the whistleblower for reasons directly or indirectly associated with the report;
- in the disciplinary system adopted pursuant to section 2, part e), penalties for parties that violate the measures to safeguard the reporting party, as well as parties that willfully or negligently make reports that are identified as unfounded.

The Decree states that organizational, management and control models may be adopted, thus guaranteeing the above-mentioned requirements, based on codes of conduct prepared by category associations and submitted to the Ministry of Justice.

Lastly, provision is also made that, in small Corporations, supervision may be performed directly by the managing body, and that in joint-stock companies, the board of statutory auditors, the supervisory board and the management control committee may perform the role of Vigilance Body.

2. ADOPTION OF THE MODEL BY TAMINI TRASFORMATORI S.R.L.

2.1 MODEL'S OBJECTIVES

Tamini Trasformatori is a limited liability company, under the management and coordination of TERNA S.p.A. and owned 70% by Terna Energy Solutions S.r.l. and the remaining 30% by HOLDCOTES S.R.L.

The Company operates in the electromechanical sector, working in the construction, repair and sale in Italy and abroad of electrical machinery, in particular transformers and auto-transformers.

Furthermore, the Company may perform, although as a secondary activity in relation to the corporate purpose, commercial, industrial and financial operations, although these latter may not involve the public, as well as security and property operations held by the administrative body to be necessary and functional for achievement of the corporate purpose.

In implementation of that established in the Model of the Parent Company and in compliance with its corporate policies, Tamini Trasformatori S.r.l. has adopted its own organizational and management model as per Decree 231/01.

This initiative was undertaken based on the firm belief that the adoption of this Model – even though the Decree states it is a non-compulsory element- may represent an important awareness-enhancement tool for all those operating in the name and on behalf of Tamini Trasformatori S.r.l., so that in performing their activities they may act professionally and correctly, thus avoiding the risk of committing the crimes mentioned in the Decree.

The adoption and effective implementation of the Model in fact improves the Corporate Governance system of the Company as it mitigates the risk of the commission of crimes and allows it to benefit from the exemption provided for by Italian Legislative Decree 231/2001; therefore, the purpose of this Model is the creation of a structured and organic system of prevention and control aimed at reducing the risk of the commission of crimes through the identification of sensitive activities and rules of conduct that must be complied with by Recipients.

The Model has been developed bearing in mind, in addition to the provisions of the Decree, the guidelines developed by Confindustria, as well as the rules put in place by TERNA.

This Model has been adopted by the Board of Directors of Tamini Trasformatori S.r.l. with its resolution of 31 May 2005.

To implement the provisions included in the Decree, the Board of Directors decided to entrust an auditing Department with the task of taking on the function of an internal control committee (*Vigilance Body - VB*), in order to monitor the effectiveness of the Model, compliance with it and to constantly update it.

2.2 MODEL'S FUNCTION AS PER LEGISLATIVE DECREE 231/01

The Model aims at building a structured and organic system of both procedures and control activities, to be carried out also preemptively (*ex ante* control), in order to prevent the different types of crimes included in the Decree being committed.

In particular, by identifying At-Risk Areas and their consequent procedural definition, the Model aims at:

- creating, in all those who operate in the name and on behalf of the Company in the "At-Risk Areas", the awareness that, should the provisions included therein be infringed, the crime committed is liable to both economic and criminal penalties, not only for themselves but also for the company;
- confirming that such illegal behaviors are strongly condemned by the Company in that they are nevertheless against not only the legal provisions but also the ethical and social principles Tamini Trasformatori S.r.l. intends to strictly comply with in pursuing its corporate mission;
- allowing the Company, by monitoring At-Risk Areas, to take action in a timely manner to prevent or oppose to such crimes.

In addition to the above-mentioned principles, the key points of the Model are:

- ⇒ creating an awareness and circulating the rules of conduct and the procedures set up at all company levels;
- ⇒ creating a map of At-Risk Areas, i.e. those activities within which crimes are more likely to be committed;
- ⇒ preventing risks, by adopting specific procedural principles in order to plan the Company's decision-making process in connection to crimes to be avoided;
- ⇒ identifying – also by resorting to procedures adopted by the TERNA – methods to manage financial resources in order to guarantee the traceability of each transaction;
- ⇒ respect for the principle of segregation of duties;
- ⇒ defining authorization powers that are consistent with assigned responsibilities;
- ⇒ analyzing the company's conduct and the implementation of the Model, with consequent periodic updating (*ex post* control);

- ⇒ adopting a specific and suitable disciplinary system in order to prosecute and punish non-compliance with the adopted organizational system;
- ⇒ assigning to the Vigilance Body the specific task of supervising the efficiency and correct implementation of the Model.

2.3 MODEL'S STRUCTURE: GENERAL SECTION AND SPECIAL SECTIONS WITH REFERENCE TO THE DIFFERENT CRIMES

On the basis of that specified in paragraph 2.4, point c, of the General Section of the Model adopted by the Parent Company, implementation of the Model in their context is assigned to the individual Group companies, according to the activities in practice carried out by the same in At-Risk Areas.

Tamini Trasformatori S.r.l. has therefore proceeded to carry out an analysis to identify the specific characteristics of the organizational structure and the activities actually carried out in order to adopt a Model able to represent an ad-hoc evaluation and not mere adoption of the Model adopted by the Parent Company. In particular, the identification of At-Risk Areas, for their proper management, was carried out as follows:

- examination of corporate documentation;
- interviews with key people within the organizational structure of the Company, of the Parent Company and of other Group Companies for the activities delegated to the same by virtue of intercompany services contracts. From this analysis process it was possible to identify a number of At-Risk Areas which led to the adoption of a Model comprising, in its current version, a "General Section" and individual "Special Sections" for the different types of Crimes and Offences provided for in the Decree.

Regarding the Crimes and Offenses indicated in Attachment A, it should be noted that the Company, after the analyses carried out, decided not to adopt Special Sections connected to forgery of banknotes, negotiable instruments and revenue stamps and connected to Crimes against industry and commerce and the crime of female genital mutilation.

For this purpose it should also be noted that, after carefully analyzing the corporate situation and the documentation, special At-Risk Areas were not identified for the above-mentioned crimes and the procedures adopted by the Company have been considered sufficiently adequate to prevent them.

It is furthermore noted that the Company has not provided for specific Special Sections dedicated to Transnational Crimes, preferring to treat these together with the Crimes covered in the other respective Special Sections, nevertheless considering such offenses to be relevant given activities carried out by the Company, including those carried out abroad.

By virtue of the power conferred on him by the Board of Directors, the Company's CEO was entrusted with the task to subsequently integrate this Model with additional Special Sections relative to other types of crimes which, as a result of other provisions, may be included in or in any case connected with the application scope of the Decree, with the exception of provisions set forth in the following paragraph 2.4

2.4 CHANGES AND ADDITIONS TO THE MODEL AS PER LEGISLATIVE DECREE 231/01

Since this Model is a "document passed by a resolution of the Board of Directors" (in compliance with the provisions of Article 6, paragraph I, point a of the Decree), any subsequent amendments

or additions – if of noteworthy importance - are the responsibility of the CEO, by virtue of the power assigned to him by the Company's Board of Directors.

Furthermore, the CEO of Tamini Trasformatori S.r.l. has the right to make changes or additions which may become necessary or appropriate due to changes in organization or regulations, as well as to adopt more Special Sections.

Said possibility is considered justified by virtue of the need to guarantee a constant and timely adjustment of the Model to the regulatory, operational and/or organizational changes which occur within the Company.

Every aforementioned amendment shall be annually reported to the Board of Directors.

Proposed changes and additions to the Model can also be submitted by the Tamini Trasformatori S.r.l. VB to the Board of Directors or to the CEO.

2.5 COORDINATION OF THE CONTROL SYSTEMS AND GENERAL INSPECTION OF THE OVERALL MODEL EFFECTIVENESS

The Tamini Trasformatori S.r.l. VB has the task of promoting and verifying the application of the Model in the Company in order to ensure proper and effective implementation, with the possibility of directly performing specific monitoring of individual activities. In particular, the Company VB has the power to:

- promote Model verification and control activity as well as its application;

- propose, on the basis of the above-mentioned verification activity, the updating of the Model, should it be found to require adjustments.

The Parent Group has established the Control Model 231 Structure which, on the basis of intercompany contracts, acts as Technical Secretariat of the VBs of all Group Companies in order to ensure continuity within these Bodies.

2.6 WHISTLEBLOWING SYSTEM

In order to guarantee responsible management that is in line with legislative provisions, Tamini Trasformatori S.r.l. has adopted a whistleblowing system, aligned with the provisions of Law no. 179 of 30 November 2017, regarding *"Provisions for protecting individuals who report crimes or irregularities of which they have become aware within the context of a private or public working relationship"*.

On this basis, pursuant to Article 6 of Italian Legislative Decree no. 231/01, section 2-*bis*, the Company:

- a) has established whistleblowing channels that enable the parties referred to in Article 5, section 1, parts a) and b) of Italian Legislative Decree no. 231/01 to report, in order to protect the integrity of the institution, any illicit conduct pursuant to the Decree or breaches of this Model, which come to their knowledge in the context of their professional activities;
- b) ensures that the identity of the whistleblower remains confidential;

- c) prohibits any discriminatory or retaliatory action of a direct or indirect nature towards the whistleblower for reasons related, directly or indirectly, to the instance of whistleblowing;
- d) implements ad hoc measures to protect the whistleblower.

In particular, the Whistleblowing system adopted by the Company is governed by the whistleblowing policy;

More specifically, in regard to reporting channels, the Company is equipped with an IT portal dedicated to reports (www.whistleblowing.terna.it) in order to guarantee the protection of the whistleblower and the person notified and alternative channels have also been provided.

It is also noted that pursuant to section *2-ter* of the same article, any retaliatory or discriminatory measure taken towards the whistleblower may be reported to the National Labor Inspectorate.

Finally, pursuant to section *2-quater*, the whistleblower shall not be subject to dismissal, reassignment or any other retaliatory or discriminatory measure.

It is noted that all personal data processed in the context of managing reports received will be processed in full compliance with current Privacy Regulations, paying particular attention to the right to keep the reporting party's identity confidential.

2.7 MANAGEMENT SYSTEMS

Tamini Trasformatori S.r.l. aims to ensure full compliance with existing legislation and the policy established by the CEO

regarding employee health and safety and environmental protection.

For this purpose, the Company has certified compliance of the environmental management system at the Legnano, Ospitaletto and Valdagno site with standard ISO-14001.

The Company has also certified compliance of the employee health and safety management system adopted at the Ospitaletto site with standard BS OHSAS 18001.

Tamini undertakes to monitor and improve its management systems at all sites.

3. VIGILANCE BODY (VB)

3.1 IDENTIFICATION OF THE VIGILANCE BODY

In implementing the terms envisaged by the Decree – which in Article 6, point b, indicates as the condition to avoid administrative responsibility that the task of controlling the implementation of the Models and compliance with them - as well as their updating - be assigned to a department of the Company having autonomous powers of initiative and control and that - considering the size of the Company - Tamini Trasformatori S.r.l. has established that the body intended to take on such task and consequently perform the functions of a Vigilance Body would have a collegiate structure.

The individuals composing the Vigilance Body and the duration of their appointment is identified via Board of Directors resolution.

Professionals are selected based on an analysis of their respective CVs, also considering their experience regarding corporate responsibility pursuant to Italian Legislative Decree 231/01 and risk prevention and management relative to company characteristics.

Termination of the VB mandate due to expiry of the set period or if the Company is involved in extraordinary transactions that carry termination of company bodies or changes of control, within the shortest time frame relative to such termination and/or change, is effective from the moment the Board of Directors passes a decision in this regard.

During the period of time between termination of the mandate and and the BoD's decision, the VB operates under a temporary extension.

The members of the Vigilance Body must have autonomy, independence, professionalism, action continuity, in addition to respectability and absence of conflict of interest, which are requirements for such body.

Therefore:

- “autonomy” should be understood as not being purely formal: it is necessary to grant to the Vigilance Body effective powers of inspection and control, the possibility to have access to all Company’s relevant information and adequate resources as well as tools, supports and the collaboration of experts in its monitoring activity;
- as far as the “independence” requirement is concerned, each member of the Vigilance Body shall not have any executive power and any conflict of interest with the Company, even potential; in case of Company Representatives, they must also have a sufficiently important position and possess autonomous initiative and control powers as well as adequate professionalism for their position. In any case, for the activity they carry out within the VB, they cannot appear as employees of executive bodies;
- as far as “professionalism” is concerned, it is necessary to grant in the Vigilance Body’s composition the presence of members with specific juridical and risk management and control skills. Where necessary for performance of its role, the VB may engage external professionals equipped with knowledge and skills required in a specific case.

Reason for ineligibility as a member of the VB and for incompatibility in holding this position is represented by a conviction also by the Lower Court for having committed one of the crimes mentioned in the Decree and/or one of the administrative crimes regarding market abuse as stated in the TUF, namely, the conviction to a penalty that involves disqualification, even temporary, from public offices, i.e., temporary disqualification from the executive offices of corporations.

The Board of Directors verifies the existence of the aforementioned requirements by the BoD’s acquisition of the CVs and by having each party sign a letter of acceptance. This Letter contains a declaration that the party in question possesses the requirements defined by applicable legislation to hold the role and that they are not in any of the incompatible situations

defined by law and that they undertake to promptly communicate should they cease to meet the aforementioned requirements.

Before appointment, the individual professionals are subject to verification by TERNA S.p.A. Risk Management.

For the smaller companies, this task can be directly carried out by the managing body (as stated in Article 6, section 4 of the Decree).

Bearing in mind the peculiarities of the powers of the VB and the specific professional skills they require, in the performance of vigilance and control duties the VB of Tamini Trasformatori S.r.l. is supported by specialized staff, identified as the Model 231 Control structure of the Corporate Affairs and Governance – Legal and Corporate Affairs of TERNA S.p.A..

The Body for carrying out vigilance activities may, in any case, employ the support of the corporate structures that are useful for this purpose in each case.

3.2 FUNCTIONS AND POWERS OF THE VIGILANCE BODY (VB)

The Tamini Trasformatori S.r.l. Vigilance Body is assigned the task, on a general level, to carry out control activity over:

- A. model provisions that need to be complied with by the Recipients of the Model, on the basis of the different types of crimes included in the Decree;
- B. model actual effectiveness in preventing the crimes included in the Decree, on the basis of corporate structure;
- C. model updating, if needed, on the basis of changed company conditions and new law and regulatory provisions.

At the operational level, the Vigilance Body is assigned the task of:

- initiating control procedures, taking into account that the main

responsibility for controlling activities, even regarding At-Risk Areas, lies with the operational management and represents an integral part of company procedures ("line control"); this confirms the importance of personnel training;

- conducting research on company activities in order to identify At-Risk Areas and carry out specific verification of certain activities or operations within At-Risk Areas;
- promoting appropriate initiatives to help learning about the Model and understanding it and arranging for the organizational documentation including instructions, explanations or updates for the Model's implementation;
- collecting, processing and storing relevant information regarding compliance with the Model, as well as verifying that the documentation needed as per each Special Section of the Model and according to the different types of crimes is in place, updated and effective. Furthermore, updating the list of information that must mandatorily be sent to the VB or made available to this body;
- coordinating activity with management and with the other company structures to best monitor operations in At-Risk Areas. For this purpose, the VB must be constantly informed as to the progress of activities in At-Risk Areas and must have clear access to all the relevant company documentation, including updates. The VB must also be informed by the management about possible cases in company operations that might place the company in a "crime risk" position;
- Conducting internal investigations to ascertain alleged breaches of the requirements of this Model;
- Verifying that the elements provided for in the Special Sections of the Model for the various types of crimes (adoption of standard clauses, fulfillment of procedures, etc.) are however appropriate and that they are in compliance with the needs to respect the provisions of the Decree and, should this not be the case, updating such elements.

VBs are self-governing, including in relationships with company bodies, having their own unanimously adopted internal regulations.

To guarantee that the VB performs vigilance activity completely autonomously, the Company may define and approve a specified VB budget.

Definition of the VB budget is governed by LG032, which should be consulted for aspects regarding application.

In any case, the Company makes all resources available to the VB that may be necessary or useful for effective performance of vigilance functions, including the support of outside professionals identified by the VB itself for particularly complex technical assessments.

3.3 REPORTING TO COMPANY BODIES

The Tamini Trasformatori S.r.l. VB is assigned two lines of reporting:

- a) the first one, on a permanent basis, directly to the CEO;
- b) the second, on a periodic basis, to the Board of Directors, the Board of Auditors and the Independent Auditing Firm.

The VB may also be convened by the Board of Directors and by the Board of Statutory Auditors or request a meeting with these bodies to report on implementation of the Model or specific situations.

The VB of Tamini Trasformatori S.r.l. must submit, on at least an annual basis (usually every six months) a written report on the implementation of the Model to the relative Bodies referred to in point b).

3.4 GENERAL OVERVIEW OF THE TAMINI TRASFORMATORE S.R.L. VB

IN THE CONTROL AND VERIFICATION SYSTEM.

Without prejudice to the fact that the vigilance activity of the Tamini Trasformatori S.r.l. VB takes place exclusively within the Company, if reports received by the Company VB are identified as being of interest for the Group, it shall inform the Vigilance Bodies of the Group Companies involved.

Likewise, if the Tamini Trasformatori S.r.l., during its control activities, identifies an inadequacy of the Model that could also affect the Organization, Management and Control Model adopted by Group companies pursuant to Italian Legislative Decree No. 231/2001, it shall report such event to the VB of the companies involved.

In any case, the VBs of all Group Companies meet at least annually to exchange information and present any significant situations or critical issues.

4. SELECTION, TRAINING, REPORTING AND SUPERVISION

4.1 PERSONNEL SELECTION

Tamini Trasformatori S.r.l., also through the relative structure of the Parent Company on the basis of intercompany contracts, will put into place a specific evaluation system for personnel in the selection phase, taking into account the requirements of the company regarding the Decree's application.

4.2 PERSONNEL TRAINING

Personnel training for implementation of the Model is managed by the Human Resources structure together with the relative structures of the Parent Company on the basis of intercompany contracts. Specifically, Model 231 Control presents the training requirements, considering updates to the mapping of risk areas and the Model 231, applicable new legislation and legal rulings, as well as internal changes of an organizational or corporate nature and development of business activities.

Training is planned on a multi-year basis, through a training plan structured into classroom and online courses.

The training courses are aimed at previously identified personnel, generally on the basis of contractual level and/or department to which they belong.

In any case, the content of training sessions is adjusted based on the risk area in which the respective recipients operate and prepared by the relevant company departments for the individual areas explored. For particularly complex topics, external educators selected by the responsible department may be engaged.

The training plan may also include workshops for top management focused on themes of particular interest.

Furthermore, newly employed personnel must be guaranteed sufficient training and information initiatives, also through a special notice attached to the letter of employment.

Generally, at the end of the training session, a test on the course topics is distributed, also to evaluate the quality of teaching.

The VB, having examined the training plan, may provide its remarks and recommendations, as well as acquiring the documentation for courses provided, in order to evaluate actual performance and participation.

The training courses for employees shall be mandatory: the head of Human Resources shall inform the Vigilance Body on the results – in terms of presence and satisfaction – of the training.

It is noted that processing of all personal data collected for the purposes of performing the aforementioned activity shall be performed in accordance with the applicable Privacy Regulation.

4.3 VIGILANCE BODY

The Company guarantees provision of initiatives aimed at providing the VB with an adequate understanding of the sectors within which it operates, the company dynamics and their evolution, risk management principles and the relevant legislative and regulatory framework.

In this context, Model 231 Control illustrates the structure and dynamics of the Company and the Group to the VB, indicating relevant internal procedures adopted.

Updating sessions, workshops on relevant new legislation and legal rulings regarding the Decree, with a significant impact on the Group, may also be organized.

In any case, the VB is informed regarding the relative sector and relative legislation via notification from the competent Company Representatives during individual meetings.

4.4 EXTERNAL CONTRACTORS: SELECTION AND REPORTING

Tamini Trasformatori S.r.l. shall adopt specific evaluation systems (periodically assessing their appropriateness) for selecting External Contractors.

Adoption of this Model pursuant to Italian Legislative Decree 231/01, the Anti-Corruption Guidelines and the Code of Ethics must be communicated by the Company to External Contractors.

Based on this Organizational Model, specific informative reports on policies and procedures adopted by the Company may also be provided to External Collaborators, including provisions concerning them, as well as the contents of contractual clauses usually employed in this context.

4.5 SUPERVISION DUTIES

All Company Representatives with a vigilance function regarding other Company Representatives must carry out this duty based on utmost diligence, informing the Vigilance Body, as defined in the section below, of any irregularity, violation or non-fulfillment. Failure to comply with said obligations may result in the Company Representatives with supervision duties being sanctioned according to the position they hold within the Company, as provided for in chapter 6 hereinafter.

5. INFORMATION FLOWS TO THE VIGILANCE BODY

5.1 NOTICES FROM THE COMPANY REPRESENTATIVES OR FROM THIRD PARTIES

In addition to the documents indicated in the individual Special Sections of the Model, according to the procedures provided for therein, within the company, any other information should be reported to the VB, of any kind and even if provided by third parties and concerning the implementation of the Model in At-Risk Areas.

In this regard, the following general provisions shall apply.

On the one hand, this obligation was implemented by Tamini Trasformatori S.r.l. by the establishment of the regular reporting flows which the VB receives, via the Technical Secretary, from Company Representatives, to promptly obtain information required in order to be constantly able to perform its monitoring role.

These reporting streams can be classified as follows:

- Model implementation and updating;
- Evaluations of the effectiveness of the Model;
- Information on training and informative activities.

Furthermore, the Company has established a system whereby reports are submitted to the VB by each Manager of the company structures on a six-monthly basis.

Given the specific nature of each department, such reports necessarily contain information regarding:

- the knowledge of criminal proceedings relating to one of the crimes governed by Italian Legislative Decree no. 231/01;
- the performance of assessments and/or inspections by Public Supervisory Bodies and/or Law Enforcement Agencies;
- conduct that is not in line with the Company code of conduct;
- failures or malfunctions of the internal control system;

- the suitability of the training issued.

On the other hand, Company Representatives must inform the VB about:

1. any information regarding committing, or regarding the reasonable conviction of having committed, a Crime. In particular, the Vigilance Body must be informed in an immediate and timely manner concerning:
 - measures and/or information coming from bodies of the criminal police, or from any other authority, which reveal the course of proceedings for Crimes, also against unknown persons if investigations involve Tamini Trasformatori S.r.l. or its Company Representatives or company bodies;
 - requests for legal assistance submitted by Company Representatives in the event of legal proceedings for Crimes provided for by Legislative Decree 231/01;
 - reports prepared by the managers of the Parent Company's corporate structures, which perform certain activities in name and on behalf of the Company on the basis of contractual agreements, from which facts, acts, events or omissions may be disclosed with critical profiles in relation to compliance with the Model;
 - information regarding penalties applied and measures adopted (including proceedings against Company Representatives), namely, archived procedures of such proceedings with relative motivations, should they be connected with committing Crimes or violations of the Model's behavioral or procedural regulations;
 - breaches of the Anti-Corruption Guidelines which include or may also include an action pursuant to Italian Legislative Decree no. 231/01.
2. any violation or alleged violation of the regulations included in the Model, or any behavior that is not in line with conduct rules adopted by the Group.

External Contractors are obliged, on the basis of their contract, to report the information mentioned in this section.

Finally, further data streams to be submitted to the VB are provided for in the internal procedures, which indicate the subject of such reports, the individual charged with their production and the frequency that such reports should be submitted to the competent VB.

Periodically, the VB may propose amendments and/or additions to the aforementioned list to the CEO.

5.2 REPORTING METHODS

Reports under the terms of the Decree may be sent through one of the following channels:

- Whistleblowing portal www.whistleblowing.terna.it;
- Email address OdV_Tamini@terna.it;
- Postal address Organismo di Vigilanza di Tamini Trasformatori S.r.l. c/o Presidio Modello 231 - TERNA S.p.A., viale Egidio Galbani, 70 00156 - Rome, Italy.

Processing of personal data gathered in the context of the reporting procedure occurs fully observing the applicable provisions of the Privacy Regulation, taking into account the correct balance between rights of the party indicated by the report and the reporting party's right to confidentiality of their identity.

5.3 PROXY SYSTEM

Finally, the VB, must be informed about the proxy system adopted by the Company.

6. DISCIPLINARY SYSTEM

6.1. THE DISCIPLINARY SYSTEM'S FUNCTION

Italian Legislative Decree 231/2001 indicates the introduction of a disciplinary system suitable for punishing non-compliance with the provisions indicated in the

Model in order to effectively implement the organizational, management and control model.

Therefore, the definition of an appropriate disciplinary system is an essential requirement for the value of the organizational, management and control model concerning the administrative responsibility of corporations.

The penalties provided for by the disciplinary system will be applied to every violation of the regulations contained in the Model, regardless of whether a crime has been committed or any criminal proceeding or outcome undertaken by the judicial authority.

The identification and application of the penalties must consider the principles of proportionality and appropriateness concerning the alleged violation. In this regard, the following circumstances are relevant:

- i. the type of alleged offense;
- ii. the real circumstances in which the offense took place;
- iii. the way in which the offense was committed;
- iv. the seriousness of the conduct, also in consideration of the subjective attitude of the agent;
- v. the commission of several violations within the same conduct;
- vi. the possible inclusion of several persons in committing the violation;
- vii. any repeated violation by the agent.

6.2. MEASURES AGAINST SUBORDINATES

Compliance with the provisions and rules of conduct provided for by the Model constitutes the fulfillment by Employees of the obligations pursuant to Article 2104, paragraph 2 of the Italian Criminal Code. These obligations contained within the same Model represent a substantial and integral part.

Breaches of individual conduct rules and regulations under the Model by employees always constitutes a disciplinary offense.

The measures indicated in the Model, the non-compliance with which the model intends to sanctions, are communicated through internal circulars to all employees, posted in places that are accessible to all and are binding for all employees within the Company.

The disciplinary measures shall be imposed on Employees in compliance with that which is provided for by Article 7 of law 20 May 1970, no. 300 ("Workers Statute") and any special regulations which apply.

It should be noted that employees that do not hold managerial positions are subject to the National Collective Labor Contract related to their industry.

Upon receiving a report of a violation of the Model, the assessment procedure for such failures is undertaken in compliance with the applicable National Collective Labor Contract of the employee involved in the procedure. Therefore:

- any report concerning a violation of the Model leads to the assessment procedure;
- if, following on from the procedure, the violation of the Model is confirmed, the disciplinary penalty provided for by the applicable National Collective Labor Contract is imposed;
- the imposed penalty will be proportional to the seriousness of the violation.

More specifically, if the violation is confirmed, and at the request of the Vigilance Body, after consultation with the line manager of the person who engaged in the violation, the Manager of the Human Resources Department will identify - analyzing the employee's reasons - the disciplinary penalty to be applied on the basis of the applicable National Collective Labor Contract.

After the disciplinary penalty has been applied, the Manager of the relative structure will notify the Vigilance Board of the fact that it has been imposed.

The Vigilance Body and the Manager of the Human Resources department are responsible for monitoring the application of the disciplinary penalties.

All the legal and contractual requirements concerning the application of the disciplinary penalty, as well as the procedures, regulations and guarantees laid down, must be complied with.

6.3. VIOLATIONS OF THE MODEL AND RELATED PENALTIES

In conformity with what is laid down in the relevant legislation and in accordance with the principles of typicality of the violations and the typicality of the penalties, TAMINI intends to make its employees aware of the conduct rules and regulations contained within the Model, whose violation constitutes a disciplinary offense, as well as the applicable penalties, which consider the seriousness of the breaches.

Without prejudice to the obligations of the Company in regards to the Workers Statute, the penalties imposed as a result of conduct which violates the Model, as follows:

- (1) Incurring a "*verbal warning*", whereby the worker that violates one of the internal procedures covered by the Model (for example, who does not observe the procedures therein, fails to communicate required information to the Vigilance Body, fails to carry out controls, etc.), or adopts conduct that does not comply with the regulations in the same Model when carrying out his/her duties in At-Risk Areas.

Such conduct constitutes a failure to comply with the regulations put in place by the Company;

- (2) Receiving a "*written warning*", whereby the worker repeatedly violates the procedures provided for in the Model or adopts conduct that does not comply with the regulations of the Model when carrying out his/her activity in At-Risk Areas.

Such conduct constitutes a repeated failure to comply with the regulations put in place by the Company;

(3) Incurring a *"fine of no more than three hours' pay"*, whereby the worker that violates the internal procedures provided by the Model or adopts conduct that does not comply with the regulations of the Model when carrying out his/her activity in At-Risk Areas exposes the integrity of company assets to objective danger.

Such conduct, brought about by failure to comply with the regulations put in place by the Company, create a dangerous situation for the integrity of Company goods and/or constitute actions against the interests of the same;

(4) Incurring the *"suspension from work and pay for a period of no more than 3 working days"*, whereby the worker that violates the internal procedures provided by the Model or adopts conduct that does not comply with the regulations of the Model when carrying out his/her activity in At-Risk Areas, causes damage to the Company by carrying out actions that are contrary to its interests, or where the worker has repeated the violations for the third time in the calendar year pursuant to points 1, 2 and 3.

Such conduct, brought about by failure to comply with the regulations put in place by the Company, that cause damage to Company goods and/or constitute actions against the interests of the same;

(5) Incurs *"dismissal without prior notice, yet with deferred compensation benefits"*, the worker that violates the internal procedures provided by the Model or adopts conduct that does not comply with the regulations of the Model when carrying out his/her activity in At-Risk Areas and with conduct unambiguously directed at committing a crime or offense, causing significant damage or a situation of great prejudice through such behavior, or the worker that violates internal procedures provided for by the Model, adopts, when carrying out his/her activities in At-Risk Areas, conduct that is clearly in violation of the Model's regulations, which entails the real application by the Company of the measures included within the Decree, recognizing in said conduct *"acts that make the Company lose its trust in the employee"*, or that cause serious damage to the Company.

This is without prejudice to TAMINI's right to request the damages from the employee which derive from the Model violation. Any request for damages will be commensurate with:

- i. the level of responsibility and independence held by the employee who carried out the disciplinary offense;
- ii. any previous disciplinary actions for the same employee;
- iii. the extent to which the conduct was intentional;
- iv. the seriousness of the effects caused by the same, meaning the level of risk to which the Company reasonably believes itself to have been exposed – pursuant to the effects of Italian Legislative Decree 231/2001 – by the violation.

6.4. MEASURES AGAINST MANAGERS

In case of violation of the Model by managers (if appointed), ascertained pursuant to the previous paragraph, the Company adopts, against those responsible, measures that are considered most suitable in compliance with the provisions of the applicable National Collective Labor Contract.

If the violation of the Model undermines the relationship of trust, the penalty shall be dismissal for just cause.

6.5. MEASURES AGAINST MEMBERS OF THE BOARD OF DIRECTORS

In the case of violation of conduct rules and regulations contained within the Model by the Board of Directors, the Vigilance Body shall inform the audit body and the entire Board of Directors in a timely manner.

The recipients of the Vigilance Body's report shall make - in accordance with that which is laid down by the Statute - the appropriate provisions in order to adopt the most suitable measures as required by law, including the revocation of any powers invested in a member or members of the Board of Directors responsible for the violation.

6.6. MEASURES AGAINST AUDITORS

Upon receiving a report concerning the violation of the conduct rules and regulations within the Model by one or more auditors, the Vigilance Body shall inform the entire audit body and the Board of Directors in a timely manner.

The recipients of the Vigilance Body's report shall make - in accordance with that which is laid down by the Statute - the appropriate provisions including, by way of example, calling a shareholder meeting in order to adopt the most suitable measures as required by law.

6.7 MEASURES AGAINST VB MEMBERS

In the cases that qualify for just cause for dismissal, the other members of the VB will immediately inform the audit body and the Board of Directors of the Company: following the assessment of the infringement and having granted suitable defense tools, this body will proceed as deemed appropriate in the context of the specific case.

6.8 MEASURES AGAINST EXTERNAL CONTRACTORS

Conduct by External Contractors that may imply the application of penalties as established by the Decree or that contrasts with the conduct guidelines stated in this Model applicable to said Contractors, may result - according to the provisions included in the specific contractual clauses, for example, in a notice to comply or contract cancellation.

The possibility exists to apply for damages if such conduct causes concrete damages to the Company, as in the event of the judge applying the measures provided for by the Decree.

7. PERIODICAL CONTROLS

In order to verify its suitability and effectiveness, as well as for its improvement, this Model is subject to verification performed at various levels, as indicated below:

- i. verification by the VB: the Vigilance Body annually approves the 231 audit plan based on the risk areas of the Model and performs checks through interviews with Company Representatives, acquisition of company documentation and/or assigning ad-hoc checks to the most suitable Company Departments on the basis of the subject in question;
- ii. verification by Model 231 Control: the Model 231 Control structure of TERNA S.p.A., assigned with the task of updating the Model 231, principally performs verification of the adequacy of the Model in terms of applicable legislation and the organizational structure of the Company. On the basis of this activity, Model 231 Control, where appropriate, also updates the mapping of risk areas and relative risk assessment grade;

- iii. verification by the Audit structure: on the basis of the Audit Plan presented by the Audit structure of the Parent Company to the VB, the latter identifies the activities via which to verify compliance with the Model pursuant to Italian Legislative Decree 231/01, and company procedures, referring performance of such verification to the Audit structure on behalf of the VB.

The outcome of verification is communicated by the head of the Audit structure to the VB via specific documentation and/or meeting with the head of the structure.

The outcome of the checks above may lead to one or more of the following actions:

- alignment of the Model 231 at legislative and/or organizational level;
- updating of risk areas;
- updating of corporate documentation;
- reporting and information flows to the Managing Body.

8. MODEL AND CODE OF ETHICS

Conduct rules included in this Model are integrated with those of the Code of Ethics although - for the purposes pursued by the Model in implementing the Decree provisions - the Model's scope is different from that of the Code.

Under this profile, indeed:

- the Code of Ethics is a tool adopted independently and is generally applied by Group companies in order to express "company ethics" principles which the Group acknowledges as belonging to it and which it requires its Employees to comply with;
- meanwhile, the Model responds to specific provisions contained in the Decree aimed at preventing particular types of crimes.

ATTACHMENT A

1. "PREDICATE CRIMES" FOR THE ADMINISTRATIVE RESPONSIBILITY OF CORPORATIONS AS ESTABLISHED BY THE DECREE

The crimes and offenses for the which the Decree establishes the possibility of a responsibility on the part of the Corporation are the following:

1) crimes as per Articles 24 and 25 of the Decree (**Crimes against the Public Administration**), namely:

Article 317 of the Italian Criminal Code - Graft

Article 318 of the Italian Criminal Code – Corruption for official acts

Article 319 of the Italian Criminal Code – Corruption in acts against official duties (aggravated pursuant to Article 319-*bis* of the Italian Criminal Code).

Article 319-*ter*, section 1 of the Italian Criminal Code – Corruption in judicial acts

Article 319-*quater* of the Italian Criminal Code Undue incitement to give or promise benefits

Article 320 of the Italian Criminal Code – Corruption of a person in charge of a public service

Article 321 of the Italian Criminal Code - Penalties for the corrupter

Article 322 of the Italian Criminal Code - Incitement to corruption

Article 322-*bis* of the Italian Criminal Code Peculation, graft, undue incitement to give or promise benefits, corruption and incitement to corruption of members of the International Criminal Courts or the European Community bodies or international parliamentary assemblies or those organized at an international level and officials of the European Community and of foreign states (Article 346-*bis* of the Italian Criminal Code).

– Trading in illicit influence

Article 640, section 2, no. 1 of the Italian Criminal Code Fraud against the State or other public bodies

Article 640-*bis* of the Italian Criminal Code Aggravated fraud to obtain public funds

Article 316-*bis* of the Italian Criminal Code - Embezzlement against the State

Article 316-*ter* of the Italian Criminal Code Misappropriation of public funds

Article 640-*ter* of the Italian Criminal Code - Computer fraud

2) The crimes as per Article 24-*bis* of the Decree (**computer crimes and illegal data processing**), namely:

Article 491-*bis* of the Italian Criminal Code - Electronic documents

Article 615-*ter* of the Italian Criminal Code Unauthorized access to a computer or telecommunication system

Article 615-*quater* of the Italian Criminal Code - Unauthorized possession and distribution of computer or telecommunication systems' access codes

Article 615-*quinquies* of the Italian Criminal Code - Distribution of computer equipment, devices or computer programs for the purpose of damaging or interrupting a computer or a telecommunication system's operation

Article 617-*quater* of the Italian Criminal Code - Wiretapping, blocking or illegally interrupting computer or information technology communications

Article 617-*quinquies* of the Italian Criminal Code - Installation of devices aimed at wiretapping, blocking or interrupting computer or information technologies communications

Article 635-*bis* of the Italian Criminal Code - Damaging computer information, data and programs

Article 635-*ter* of the Italian Criminal Code - Damaging computer information, data and programs used by the Government or any other public body or of public service

Article 635-*quater* of the Italian Criminal Code - Damaging computer or telecommunication systems of public service

Article 635-*quinquies* of the Italian Criminal Code - Damaging computer or telecommunication systems of public service

Article 640-*quinquies* of the Italian Criminal Code - Computer crime by the certifier of a digital signature

3) Crimes as per Article 24-*ter* of the Decree (**Organized Crime Offenses**)

(these types of crimes were introduced by Law no. 94 dated July 15, 2009), namely:

Article 416 of the Italian Criminal Code – Criminal conspiracy

Article 416-*bis* of the Italian Criminal Code - Mafia conspiracy, including foreign mafia conspiracy

Article 416-*ter* of the Italian Criminal Code - Mafia related political election exchange

Article 630 of the Italian Criminal Code - Kidnapping for purposes of robbery or extortion

Article 74 of Italian Presidential Decree no. 309 dated October 9, 1990 - Criminal conspiracy for illegal trafficking of narcotics and psychotropic substances

Article 407, section 2, point a) no.5 of the Italian Criminal Code - Maximum duration of preliminary investigations

4) Crimes as per Article 25-*ter* (introduced by Italian Legislative Decree no. 61 dated April 11, 2002) (**Corporate Crimes**), namely:

Article 2621 of the Italian Civil Code - False statements in company notices

Article 2621-*bis* of the Italian Civil Code - Minor events

Article 2622 of the Italian Civil Code - False statements in notices of listed companies

Article 2625 of the Italian Civil Code - Obstruction to supervision

Article 2626 of the Italian Civil Code - Undue return of contributions

Article 2627 of the Italian Civil Code - Illegal distribution of profits and reserves

Article 2628 of the Italian Civil Code - Unlawful transactions concerning the company's or its parent company's shares or quotas

Article 2629 of the Italian Civil Code - Transactions to the detriment of creditors

Article 2629-*bis* of the Italian Civil Code - Non-disclosure of any conflict of interests

Article 2632 of the Italian Civil Code - Fictitious formation of corporate capital

Article 2633 of the Italian Civil Code - Undue distribution of corporate assets by liquidators

Article 2635 of the Italian Civil Code - Corruption between individuals

Article 2635-*bis* of the Italian Civil Code - Incitement to corruption between individuals

Article 2636 of the Italian Civil Code - Illicit influence on the general meeting

Article 2637 of the Italian Civil Code - Agiotage

Article 2638 of the Italian Civil Code - Obstruction to the exercise of public supervisory authorities' functions

5) Crimes as per Article 25-*quater* (introduced by Law no. 7 dated January 14, 2003), with which the responsibility of Corporations also exists when committing **crimes connected with terrorism or the subversion of democracy**, as established by the criminal code and by special laws, namely:

Article 270 of the Italian Criminal Code - Subversive associations

Article 270-*bis* of the Italian Criminal Code - Associations with terrorist or subversive purposes, also of an international nature, against the democratic order

Article 270-*ter* of the Italian Criminal Code - Crime involved in assisting the associates

Article 270-*quater* of the Italian Criminal Code - Recruitment with the aim of terrorism, also of an international nature

Article 270-*quater* 1 of the Italian Criminal Code - Organization of transfers with the aim of terrorism

Article 270-*quinquies* of the Italian Criminal Code - Training and activity aimed at terrorism, also of an international nature

Article 270-*sexies* of the Italian Criminal Code - Conduct with terrorist purposes

Article 280 of the Italian Criminal Code - Act of terrorism or subversion

Article 280-*bis* of the Italian Criminal Code Terrorist act with lethal or explosive devices

Article 289-*bis* of the Italian Criminal Code - Unlawful restraint for terrorist or subversive purposes

Article 302 of the Italian Criminal Code - Incitement to commit one of the crimes against the figure of the State

Articles 304 and 305 of the Italian Criminal Code - Political conspiracy by means of an agreement or of an association

Articles 306 and 307 of the Italian Criminal Code - Armed band: establishment and participation and assistance to the participants in conspiracy

Crimes connected to terrorism as established by special laws: they consist in the part of the Italian legislation issued during the 1970s and 1980s aimed at fighting terrorism

Crimes different from those included in the criminal code and in the special laws, established for violations to Article 2 of the New York Convention dated December 8, 1999

- 6) Crimes as per Article 25-*quinquies* (introduced by Law no. 228 dated August 11, 2003) with which the administrative responsibility of Corporations also includes committing the **Crimes against individuals**, namely:

Article 600 of the Italian Criminal Code - Reducing to slavery or enslaving

Article 600-*bis* of the Italian Criminal Code - Juvenile Prostitution

Article 600-*ter* of the Italian Criminal Code - Juvenile Pornography

Article 600-*quater* of the Italian Criminal Code - Possession of pornographic material

Article 600-*quater* 1 of the Italian Criminal Code - Virtual Pornography

Article 600-*quinquies* of the Italian Criminal Code - Tourist projects aimed at the exploitation of juvenile prostitution

Article 601 of the Italian Criminal Code - Trafficking in human beings

Article 602 of the Italian Criminal Code - Purchase and disposal of slaves

Article 603-*bis* of the Italian Criminal Code – Illegal intermediation and exploitation of labor (so-called illegal recruitment)

Article 609-*undecies* of the Italian Criminal Code - Child grooming

- 7) The crimes as per Article 25-*sexies* and Article 187 *quinquies* of the Decree's "Consolidated Finance Act" (TUF) **so-called administrative crimes of market manipulation**, namely:

Article 184, TUF - Insider dealing

Article 185, TUF – Market manipulation

Article 187-*bis*, TUF – Administrative crime of insider dealing

Article 187-*ter*, TUF – Administrative crime of market manipulation

- 8) Crimes as per Article 25-*septies* with which the responsibility of Corporations was extended to the **crimes involving manslaughter and serious or very serious injuries, committed by infringing the accident prevention regulations and the standards for the prevention of occupational safety**, namely:

Article 589 of the Italian Criminal Code - Involuntary manslaughter

Article 590-*ter*, section 3 of the Italian Criminal Code - Involuntary personal injuries

- 9) crimes as per Article 25-*octies* which extends the crimes included in the Decree to **crimes involving the handling of stolen goods, money laundering and the employment of money, assets or benefits of illegal origin**, namely:

Article 648 of the Italian Criminal Code - Handling of stolen goods

Article 648-*bis* of the Italian Criminal Code - Money laundering

Article 648-*ter* of the Italian Criminal Code - Use of money, assets or benefits of illegal origin

Article 648-*ter* of the Italian Criminal Code - Self-laundering

10) Crimes as per Article 25-*decies* of the Decree (introduced by Law no. 116, dated August 3, 2009) (**crimes involving incitement not to make statements or to make false statements to the Judicial Authority**), namely:

Article 377-*bis* of the Italian Criminal Code - Incitement not to make statements or to make false statements to the Judicial Authority

11) Crimes as per Article 25-*undecies* of the Decree (introduced by Legislative Decree no. 121, dated July 7, 2011) (**environmental crimes**), namely:

Article 452-*bis* of the Italian Criminal Code – Environmental Pollution;

Article 452-*quater* of the Italian Criminal Code – Environmental disaster;

Article 452-*quinquies* of the Italian Criminal Code – Culpable crimes against the environment;

Article 452-*sexies* of the Italian Criminal Code – Trading and discarding highly radioactive material;

Article 452-*octies* of the Italian Criminal Code – Aggravating circumstances

Article 452-*quaterdecies* of the Italian Criminal Code - Organized activities for the illegal trafficking of waste;

Article 727-*bis* of the Italian Criminal Code - Killing, destruction, seizure, taking, possession of protected wild fauna and flora species;

Article 733-*bis* of the Italian Criminal Code - Destruction or deterioration of a habitat within a protected site;

Article 137, sections 2, 3 and 5 of the Environmental Code – Illegal dumping of industrial waste water containing harmful substances and/or exceeding threshold values established by the law and/or competent authorities;

Article 137, section 11 of the Environmental Code - Violation of the ban on dumping on and in the land and in groundwater;

Article 137, section 13 of the Environmental Code - Illegal dumping in sea waters by vessels or aircraft of substances or materials for which spill is forbidden;

Article 256, section 1, point a and b of the Environmental Code - Unauthorized waste management;

Article 256, section 3, first and second point of the Environmental Code - Realizzazione e gestione non autorizzata di Discarica;

Art. 256 comma 5 Cod. Amb. - Mixing of hazardous waste; Article 256, section 6, first point, of the Environmental Code - Deposito temporaneo di rifiuti sanitari pericolosi;

Art. 257 comma 1 e comma 2 Cod. Amb. - Failure to provide draining of polluted sites and failure to file notices of site contamination;

Article 258, section 4 of the Environmental Code - Falsification of waste analysis certificates;

Article 259, section 1 of the Environmental Code - Illegal waste trading;

Art. 260-*bis*, comma 6 Cod. Amb. - Indicazione di false informazioni nell'ambito del sistema di tracciabilità dei rifiuti art. Art. 260-*bis*, comma 7, secondo e terzo periodo Cod. Amb. - Trasporto di rifiuti privo di documentazione SISTRI;

Article 260-*bis*, par. 8 Env. Code – Waste transportations with false or altered SISTRI documentation.

Article 279, section 5 Environmental Code - Violation of limit values of emissions and of provisions established by current legislation or by competent authorities.

Article 1, section 1 and 2; Article 2, section 1 and 2; Article 6, section 4 and Article 3-*bis*, section 1 of Law 150/1992 – Crimes connected to the international trade of endangered animal and vegetable species, as well as crimes connected to the violation of legislation for trading and holding alive specimens of mammals or reptiles which may be dangerous for public health and safety;

Article 3, section 6 of Law no. 549 dated December 28, 1993 on “Measures for the protection of the ozone layer and the environment” – Violation of the provisions for the production, consumption, import, export, holding for sale and sale of harmful substances;

Article 8, section 1 and 2; Article 9, section 1 and 2 of Italian Legislative Decree 202/2007 - Pollution by fraud and pollution by negligence on the part of vessels.

12) crimes as per Article 25-duodecies of the Decree (introduced by Legislative Decree no. 109, dated July 16, 2012) which provides for the extension of administrative responsibility to Corporations if the minimum standards related to the **employment of third-country nationals with illegal residence** are exceeded (as provided by Law no. 161 of 2017) or if **migrant smuggling** activities are carried out, as established by Legislative Decree no. 286, July 25, 1998 (so-called Consolidated Law on Immigration), or:
Article 22, section 12 and 12-*bis*, Italian Legislative Decree 286/1998 - Subordinate employment under temporary and permanent contracts.
Article 12, section 3, 3-*bis*, 3-*ter* and 5 of Italian Legislative Decree no. 286 dated July 25, 1998 – Provisions against illegal immigration.

13) crimes as per Article 25-*terdecies* of the Decree (introduced by Law no. 167 dated November 20, 2017 on “Regulations for fulfillment of obligations deriving from membership of Italy in the European Union – European Law 2017”), entitled “**racism and xenophobia**”. The Regulation incriminates any organization, association, movement or group which includes amongst its aims the incitement of discrimination or violence for racial, ethnic, national or religious reasons, as well as propaganda or instigation and incitement which lead to a concrete danger of the spread of crimes against humanity and war crimes, founded entirely or partially on denial of the holocaust or crimes of genocide.

14) The crimes as per Article 10 of Law no. 146/06, that extends the Corporations’ administrative responsibility to certain crimes, indicated hereinafter, when they are committed at a “**transnational**” level, namely:

Article 416 of the Italian Criminal Code - Criminal conspiracy

Article 416-*bis* of the Italian Criminal Code - Mafia conspiracy

Article 377-*bis* of the Italian Criminal Code - Incitement not to make statements or to make false statements to the Judicial Authority

Article 378 of the Italian Criminal Code - Aiding and abetting of another person

Art. 291-*quater* D.P.R. no. 43 dated January 23, 1973 - Criminal conspiracy to smuggle processed foreign tobacco Article 74 of Presidential Decree no. 309 dated October 9, 1990 - Criminal conspiracy for illegal trafficking of narcotics and psychotropic substances

Article 12, section 3, 3-*bis*, 3-*ter* and 5 of Italian Legislative Decree no. 286 dated July 25, 1998 – Provisions against illegal immigration.

2. “CRIMES NOT CONTEMPLATED BY ITALIAN LEGISLATIVE DECREE 231/01 AND INCLUDED IN THE ORGANIZATIONAL MODEL ON A CAUTIONARY BASIS”

1) **Fiscal crimes** established by Italian Legislative Decree 74/2000:

- Fraudulent statement put in place by the use of invoices or other documents for non-existent operations;
- Fraudulent misrepresentation by other devices;
- Misrepresentation;
- Non declaration;
- Issuance of invoices or other documents for non-existent operations;
- Concealment or destruction of accounting records;
- Non-payment of certified withholding taxes;
- Non-payment of VAT;
- Unlawful compensation;
- Fraudulent avoidance of tax payment.

2) Crimes as per Law 190/2012 containing “provisions for the prevention and suppression of corruption and illegality in public administration”:

- Article 346-*bis* of the Italian Criminal Code – **Trading in illicit**

influence.

- 3) Crimes as per Article 256-*bis* of Legislative Decree 152/2006, introduced by Law Decree no. 136, dated December 10, 2013, enacted into Law no. 6 on February 6, 2014:
- Article 256-*bis* of Italian Legislative Decree 152/2006 – **Illegal burning of waste**

3. "PREDICATE CRIMES" FOR THE ADMINISTRATIVE RESPONSIBILITY OF CORPORATIONS AS ESTABLISHED BY THE DECREE BUT NOT APPLICABLE TO TAMINI TRASFORMATORI

- 1) Crimes as per art. 25-bis (introduced by Law no. 409 dated November 23, 2001) (so-called Crimes of forgery of coins, banknotes, public credit cards and duty stamps) namely:

Article 453 of the Italian Criminal Code - Forgery of coins or banknotes, putting into circulation and introduction into the State, with conspiracy, of forged coins or banknotes

Article 454 of the Italian Criminal Code - Forgery of coins and banknotes

Article 455 of the Italian Criminal Code - Putting into circulation and introduction into the State, without conspiracy, of forged coins or banknotes

Article 457 of the Italian Criminal Code - Putting into circulation of forged coins or banknotes received in good faith

Article 459 of the Italian Criminal Code - Forgery of revenue stamps, introduction into the State, purchase, possession or putting into circulation of counterfeit revenue stamps

Article 460 of the Italian Criminal Code - Counterfeiting of watermarked

paper used to manufacture public credit notes or revenue stamps

Article 461 of the Italian Criminal Code - Manufacturing or possession of watermarks or equipment designed to forge coins or banknotes, revenue stamps or watermarked paper.

Article 464, sections 1 and 2 of the Italian Criminal Code - Use of counterfeit or altered revenue stamps

Article 473 of the Italian Criminal Code - Counterfeiting or alteration of, or use of counterfeit or altered distinctive signs identifying intellectual works or industrial products;

Article 474 of the Italian Criminal Code - Introduction into the State and trade of products identified with fake signs

2) Crimes as per Article 25-*bis*.1 (introduced by Law no. 99 dated July 23, 2009) (**crimes against industry and commerce**), namely:

Article 513 of the Italian Criminal Code - Unfair interference in industrial or commercial activities

Article 513-*bis* of the Italian Criminal Code - Unfair competition with use of threatens or violence

Article 514 of the Italian Criminal Code - Fraud against national industries

Article 515 of the Italian Criminal Code - Fraudulent commercial activities

Article 516 of the Italian Criminal Code - Sale of non-genuine foodstuff as genuine

Article 517 of the Italian Criminal Code - Sale of industrial products displaying untrue signs

Article 517-*ter* of the Italian Criminal Code - Manufacturing and commercialization of goods using intellectual property rights belonging to others

Article 517-*quater* of the Italian Criminal Code - Counterfeiting of the geographical indications or designation of origin of agricultural foodstuff

3) Crimes as per art. 25-quater (introduced in the Decree by art. 8 of Law no. 7 dated January 9, 2006) (so-called crimes involving female genital mutilation practices), namely:

Article 583-bis of the Italian Criminal Code Crimes of female genital mutilation practices

4) Crimes as per Article 25-*nonies* of the Decree (introduced by Law no. 99, dated July 23, 2009, Article 15) (**crimes involving the infringement of copyright**), namely:

Article 171, section 1, point a *bis* and section 3 of the Italian Copyright Law - Copyright protection and other rights connected to its exercise

Article 171-*bis* of the Italian Copyright Law - Copyright protection and other rights connected to its exercise

Article 171-*ter* of the Italian Copyright Law - Copyright protection and other rights connected to its exercise

Article 171-*septies* of the Italian Copyright Law - Copyright protection and other rights connected to its exercise

Article 171-*octies* of the Italian Copyright Law - Copyright protection and other rights connected to its exercise