Organization, Management and Control Model (pursuant to D.Lgs. 231/2001)
Approved by RINA S.p.A.’s Board of Directors during the meeting held on 20th April 2006.
Following updates:
- 18th December 2009
- 19th July 2013
- 21st December 2015
- 27th July 2018
- 18th July 2019
- 28th February 2020
The seventh edition of the Organization, Management and Control Model, incorporates the recent new legislation which entailed a necessary alignment of our internal control system.

The adoption of Group Regulation, by the Board of Directors of RINA S.p.A. and of the Subsidiaries, it also highlights the importance of the procedures (general procedure GP) issued by the individual functions of the Holding that become an integral part of our regulatory system.

These are the innovations that are the object of the updating of the Organizational Model:

- Law Decree n. 105 21st September 2019 containing “urgent provisions regarding the cybernetic national security perimeter” and which introduces the new case of liability for the provision of false information or factual elements, or omission of meetings, to the National Evaluation and Certification Center;

- Law Decree n. 124 26th October 2019 containing “urgent provisions on tax matters and for indifferent requirements” and which introduces the crime of fraudulent declaration by use of invoices or other documents for non-existent transactions pursuant to the new article 25 quinquiesdecies Legislative Decree 231/2001,

- Law n. 133 of 18 November 2019 containing "Conversion into law, with amendments, of the decree-law of 21 September 2019, no. 105, containing urgent provisions on the national cyber-security perimeter";

- Law n. 157 24th December 2019 containing "Conversion into law, with amendments, of the decree-law of 26th October 2019, no. 124, containing urgent provisions on tax matters and for indifferent needs "which amends and supplements art. 25 quinquiesdecies d. lgs. 231/2001 with tax offenses.

Strictly reaffirming that the Company (as well as the whole Group) has a zero-tolerance approach towards any corrupt or collusive conduct, aimed at obtaining undue advantages of any kind, I invite you to respect the rules in this Organizational Model contributing to its dissemination at all levels.

Ugo Salerno
CEO RINA S.p.A.
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1 ITALIAN LEGISLATIVE DECREE n. 231/2001

1.1 INTRODUCTION

Italian Legislative Decree n. 231/2001 (hereinafter Italian Legislative Decree n. 231/2001 or the Decree), containing the “Discipline of the administrative liability of legal entities, companies and associations also lacking legal status, as per art. 11 of Italian Law n. 300 dated 29 September”, made it possible to adapt Italian legislation concerning the liability of legal entities to international agreements which were already adopted by Italy, and introduced corporate criminal liability into the Italian legal system for the first time, thereby joining that ascribable to the individual who has physically entered into unlawful conduct.

The above-mentioned Decree represents a distinctive feature, because it establishes the crossing of the antique Latin principle whereby “societas delinquere non potest” concept indirectly proclaimed in Article 27 of the Italian Constitution.

The innovative purport of Italian Legislative Decree n. 231/2001 is the administrative liability of the legal entity as a consequence of committing an offense.

Due to the enforcement of this Decree, companies were required to be held responsible for offenses committed by individuals in the interests or to the advantage of the said company.

It is a responsibility that, even if it is defined as “administrative” by the legislator and it involves these sanctions, presents typical criminal liability features, stated that it follows the realization of the crimes and it is established through criminal proceedings.

Specifically, the D.Lgs. 231/2001:

- introduces general principles and criteria for assigning administrative liability
- identifies the offenses in relation to which the liability of the body arises
- identifies the fulfillments necessary for exemption from liability
- describes the sanctions in the event an offense is committed.

The liability provided by the Decree emerges also in relation to offenses committed abroad, except to the State where the offense was committed had sued against the Company, in accordance with art. 4 of the Decree.

1.2 GENERAL PRINCIPLES AND CRITERIA FOR ASSIGNING ADMINISTRATIVE LIABILITY

The Art. 5 of Italian Legislative Decree n. 231/2001 envisages the liability of the entity for offenses committed “in its interests or to its advantage “by”:

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1 To be understood as companies, associations, consortia, etc.

2 “Criminal responsibility is personal. The defendant is not considered guilty until the definitive sentence. Punishment cannot consist in treatment contrary to human dignity and must aim at rehabilitating the offender. It is not permitted the death penalty.”
a) individuals who cover representative, administrative or management roles within an entity or one of its organizational units, endowed with financial and functional autonomy, as well as by individuals who carry out the operations and control of the same, even de facto;

b) individuals subject to the management or supervision of one of the parties indicated in point a).

The entity shall not be held liable if the individuals, indicated by paragraph 1, have acted in their own exclusive interests or those of third parties.”

Therefore, as regards to the notion of “interest” or “advantage”, it is realized whenever the unlawful behavior is committed with the unique purpose to achieve a benefit to the Company, furthermore the administrative responsibility looms over the latter whenever the offender, despite he had not acted in order to benefit the Company, has entailed an indirect benefit to the legal person, whether economic or not.

The applicability conditions of liability are based on objective criteria which are:

- the commission of one of the offenses expressly envisaged by Italian Legislative Decree No. 231/2001, or whose discipline is expressly referred to;
- the commission of one of the afore-mentioned offenses by a party who covers a senior role within the company, or someone under their supervision;
- the existence of an interest or an advantage of the entity deriving from the offense being committed.

Moreover, the art. 26, paragraph 1 of the Decree provides that, when the crimes indicated will be fulfill in the attempted manner, financial penalties and disqualifications are reduced from a third to a half, whereas any sanction will be not applicable to the Company, under the above mentioned article which “voluntarily prevents the fulfillment of the action or the realization of the event.”

### 1.3 THE OFFENSES IN RELATION TO WHICH THE LIABILITY OF THE BODY ARISE

In the original framework, the originally liable offenses envisaged by Italian Legislative Decree No. 231/2001 were the following:

- art 24: undue receipt of funds, fraud against the State or public bodies or for obtaining public funds and IT fraud against the state or public bodies (modified by Italian Law 161/2017);
- art 25: bribery, undue inducement to give or to promise benefits and corruption (title of the article changed by the art. 1, paragraph 77, letter a), law no. 190 2012. Text of the article modified by Italian Law 3/2019).

These additional cases were subsequently included in the underlying category of offenses:

- art. 24 bis: IT crimes and illegal data processing (introduced by art. 7 of It. Law No. 48/2008 and modified by Italian Legislative Decree No. 7 e 8/2016 and by art. 1, paragraph 11 of Italian Law Decree No. 105/2019);
- art. 24 ter: organized crime (introduced by art. 29 of It. Law No. 94/2009, modified by It. Law No. 69/2015);
- art. 25 bis: counterfeiting of currency, legal tender and revenue stamps (introduced by art. 6 of It. Decree Law No. 350/2001 converted into It. Law No.
409/2001; modified by It. Law No. 99/2009 and subsequently by Italian Legislative Decree No.125/2016);

- art. 25 bis: crimes against industry and commerce (introduced by art. 15 of It. Law No. 99/2009);
- art. 25 ter: corporate offenses (introduced by art. 3 of Italian Legislative Decree No. 61/2002, modified by It. Law No. 69/2015, subsequently by It. Law No. 69/2015 and lastly by Italian Legislative Decree No. 38/2017);
- art. 25 quater: offenses for the purpose of terrorism or subversion of democratic order (introduced by art. 3 of It. Law No. 7/2003, modified by Italian Legislative Decree No. 153/2016);
- art. 25 quater 1: female genital mutilation practices (introduced by art. 8 of It. Law No. 7/2006);
- art. 25 quinque: crimes against the individual (introduced by art. 5 of It. Law No. 228/2003 and amended by art. 10 of It. Law No. 38/2006 and lastly by It. Law No. 199/2016);
- art. 25 sexies: market abuse (introduced by art. 9 of It. Law No. 62/2005);
- other cases concerning market abuse (article 187 quinquies of the TUF) (modified by Italian Legislative Decree No. 207/2018);
- art. 25 septies: manslaughter or serious or very serious injury committed in violation of the norms concerning the protection of health and safety in the workplace (introduced by art. 9 of It. Law No. 123/2007 and amended by art. 300 of Italian Legislative Decree No. 81/2008);
- art. 25 octies: handling stolen goods, money laundering, use of money, goods or assets of illicit or origin and self-laundering (introduced by art. 63 of Italian Legislative Decree No. 231/2007, modified by It. Law No. 186/2014);
- art. 25 novies: offenses regarding the violation of copyrights (introduced by art. 15 of It. Law No. 99/2009);
- art. 25 decies: incitement not to make declarations or make misleading declarations to the legal authorities (introduced by art. 4 of It. Law No. 116/2009, modified by Italian Legislative Decree No. 121/2011);
- art. 25 undecies: environmental crimes (art. introduced by Italian Legislative Decree No. 121/2011, modified by It. Law No. 68/2015);
- art. 25 duodecies: employment of third-country citizens whose stay is illegal (introduced by art. 2 Italian Legislative Decree No. 109/2012, modified by It. Law No. 161/2017);
- art. 25 terdecies: racism and xenophobia (art. introduced by It. Law No. 167/2017, modified by Italian Legislative Decree No. 21/2018);
- transnational crimes (art. 10 of Italian Law No. 146 dated 16 March 2006).
- Responsibility of the entities for administrative offenses dependent on crime (article 12 of Italian Law 9/2013) [They constitute a prerequisite for entities operating in the field of virgin olive oil]
- art. 25 quaterdecies: fraud in sport competitions, illegal gaming or betting and gambling exercised by means of prohibited equipment (introduced by art. 5 of Italian Law No. 39/2019);
- art. 25 quinquiesdecies: tax offences (introduced by art. 39, II paragraph of Italian Lax Decree No. 124/2019, modified by Italian Law No. 157/2019 of conversion of the decree).
1.4 ORGANIZATIONAL FAULT

In July 2010, the Supreme Court defined, in judgment no. 27755, the organizational fault as a fault constituted by: “not having provided for a series of suitable preventive measures to avoid the committing of offenses concerning the supposed one”.

Therefore, the fault must be understood as omitted or insufficient regulation and/or supervision of processes, which could be considered the foundation to realize the offenses expected in the Legislative Decree 231/2001.

To determine the Company’s responsibility, we use the term “Organization” because the company is seen as an aggregate of individuals “organized” capable to face “complicated” situations.

The organizational structure release to:
- authorities among which the assigned functions are divided into (system of procedures, directives, powers of attorney, assignment of responsibilities);
- relationships between different authorities (hierarchy).

The organizational structure represents a variable of significant impact for the environmental control and it must be sufficiently formalized, especially for:
- assignment of responsibility;
- evidence of hierarchical dependence and of the limits of competences and decision-making responsibilities;
- the description of the functions which they must be result separated and in a real contest of rules;
- evidence of the business process concerning the formation and the implementation of decisions.

The adoption of this Organizational, Management and Control Model (hereinafter The Model or MOG) is a necessary condition, even though it is not enough, in order to the company could assert the presumption to not have facilitated the commission of the offense. Everything in harmony with the art. 2428, paragraph 1st, of the Italian Civil Code which, in the relation between companies’ administrators, provides for the duty to describe risks and uncertainties to which the company is exposed, in addition to the already operating obligation to give information on the outlook for the company.

1.5 EXEMPTION FROM ADMINISTRATIVE LIABILITY

The article 6 of the Decree, introducing the above-mentioned administrative responsibility regime, however, provides a specific form of exemption from such liability if the Company demonstrates that:

a. the executive body has adopted and efficiently implemented, before the offense was committed, Organization, Management and Control Model suitable for preventing offenses of the kind which have occurred;\(^3\)

\(^3\) The proof of company adequate organization (that is the MOG suitability and therefore compliance with the conditions set forth in the letters indicated below) and the proof of MOG fraudulent avoidance are charged to the company itself. This causes an objective difficulty in exercising a real defense right on the part of the entities.

\(^4\) Specifically, art. 6, let. A) takes into consideration the MOG so-called “ante factum”, which is different from the MOG adopted “post factum”. The last one is adopted after the commission of the crime and it constitutes a extenuating circumstance pursuant to art. 12, II co. It. Legislative Decree.
b. the task of overseeing the functioning and the observance of the Models and observance to their review has been entrusted to a **Body of the Entity** (known as the Organismo di Vigilanza or Control Body) endowed with powers of initiative and control;

c. the individuals who have committed the offense **fraudulently by-passing** the Organization, Management and Control Model

d. has not omitted to **oversee or insufficiently oversee** the situation the Body indicated in point b).

In accordance with Art. 7 of the Decree, if the offense has been committed by individuals managed or supervised by the senior parties, the “**body is responsible if the commission of the offense was made possible by inobservance and supervision obligations by the executive bodies**”. Moreover, if the body, before the offense was committed, has adopted and efficiently implemented an **Organization, Management and Control Model** suitable for preventing offenses of the kind which have occurred, and the Control Body has diligently performed its functions, the inobservance of the management and supervision obligations and, therefore, the company’s administrative liability are presumed as excluded. **Substantially, art. 6 and 7 of Italian Legislative Decree No. 231/2001 envisage the presumption of guilt if the offense is committed by senior parties; presumption which ceases if the offense is committed by parties managed and supervised by the senior parties.**

Organization, Management and Control Models must (art. 6 paragraph 2):

- identify activities within the sphere of which the offenses may be committed;
- envisage specific protocols aimed at programming the formation and implementation of the decisions of the body in relation to the offenses to be prevented;
- identify the methods for handling the financial resources suitable for preventing the offenses from being committed;
- envisage obligations for informing the Body tasked with overseeing the functioning and observance of the Models;
- introduce a disciplinary system suitable for sanctioning failure to observe the measures indicated in the Model.

In the provision of a correct Model, the Company has to inspire itself to the guidelines declared suitable by the Ministry of Justice (as those of Confindustria and more recently CNDCEC - National Council of Certified Public Accountants\(^5\)). For this aim the management has to define the guidelines for the **internal control system** in order to achieve the purposes fixed in art. 6, paragraph 3rd, of the Decree and to identify and manage main risks.

The guidelines expected:

- the identification of **process and methods of committing** the offenses;
- **protocols, procedures and instructions** (manual and IT) for an early control system;
- a **Code of Ethics** referring to the offenses considered;
- a formalized organizational system for the assignment of the responsibilities within

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\(^5\) Entitled “Consolidated principles for the drafting of organizational models and the activity of the supervisory body and prospects for revising It. Legislative Decree 8th June 2001, No. 231”. They are jointly adopted by Confindustria, CNF, ABH and the National Council of Certified Public Accountants in February 2019.
the company (delegation of duties and signing powers);
- a management control system;
- a specific training and communication program regarding these matters;
- an internal disciplinary/punishment system;
- an internal Control Body.

1.6 SANCTIONS IN THE EVENT AN OFFENSE IS COMMITTED

Italian Legislative Decree No. 231/2001 envisages different types of sanctions for the administrative liabilities depending on the type of offense.

In detail, the sanctions are as follows:
- pecuniary fines;
- disqualification sanctions;
- seizure;
- publication of the sentence.

The disqualification sanctions, identified in the art. 9, paragraph 2nd, of the Decree, could be enforced just in the cases expected by the Decree for some kinds of offenses, are:
- debarment from trading or exercising business activities;
- suspension or revocation of authorizations, licenses or concessions useful for the commission of the offense;
- ban on contracting with Public Administration Agencies, unless this is to obtain the provision of a public service;
- exclusion from concessions, loans, grants and subsidies, as well as the withdrawal of those which may have already been granted;
- ban on advertising goods or services.

Pecuniary fines are regulated by articles. 10, 11 and 12 of the Decree and they shall apply to all cases in which Company’s liability is recognized.

The Legislative Decree 231/2001 has introduced a commensurate system by quotes: therefore, in the case of offense, the court will first determine the amount of number of quotes (based on indices of severity of the offense) and, later, the monetary value of a single quote considering the economic conditions of the company.

The publication of the judgment is regulated at the art. 18 of the Decree, it is a potential sanction and it presupposes the enforcement of a disqualification sanction.

Whereas the seizure of the price or the profit is regulated at the art. 19, it is an obligatory consequent sanction to the conviction.
2 MODEL ADOPTED BY RINA S.P.A.

2.1 THE MAIN AREAS OF CORPORATE OPERATIONS AND RINA S.P.A.’S ORGANIZATIONAL STRUCTURE

RINA Group consists of the holding Company RINA S.p.A., the sub holding RINA Services S.p.A., RINA Consulting S.p.A. and subsidiaries companies in Italy and abroad. RINA S.p.A. is the holding company of the Group, which is controlled by the Italian Navy Register (no-profit entity founded in 1861).

RINA Group offers customized solutions in the areas of Energy, Marine, Certification, Transport & Infrastructure and Industry. Multiple resources to pursue a single goal: building trust with customers and being recognized as the right choice at every stage of a project’s life cycle.

By taking measures to protect health and safety, RINA Group activities contribute to raising the quality of the market and to improve the well-being of society creating value for future generations.

2.1.1 RINA S.P.A.’S ACTIVITIES

RINA S.p.A. is the Group Holding which mainly carries out the so-called service activities on behalf of the subsidiaries.

The Group Regulation in the context of the new corporate organization envisages that the Parent Company RINA S.p.A. exercises management and coordination activities towards the Subsidiaries, in compliance with the applicable laws and regulations.

The management and coordination activity of the Holding on the strategic, organizational, business, financial, administrative and management doesn’t constitute any limitation on the technical decision-making power of the Subsidiaries, with particular but not exclusive reference to the activities inspection, certification and testing that are therefore exercised in full autonomy and full assumption of responsibility by the same Subsidiaries.

The management and coordination exercise of the Parent Company and therefore the strategic, corporate, managerial or organizational supervision is carried out by:

i) the centralized management of functions, provided as services for the benefit of the Subsidiaries, to achieve scale economies and greater managerial coherence;

ii) the functional coordination between the corporate administration and control bodies of the Parent Company and those of the subsidiaries, as well as between the Parent Company Departments and the Subsidiaries’ functions having a similar competence profile;

iii) definition of operational tools such as policies, information flows and coordination committees;

iv) a system of prior authorizations, issued by the Parent Company on Non-Ordinary Transactions, Major Transactions to be performed by the Subsidiaries, with the purpose of ensuring consistency of the management choices of each Subsidiary with the choices strategies and Group policies.

Strategic, corporate, managerial or organizational supervision is carried out by the
Parent Company through centralized management whose purpose is to make the organization and operating methods of the Subsidiaries more homogeneous, both with regard to business development and the control and management of risks, as well as optimizing costs, enhancing scale economies. Centralized management by the Parent Company can take different modes and forms, depending on the presence in the Subsidiaries of structures dedicated to the reference functions.

In the context of the areas subject to centralization, the Parent Company, by means of its competent Departments, establishes general management policies, defines the processes, identifies the information flows and the operational instruments required to carry it out, and, where envisaged, carries out the activities and provides services in accordance with the terms and conditions established between the parties by signing of specific intra-group service contracts.

The terms, conditions, timings and conditions for the provision of services with regard to the centralized management of functions, provided as services for the benefit of the Subsidiaries, are defined in infra-group service contracts, which regulate the quality levels of the provision of the activity and provision of services, as well as the appropriate confidentiality constraints, according to applicable regulatory standards and market practices. Such contracts, where appropriate, may provide for the issuance of a specific power of attorney that gives the Parent Company the power to act, in the performance of the services provided for in the contract, in the name and on behalf of the Subsidiary.

The coordination of the Subsidiaries is carried out by the Parent Company through the following Committees and Departments:

Communities
i) Direction & Co-ordination Committee (DCC);
ii) Risk Management and Audit Committee (RMC);
iii) Corporate Compliance Board (CCB).

Directions
i) Corporate Administration & Finance;
ii) Corporate Compliance, Sustainability & Risk Management;
iii) Corporate Procurement, Digital & IT;
iv) Corporate Human Capital, Communication & Institutional Relations;
v) Corporate Marketing & Sales Strategy;
vi) Corporate Legal Affairs.

2.1.2 DIRECTION & COORDINATION COMMITTEE


The Committee has the objective of developing the policy and the Regulations governing the management and coordination activities carried out by the Holding in the finance, administration, strategy, organization, compliance and business continuity sectors and submitting them for approval to the Board of Directors.

It also ensures that the management and coordination activities comply with the
Regulation by continuously analyzing the services provided to the Subsidiaries in order to achieve scale economies, operational effectiveness, efficiency and uniformity within the Group.

2.1.3 RISK MANAGEMENT AND AUDIT COMMITTEE

The Committee supports the Board of Directors and the Chief Executive Officer in identification, evaluation, management and control of risks associated with RINA Group activities by evaluating the adequacy and effectiveness of internal control activities and risk management.

The Committee may request from the Corporate Internal Audit department focus on risks, areas or specific activities carried out within the RINA Group.

Finally, the Committee assesses the independence, adequacy, effectiveness and efficiency of the Corporate Internal Audit function.

2.1.4 CORPORATE COMPLIANCE BOARD

The Committee supervises compliance of sub-holding companies’ activities with the requirements of impartiality, integrity, confidentiality, fair marketing and anti-bribery.

In particular, the Committee:
- define, continuously update and disseminate policies, methodologies, procedures, instructions and guidelines on conflict of interest management;
- identify on an on-going basis, in co-operation with the compliance functions of the sub-holdings, risks to impartiality arising from regulations, activities and relationships and update the relevant risk assessment document accordingly;
- provide its advice on specific potential cases reported by the Chief Risk & Compliance Officer or other functions and/or committees of the holding and sub-holdings.

2.2 PURPOSE OF THE MODEL AND OBJECTIVES PURSUED

RINA S.p.A. is heedful of the expectations of its stakeholders since it is aware of the value that the same acquire from an internal control system capable of preventing the offenses contemplated by Italian Legislative Decree No.231/2001 from being committed.

Within the limits of the activities carried out in the Company and Group’s interests, all those individuals which the Model is intended for - current and potential - are requested to adopt conduct which does not involve the risk of committing offenses.

These behaviors must necessarily be based on professionalism and integrity values provided in Code of Ethics.

Ethics, impartiality, independence and honesty principles are the basis for the voluntary choice of the adoption of this Model, of which the Code of Ethics is an integral part.

Through the adoption, updating and effective implementation of the Model, RINA S.p.A. it proposes to:
- reduce the risk of committing offenses envisaged by Italian Legislative Decree No.231/2001 connected with the company activity;
- improve the Corporate Governance system;
- inform all possible recipients of the Model of the need for timely compliance with the same, whose violation will result in strict disciplinary sanctions;
• actively censure the behaviors committed in violation of the Model, through the application of appropriate sanctions until the termination of the contractual relationship;
• informing about the consequences that may arise - to the Company and indirectly to all stakeholders - from the application of the pecuniary and disqualification sanctions envisaged by the decree;
• obtain a constant control over company activities to be able to intervene promptly where risk profiles arise.

2.3 ADOPTION OF THE MODEL WITHIN RINA S.P.A.

RINA S.p.A.’s Board of Directors resolved the adoption, on 12 December 2003, of the Organization, Management and Control Model with the aim of preventing any offenses and to establish a collective Control Body tasked with overseeing the observance and functioning of Model.

The Organizational, Management and Control Model, has been periodically updated due to an increasing or modification of the catalog of the offenses in the Legislative Decree 231/2001, and the effect of a continuous evolution of the RINA Group business and organization.

2.4 THE ELEMENTS OF THE RINA S.P.A. MODEL

The Model drawn by RINA S.p.A. is based on a structured and systematic prevention and control system aimed at reducing the risk of committing the offenses contemplated by the decree.

The Model is divided into two parts:

A - General Section of the Model: is this documental section, which represents the summary of the Model broken down into the following subjects:
• Italian Legislative Decree No. 231/2001 and the reference legislation;
• Model adopted by RINA S.p.A.;
• Foreign law concerning corporate criminal liability;
• The Risk Analysis Method;
• The Control Body;
• Training and dissemination of the Model;
• Sanction System;
• General Regulations for updating the Model.

B - Special Section of the Model: these relate to the various types of offenses contemplated by the decree and abstractly hypothesized within the corporate context of RINA S.p.A. Each section contains rules and bans, which the Model’s recipients are obliged to take due note of.

The additional elements which the Model is made up of are:

1. Code of Ethics: this is the document which expresses the commitments and ethical responsibilities when carrying out business affairs and corporate activities and has the main function of making the fundamental values and principles which guide the company’s activities known within the organization and to all the external stakeholders. It was approved by the ultimate Parent Company RINA S.p.A.’s Board of Directors on 16 July 2004 and consecutive modification in the meeting of
16th April 2019.

2. **Powers and Proxies System** (so-called authorizing system) which clearly defines the level of autonomy, the power of representation and the spending limits assigned to the various holders of the powers and proxies within the Company.

In detail, the system is centered on the assignment of:

- proxies which grant a party the legal power to represent the Company in relation to the accomplishment of the corporate activities;
- special proxies relating to individual business affairs, which define the forms of representation in relation to individual acts to be entered to stipulate.

All the parties who act in the name and on behalf of RINA S.p.A. in dealings with third parties must possess specific power and/or formal proxy, especially when dealing with Public Administration Agencies.

3. **Organizational System**, clear and formalized by means of documentation and instructions pertaining to the Company’s hierarchical-functional and organizational structure.

4. **Disciplinary Code** is the set of rules of conduct that the employee is obliged to observe on the workplace, typing (not exclusive) of the infringements with an indication of the sanctions and protest procedures. The disciplinary code incorporates the system of sanctions provided for the purposes of the decree as reported in paragraph 6 of this document.

5. **Company policies**, intended as the expression of the Company with respect to the objectives and general guidelines that the Group, in its entirety, must undertake to pursue.

6. **Guidelines**, set of recommendations drawn up in order to make appropriate, with a high standard of quality, a desired behavior. They are the starting point for setting the procedures / instructions.

7. **Internal Control System**, or rather all Policies – Guidelines, Manuals, Procedures, Instructions and other rules aimed at regulating the activities in the company areas at risk.

2.5 **THE RECIPIENTS OF THE MODEL**

The recipients of the Model include all those who operate to achieve RINA S.p.A.‘s purpose and objectives, in consideration of the different position and the differing obligations each one adopts vis-à-vis the company. Specifically, we refer to:

- Directors and Statutory Auditors;
- The Independent Auditing Firm;
- Members of the Control Body;
- Business partners;
- Employees or equivalent parties;
- Professionals, technicians in charge of production activities;
- Consultants;
- Customers;
- Suppliers;
- Intermediaries and canvassers.

Within the limits of the activities carried out in RINA S.p.A.‘s interests, all the recipients and their staff are hereby requested to adopt conduct which does not involve the risk of committing the offenses as per the provisions laid down by the Model.
2.6 WHISTLEBLOWING

RINA S.p.A. manages reports through a platform, accessible from the Company's website:

https://www.rina.org/it/whistleblowing

This platform resides on an external server that allows to communicate anonymously with the person concerned, according to a "no-log" policy, for which if access to the file is carried out by a computer connected to the company network, the login however, it will not be traced by company information systems to further protect the reporting agent.

The system as described above has been adopted by some of the major Italian companies that are part of the Business Integrity Forum (BIF), an initiative coordinated by Transparency International Italy, a non-governmental, no-profit organization committed to promoting transparency and the fight against corruption.

The Control Body, as described in the GP-GINAU-WSB-01 procedure, avails itself of the collaboration of the Head of Corporate Internal Audit of the Parent Company which, in the case of whistleblowing made with the "Whistleblowing" instrument, is obliged to promptly inform the Control Body.
3 RISK ANALYSIS METHOD

3.1 PRELIMINARY ACTIVITIES

The updating and review of the RINA S.p.A. Model start off with specific and preparatory activities which involve identifying the liable offenses contemplated by the Decree in relation to the activities effectively carried out by RINA S.p.A.

RINA S.p.A.’s Corporate Compliance & EU Affairs Function cares the updating of a database of the liable offenses based on changes in legislation carrying out the same analysis which may lead to:

- **exclusion** of individual types or entire categories of offenses, since they are not entirely accomplishable in abstract or because they are effectively believed to be rather improbable to achieve. In fact, it should be recalled that a necessary requirement for how much the liability can be shaped is represented by the interest or advantage obtained by the company
- **inclusion** of individual types or entire categories since the achievement of the offense is also deemed possible in abstract (also in the interests of the company).

3.2 IDENTIFICATION OF THE RISKS AND DRAWING UP OF THE SPECIAL SECTIONS OF THE MODEL

The preparation of the Model was entrusted to RINA S.p.A.’s Corporate Compliance & EU Affairs Function which, according to the document issued by the Committee of Sponsoring Organization (CoSO), entitled “Internal Control-Integrated Framework”\(^6\), in collaboration with other company Functions and Organizational Units, launched the study and achievement of the following stages:

1. **RINA S.p.A.’s general mapping**;
2. The Case of crime - **Special Parts**;
3. The **Risk Assessment**;
4. The **synthesis of any improvement actions**.

The risk analysis aims at identifying all processes and business activities where crimes foreseen by the Legislative Decree could be committed, creating the ground for the Company liability. The risk analysis consists of the evaluation of the company context from the structural and organizational point of view, assisted by the study of the company’s documentation.

The following elements are identified:

- **Business processes**: set of **Subprocesses**, consisting of activities carried out in relation to each other within the company;
- classes of homogeneous offenses constituent different **Special Sections**;
- the potential **Risks** associated with corporate Processes/Subprocesses within which the commission of the offenses envisaged by the decree could be abstractly conceivable.

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\(^6\) Committee of Sponsoring Organizations of the Treadway Commission (1992), internal control integrated Framework: the internal control system can be defined as a set of mechanisms, procedures and tools prepared by the Management to ensure the achievement of the objectives of business operation efficiency, reliability of financial information, compliance with laws and regulations and safeguarding of company assets.
For each Special Section and Business Process it is therefore possible to:

- define the degree of inherent risk associated with a possible event regardless of any countermeasures adopted, measured based on Impact and Probability:
  - **Impact**: it is estimated as the set of negative effects caused by an event towards the Company,
  - **Probability**: it is measured as the possibility that a specific event, to which the Company connects a possible negative effect, occurs in concrete terms. The probability value is estimated based on the findings of the internal audit activity, reports and possible external factors, or context related to the activities and geography;
- carry out a survey of the legal system and of preventive controls, called principals, already existing within the company in relation to Processes/Subprocesses at risk, to evaluate its suitability for the purposes of crime prevention. The presence of efficient and effective checks in fact makes it possible to mitigate the risk of committing 231 offenses;
- determine the residual risk's in relation to the evaluation of mitigation measures.

The acceptability of the residual risk or the evaluation of any further actions to mitigate the risk further is demanded to the CEO of the company, particularly when the risk is classified as "extreme" or "high".

The result of that analysis is contained in the "Risk Assessment" document and it is the basis for drafting and continuous updating of this Model, with particular reference to the Special Part.

The Special part of the MOG indicates a series of rules and prohibitions and recalls all the Company Procedures and Instructions, with their control objectives and control, that must be respected to mitigate the Residual Risk of committing predicate crimes.

Whenever deficiencies in the Organization, Management and Control System (e.g. audits or incorrect conduct reports) are detected, the Risk Analysis will be updated in consideration of new Control Safety Measures and/or Procedures necessary to ensure the proper functioning of the company organization.

Consequently, the Model shall be updated in its Special Part.
4 THE CONTROL BODY

4.1 GENERAL INFORMATION

As laid down in art. 6.1, letter b) of Italian Legislative Decree No. 231/2001, “the task of overseeing the functioning and the observance of the models and to see to their updating has been entrusted to a Control Body endowed with powers of initiative and control”.

Complying with the Article above, the Board of Directors has appointed an independent and autonomous Control Body owning the following requirements:

- adequate professionalism and competence;
- autonomy in the powers of initiative and control;
- continuity of the business;
- advancement of any amendments to the Internal Control System for the purpose of maintaining it adequately updated;
- conducting internal checking activities encouraging, when necessary, the envisaged sanction procedures;
- use of adequate resources, as established by resolution of the Board of Directors according to the suggestion of the Control Body itself.

In addition, the Control Body regulates its internal operation by special Regulations.

4.1.1 COMPOSITION, APPOINTMENT AND REVOCATION

RINA S.p.A.’s Control Body is a collective body made up from three to five members and it is established by means of a resolution of the Board of Directors. The members remain in charge for three years and their term is aligned to the mandate of the Board of Directors; members can be re-appointed.

Internally, the members of the Control Body appoint a Chairperson and Secretary; the Chairperson represents the Control Body towards the Board of Directors and has extensive and express faculty to delegate powers to one of the members of the Control Body.

In the collegial composition internal and external components could be nominated to become Control Body’s members.

Without prejudice to the events of forfeiture expressly envisaged below, the members of the Control Body may be removed by the Board of Directors just for a justified reason and without prejudice to any of the following hypotheses, i.e.:

- assignment of duties, roles and/or responsibilities within RINA Group which are not compatible with the requirements of “autonomy and independence” and/or “continuous action typical of the Control Body;
- the infliction of one of the sanctions indicated in the section “Sanction System” on a member of the Control Body
- the unjustified failure to take part in more than two consecutive meetings.

The ineligibility and/or forfeiture of the members of the Control Body is motivated by:

- those who are related, to the fourth degree of kinship (inclusive) to BoD members, parties who cover representative, administrative or management
functions in the Company or one of its organizational structures with financial and functional autonomy, as well as individuals who are involved in - also de facto - the management and control of the Company, Company auditors and the independent auditing firm as well as the other parties indicated by law;

- conflicts of interest, even if potential, with the company or with subsidiary companies, which compromise independence;
- ownership, direct or indirect, of shares of a size which makes it possible to exercise significant influence over the Company or a subsidiary company;
- roles as executive director covered, in the three years prior to appointment, as member of the Control Body, in companies subject to bankruptcy proceedings, compulsory administrative liquidation or equivalent procedures;
- public sector employment relationship with central or local authorities with whom RINA S.p.A. has had contact in the three years prior to appointment as member of the Control Body;
- sentencing, even if not yet res judicata, or a sanction which involves disqualification, even if temporary from holding public office, or temporary disqualification from management offices of legal entities and companies, or decree imposing the sanction requested by the parties (so-called “plea bargain”), in Italy or abroad, for significant violations for the purpose of the administrative liability of the bodies as per Italian Legislative Decree No. 231/2001.

4.2 PRINCIPLES OF CONDUCT OF THE CONTROL BODY

When performing its duties, the members of the Control Body comply with the observation of five fundamental rules, the observance of which ensures efficiency and reliability for the purpose of preventing/identifying unlawful conduct within the Company:

- **honorability**: referring to characteristics such as integrity and respectability of the party, as well as good standing, confidentiality, discretion and honesty in dealings with individuals;
- **impartiality**: referring to the obligation to behave objectively and to transfer the information gathered objectively without distorting it (results, conclusions, etc. must faithfully represent the actual situation and correctly indicate the elements verified);
- **adequate professionalism**: referring to the need to be professionally prepared;
- **independence**: referring to the autonomy of whomever carries out checks with respect to the function being checked (compatibly with the matters laid down by art. 6 section 4 of the It. Leg. Decree) and the relationships between the Control Body and the Board of Directors, thus, to guarantee and ensure the objectivity and impartiality of the said checks;
- **approach based on evidence**: referring to the obligation to avail oneself of only the information gathered which can be verified, during the checks, to form an opinion which is objective and based on real factual data.

4.3 COMPETENCE AND ASSESSMENT OF THE STAFF FORMING PART OF THE CONTROL BODY

The Control Body possess specific requirements detectable based on the following
elements:
- **Personal characteristics**: to make it possible to act in observance of the five rules indicated above, which are mainly character-related and which identify an individual capable of relating with others and therefore predisposed to professionally perform the assigned tasks;
- **Knowledge and expertise**: by way of example, this is understood to be knowledge of the principles and norms indicated by Italian Legislative Decree No. 231/2001, the audit techniques and the related procedures, as well as the management system and reference documents;
- **Experience and training**: the member must have accrued significant working experience in the corporate area and in legal/administrative subjects.

The existence of all the requirements indicated above is subject to the decision of RINA S.p.A.’s Board of Directors, both at the time of appointment and subsequent to the establishment of the Control Body.

### 4.4 ROLES AND POWERS

The Control Body is committed to following tasks:

- **surveillance on the effectiveness of the model, which is determined by the consistent verification of matching between the actual behaviors and principles, obligations and prohibitions expressed in the Model**:
  a) periodically carrying out checks;
  b) reviewing company activities;
  c) gathering, processing and keeping in order all significant information with respect to the model, as well as updating the list of useful information;
  d) reviewing company activities;
  e) coordinating with the heads of the competent Organizational Units so as to assess the adoption of any disciplinary sanction.

- **close examination about the Model’s efficacy, namely its real ability to prevent, in principle, the unwanted behavior**:
  a) coordinating with the Corporate Recruiting Strategy, Induction & Learning (GITRE) about training programs;
  b) monitoring the initiatives for ensuring awareness and comprehension of the model;
  c) preparing and updating the relevant information on an on-going basis;
  d) analyzing findings from the control bodies;
  e) examining any reports from any Model’s recipient and subsequent investigations deemed necessary;
  f) periodically providing the CEO with an assessment on the model’s suitability;
  g) periodically presenting the Board of Directors with a specific report linked to the assessments indicated in the previous point.

- **analysis about the conservation over time of the strong and functional requirements of the Model**:
  a) analyzing the existing internal control system (procedures, instructions, computer applications, etc.);
  b) periodically checking the implementation and effective functioning of the improvement action proposed.

- **care about the dynamic updating of the Model, in the event that adjustments become essential**: 

a) interpreting the reference legislation;
b) disclosing upgrading proposals of the Model able to give them concrete implementation to the corporate context.

When carrying out the tasks assigned, in observance of current legislation, the Control Body has unlimited access to corporate information for survey, analysis and control activities; access to and any subsequent handling of the information will have to take place in observance of the law and in particular the EU Regulation 2016/679 (General Data Protection Regulation) on the protection of personal data.

Each Company Organizational Unit, employee and/or component of the corporate bodies, is obliged to provide information upon the request of the Control Body or on occurrence of important events or circumstances, for the purpose of the performance of the activities the Control Body is responsible for.

When carrying out its tasks, the Control Body may cooperate with the Compliance & EU Affairs Function and Corporate Internal Audit Function of RINA S.p.A. for carrying out the following activities:

- verify the adequacy of the internal control systems in relation to the Model;
- update the risk analysis aimed at preventing the commission of offenses referred to the Italian Legislative Decree 231/2001, the assumption according to the organizational changes and/or business as announced by the corporate OU or the enactment of new legislation;
- advice for overcoming possible weaknesses of the internal control system and in the phase of installation/revision of processes and procedures in order to ensure the compliance with the Organization Model adopted;
- assess the correspondence of the system of proxies and assignments as provided for by specific resolutions of the Board of Directors or by the holding’s guidelines and verification that the distribution of roles and responsibilities does not result in duplication, overlap or omissions of tasks;
- control and monitor business processes through specific audits.

The Control Body is also provided with:

- the faculty to enter into, amend and/or terminate professional appointments with third parties who possess the specific skills necessary for the best execution of the appointment;
- financial resources on the basis of an annual estimate of expenditure, approved by the Board of Directors, upon the proposal of the said Body. In any event, the Control Body may request a supplement to the assigned funds, should they be insufficient for the effective accomplishment of its tasks.

4.5 INFORMATION FLOWS

4.5.1 REPORTING ACTIVITY TO THE TOP MANAGEMENT AND RELATIONSHIP WITH THE BOARD OF AUDITORS

The Control Body reports on the implementation of the Model, the emergence of any key aspects and communicates the outcome of the activities carried out when performing the assigned tasks, as follows:

- on-going to the Managing Director, who informs the Board of Directors as part of the dissemination on the exercise of the powers granted;
• periodic, on a six-monthly yearly basis, to the Board of Directors, with a written report regarding its supervisory activity, a copy of the report is sent to the Board of Auditors for information;
• immediately:
  – to the Managing Director, if facts of particular materiality or significance are ascertained;
  – to the Board of Directors when the events of particular materiality or significance concern the Managing Director or the Board of Statutory Auditors or members of the Control Body.

Furthermore, the Control Body periodically meets with the Board of Auditors with the aim of proceeding to a reciprocal exchange of information on its own control activities. As a rule, these meetings take place simultaneously with the transmission to the Board of the copy of the periodic report to the BoD.

4.5.2 INFORMATION FLOWS TO THE CONTROL BODY: MANDATORY INFORMATION

The recipients of the Model are required to promptly report to the Control Body behaviors that are not in line with the principles and contents of the Model itself, which could lead to the responsibility of RINA S.p.A. pursuant to Italian Legislative Decree 231/2001.

The Control Body evaluates the reports received and the activities to be set up. Those making the reports are protected from any form of reprisal, discrimination or penalization.

RINA uses the Whistleblowing platform as “Dedicated dissemination channel” to facilitate the flow of communications and information to the Control Body.

Regulation on reporting of crimes and irregularities, as well as the protection of the perpetrators of report are provided in Section 2.6

The details of the information to be sent to the Control Body are provided in a specific procedure; such details include:
• the measures and/or information originating from any legal authority, which reveals investigations carried out into offenses according to the Decree, in which the Company may be involved;
• requests for legal assistance made by employees in the event of the launch of legal proceedings for the offenses envisaged by the Decree;
• reports of the Heads of the organizational units which reveal deeds or omissions contrasting with the norms envisaged by the Decree;
• information relating to disciplinary proceedings and any sanctions inflicted vis-à-vis employees, or measures for the dismissal of these proceedings with the related reasons;
• workplace accidents.

4.6 RELATIONS BETWEEN RINA S.P.A. CONTROL BODY AND THE CONTROL BODY OF OTHER COMPANIES

The RINA S.p.A.’s Control Body promotes the dissemination and knowledge by subsidiaries of the methodology and implementation of the Model tools. In this regard, meetings are organized devoted to examining and sharing any significant
experience.

The Control Bodies of the subsidiary companies may use the Internal Audit Department of RINA S.p.A. for the implementation of controls. In any event, agreements will be signed providing for, among other things, service levels, information flows and the protection of confidentiality.

Any corrective measures of the organizational models of the subsidiary companies that results from the controls are exclusive competence of the subsidiaries themselves.

The Control bodies of the subsidiary companies informs, in the perspective of the first paragraph of this section, the RINA S.p.A.’s Control Body, as concerns the facts, the disciplinary measures and adjustments of the Company Model.

The Control Bodies of the subsidiaries are required to provide the information, possibly requested by the Control Body of RINA S.p.A. at the occurrence of events or circumstances relevant to the conduct of the activities of competence of the same.

4.7 COLLECTION AND CONSERVATION OF INFORMATIONS

Any information, report, notice provided for in the Model is kept by the Control Body in a paper or cyber archive adequately protected. Storage takes place over a period of 10 years.

Access to the archive is allowed only to Control Body’s members and CEO. Any requests for copies of deeds or other information, without prejudice to the legitimate orders of the Authorities, may be denied due to adequate written motivation.
5. GENERAL SECTION - TRAINING AND DISSEMINATION OF THE MODEL

5.1 INTRODUCTION

The Model’s principles and content matter are widely disclosed both inside and outside the organization.

5.2 DISSEMINATION TO DIRECTORS AND STATUTORY AUDITORS

The Model is formally disclosed by the Control Body to each member of the Board of Directors who should take over from the Directors who approved it, and of the Board of Statutory Auditors.

5.3 DISSEMINATION AND TRAINING FOR EXECUTIVES AND HEADS OF THE ORGANIZATIONAL UNITS

The Model is formally disclosed by the Control Body to all the executives, the heads of the organizational unit and to Key Officers (when they do not correspond to the above-mentioned figures). The principles and content matter of Italian Legislative Decree No. 231/2001 and the Model are also disclosed by means of specific training courses.

The Control Body supports the Company when defining the dissemination and training requirements relating to the Model.

The level of dissemination and training is established on the basis of a differing degree of in-depth analysis, in relation to the different level of involvement of the said resources in business processes.

5.4 DISSEMINATION AND TRAINING FOR EMPLOYEES

The Model can be consulted in full via the Company’s intranet.

The principles and content matter of Italian Legislative Decree No. 231/2001 and the Model are also disclosed by means of specific training courses.

The Control Body supports the Company when defining the dissemination and training requirements relating to the Model.

The level of dissemination and training is established on the basis of a differing degree of in-depth analysis in relation to the different level of involvement of the said resources in business processes and subprocesses.

A basic “e-learning” course is envisaged for the Company’s executives and employees, whose participation in the training program is compulsory.

5.5 INITIAL COMMUNICATION

New recruits will be delivered an information pack containing the Code of Ethics and the Model in order to ensure them the knowledge considered of primary importance. The new recruits are obliged to sign a declaration that they have received the information set. In conclusion, new recruits are obliged to attend the basic “e-learning” course within three months from their employment.
5.6 COMMUNICATION TO SUPPLIERS, CONSULTANTS, NON-EXCLUSIVE PERSONNEL AND THIRD PARTIES IN GENERAL

The principles and contents of the Code of Ethics and the Model are brought to the attention of all those whom RINA S.p.A. has contractual dealings with.

The commitment to observe the law and the reference principles of the Code of Ethics and the Model by third parties who have contractual dealings with RINA S.p.A., is envisaged by as specific clause in the related contract and is subject to acceptance by the contracting party.

5.7 EXTENSION OF THE MODEL TO SUBSIDIARY COMPANIES

The RINA S.p.A. Model is a collection of principles and the reference point for the definition of each subsidiary company Model.

The autonomy and responsibility conditions of each company remain

Nevertheless, within the Group it is agreed an address setting in order to achieve substantially unique forms of behavior in group, while respecting the diversity of the sectors related to the differences between businesses belonging to every single company.

In the exercise of its autonomy, every Company of RINA Group is directly and solely liable for the Model’s adoption and implementation, in relation to Articles 6 and 7, Legislative Decree no. 231/2001 and to the following requirements.

Implementing these directions, the subsidiaries evaluate further specific risk areas in relation to the particular activity carried out by each subsidiary, as a result of the organizational structure and business operations analysis.

The adoption of the Model is approved by the respective Boards of Directors in compliance with laws relating to the duties of directors and bearing in mind the interest of the individual company as a subsidiary company of a more complex group.

In adopting its own Model, the Boards of Directors of each companies of the Group shall simultaneously proceed with the appointment of its Control Body.

For each foreign company, the Model of the Italian Parent Company is the **guidelines** of its business and does not involve the establishment of a Control Body.
6 THE SANCTION SYSTEM

6.1 ROLE OF THE SANCTION SYSTEM

The establishment of a sanction system (which fits the violation and is endowed with deterrents) applicable in the event of violation of the rules as per this Model, makes the supervisory action of the Control Body efficient and has the purpose of ensuring the effectiveness of the Model itself. The establishment of this disciplinary system in fact represents an essential requirement of the said Model, pursuant to art. 6 section 1, letter e) of Italian Legislative Decree No. 231/2001, for the purpose of the justification regarding the Company’s liability.

Activation of the sanction system is independent from the fact that the violation has determined whether or not a case of significant type of offense pursuant to Italian Legislative Decree No. 231/2001, and consequently the execution and the outcome of a possible criminal proceeding.

The sanction system is constantly monitored by the Control Body and the Board of Directors.

Activation of the sanction system takes place upon the occurrence of any violation carried out with omission and/or in collaboration with others:
• the provisions of the Model and the procedures referred to therein, with particular regard to the provisions envisaged in the Special Sections of the Model;
• the principles and obligations envisaged by the Code of Ethics adopted by the Company;
• the protocols published on the RINA Group portal, under “Policies and Procedures” community (General Procedure - GP);
• the procedures and the instructions of Internal Management Systems.

The activation takes place even if the conduct does not involve the risk of committing one of the crimes contemplated by the Decree as the present Model tends to also counteract the behaviors of the offense.

Therefore, by way of example, behaviors that can be sanctioned pursuant to this Model include:
• the incomplete or untruthful drafting of documentation provided for in this Model, by the procedures referred to above and by the Code of Ethics;
• the facilitation for the drafting, by others carried out in an incomplete and/or untrue manner of documentation provided in this Model, by the procedures referred to above and by the Code of Ethics;
• omitted drafting the documentation required by this Model, the procedures from the same recalled and the Code of Ethics;
• the violation or circumvention of the internal control system envisaged by this Model, in any way performed;
• failure to comply with the obligations to inform the Control Body;
• failure to monitor the correct application, by hierarchically subordinated workers, of the instructions and procedures set forth in the Model, the procedures give from the same recalled and the Code of Ethics;
• missed timely intervention to eliminate possible violations and/or prevent the
implementation of predicate offenses;
- the implementation as well as the omission of actions or behaviors, not in compliance with the law and the provisions of chapter 2 of this Model and of the GP-GINAU-WSB-01 procedure referred to therein, which entail a deprivation or reduction of whistleblower’s protection;
- the transmission, made with fraud or gross negligence, of reports that prove to be unfounded, by the recipients of the Model;
- any other behavior carried out in violation of the rules contained in the Model, in the General Procedures, and in the Code of Ethics.

6.2 APPLICATION CRITERIA
Sanctions system is differently structured according to the subjects it is addressed to.

The type and extent of the specific sanctions applicable to the recipients of the Model will be determined, in compliance with the graduality and proportionality principles, considering:
- severity of the violation;
- intentionality of the behavior and the degree of negligence, imprudence or inexperience shown, of the violated obligations importance and/or the degree of danger and/or of the damage caused to the Company, with regard also to the predictability of the event;
- existence of aggravating or extenuating circumstances;
- the overall behavior of the recipient of the Model with particular regard to the existence or otherwise of previous conduct sanctioned pursuant to the same, to the extent permitted by law
- the tasks and functional position of the persons involved in the facts constituting the lack;
- the competition in the punishable conduct of several recipients of the Model in agreement with each other (both through illegal actions and through the omission of mandatory behavior;
- the other particular circumstances that accompany the relevant conduct pursuant to this Model.

If several infringements sanctioned differently were committed with a single behavior, only the most serious sanction applies.

The procedure for the application of the sanctions resulting from the violation of the rules and principles contained in the Model, in the procedures referred to above and in the Code of Ethics, consists of:
- verification and control activities in which the Control Body verifies the existence of the conditions for the activation of the procedure;
- information of the person in charge of the concrete opening, conduct and outcome of the individual proceedings;
- contestation of the violation to the interested to allow the adversarial procedure to be carried out;
- determination and subsequent imposition of the sanction.

6.3 MEASURES VIS-À-VIS EMPLOYEES
Compliance with the rules and principles contained in the Model, in the procedures referred to above and in the Code of Ethics is one of the normal duties to which an
employee of a company is required pursuant to arts. 2014, 2015, and 2016 c.c. and of the applicable National Labor Contract.

Therefore, any violation constitutes a breach of the primary obligations deriving from the employment relationship and consequently is considered a "disciplinary offense" and, as such, is enforceable by means of a system of disciplinary measures foreseen by National Labor Contract.

Following communication to the Control Body of the violation of the principles ratified in the Model, an assessment procedure will be launched by the Control Body, which shall promptly notify to the RINA S.p.A.’s Corporate Human Resources Function the evidence about a behavior not in compliance with the Law, the Organizational Model, the Code of Ethics.

RINA S.p.A.’s Corporate Human Resources Function shall remain responsible for the effective launch, execution and outcome of the individual disciplinary proceedings, agreed with the Company’s Managing Director, in relation to all the employees on the basis of the information received and acquired and the provisions of the law and the applicable National Labor Contract.

The following remain valid and are understood to be referred to herein all the provisions pursuant to art. 7 of Italian Law No. 300/1970 in relation to the obligation of prior charging of the employee with fault, also for the purpose of permitting the same to prepare a suitable defense strategy and provide any justifications, as well as for the purpose of the relevance of the habitual offender.

Therefore, the disciplinary measures which can be inflicted vis-à-vis the staffs, in observance of the provisions envisaged by Article 7 of the Workers Statute (It. Law No. 300 dated 20 May 1970) and any special provisions, that is foreign, applicable, are those envisaged by the sanction system of the applicable National Labor Contract.

6.4 MEASURES VIS-À-VIS EXECUTIVES

In the event of inobservance and/or violation by the executives:

- of the principles and the rules of conduct envisaged;
- of the provisions of the Model and the procedures referred to therein, with particular regard to the provisions envisaged in the Special Sections of the Model;
- of the principles and obligations envisaged by the Code of Ethics adopted by the company;
- of the protocols published on the RINA Group portal, community “Corporate Mgmt. Systems”;
- the procedures and instructions of the internal Management Systems;

steps will be taken to apply the most suitable disciplinary measure vis-à-vis those responsible, including termination of the employment relationship.

The failure by executive staff to oversee the correct application, by hierarchically subordinate workers, of the instructions and procedures envisaged by the Model, procedures from the same recalled and the Code of Ethics also represents an offense, as does the direct violation of the same, or failure to intervene promptly to eliminate any violations and/or to prevent the realization of predicate offenses or, more generally the adoption of conduct, when carrying out the activities associated with their duties, which does not comply with conduct reasonably expected of an executive, in relation to the role covered and the degree of autonomy acknowledged.
Following communication to the Control Body of the violation from the Executive of the principles ratified in the Model, procedures from the same recalled and the Code of Ethics, an assessment procedure will be carried out by the Control Body which must promptly notify to the RINA S.p.A.’s Corporate Human Resources Function the evidence of behavior not in accordance with the Law, the Organizational Model, and/or the Code of Ethics.

RINA S.p.A.’s Corporate Human Resources Function shall remain responsible for the infliction of the individual disciplinary proceedings, agreed with the Company’s Managing Director based on the information received and acquired and of the applicable National Law and National Labor Contract applicable in this field.

6.5 **MEASURES VIS-À-VIS DIRECTORS**

In the event of violation of the Model and the Code of Ethics by one or more members of the Board of Directors, the Control Body informs the Board of Statutory Auditors and the entire Board of Directors who will take the appropriate measures including, for example, the calling of the general shareholders’ meeting so as to adopt the most suitable measures envisaged by the law.

6.6 **MEASURES VIS-À-VIS STATUTORY AUDITORS**

In the event of violation of the applicable parts of the Model and the Code of Ethics by one or more Statutory Auditors, the Control Body informs the entire Board of Statutory Auditors and the Board of Directors who will take the appropriate measures including, for example, the calling of the general shareholders’ meeting so as to adopt the most suitable measures envisaged by the law.

6.7 **MEASURES VIS-À-VIS MEMBERS OF THE CONTROL BODY**

In the event of violation of the applicable parts of the Model and Code of Ethics by one or more members of the Control Body, the other members of the Control Body or either the Statutory Auditors or the Directors, inform the Board of Statutory Auditors and Board of Directors who will take the appropriate measures including, for example, the removal from office of the members of the Control Body who have violated the Model and the consequent appointment of new members replacing the same or the removal from office of the entire body and the consequent appointment of a new Control Body.

6.8 **MEASURES VIS-À-VIS SUPPLIERS, CONSULTANTS, PROFESSIONALS TECHNICIANS IN CHARGE OF PRODUCTION ACTIVITIES**

Any violation by third parties (i.e., suppliers, consultants, professional technicians in charge of production activities) of the Code of Ethics and regulations pursuant to this Model applicable to the same or the committing of offenses assumption of Italian Legislative Decree No. 231/2001 is sanctioned as follows:

- **written warning**: this applies in the event of minor inobservance of the principles and rules of conduct envisaged by this Model and/or by the Code of Ethics
- **removal due to just cause**: this applies in the event of inobservance of the principles and rules of conduct envisaged by this Model and/or by the Code of Ethics.

Any request for compensation remains valid if the said conduct leads to tangible damages for the Company, as in the case of application of the measures envisaged by Italian Legislative Decree No. 231/2001 to the same by a judge.
7 GENERAL REGULATIONS FOR UPDATING THE MODEL

7.1 PROGRAM FOR UPDATING THE MODEL

In relation to the corporate complexity and the many facets of the Model within the corporate organization, the updating of the Model involves the preparation of a continuous updating program as provided by Article 6 of Legislative Decree no. 231/2001.

It becomes necessary to proceed with the preparation of the document at the time of:

a. legislative innovation with reference to the discipline of the liability of the bodies for administrative torts dependent on an offense;

b. significant changes in the organizational structure and business sectors of the Company;

c. significant violations of the Model and/or the outcome of checks on the efficacy of the same or public domain experience of the sector.

The activities are useful for maintaining the effectiveness of the Model over time.

The task of arranging the updating of the Model is assigned to the Board of Directors. In greater detail:

- the Control Body informs the Managing Director of any information it is aware of, which suggests the appropriateness of going ahead with measures for updating the Model;

- the Managing Director approves the launch and the contents of the updating program;

- the updating program is prepared and created by RINA S.p.A.’s Corporate Compliance & Eu Affairs Function. This document, following specific risk analysis, identifies the necessary activities and establishes the responsibilities, timescales and execution methods. RINA S.p.A.’s Corporate Compliance & Eu Affairs Function is supported by the competent company departments, especially for the identification of the control safeguards in the company’s processes and subprocesses;

- the updating of the General Section and/or the Special Sections is submitted for the approval of the Board of Directors. Formal changes or those which do not significantly affect the control system are approved by the Managing Director.

The Control Body takes steps to monitor the stage of completion and the results of the updating program as well as the implementation of the action arranged.