



**ORGANIZATIONAL AND MANAGEMENT MODEL
AS PER ITALIAN LEGISLATIVE DECREE**

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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 TERNA PLUS.

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

The National Collective Labor Contract: National Collective Labor Contracts applied by the Company.

Code of Ethics: the Code of Ethics adopted by the Group and approved by TERNA S.p.A.'s Board of Directors on May 21, 2002 and relative updates.

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

Intended Recipients: Company Representatives and External Contractors.

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

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

Organization(s): 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.

Offences: the administrative offences of misuse of insider information (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".

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

Anti-Corruption Guidelines: Document produced taking into account the main international conventions, community legislation, the United States FCPA and the United Kingdom Bribery Act on preventing and combatting corruption. The Guidelines include 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 Legislative Decree 231/2001.

Electricity Sector Operators: electricity sector operators representing the contract counterparts of the Group companies in performing institutional activities included in the At-Risk-Areas and the users of the electricity system managed by TERNA.

Company Bodies: the Board of Directors, the Board of Statutory Auditors/Sole Auditor (if applicable) of TERNA PLUS and their members.

Vigilance Body or VB: the internal control body appointed to monitor the implementation of and compliance with the Model, as well as to provide for its updates.

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.

PMO-ASCG-ALS: Control Model 231 - Corporate Affairs and Governance of the Legal and Corporate Affairs Department that

acts at 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 Legislative Decree 231/2001 apply regarding administrative responsibilities of corporations.

231 Representative: an individual appointed by the Director as one of the first points of contact, with the task of raising awareness of the 231 Model and facilitating its implementation within the company in which he/she operates.

Integrated Management System: company management systems aimed at ensuring full compliance with existing legislation and the policy established by the Managing Director, and pursuing constant improvement and the optimum satisfaction of the requirements of clients and all other interested parties through the appropriate management of company processes.

TERNA or Parent Company: TERNA's Parent Company - Rete Elettrica Nazionale Società per Azioni, with registered office in Rome.

TERNA PLUS or the Company: TERNA PLUS S.r.l.

TUF (Consolidated Law on Finance): Legislative Decree no. 58 dated February 24, 1998 and subsequent amendments and additions.

whistleblowing: whistleblowing is the process by which one of the individuals referred to in Article 5 of Legislative Decree no. 231/01 must report illicit conduct, pursuant to the Decree, which comes to their knowledge in the course of their professional activities within the company or in another context.

1. LEGISLATIVE DECREE 231/2001

1.1 The administrative responsibility system for corporations, companies and associations

To enforce the delegated law as per Article 11 of Italian Law No. 300 dated September 29, 2000, on June 8, 2001, Legislative Decree No. 231 was passed, which became effective on July 4, 2001. The Decree aimed at adjusting the Italian regulations concerning corporate responsibility with respect to some international agreements that Italy has already undersigned, such as the *Brussels Convention dated July 26, 1995* on the protection of the European Communities' economic interests, the *Anti-Bribery Convention*, also signed in *Brussels on May 26, 1997* in which officers of the EC or of Member States are involved and the *OECD Anti-Bribery Convention dated December 17, 1997* on Combating Bribery of Foreign Public Officials in International Business Transactions.

This Decree, entitled "*Disciplina della responsabilità amministrativa delle persone giuridiche, delle società e delle associazioni anche prive di personalità giuridica*", (Regulations governing the administrative responsibility of corporations, companies and associations also those not having a legal status), introduced into the Italian legal structure a system of administrative responsibility (mainly concerning criminal responsibility) for various Corporations, for crimes committed in their interest or to their own advantage: (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 subjects. Such responsibility is in addition to the personal responsibility of the person who actually committed the crime.

In this regard it should also be noted that any time there is concrete evidence with regard to the attempt to commit violations or predicate crimes, such as those listed in the

Decree, for the corporation the liability is provided for pursuant to the Decree. In particular, Article 26, paragraph 1 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, whereas no penalties are applied when the organization, pursuant to Article 26 *"purposely takes action to block a breach in progress or to hinder its completion"*.

The extension of responsibility aims at involving –for punishing certain criminal offences- even the Corporations that have benefited from the crime. Among the penalties provided for, the most serious ones include disqualifying measures such as the suspension or revocation of licenses and concessions, prohibition against entering into agreements with Public Agencies, disqualification from performance of activity, exclusion or revocation of loans or contributions and prohibition from advertising goods and services.

The responsibility provided for by the above-mentioned Decree also relates to crimes committed abroad, if the foreign country where the crime was committed does not take steps against the person or company who committed the crime.

As to the type of crimes included in the above-mentioned system of administrative responsibility for Corporations, the Decree, in its original version, referred to a series of crimes committed in relations with the Public Administrations. Over the years, the list of crimes defined as predicate crimes was significantly enlarged, as to include almost all "corporate crimes".

For the complete list of Crimes and of Offences, please refer to Attachment A.

1.2 The adoption of the "Organizational and Management Model" as a possibility to avoid administrative responsibility

By introducing the above-mentioned administrative responsibility system, however, Article 6 of the Decree

provides for a specific exemption from this responsibility provided that the Corporation proves that:

- a) prior to the crime committed, the Board of Directors of the Corporation 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, was entrusted to a department of the Corporation, having independent initiative and control powers;
- c) the persons who committed the crime have fraudulently avoided compliance with the above-mentioned organizational and management models;
- d) the department indicated under previous point b) didn't fail to supervise, nor was the supervision insufficient.

Furthermore, the Decree makes provision that – with regard to the extension of the delegated powers and to the risk of crimes being committed – the models referred to in point a) must meet the following requirements:

- 1. identify the activities for which the possibility exists that the crimes dealt with by the Decree are committed;
- 2. draft specific agreements aimed at planning the Corporation's decision-making process concerning the crimes to be prevented;
- 3. identify management procedures for financial resources that are suitable to prevent such crimes from being committed;
- 4. make provision for information obligations to the body in charge to supervise the implementation of the model and compliance with it;
- 5. introduce an internal disciplinary system to punish non-compliance with the provisions indicated in the model.

The Decree itself makes provision that organizational, management and control models may be adopted, thus guaranteeing the above-mentioned requirements, on the basis of codes of conducts drawn up by category associations and submitted to the Ministry of Justice that, in compliance with the competent Ministries and within 30 days, can express its remarks on the suitability of the models to prevent crimes.

Provision is also made that, in small-sized Corporations, supervision and vigilance may be performed directly by the Board of Directors.

2. ADOPTION OF THE MODEL BY TERNA PLUS

2.1 Model's objectives

TERNA PLUS is a limited liability company, wholly owned by TERNA, incorporated as part of a Group corporate reorganization plan aimed at distinguishing between traditional activities (*i.e.* maintenance, management and development of the electricity grid) and non-traditional activities.

Its main mission is to support the group's top management in elaborating the strategy for the development of non-traditional activities and contribute to its implementation in Italy and abroad, as well as preside over the development and execution of new projects related to non-traditional activities, both in Italy and abroad.

The Company currently manages on behalf of the Group the projects approved within the scope of the Development Plan concerning energy storage systems, admitted to incentivization regulated by AEEGSI (Electricity, Gas Water and Authority).

In implementation of that established in the Model of the Parent Company and in compliance with its corporate policies, TERNA PLUS has seen fit to proceed with implementation of the Organizational, Management and Control Model provided for by the Decree.

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 TERNA PLUS, 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 improve the Corporate Governance system of the Company because they limit the risk of the committing crimes and allow 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, deterrence and control aimed at reducing the risk of the committing 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 TERNAL PLUS and largely incorporated in the Model. This Model has been adopted by the Board of Directors of TERNAL PLUS with its resolution of 07/19/2012.

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

The Model aims at building a structured and organic system of both procedures and control activities, to be carried out also pre-emptively (*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 TERNAL PLUS 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 TERNAL PLUS in that (even if the Company appears to benefit from them) they are nevertheless against not only the legal provisions but also the ethical

and social principles TERNAL PLUS 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 TERNAL – methods to manage financial resources in order to guarantee the traceability of each transaction;
- ⇒ complying with the principle of unbundling functions;
- ⇒ 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.

TERNA PLUS 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 and of the Parent Company 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.

With regard to the Crimes and Offenses indicated in Annex A, it should be noted that TERNA PLUS, following the analyses carried out, did not deem it necessary to adopt Special Sections concerning Crimes relating to the forgery coins, bank notes, public credit cards and duty stamps relative to crimes against industry and commerce, nor prepare a Special Section concerning Transnational Crimes, preferring to map them together with the Crimes contained in the Special Sections of interest.

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.

By virtue of the power conferred on him by the Board of Directors, TERNA PLUS'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

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 TERNA PLUS' Board of Directors.

Furthermore, TERNA PLUS' CEO has the right to make any amendments or additions which may become necessary or appropriate due to changes in the 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 TERNA PLUS' VB to the Board of Directors or to the CEO (regarding changes that fall under his responsibility).

2.5 Coordination of the control systems and general inspection of the overall Model effectiveness

The TERNA PLUS VB has the task of promoting and verifying 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 TERNA PLUS 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 Department which acts as Technical Secretariat of the VB of Terna Plus in order to ensure continuity within the Bodies.

2.6 Whistleblowing system

In order to ensure a responsible management system in line with legislation, in September 2016 TERNA PLUS implemented a whistleblowing system, now aligned with the legislative amendments made in 2017 regarding *"Provisions for the protection of whistleblowers of crimes or irregularities that come to their knowledge in a public or private working relationship"*.

Moreover, pursuant to Article 6 of Legislative Decree no. 231/01, paragraph 2-*bis*, TERNA PLUS:

- a) has established whistleblowing channels that enable the parties referred to in Art. 5, paragraph 1, points a) and b) of Legislative Decree no. 231/01 to submit, in order to protect the integrity of the institution, notifications of 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 TERNA PLUS is regulated by Guideline 054.

In detail, as regards reporting channels TERNA PLUS has established a dedicated computer portal (www.whistleblowing.terna.it) in order to ensure the protection of the whistleblower and the person to whom the whistleblowing refers, and has also implemented alternative channels.

Each instance of whistleblowing is forwarded to the Ethics Committee who assesses the validity of the claim and informs the relevant parties.

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

2.7 Integrated Management System

In order to ensure full compliance with current legislation and guarantee the compliance of management systems adopted by the Group with national and international legislation and best practices, TERNA PLUS has adopted a certified "integrated management system".

In particular, the TERNA PLUS management system is certified according to the following standards:

- UNI EN ISO 9001:2015 for quality management;
- UNI EN ISO 14001:2004 for environmental management;
- BS OHSAS 18001:2007 for the management of health and safety in the workplace;

- ISO/IEC 27001:2013 for the management of data security in the context of the Consolidated Document for the Monitoring of the Electricity Market;
- UNI CEI EN ISO/IEC 50001:2011 for the management of energy consumption for personal use;
- UNI CEI EN ISO/IEC 17025:2005 for the management and competence of testing and calibration laboratories;
- ISO 37001:2016 for anti-corruption management.

TERNA PLUS ensures the continuous improvement and effectiveness of its Integrated Management System not only through the definition of policies and company objectives but also through the monitoring of applicable legislation, the results of internal assessments, data analysis and the resulting corrective or preventative actions, re-evaluations conducted by the management, self-assessments and the direct involvement of company employees.

The Management Systems Manager of the Corporate Security department annually reviews and reports the results of the re-evaluation and assessments in relation to:

- UNI EN ISO 14001:2004 for environmental management;
- BS OHSAS 18001:2007 for the management of health and safety in the workplace;
- ISO/IEC 27001:2013 for the management of data security in the context of the Consolidated Document for the Monitoring of the Electricity Market;
- ISO 37001:2016 for anti-corruption management.

2.8 Anti-Corruption Guidelines

The contents of this Model are derived from the principles and code of conduct contained in the Anti-Corruption Guidelines.

The Anti-Corruption Guidelines are a control model to combat corrupt activity and are produced according to the principle international conventions, Community legislation and the provisions of the Foreign Corrupt Practices Act ("**FCPA**") and the Bribery Act ("**BA**") in relation to public and private corruption.

These contain standards of behavior that all Recipients are

obliged to observe; these include but are not limited to the offering of gifts and donations and their registration, sponsorship and charity work, the prohibition of so-called facilitating payments and political contributions.

The Guidelines are approved by the Board of Directors of TERNAL PLUS.

TERNAL PLUS undertakes to distribute the contents of the Guidelines and establish appropriate training sessions.

3. INTERNAL VIGILANCE BODY (VB)

3.1 Identification of the internal 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 - it was decided within TERNA PLUS that the body intended to take on such task and consequently perform (according to the terminology used in this Model) the functions of a Vigilance Body would have a collegiate structure.

The individuals who each time will be appointed and the duration of their appointment as members of the Vigilance Body will be identified through a resolution by the Board of Directors.

The mandate of the VB terminates at the moment the Board of Directors resolves on this regard.

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. The Vigilance Body can turn to external consultants with specific skills in corporate organization, auditing, accounting and finance.

Regarding these requirements, at the time of the appointment of the Vigilance Body by the Board of Directors - all the information connected to the professionalism of its members and a copy of each member's curriculum vitae shall be provided and annexed to its resolution.

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 above-mentioned board has the task of performing – as Vigilance Body – the functions of supervision and control as stated in the Model.

For the smaller companies, this task can be directly carried out by the managing body (as stated in Article 6, paragraph 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 TERNA PLUS is supported by specialized staff, identified in the Control Model 231 of the Legal and Corporate Affairs Department acting as Technical Secretariat. The Body may also rely on additional support from management departments as and when deemed necessary.

Being a collective body, the VB can regulate its own internal operation through appropriate rules concerning its activities.

3.2 Functions and powers of the Vigilance Body (VB)

TERNA PLUS's VB 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, TERNA PLUS's VB 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 the other company departments (even through ad-hoc meetings) to best monitor operations in At-Risk Areas. For this purpose, the TERNA PLUS 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, fulfilment 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.

3.3 Reporting to company bodies

TERNA PLUS's 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 and Sole Auditor.

The presence of the above-mentioned functional relations, even with top bodies not having operational duties and therefore not connected with managerial activities, is a guarantee that the VB will be able to carry out its assignment under greater independent conditions.

TERNA PLUS's VB may be summoned at any time by the above-mentioned bodies and may, in turn, submit a request for summoning in order to report about specific situations or how the Model is being implemented.

The VB of TERNA PLUS 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 The TERNA PLUS VB in the control and verification system from a general point of view

Without prejudice to the control responsibility of the TERNA PLUS VB, if from the reports received the TERNA PLUS VB deems that an event is of interest to the Group, it shall inform

every VB involved of all Group companies. Likewise, if the TERNA PLUS VB, 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 Parent Company.

4. SELECTION, TRAINING, REPORTING AND SUPERVISION

4.1 Personnel selection

TERNA PLUS 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

Regarding the implementation of the Model, personnel training will be managed by the Manager of HR and Organization of the Parent Company, according to the indications provided for by the structures in charge of updating, supervising and controlling the Model and will be organized at the following levels:

- A. Management personnel with representational functions for the body and internal managers: initial seminar extended, when required, to all the newly hired personnel; updating seminar; access to an intranet website devoted to the topic; occasional e-mail updates; information in the employment letter for new employees; training through courses upon beginning to work for the company.
- B. Other personnel: internal informative reports; informative reports in the employment letter for new employees; access to the intranet; e-mail updates; training through courses upon beginning to work for the company.

In addition to these activities, the Manager of the HR and Organization Department of the Parent Company periodically submits a personnel training plan to the Vigilance Body, which shall verify the quality of its contents.

This plan shall provide for different contents in relation to the position of the Company Representative within the organization and to the specific At-Risk Areas where they operate.

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

4.3 Vigilance Board

The Company must establish 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. With this in mind, an initial seminar is envisaged, aimed at describing the internal company procedures adopted by TERNAL and TERNAL's company structure and activity; meetings to provide updates on possible significant law provisions regarding the Decree and its application.

4.4 Selection of External Contractors

TERNAL PLUS shall adopt specific evaluation systems (periodically assessing their appropriateness) for selecting External Contractors.

4.5 Informative report to External Contractors

External Contractors shall be informed of the adoption of the Model and of the Code of Ethics by the Group.

On the basis of this organizational Model, specific informative reports on policies and procedures adopted by TERNAL PLUS may also be provided to the External Contractors including provisions concerning them as well as the texts of contract clauses usually

employed in this context for their inclusion in subcontractor contracts.

4.6 Supervision duties

All Company Representatives with supervision function towards other Company Representatives shall mandatorily carry out this duty based on utmost diligence, informing the Vigilance Body, according to paragraph 5.2 below, of any irregularity, violation or default. Failure to comply with said obligations will result in the Company Representatives with supervision duties being fined according to their position within TERNA, 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.

This obligation, on the other hand, is implemented by TERNAL through periodical reporting streams that each Technical Secretariat sends to the VB in order to provide it with timely, useful information so that it is constantly able to carry out its supervisory 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, Terna has formalized a system of reports to be submitted to the VB by the Manager of each Department 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 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;

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 TERNA PLUS 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 Managers of Company Departments of the Parent Group which perform, based on contractual agreements, determined activities in the name and on behalf of the Company, and which may include facts, actions, events or omissions with critical impacts on the implementation of 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 include an action pursuant to 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 will be obliged, on the basis of their contract, to report the information mentioned in paragraph 5.1 point 1, with the exception for those originating from TERNA PLUS.

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.

On a periodic basis, the VB will submit to the CEO, if appropriate, any changes to the above-mentioned list.

5.2 Reporting modalities

Reporting will occur as follows:

- if a Company Representative wishes to report one of the above-mentioned cases, he/she must report this to his/her director who will channel the report to the Vigilance Body. If the report has no outcome, or the Company Representative feels uncomfortable in submitting the report to his/her immediate superior, he/she can contact the VB directly.
- the VB of TERNA PLUS evaluates the reports received interviewing, if necessary, the person originating the report and/or the person responsible for the alleged violation and explaining in writing any refusal to carry out an internal investigation; any consequent action will be undertaken in compliance with the provisions included in chapters 6 and 7 that follow;
- the VB is not obliged to take into consideration anonymous reports that appear as irrelevant *prima facie*, lacking any foundation or detailed description;
- in line with the terms established by the Code of Ethics, reports can be made in writing. TERNA PLUS's VB will act so as to guarantee the persons making the report against any form of retaliation, discrimination or criminalization, also ensuring the confidentiality of the identity of the person originating the report, with the exception for the obligations provided for by the law and the protection of the rights of the company or of the persons erroneously and/or in bad faith accused;
- third parties and/or External Contractors can report a crime as stated in paragraph 5.1 directly to the Vigilance Body,

also by using the Dedicated Channel described in the following point;

- the creation of “dedicated informative channels” (“Dedicated Channel”) is established, on the part of TERNA PLUS’s VB, having a double function: that of facilitating the flow of reports and information towards the Vigilance Body and that of quickly solving doubtful cases.

Regarding reports to be forwarded to the VB, these can be submitted also by email at the following address: OdV_TernaPlus@terna.it or by mail at the following address: Organismo di Vigilanza Modello 231 of Terna Plus S.r.l. c/o Terna S.p.a.: Viale Egidio Galbani, 70 – 00156 Rome.

Any infringement of such obligations of information to the VB shall involve the application of disciplinary measures, as described in more detail in chapters 6 and 7 below.

5.3 Proxy system

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

6. DISCIPLINARY SYSTEM

6.1 General rules

The main feature for Model effectiveness is the preparation of an appropriate penalty system for breaches to conduct rules developed to prevent the Crimes included in the Decree, and in general, of the internal procedures provided for in the Model itself.

The application of the disciplinary measures is not linked to the result of any criminal proceedings since conduct rules included in the Model are adopted by the company in a totally independent way, irrespective of the crime that such conduct might bring about.

6.2 Penalties for Employees

The conduct of Company Employees that violate any conduct rules included in this Model are defined as disciplinary offences.

With reference to the fines inflicted against employees, excluding managers, they fall within those provided for by the company's disciplinary code, in compliance with the procedures provided for by Article 7 of Italian Law No. 300 dated May 30, 1970, (Employee Statute) and any special applicable rules.

With reference to the above, the Model makes reference to the categories of acts that can be punished as provided for in the current fines system, i.e. the agreement rules as per the CCNL -National Collective Labor Agreement- (see art. 25 "Provvedimenti disciplinari" and "Criteri di correlazione"¹).

These categories include the conducts punished depending on the importance of the individual cases considered, and the penalties established for the acts, depending on their seriousness.

¹ As per the minutes of the Declaration, at the end of Article 25 of the National Collective Labor Contract, within TERNA, correlation criteria between employees' misbehaviors and the disciplinary measures of the national union agreement of July 28, 1982, are applied.

In particular, in applying the "Criteri di correlazione per le mancanze dei lavoratori ed i provvedimenti disciplinari" (Correlation criteria for employees' misbehaviors and disciplinary measures), in force within TERNA PLUS and mentioned in the National Collective Labor Contract, pursuant to the Group company policies, provision is made that:

1) Measures as VERBAL OR WRITTEN WARNING will be taken against

Employees who:

- infringe the internal procedures provided for by this Model (e.g. by not complying with established procedures, by failing to report the required information to the VB, by failing to carry out controls, etc.) or, in performing activities in At-Risk Areas, do not comply with the conduct provided for in the Model, since such conduct is considered as "non-compliance with the provisions circulated by the Corporation through service instructions or other suitable means", as indicated under point 6, paragraph I of the above-mentioned correlation criteria.

2) Measures as FINES will be taken against

Employees who:

- repeatedly infringe the internal procedures provided for by this Model or, in performing their tasks in At-Risk Areas, often behave in a way that does not comply with Model's rules, before such misbehaviors have been individually ascertained and objected, since such behaviors entail repeated "non-compliance with the rules circulated by the Corporation through service instructions or any other suitable means" before such misbehaviors have been individually ascertained and objected, according to the provisions included in point 7 of paragraph II of the above-mentioned correlation criteria.

3) Measures as SUSPENSION FROM WORK AND OF SALARY will be taken against

Employees who:

- by infringing the internal procedures provided for by this Model or - in carrying out their tasks in At-Risk Areas - by adopting a conduct that does not comply with

Model's rules, or, by acting against TERNA PLUS' interests, damage the Company or cause an objectively dangerous situation for the company assets, since such behaviors cause damage or a dangerous situation to the integrity of the company assets or can be seen as contrary to the company's interests also through "non-compliance with the rules circulated by the Corporation through service instructions or any other suitable means", as provided for under point 1 of paragraph III of the above-mentioned correlation criteria.

4) Measures as TRANSFER AS PUNISHMENT OR DISMISSAL WITH PAYMENT OF ADVANCE NOTICE AND OF SEVERANCE INDEMNITY will be taken against

Employees who:

- in performing the activities in At-Risk Areas, adopt a behavior which does not comply with the Model's rules and which is clearly directed towards committing a crime punished by the Decree, causing significant damage or a situation of great prejudice through such behavior, as per the provisions of points 1, 3, 4, 5 and 7 of paragraph IV of the above-mentioned correlation criteria.

5) Measures as DISMISSAL WITHOUT ADVANCE NOTICE AND WITH SEVERANCE INDEMNITY will be taken against

Employees who:

- in performing activities in At-Risk Areas, adopt a behavior that is clearly in breach of the Model's rules and enough to cause the Decree's measures to be concretely applied to the Company as such behavior entails "acts that make the Corporation lose its trust in the company", or the occurrence of the misbehaviors included in the above-mentioned points that cause serious damage to the company as per the provisions of points 4, 5 and 6 of paragraph V of the above-mentioned correlation criteria.

The type and amount of each measure as mentioned above will be applied, as per the provisions of TERNA PLUS's existing disciplinary code, depending on:

- whether the conduct is intentional or due to negligence, imprudence or inexperience with regard also to the fact that the event could have been foreseen;
- the general conduct of the worker, in particular whether he or she has been the subject of previous disciplinary measures, within the limits allowed by the law;
- the worker's duties;
- the functional position of those involved in the events that represent the violation;
- the other special circumstances that are considered part of the disciplinary breach.

With reference to ascertaining the above-mentioned infringements, the disciplinary measures and the fines to be inflicted, the powers already assigned to the competent Company Department remain unchanged within the limits of the respective responsibilities.

The disciplinary system is constantly monitored by the VB and by the Director of the Human Resources and Organization Department.

6.3 Measures against Senior Managers

In the event that Company's managers infringe the internal procedures provided for by this Model or adopted, or, in performing activities in At-Risk Areas, they adopt a behavior not in line with Model rules, measures will be taken against the persons responsible as provided for in the National Collective Labor Contract for Industrial Managers.

7. OTHER PROTECTION MEASURES IN THE EVENT OF NON-COMPLIANCE WITH MODEL RULES

7.1 Measures against Directors and Auditors

In case of infringement of the Model by members of the Board of Directors and/or the Statutory Auditors of TERNAL PLUS or in the case of their sentencing, even in first instance, for criminal offences provided for by the Decree and subsequent amendments, the TERNAL PLUS VB shall provide timely information to the entire Board of Directors and to the Sole Auditor of the same who shall take the appropriate initiatives provided for by current legislation.

In case of a judgment of conviction by a lower court for crimes included in the Decree and subsequent changes, the Director and/or Auditor that is convicted must immediately notify the VB that will inform the entire Board of Directors and the Board of Statutory Auditors as mentioned above.

7.2 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 which apply to said External Contractors, might result - according to the provisions included in the specific contract clauses or in assignment letters or partnership agreements - in 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.

7.3 Measures against VB members

In the event of infringements to the Model by one or more members of the VB, the other VB members, namely one of the auditors or directors, will immediately inform of this Company's Sole Auditor and Board of Directors: following the assessment of the infringement and having granted suitable defense tools, these bodies will take the appropriate measures

among which, for example, the cancellation of the assignment to the entire body and the consequent appointment of a new VB.

8. PERIODICAL CONTROLS

This Model will be subject to two types of controls:

- (i) controls on the deeds: on a yearly basis, a control will be carried out on the principal company deeds and on the most important agreements entered into by the Company in At-Risk Areas;
- (ii) controls on procedures: the actual application of this Model will be periodically verified according to the modalities established by the VB. Furthermore, a review will be undertaken of all the notices received during the year, of any actions by the VB or other interested subjects, of the events considered to be at risk.

As a result of the control activity, a report will be drawn up and submitted to TERNA PLUS's Board of Directors (at the same time as the VB's annual report). This will include non-compliance situations and will provide recommendations on action to take.

9. 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;
- the Model, on the contrary, established specific rules as included in the Decree that aim at preventing specific types of crimes from being committed (for actions that, being apparently committed to the advantage of the company, might entail administrative responsibility as per the Decree's provisions).

ATTACHMENT A

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

Crimes and offences 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 and its assets**), namely:

Article 317 of the Italian Criminal Code - Graft

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

Article 319-*ter*, paragraph 1 of the Italian Criminal Code – Corruption in judicial 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-*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, induction to give or promise profit, corruption and incitement to

corruption of members of the members of European Communities' bodies and of the officials of the European Communities and of foreign States

Article 640, paragraph 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 included in 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 Offences**) (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 Presidential Decree no. 309 dated October 9, 1990 - Criminal conspiracy for illegal trafficking of narcotics and

psychotropic substances

Article 407, paragraph 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 1970's and 1980's 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 - Illicit brokering and exploitation of labor

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

- 10) Crimes as per Article 25-*sexies* and Article 187-*quinquies*, TUF of the Decree (as established by the TUF, and modified by Law no. 62 dated April 18, 2005, implementing in Italy Directive 2003/6/EC, the **Market Abuse Directive**) **Crimes involving misuse of privileged information and market manipulation**, namely:

Article 184, TUF - Misuse of insider information

Article 185, TUF – Market manipulation

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

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

- 11) Crimes as per Article 25-septies with which the responsibility of Corporations was extended to the so-called **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, paragraph 3 of the Italian Criminal Code - Involuntary personal injuries

- 12) 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

- 13) 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, paragraph 1, point a) *bis* and paragraph 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

- 14) 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

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

Article 425-*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 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, paragraph 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, paragraph 11 of the Environmental Code – Infringement of the prohibition to discharge waters on land, in the land and in groundwater;

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

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

Article 256, paragraph 3, first and second sentence of the Environmental Code – Management and creation of unauthorized dumps;

Article 256, paragraph 5 of the Environmental Code - Mixing dangerous toxic waste
Article 256, paragraph 6, first sentence of the Environmental Code - Temporary storage of dangerous medical wastes;

Article 257, paragraph 1 and 2 of the Environmental Code - Failure to provide draining of polluted sites and failure to file notices of site contamination;

Article 258, paragraph 4 of the Environmental Code - Untrue drafting of waste analysis certificates;

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

Article 260, paragraph 1 and 2 of the Environmental Code - Organized activities for the illegal trading of waste;

Art. 260-*bis*, par. 6 Env. Code - False information in the waste traceability electronic system; Art. 260-*bis*, par. 7, second and third sentences Env. Code - Waste transportation without appropriate SISTRI documentation;

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

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

Articles 1, paragraph 1 and 2; Article 2, paragraph 1 and 2; Article 6, paragraph 4 and Article 3-*bis*, paragraph 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, paragraph 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, paragraph 1 and 2; Article 9, paragraph 1 and 2 of Legislative Decree 202/2007 - Pollution by fraud and pollution by negligence on the part of vessels.

16) Crimes as per Article 25-*duodecies* of the Decree (introduced by Italian Legislative Decree no. 109 of July 16, 2012) which extends administrative responsibility to Corporations whenever the minimum standards are breached relating to the **use of illegally staying third-country nationals in Italy** established in Italian Legislative Decree no. 286 of July 25, 1998 (the Consolidated Law on Immigration) and, as provided for by Law no. 161 of 2017, in the case of **migrant trafficking** as established in Italian Legislative Decree no. 286 of July 25, 1998 (the Consolidated Law on Immigration), or:

Article 22, paragraph 12 and 12-*bis*, Italian Legislative Decree 286/1998 - Subordinate employment under temporary and permanent contracts;

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

17) 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

Article 291-*quater* of Presidential Decree 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, paragraph 3, 3-*bis*, 3-*ter* and 5 of Legislative Decree no. 286 dated July 25, 1998 – Provisions against illegal immigration.

2. “PREDICATE CRIMES” FOR THE ADMINISTRATIVE RESPONSIBILITY OF CORPORATIONS AS ESTABLISHED BY THE DECREE BUT NOT APPLICABLE TO TERNA PLUS”

- 1) Crimes as per Article 25-*bis* (introduced by Law no. 409 dated November 23, 2001) **(crimes of forgery of coins, banknotes, public credit cards and revenue 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, paragraph 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 threats 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 Article 25-*quater*.1 (introduced in the Decree by Article 8 of Law no. 7 dated January 9, 2006) (**Crimes involving female genital mutilation practices**), namely:

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

3. "CRIMES NOT CONTEMPLATED BY LEGISLATIVE DECREE 231/01 AND INCLUDED IN THE ORGANIZATIONAL MODEL ON A CAUTIONARY BASIS"

1) **Fiscal crimes** established by 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 Legislative Decree 152/2006 – **Illegal
burning of waste**