



**MODEL 231**  
*(includes the Code of Ethics)*

Approved by the Board of Directors of CCS JV S.c.a r.l. on  
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## **CHAPTER 1 MODEL 231**

### **1.1. CCS JV S.c.a.r.l.**

CCS JV S.c.a.r.l. (hereinafter referred to as “CCS JV”) is an Italian limited liability consortium company incorporated pursuant to Article 2615-*ter* and following of the Italian Civil Code.

CCS JV is incorporated for the purposes of executing as a single entity the duties undertaken by the consortium members, deriving from and consequent to the contracts:

1. Engineering, Procurement, and Construction of the Mozambique LNG Project, and
2. Engineering, Procurement, and Construction of the Mozambique LNG Project Shared and Support Facilities

for the completion and turnkey development of two liquefied gas lines and the relative supporting structures to be built in the Republic of Mozambique.

### **1.2 Corporate Governance and sustainability**

CCS JV undertakes to maintain and strengthen a governance system in line with international best practice standards, able to deal with the complex situations in which CCS JV operates, and with the challenges it faces for sustainable development.

To CCS JV, sustainability means working with the awareness of the responsibility it has towards all its stakeholders. Guaranteeing collaborative relationships with each stakeholder, based on fairness, is essential to the success of the projects that the CCS JV is involved in.

CCS JV’s sustainability model guides all business processes. It is oriented towards excellence and the achievement of long-term objectives to prevent, reduce and any manage possible risks.

Within CCS JV, the control/supervisory activities are carried out by the Statutory Auditor and the legal audit of the financial statements is the responsibility of an external auditing CCS JV, registered in the *Consob* special register.

The shareholders’ meeting (“Shareholders’ Meeting” means the general meeting of the shareholders of CCS JV) manifests the will of and binds the Shareholders, through resolutions adopted in compliance with the law and CCS JV’s Articles of Association. CCS JV shall be managed by a board of directors (the “Board of Directors”) composed of five members appointed by the Shareholders’ Meeting, three designated by Servizi Energia Italia SpA (“Saipem”) and two designated by McDermott Italia SpA (“McDermott”). The Board will appoint a Chairman in accordance with the Articles of Association.

The members of the Board of Directors service in office for the period of time established

at the time of their appointment, not exceeding three years, and they can be re-elected.

Should one member leave office due to resignation or other reasons, the Board of Directors, with the favourable opinion of the Statutory Auditor, will co-choose a new member. The members appointed in this way shall remain in office until the next Shareholders' Meeting. In the event of a Saipem board member resigning, become ineligible for membership to the Board, the said member will be replaced with a Saipem representative and the same applies for any resignation, ineligibility of a McDermott representative who will be replaced with a McDermott member.

Should three of the members elected by the Shareholders' Meeting leave office due to resignation or other reasons, the entire Board of Directors will be deemed as invalid and the remaining members must immediately call a Shareholders' Meeting for the appointment of the entire Board of Directors.

The Board of Directors shall appoint the Chairman from the board members designated by Servizi Energia Italia SpA in its first sitting. The Chairman of the Board of Directors is assigned the legal representation of the Consortium CCS JV and certain powers delegated to the same by the Board of Directors. As per the Joint Venture Agreement between the parties, certain key matters must be agreed to on a unanimous basis.

CCS JV operates within the reference framework of the *United Nations Universal Declaration of Human Rights*, the *Fundamental Conventions of the ILO – International Labour Organisation* – and the *OECD Guidelines on Multinational Enterprises*.

Any form of discrimination, corruption, forced or child labour is rejected.

CCS JV constantly strives to acknowledge and safeguard the dignity, freedom and equality of human beings, the protection of labour and of the freedom of trade union association, health, safety, the environment and biodiversity, as well as the set of values and principles concerning transparency, energy efficiency and sustainable development, in accordance with international institutions and conventions.

Respect for human rights is the foundation of inclusive growth of societies and geographical areas and, consequently, of the companies that work within them.

CCS JV strives to the creation of the socio-economic conditions required for the effective enjoyment of fundamental rights and promotes the professional growth and well-being of its own human resources wherever they are located.

CCS JV is committed to promoting and maintaining a suitable *Internal Control System and Risk Management* which is the set of CCS JV tools, organisational structures, rules and regulations to ensure the safeguarding of CCS JV assets, the efficiency and effectiveness of CCS JV processes, the reliability of financial reporting, and compliance with laws and regulations, as well as with the CCS JV's Articles of Association and internal regulatory documents.

The structure of CCS JV's *Internal Control System*, which is an integral part of the CCS JV's organisational and management model, involves, with different specific roles, the CCS JV's governance and corporate control bodies, the Compliance Committee, CCS JV management and all its personnel. It is based on the principles contained in the *Code of Ethics*, as taking into account the applicable legislation, the "*CoSO Report*" and national and international best practices.

The main industrial risks identified, monitored and, as specified below, actively managed are the following: - the health, safety, security and environmental (HSE) risks deriving from the possibility of accidents, malfunctions, breakdowns, that could harm people and damage the environment and with repercussions on economic-financial results; - country risk in operating activities, - the operational risk related to the development of projects, mainly related to engineering and construction contracts in the execution phase.

### **1.1.1 Health, Safety and Environment**

The health and safety of all the people involved in CCS JV's operations and the protection of the environment area is a priority objective that is constantly monitored and guaranteed in the management of the CCS JV's activities through an integrated HSE management system.

CCS JV recognizes the importance of HSE aspects in all its activities, at all levels, during all phases of projects and services, in the countries in which it operates. Therefore, HSE's key performance indicators are set and monitored, and challenging objectives periodically identified and reviewed in order to achieve continuous improvements.

Without prejudice to its commitment to comply with applicable legislation, guidelines and standards required by international organisations (such as *IMO*, *ISO* and *OHSAS*), CCS JV pursues specific objectives to ensure proper management of environmental issues.

These objectives include:

- continuously promoting the culture for environmental protection and safeguarding of workplace health, security and safety;
- ensuring thorough identification and assessment of all HSE risks and ensuring prompt and appropriate mitigation and control measures in all operations, including those executed by vendors, subcontractors and JV partners;
- adopting of HSE criteria in the selection and evaluation of subcontractors and vendors.
- protecting the health, security and safety of all personnel and people who could be affected by the CCS JV's activity, by taking into account the activities planned and executed and the specific critical factors associated with the places in which CCS JV operates;
- conducting HSE due diligences during mergers and acquisitions, aimed at identifying existing and potential HSE impacts associated with any previous building, infrastructure, historical activity and current practices, including potential liabilities associated with pre-existing pollution;

- the prevention of pollution and potential environmental damage caused by CCS JV's activities;
- efficient use of energy and the conservation of the natural resources and habitat.

CCS JV undertakes to achieve these objectives by:

- ensuring the availability of appropriate human and financial resources;
- maintaining dedicated focus and awareness on environmental, security, health and safety issues through the programme "*Leadership in Health and Safety*" campaign;
- reiterating the responsibility and the right of anyone to call a halt to activities that could potentially compromise health, security and safety conditions, and actively supporting those who intervene to stop such actions and operations; and
- reiterating the importance of the "*life-saving rules*" and ensuring *zero-tolerance* towards any deviation.

In relation to the principle that the proximity to the sources of risk and the separation within the CCS JV of the roles and responsibilities prescribed by the applicable legislation to better guarantee a careful and timely assessment of the risks associated with the work and therefore prepare the appropriate protective measures to prevent them.

With this in mind, the Board of Directors of CCS JV will establish the role of Employer/HSE (Health, Safety and Environment) Regulation Compliance Manager, pursuant to and for the purposes of Legislative Decree No. 81/08 and applicable legislation and tasked to oversee and manage the safeguarding of health, safety, the environment, public safety and security to the Chairman of the Board of Directors.

The Employer has been given CCS JV all the powers and duties necessary to put in place, without spending limits and with maximum management autonomy, and take all the required actions to meet the legislative requirements that may be necessary to ensure that the activity under their remit is carried out in accordance with the regulations in force regarding health, safety, the environment and public safety and security.

## **1.2. Introduction to Legislative Decree 231/2001**

Pursuant to Italian legal provisions on "administrative responsibility of legal entities, companies and associations with or without legal status" set forth in Legislative Decree No. 231, dated 8 June 2001 (hereinafter, "**Legislative Decree No. 231/2001**"), legal entities may be deemed liable, and therefore subject to monetary sanctions and/or disqualifications<sup>1</sup>, for the offences explicitly listed in said Legislative Decree No. 231/2001, perpetrated in their interest or advantage by:

- representatives, directors or managers of the CCS JV or one of its organisational units with financial and functional independence, or by those who are responsible - also de facto - for managing or controlling the CCS JV (individuals in top-level

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<sup>1</sup> Legislative Decree No. 231/2001 specifies the following types of disciplinary measures: (i) financial penalties; (ii) disqualifications; (iii) seizure of the proceeds or profits of the crime; and (iv) publication of sentence.

- positions or “top-level management”);
- those who are managed or supervised by an individual in a top-level position (individuals subject to the direction of others).

Pursuant to Legislative Decree No. 231/2001, the adoption and effective implementation by companies of organisation, management and control models suited to prevent the offences of the type of the crime occurred exempts them from administrative liability.

The fundamental principles for organisation, management and control models may be found in the guidelines for drawing up Models pursuant to Legislative Decree No. 231/2001 issued by *Confindustria* (hereinafter, “**Guidelines**”).

### 1.3 Offences pursuant to Legislative Decree No. 231/2001

Pursuant to Legislative Decree No. 231/2001, the offences that may result in the administrative liability of companies are only those explicitly indicated by the law corresponding to the following categories of offences:

- (i) offences against the Public Administration (Art. 24 and 25);
- (ii) computer crimes and unlawful data processing (Art. 24-bis);
- (iii) organised crime (Art. 24-ter);
- (iv) money forgery, public credit cards, revenue stamps and identification instruments or signs of recognition (Art. 25-bis);
- (v) crimes against industry and trading (Art. 25-bis.1);
- (vi) corporate crimes (Art. 25-ter);
- (vii) crimes of terrorism or subversion of democratic order (Art. 25-quater);
- (viii) offences involving practices of female genital mutilation (Art. 25-quater.1);
- (ix) offences against the person (Art. 25-quinquies);
- (x) market abuse (Art. 25-sexies);
- (xi) manslaughter or serious or life-threatening injuries, resulting from violations of the regulations on health and safety in the workplace (Art. 25-septies);
- (xii) receiving, laundering and using money, goods or benefits of illicit origin, as well as self-laundering (Art. 25-octies);
- (xiii) crimes related to violation of copyright (Art. 25-novies);
- (xiv) inducement to withhold statements or to make false statements to judicial authorities (Art. 25-decies);
- (xv) environmental offences (Art. 25-undecies);
- (xvi) crime related to the employment of illegally staying third-country nationals (Art. 25-duodecies);
- (xvii) cross-border offences, introduced by Law 16 No. 146, March 2006, “Ratification and implementation of the Convention and Protocols of the United Nations against cross-border organised crime”;
- (xviii) racism and xenophobia crimes. (Art. 25-terdecies).

Annex 1 to this Model 231 lists the offences resulting in administrative liability of legal entities pursuant to Legislative Decree No. 231/2001, together with a short description of the crimes.



#### 1.4. The Organisation, Management and Control Model of CCS JV

The Board of Directors of CCS JV resolved the adoption of an organisation, management and control model pursuant to Legislative Decree No. 231/2001 (hereinafter, “**Model 231**”), aimed at preventing the offences specified by Legislative Decree No. 231/2001.

In order to maintain the requirements of soundness and functionality over time, subsequent updates of Model 231 have to take into account the following:

- changes in CCS JV’s company organisation;
- trends in case law and legal theory;
- observations related to the application of Model 231, including any experience from criminal proceedings;
- practices of Italian and foreign companies with regard to these models;
- the results of supervision activities and the findings of internal audit activities;
- changes in legislation, with particular reference to the developments concerning investor protection and the principles stated by the provisions of the *US Foreign Corrupt Practices Act* and the *UK Bribery Act*;
- changes in the Guidelines.

Model 231 of CCS JV is divided into the following chapters:

- “Model 231” (chapter 1), which provides a summary description of the reference legal framework, the identification of the addressees of Model 231 and the definition of the principles for the adoption of organisation, management and control models by the companies directly or indirectly controlled by CCS JV (hereinafter, “**Subsidiaries**”);
- “Risk assessment methodology” (chapter 2), describing the methodology used to carry out the mapping of the risks and the assessment of the control systems;
- “Compliance Committee” (chapter 3), with the establishment and assignment of functions and powers, as well as the definition of information flows to and from it;
- “Communication and training” (chapter 4), specifying the principles adopted for the communication of Model 231 to personnel and the market, including the adoption of contractual clauses in relations with third-parties, and for personnel training;
- “Disciplinary system” (chapter 5), specifying the sanctions imposed in the case of violation of Model 231;
- “Control systems” (chapter 6), specifying the structure of the control systems;
- “Rules for updating Model 231” (chapter 7), providing for a program to implement

updates in the case of legislative changes, significant changes in the organisational structure or business sectors of the CCS JV, significant violations of Model 231 and/or assessments of its effectiveness, or industry experience in the public domain;

- “CCS JV Code of Ethics” (chapter 8), specifying the rights, duties and responsibilities towards the addressees of Model 231 (hereinafter, “**Code of Ethics**”).

The Code of Ethics is an integral and substantial part of Model 231.

The document “Special Section of Model 231 – *“Sensitive Activities and specific Control Standards”* identifies for each CCS JV process the activities believed by the CCS JV to be at risk of the offences specified by Legislative Decree No. 231/2001 (hereinafter, “**Sensitive Activities**”) and the relevant controls aimed at preventing such offences. This document is communicated by the Chairman of CCS JV to the competent functions of CCS JV, which provide for the issuance of the regulatory documents<sup>2</sup> that shall contain the control tools for the implementation of Model 231.

Model 231 is approved by resolution of the Board of Directors, subject to the opinion of the Sole Auditor.

The Chairman is in charge of implementing and updating Model 231, by virtue of the powers received and as set forth in Chapter 7.

### **1.5. Addressees of Model 231**

The principles and contents of Model 231 are addressed to the members of CCS JV’s bodies, management and employees as well as to anyone who works in Italy and/or abroad for the achievement of CCS JV’s objectives (hereinafter, “**Addressees**”).

The principles and contents of Model 231 are widely disseminated, both inside and outside of CCS JV. The Compliance Committee monitors the initiatives aimed at promoting communication and training.

### **1.6. The organisation, management and control model of Subsidiaries and affiliated companies, consortia and joint ventures**

#### **1.6.1. The organisation, management and control model of Subsidiaries**

CCS JV promotes the adoption of organisation, management and control models by all its subsidiaries.

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<sup>2</sup> “Regulatory documents” are documents that regulate policies, processes and specific issues/aspects of CCS JV interest, with the objective of ensuring uniformity of conduct, as well as pursuing compliance objectives, describing tasks and/or responsibilities of the organisation structures involved in the regulated processes, the management and control procedures and the information flows.

Notably, the Chairman of CCS JV promotes, through specific and timely notifications, the dissemination among the Subsidiaries of instruments aimed at preventing offences, which: (i) with regards to Italian Subsidiaries, shall be in line with the Legislative Decree No. 231/2001, and with the relevant consolidated best practices, as well as with the principles laid out in Model 231 of CCS JV; (ii) with regards to foreign Subsidiaries, shall be in compliance with the local applicable laws, shall be suited to the peculiarities of activities and business of the single legal entity and, in any case, shall take into account the minimum control standards<sup>3</sup> identified by CCS JV and the provisions established in the Code of Ethics.

To this purpose, the Chairman of CCS JV communicates Model 231 and its updates to the Subsidiaries.

The Subsidiaries provide CCS JV with a copy of their organisation, management and control model and updates thereof. According to the provisions of the respective models, the Subsidiaries appoint an independent compliance committee or another equivalent body having the task to monitor the implementation and update of the model.

Any corrective action in their organisation, management and control models falls in the exclusive area of competence of the Subsidiaries, which also take action when receiving recommendations from their compliance committees or other equivalent bodies appointed with the task to supervise the implementation and update of the model.

## **2. The organisation, management and control model of affiliated companies, consortia and joint ventures**

The representatives appointed by CCS JV in the CCS JV bodies of the legal entities in which the CCS JV does not hold a controlling stake, in consortia and in joint ventures, promote according to the type of entity (for example by submitting a proposal in a new entity's Board of Directors, the adoption of common procedures, etc.) - within the limits of the rights assigned to CCS JV - the principles and the contents of Model 231 (including the Code of Ethics)<sup>4</sup>.

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<sup>3</sup> The "minimum control standards" are identified as the control systems aimed at preventing the risk of the offences specified by Legislative Decree No. 231/2001, provided in the document "Special Section of Model 231 - Sensitive Activities and specific Control Standards".

<sup>4</sup> The "Joint Venture Agreements - Prevention of Illegal Activities" procedure of CCS will set out the principles and the regulations that must be followed by the CCS JV and its Subsidiaries in the negotiation, conclusion and execution of joint venture agreements. In particular, the following activities are regulated: (i) selection of partner of established reputation in terms of honesty and fairness of business practices; (ii) negotiation and management of joint venture agreements according to criteria of diligence, transparency, fairness and in compliance with applicable laws; (iii) adoption of suitable control systems after the establishment of the joint venture.

## CHAPTER 2 RISK ANALYSIS METHODOLOGY

### 2.1. Risk assessment and internal control system

The identification of the CCS JV areas where there is a risk of an offence is carried out through an accurate analysis of CCS JV's company processes, identifying the potential offences set out in the Legislative Decree no. 231 of 2001, as well as their primary means of commission, which are potentially applicable and relevant to the CCS JV.

In particular, for each CCS JV process deemed at risk:

- (i) Sensitive Activities are identified, as activities that are part of the CCS JV processes and that are exposed to the risk of the offences specified by Legislative Decree No. 231/2001, deemed potentially relevant for the CCS JV;
- (ii) control systems aimed at preventing the perpetration of the offences are defined (hereinafter, "**Control Standards**");
- (iii) CCS JV contact persons involved in the process who, with regard to Sensitive Activities, have information relevant to the assessment of the internal control system of the CCS JV, are identified. A comparative assessment of the current control system and the controls established in the Control Standards is then carried out with the identified CCS JV contact persons, it is recorded in appropriate risk assessment documents organised according to a logical process;
- (iv) if necessary, an action plan is defined in order to align the internal control system to the control systems established by the Control Standards.

According to the document issued by the Committee of Sponsoring Organizations ("CoSO") with the title Internal Control-Integrated Framework ("CoSoIC-IF")<sup>5</sup>, the internal control system may be defined as a set of mechanisms, procedures and instruments identified by the management to ensure the achievement of the objectives of effectiveness and efficiency of the CCS JV activities, reliability of information of financial and other nature, compliance with laws and regulations and safeguarding of CCS JV assets.

According to the CoSO Report, Internal Control – Integrated Framework, the components of the internal control system are:

#### Control environment:

It reflects the conducts and actions of "Top Management" with respect to internal control system applied in the organisation.

The control environment includes the following elements:

- integrity and ethical values;
- management philosophy and style;

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<sup>5</sup> Committee of Sponsoring Organizations of the Treadway Commission (1992), internal control - integrated framework, AICPA, [www.coso.org](http://www.coso.org), updated in May 2013.

- organisational structure;
- assignment of powers and responsibilities;
- personnel policies and practices;
- personnel skills.

Risk Assessment:

Definition of processes aimed at identifying and managing the most relevant risks that may prevent the achievement of CCS JV objectives.

Information and Communication:

Definition of an information system (IT system, reporting flow, system of process/activity indicators) enabling both senior management, middle manager, white- and blue-collar workers to perform the tasks assigned.

Control Activity:

Definition of CCS JV regulations ensuring organised management of risks and CCS JV processes and making it possible to achieve the CCS JV objectives.

Monitoring:

The process of assessing the quality and results of the internal controls over time.

These components of the internal control system are taken into consideration for the assessment of the risk of committing the offences provided for by Legislative Decree No. 231/2001.

The objective of the assessment is to ensure an effective and up-to-date system to identify Sensitive Activities and Control Standards.

## **CHAPTER 3 COMPLIANCE COMMITTEE**

### **3.1. Compliance Committee of CCS JV**

#### **3.1.1. Collegiality**

The compliance committee of CCS JV (hereinafter, the “Compliance Committee”) defines and carries out its activities on a collegial basis and has been given “independent powers of initiatives and control”, pursuant to Art. 6, Par. 1, letter b) of the Legislative Decree No. 231/2001. The Compliance Committee regulates its activities through specific regulations.

The autonomy and independence of the Compliance Committee are guaranteed by the position recognized to it within the organisational structure of the CCS JV, and by the necessary requisites of independence, integrity and professionalism of its members, as well as by the reporting lines towards the Board of Directors of the CCS JV.

To support the definition and the performance of the activities within its remit and ensure the utmost respect of the requisite of professionalism, continuity of action and the legislative obligations, the Compliance Committee can avail itself of the CCS JV resources, as well as, if needed, of external resources with specialised skills.

#### **3.1.2. Composition and appointment**

The composition of the Compliance Committee, its changes and integrations, are approved with resolution of the Board of Directors, after hearing the opinion of Sole Auditor, upon proposal of the Chairman.

The Compliance Committee is a collegiate body composed of three members, two of whom are proposed by the majority shareholder and one by the minority shareholder. Any decision pertaining to a potential business conduct, ethics or compliance concern and compliance related policies and procedures is taken on a unanimous basis.

The term in office of the members of the Compliance Committee is of three years; they continue to perform their functions ad interim until the appointment of the new Compliance Committee members. Members can be confirmed in the office for no more than 3 (three) consecutive mandates, up to a maximum of 9 (nine) years.

Reasons for ineligibility and/or removal of the members of the Compliance Committee include:

- (i) kinship, marriage, domestic partnership or affinity within the fourth degree of kinship with any members of the Board of Directors of the CCS JV or its Subsidiaries, or with representatives, directors or managers of the CCS JV or of one of its organisational units with financial and functional independence, as well as with persons who are responsible, also de facto, for managing or controlling the CCS JV,

- the statutory auditors of the CCS JV and the auditing CCS JV, as well as any other parties specified by the law;
- (ii) conflicts of interest, even potential ones, with the CCS JV or its Subsidiaries, compromising their independence;
  - (iii) direct or indirect holding of equity investments resulting in a significant influence on the CCS JV or its Subsidiaries;
  - (iv) appointment in the office of executive director, in the three financial years before appointment as member of the Compliance Committee, in companies undergoing voluntary or forced liquidation or equivalent procedures, as well as in the other cases regulated by Art. 2382 of the Civil Code;
  - (v) employment in the central or local government sector, in the three years before the appointment as member of the Compliance Committee, unless otherwise resolved by the Board of Directors;
  - (vi) judgement, even if still not having the force of *res judicata*, or plea bargain, in Italy or abroad, for the offences which entail the administrative liability of legal entities pursuant to Legislative Decree No. 231 of 2001;
  - (vii) judgement, even if still not having the force of *res judicata*, or “plea bargaining” for a judgement imposing the disqualification, even temporary, from public office, or temporary disqualification from holding management positions in legal entities and companies.

Reasons for replacement and subsequent integration of the composition of the Compliance Committee include:

- the assignment of tasks, roles and/or responsibilities within the CCS JV organisational structure that are not in line with the requirements of “autonomy and independence” and/or “continuity of action” that are to be guaranteed for the appointment as member of the Compliance Committee;
- the termination or resignation of the member of the Compliance Committee for personal reasons;
- the termination or resignation of the member of the Compliance Committee from its CCS JV function and/or the office assigned.

Should one of the above-mentioned reasons for replacement, ineligibility and/or removal be applicable to a member, this member shall immediately notify the other member of the Compliance Committee in writing and shall automatically be removed from office. The Compliance Committee shall inform the Chairman, in order to start the process for the replacement and to submit relevant proposal to the Board of Directors, as set forth in this paragraph.

The occurrence of reasons for replacement, ineligibility and/or removal of members of the Compliance Committee shall not involve the removal from office of the entire body and the Board of Directors shall without delay provide for their replacement.

Without prejudice to the above, the Board of Directors may resolve - after hearing the opinion of the Sole Auditor - the suspension or removal from office of a member of the

Compliance Committee the following cases:

- a) failure to provide adequate supervision that is proved - even incidentally - by judgement, even if still not having the force of res judicata, issued pursuant to Legislative Decree No. 231/2001 against the Company or another legal entity in which the concerned member is, or was, member of a compliance committee, or arising, even incidentally, from plea bargain;
- b) serious failure to fulfil the duties of Compliance Committee.

### **3.1.3. Functions, powers and budget of the Compliance Committee**

The tasks of the Compliance Committee are the following:

- (i) supervision of the effectiveness of Model 231 and monitoring of the implementation and updating activities of Model 231;
- (ii) review of Model 231 adequateness, i.e. of effectiveness (and not merely formal) in preventing unlawful behaviours pursuant to Legislative Decree No. 231/2001;
- (iii) analysis of the maintenance of the requirements of soundness and functionality of Model 231 over time;
- (iv) promotion of the necessary updating, in a dynamic sense, of Model 231;
- (v) approval of the annual programme of supervisory activities within the CCS JV's structures and departments (hereinafter, "**Supervision Program**"), in compliance with the principles and contents of Model 231 as well as with the risk assessments and controls established in the internal control system; coordination of activities for the implementation of the Supervision Program and of scheduled and unscheduled control initiatives; analysis of the results of the activities carried out and corresponding reports;
- (vi) care of the relevant information flows to and from CCS JV functions and compliance committees of Subsidiaries;
- (vii) any other task assigned according to the law or to Model 231.

In performing the tasks assigned, the Compliance Committee has unlimited access to CCS JV information for its activities of investigation, analysis and control, which may be carried out directly, through the competent internal functions, or through independent professionals/companies.

All CCS JV functions, employees and/or members of CCS JV bodies are obliged to provide information if requested by the Compliance Committee, or in the case of events that could result in a liability of CCS JV pursuant to Legislative Decree No. 231/2001.

The Compliance Committee is granted:

- a) the power to grant, modify and/or terminate professional assignments;
- b) also making use of the competent internal CCS JV functions; with autonomous powers of representation, to third-parties having the specific expertise necessary for the best execution of the task concerned;
- c) the availability of the financial resources for the performance of the activities



- within its field of competence; and
- d) the requirement to carry out any transaction whose amount exceeds 1 million Euro, is communicated to the Chairman of CCS JV.

### **3.2. Information flows**

#### **3.2.1. Information flows from the Compliance Committee towards top management and governance and corporate control bodies**

The Compliance Committee reports on the implementation of Model 231, as well as any critical aspects identified, and inform of the result of the activities carried out while performing its tasks. The reporting lines are as follows:

- (i) on an ongoing basis, to the Chairman, who informs the Board of Directors through the information notes regarding the implementation of the delegations granted;
- (ii) every six months, to the Sole Auditor and to the Board of Directors; in this regard, the Compliance Committee prepares a half-yearly report on the activities carried out, which describes the outcome of the supervision activities carried out and any change in legislation concerning the administrative liability of entities issued during the period;
- (iii) on this occasion, dedicated meetings with the Sole Auditor and the Board of Directors are organised in order to discuss the issues submitted in the report and any additional issue of common interest; the half-yearly report is also sent to the Chairman –.
- (iv) immediately, to the Sole Auditor, after informing the Chairman, in the case events of special importance and significance are ascertained.

#### **3.2.2. Compulsory information flow towards the Compliance Committee**

Without prejudice to the provisions of Par. 3.2.3, the Compliance Committee shall be informed, by the parties required to comply with Model 231 of any event that may cause liability of CCS JV pursuant to Legislative Decree No. 231/2001. In this regard:

- 1) the Project Business (AFC) Manager meets the Compliance Committee, at least once every six months, to review the audits concerning the internal control system on financial information;
- 2) the auditing company meets the Compliance Committee before the meeting of the Board of Directors called for the approval of the financial statements proposal, the half-yearly report and the annual report, for the assessment of possible critical issues arising from the performance of auditing activities;
- 3) the Chairman of CCS JV shall ensure that the Compliance Committee is informed of each and all significant legal events affecting the CCS JV and/or kept updated about such legal events via specific periodical reports;
- 4) the Compliance Committee is promptly informed of any auditing activities planned/carried out by third-parties and informed in detail about the work;
- 5) at least once every six months, the Health, Safety and Environment function

- regularly presents reports on health and safety in the workplace and the environment;
- 6) at least once every six months, the Human Resources function reports on the security activities carried out;
  - 7) at least once every six months, the Compliance officers meets the Compliance Committee and submits an anti-corruption report;
  - 8) once a year, the Project Business (AFC) Manager reports to the Compliance Committee on the issues within his remit;
  - 9) the Board of Directors Secretariat reports to the Compliance Committee at least once every six months on the adoption and update of the organisation, management and control models of the Subsidiaries;
  - 10) the Human Resources function, periodically reports to the Compliance Committee on the disciplinary measures taken as a result of investigations undertaken following the receipt of reports, also anonymous (whistleblowing), or arising from audit activities, as well as any additional disciplinary measures taken against unlawful behaviours pursuant to Model 231.

It remains understood that the Compliance Committee can arrange meetings and set up at any time, also on a regular basis, information flows dedicated to the discussion of specific issues with the managers of the competent functions and company structures. The Compliance Committee can also organise meetings with the Chairman and/or the Board of CCS JV.

### **3.2.3. Whistleblowing Reports**

The management, employees, consultants, collaborators and business partners shall report any behaviour that is not in line with the principles and the contents of Model 231 to the Compliance Committee; the Compliance Committee assesses the reports received and the activities to be carried out.

CCS JV has issued a specific procedure to manage whistleblowing reports. To encourage the submission of reports, CCS JV also has set up its own “dedicated channel” to promote the notification flow of reports: (email address to be determined and published) accessible to all CCS JV employees and to any party that conducts business with the project.

The communication channels adopted guarantee, together with the provisions for managing the report, the confidentiality of the whistleblower’s identity.

The obligations to report any alleged violation apply also to behaviours not in line with the principles and the contents of Model 231 which the management or the employees of CCS JV have come to know, through communication channels other than those indicated above, within the limit of respect of the principles of fairness and good faith that must characterise the employment relationship.

The Compliance Committee also reviews the reports received through communication channels other than those described above.

Whistleblowers are guaranteed against any form, direct or indirect, of retaliation, discrimination or penalization, for reasons connected directly or indirectly to the report, without prejudice to the legal obligations and the protection of the rights of the CCS JV or of the people accused by wilful misconduct or gross negligence, as well as the provision of disciplinary measures to be applied to those who make, with wilful misconduct or gross negligence, reports that prove to be groundless.

In any case, the confidentiality of the whistleblower's identity is assured; sanctions are also imposed on those who violate provisions adopted to guarantee safeguarding of the whistleblower.

### **3.3. Information notes concerning Subsidiaries**

Without prejudice to the autonomy of the Subsidiaries, their compliance committees and other equivalent bodies in charge of monitoring the implementation and update of the organisation, management and control model, being recognised in a peer relationship with the Compliance Committee of CCS JV, shall deliver to the latter a half-yearly report describing:

- the planning of the supervision activities within their field of competence;
- any significant issue arisen in the scheduling and implementation of such activities and any relevant actions put in place for remediation;
- information note on the adoption and update of the organisation, management and control model of the relevant Subsidiary.

Without prejudice to the above, these bodies shall inform the Compliance Committee of CCS JV and, in the case of a CCS JV indirectly controlled, the compliance committee or other equivalent body of its direct parent CCS JV, of the significant facts acknowledged in their supervision activities that have or may have a significant impact on Model 231 of CCS JV, or may potentially cause a criminal or administrative liability of the CCS JV or its personnel.

The compliance committees or other equivalent bodies of the Subsidiaries shall make available to the Compliance Committee of CCS JV any information requested by this latter upon occurrence of events or circumstances which may have significant impact on the performance of the activities within their remit.

### **3.4. Information flow to the Compliance Committees of Servizi Energia Italia S.p.A. and McDermott Italia S.p.A.**

Without prejudice to the autonomy of CCS JV, its Compliance Committee in charge of monitoring the implementation and update of the organisation, management and control model, being recognised in a peer relationship with the Compliance Committees of Servizi Energia Italia SpA and McDermott Italia SpA, shall deliver to the latter a half yearly report describing:

- the planning of the supervision activities within their field of competence;

- any significant issue arisen in the scheduling and implementation of such activities and any relevant actions put in place for remediation;
- information note on the adoption and update of the organisation, management and control model of the relevant Subsidiary.

Without prejudice to the above, this body shall inform the Compliance Committee of Servizi Energia Italia SpA and McDermott Italia SpA and, in the case of a CCS JV indirectly controlled, the compliance committee or other equivalent body of its direct parent CCS JV, of the significant facts acknowledged in their supervision activities that have or may have a significant impact on OM&C Model of Servizi Energia Italia SpA and McDermott, or may potentially cause a criminal or administrative liability of the Servizi Energia Italia SpA and McDermott Italia SpA or its personnel.

The Compliance Committee of CCS JV shall make available to the Compliance Committees of Servizi Energia Italia SpA and McDermott Italia SpA any information requested by this latter upon occurrence of events or circumstances which may have significant impact on the performance of the activities within their field of competence.

### **3.5. Collection and storage of information**

Any information, report, notice provided for in Model 231 is kept by the Compliance Committee in a paper and/or electronic archive. Without prejudice to legitimate orders of Authorities, data and information stored in the archive is made available to parties outside the Compliance Committee only with the prior authorization of the Compliance Committee itself.

## **CHAPTER 4 COMMUNICATION AND TRAINING**

### **4.1. Communication and training activities**

Communication and personnel training are important requirements for the implementation of Model 231. CCS JV undertakes to encourage and promote knowledge of Model 231, with different knowledge degrees according to the position and role of the addressees, promoting their active participation in better understanding the principles and contents of Model 231.

#### **4.1.1. Communication of Model 231**

Model 231 is formally communicated by the Chairman of CCS JV, through the competent company functions:

- to each member of the CCS JV bodies;
  - to management and employees, whether on permanent job and/or on duty.
- Model 231 is enclosed within the employment contract.

The principles and contents of Model 231 are disclosed to all with whom CCS JV has contractual relations. All agreements concluded by CCS JV with third-parties shall include a clause requiring such third-parties to comply with the law and the reference principles of Model 231; such clause must be accepted by the relevant third-parties.

In this regard, a regulatory document has specified standardised clauses that, according to the activity regulated by the agreement, require the counterparties to comply with Model 231, and provide for contractual remedies (such as the right to terminate the agreement and/or impose penalties) in case of failure to comply.

Model 231 is also displayed on the CCS JV bulletin boards and made available to all employees on the CCS JV Intranet and on the Document Management System.

#### **4.1.2. Training of CCS JV personnel**

All CCS JV personnel are informed of the principles and contents of Legislative Decree No. 231/2001 and Model 231 through specific training courses.

This training activity is provided through IT instruments and procedures (update e-mails, self-assessment instruments), as well as through regular update training sessions and workshops, and includes tests aimed at evaluating the training activities themselves.

Training is differentiated, in its contents and delivery method, according to the job title of the CCS JV employee, the level of risk of the area in which he/she operates, and whether the employee has the power to represent the CCS JV. Attendance at the training courses is mandatory.

The planning of the training courses is approved by the Compliance Committee of CCS JV on proposal of the Compliance officers, which provides a half-yearly report to the Compliance Committee regarding the training activities carried out.

## **CHAPTER 5 DISCIPLINARY SYSTEMS**

### **5.1. Function of the disciplinary system**

In the case of violation of Model 231, disciplinary measures are applied and are commensurate with the violation committed, for the purposes of contributing to:

- (i) the effectiveness of Model 231 and
- (ii) the effectiveness of the control activity of the Compliance Committee.

For this purpose, a suitable disciplinary system has therefore been established in order to punish the failure to comply with the requirements of Model 231, addressed both to the top-level management and to those individuals subject to the direction of others. The application of the disciplinary system is independent from the course and the outcome of any proceedings brought before the relevant judicial Authorities.

The Compliance Committee informs the relevant functions of violations of Model 231 and, together with the Human Resources function, monitors the application of disciplinary measures.

### **5.2. Violation of Model 231**

For the purposes of the compliance with the law, by way of example, the following violations of Model 231 are represented by:

- (i) the performance of activities or behaviours not compliant with the requirements of Model 231 and/or the Code of Ethics and/or the regulatory documents, or the failure to perform activities or behaviours required by Model 231 and/or the Code of Ethics and/or the regulatory documents within the execution of Sensitive Activities or other related activities, including the performance of activities or behaviours not compliant with the requirements on workplace health and safety, as set forth in Art. 30 of Legislative Decree No. 81/2008;
- (ii) the failure to comply with the obligations to inform the Compliance Committee specified by Model 231, which:
  - a) exposes the CCS JV to an objective risk of perpetrating one of the offences referred to in Legislative Decree 231/2001; and/or
  - b) is clearly aimed at facilitating the perpetration of one or more offences referred to in Legislative Decree 231/2001; and/or
  - c) results in the application to the CCS JV of sanctions provided for by Legislative Decree 231/2001.

It should be noted that the violation of Model 231 is the failure to comply - in carrying out Sensitive Activities - with the reference CCS JV procedures in which the controls are implemented.

### **5.3. Measures concerning middle managers, white collar and blue-collar workers**

Upon each notice of violation of Model 231 communicated by the Compliance Committee, the procedure to investigate alleged unlawful behaviour of CCS JV employees as well as consortium members employees who operate in Italy and abroad for achieving CCS JV's objectives, is initiated by the Manager of the Human Resources function:

- (i) if, following to the ascertainment of breach pursuant to the contract in force, a violation of Model 231 or the Code of Ethics is verified, the disciplinary measure provided for by the applicable contract is identified pursuant to the relevant regulatory documents and imposed by the Manager of the Human Resources, function towards the defaulting party;
- (ii) the sanction applied is proportional to the gravity of the offence. The following aspects shall be taken into consideration: intentionality of the behaviour or degree of negligence; overall conduct of the employee with particular reference to previous disciplinary records, if any; level of responsibility and autonomy of the employee guilty of the disciplinary offence; seriousness of the effects of the violation, i.e., the level of risk that the Company may reasonably be exposed to – pursuant to Legislative Decree No. 231/2001 – due to the employee's behaviour; any other particular circumstances relating to the disciplinary offence.

The disciplinary measures are those provided for by the collective labour agreement applied to the employment relationship of the employee in question, as well as those in any case applicable according to legal provisions, including dismissal.

The Manager of the Human Resources is responsible for informing the Compliance Committee of the disciplinary measures that have been applied or any provision of closure of the procedure and the reasons thereof.

All legal and contractual obligations concerning the application of disciplinary measures shall be also complied with.

The employment relationships with the employees who provide their services abroad, also due to secondment, are regulated, according to the provisions of Regulation No. 593/2008/EC of the law applicable to contractual obligations, as well as by the Legislative Decree No. 136/2016 on cross-border secondments.

### **5.4. Measures concerning senior managers**

When a violation of Model 231 by one or more senior managers is notified by the Compliance Committee and verified pursuant to Par. 5.3 (i) above, the company adopts towards the defaulting party the applicable legal and contractual provisions, taking into account the criteria set by Par. 5.3 (ii). If the violation of Model 231 undermines the relationship of trust, the sanction shall consist in dismissal for just cause.



## **5.5. Measures concerning Directors**

The Compliance Committee informs the Sole Auditor and the Chairman of the Board of Directors notice of any violation of Model 231 by one or more members of the Board of Directors. If the violation was committed by the Chairman of the Board of Directors, such violation of Model 231 will be disclosed to the other members of this CCS JV body. The members of the Board of Directors, without the participation of the party concerned, carry out all necessary evaluations and take, after consulting the Compliance Committee, without the participation of the party concerned, and the Sole Auditor, the appropriate measures, which may include the precautionary revocation of the delegated powers, as well as, the calling of the Shareholders' Meeting to decide for a replacement, if necessary.

## **5.6. Measures concerning Statutory Auditors**

The Compliance Committee informs the Board of Directors if the violation is carried out by the Sole Auditor, notice of a violation of Model 231 carried out by him/her. The Board of Directors carry out all necessary assessments, which may include calling the Shareholders' Meeting in order to take the necessary measures.

## **5.7. Measures against commercial partners, subcontractors, agents, consultants, external collaborators**

The violation by commercial partners, subcontractors, agents, consultants, external contractors - or other subjects having contractual obligations with the CCS JV - of the provisions and rules of conduct provided for by the Model Principles applicable to them, or the possible commission of crimes covered by Legislative Decree 231/2001 by the same, will be sanctioned in accordance with the specific contractual clauses that will be included in the relevant contracts.

These clauses may, for example, provide for the obligation by the aforementioned third-parties not to adopt acts or behave in such a way as to determine a violation of the Model. In the event of violation of this obligation, the right to terminate the contract with any application of penalties may be provided, among other things.

Obviously, the Consortium member has the right to request compensation for damages deriving from the violation of the provisions and rules of conduct provided for by the Model by the aforementioned third-parties.

## CHAPTER 6 CONTROL SYSTEMS

### 6.1. Structure of controls

The document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” identifies the Sensitive Activities deemed at risk for the commission of the offences provided for by the Legislative Decree No. 231/2001, and the corresponding control systems aimed at preventing these offences.

Consistently with the risk assessment methodology adopted (as described in Chapter 2 above), the document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” is structured on the basis of the CCS JV processes and identifies, for each of them, the applicable Sensitive Activities, that is, those of the CCS JV activities, within the process, where there may be a risk that offences be perpetrated.

For each Sensitive Activity identified, the document indicates the Control Standards aimed at preventing the risk of the offences specified by Legislative Decree No. 231/2001.

In particular, the Control Standards pursuant to Model 231 are structured on two levels:

1. **general standards of transparency of activities**, listed below and applicable across all CCS JV processes and corresponding activities:
  - a) **Segregation of duties**: there shall be segregation of duties between executing, controlling and authorizing parties<sup>6</sup>;
  - b) **Rules**: CCS JV regulations providing at least general reference principles for governing sensitive activities shall be specified;
  - c) **Powers of signature and powers of authorisation**: formal rules for the attribution and exercise of the powers to represent the CCS JV before third-parties and the internal delegation of powers shall be specified, in line with the responsibilities assigned;
  - d) **Traceability**: the parties or functions concerned and/or the information system used shall ensure the identification and traceability of the sources, information and controls that support the formation and implementation of the CCS JV’s decisions, as well as the process of management of financial resources.

The general transparency standards are implemented by the relevant functions within the

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<sup>6</sup> This standard is qualified as follows:

- the segregation principle must consider the Sensitive Activity within the context of the specific process in question;
- segregation occurs within codified, complex and organised systems where individual phases must be identified and governed in a consistent way within management, with a consequent limitation of enforcement discretion, as well as traced through the decisions made.

regulatory documents that refer to the Sensitive Activities. These regulatory documents are communicated and circulated by the relevant functions in compliance with applicable law and contractual provisions and the management and employees of CCS JV are required to comply with it;

2. **specific control standards**, which contain special provisions aimed at governing the distinctive aspects of the Sensitive Activities and which shall be included in the relevant regulatory documents. These documents indicate Model 231 among reference regulations.

The relevant functions ensure the implementation of the specific Control Standards aimed at regulating the distinctive aspects of the Sensitive Activities related to the corresponding CCS JV processes.

## **6.2. Sensitive Activities and specific Control Standards**

The document “Special Section of Model 231 - Sensitive Activities and specific Control Standards”, approved by the Board of Directors, at the time of the approval of the first version of Model 231, and by the Chairman of the Board of Directors, at the time of its subsequent updates according to the procedure described in Chapter 7, identifies for each company process the related Sensitive Activities and the corresponding control systems adopted by the Company.

This document is communicated by the Chairman of CCS JV to his/her first reporting line, the Administration, Finance and Control Manager and the branches managers of CCS JV. The specific Control Standards are implemented by the relevant company functions in the regulatory documents that refer to the Sensitive Activities.

## **CHAPTER 7**

### **RULES FOR UPDATING MODEL 231**

#### **7.1. Introduction**

Due to the complexity of the organisational structure of the Company and of the application of Model 231 to the latter, the update of Model 231 is based on an innovation implementation program (hereinafter, “**Implementation Program**”).

#### **7.2. Implementation Program drafting criteria**

The timely drafting of the Implementation Program is required in case of (a) legislative changes concerning the provisions on liability the administrative liability of legal entities of violations, (b) regular review of Model 231, also in connection with significant changes in the organisational structure or business activities of the Company, (c) significant violations of Model 231 and/or outcomes of checks on its effectiveness, or industry experience in the public domain. The activity is aimed at preserving the effectiveness of Model 231 over time.

The task of disposing for the review of Model 231 is assigned to the Chairman of the Board of Directors, already in charge of its implementation, according to the methodology and the principles provided for in Model 231. In detail:

- the Compliance Committee reports to the Chairman any information in its possession that suggests the need to update Model 231;
- the Chairman starts the Implementation Program, informing the Board of Directors, with the support of the competent functions, dealing in particular with the identification of the legal and statutory requirements for the correct updating of Model 231, as well as the modification and/or integration of Sensitive Activities and Control Standards;
- the Implementation Program identifies the activities needed to carry out the update of Model 231, specifying responsibilities, timeline and implementation modalities.

The results of the Implementation Program prepared with the support of the relevant CCS JV functions and with the co-operation of the Compliance Committee are submitted to the Chairman, who approves the results and the initiatives to be carried out within his/her field of competence.

The changes and/or integrations specified in the Implementation Program, related to: (a) the structure of the document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” and (b) the introduction of new offences pursuant to Legislative Decree No. 231/2001 are approved by the Chairman of CCS JV, who informs the Board of Directors, and are immediately effective.

The changes and/or integrations to Model 231 other than those listed above are approved by the Board of Directors, subject to the favourable opinion of the Sole Auditor.

There is in any case no prejudice to the possibility of the Chairman, after informing the Compliance Committee, to carry out independently the following, merely formal, changes and/or integrations to Model 231, to the document “Special Section of Model 231 - Sensitive Activities and specific Control Standards” and to Annex 1 to Model 231: corrections of typos and/or clerical errors, update or correction of references to legal or regulatory provisions, change in the name of internal CCS JV functions and processes. The Chairman of CCS JV is informed by his/her first reporting line of these changes and/or integrations.

The Compliance Committee monitors the progress and results of the Implementation Program, as well as the implementation of the measures taken, and informs the Chairman of the outcome of these activities.

## CHAPTER 8 CCS JV CODE OF ETHICS

### INTRODUCTION

CCS JV S.c.a.r.l. is a joint venture company registered in Italy for the purpose of engineering, procuring and constructing the Total Mozambique Area 1 LNG Project (the “**Project**”).

The joint venture was established for the purpose of the construction of a two train LNG facility in the Rovuma Basin region of northern Mozambique. There are two agreements dated 5 June, 2019 comprising the Project agreements: (1) the “Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Mozambique LNG Trains”; and, (2) the “Project Shared and Support Facilities Agreement” – both by and between TOTAL E&P MOCAMBIQUE AREA 1, LIMITADA and CCS JV S.c.a.r.l. (“**CCS JV**”) (collectively, the “**Agreement**”).

CCS JV<sup>7</sup> consists of the following three shareholders: (1) Mirai Engineering Italy S.r.l. (a Chiyoda Corporation affiliate); (2) McDermott Italia S.r.l. (a McDermott International Inc. affiliate); and, (3) Servizi Energia Italia S.p.A. (a Saipem S.p.A. affiliate) – (collectively, the “**Shareholders**”). Under the Agreement, CCS JV must incorporate the applicable anti-corruption laws, including but not limited to those of the United States of America, the United Kingdom, and the European Union’s treaties and conventions.

Recognizing the complexity of the Project and interests of parties with a legitimate interest in the execution of the Project (“**Stakeholders**”), this Code of Ethics establishes the shared values and responsibilities CCS JV requires, accepts, acknowledges and assumes in furtherance of successful Project execution.

The CCS JV Code of Ethics (“Code” or “Code of Ethics”) was developed to require and ensure compliance with these values and responsibilities by CCS JV’s directors, officers, statutory auditors, managers, employees, contractors, agents and vendors, as well as by all those who operate in Italy and abroad for achieving CCS JV’s objectives (collectively, “CCS JV People”), each operating within its own functions and responsibilities pursuant to legal and contractual provisions governing the relationship with CCS JV. Compliance with the Code further ensures CCS JV’s efficiency, reliability and reputation, which are critical to success of the Project and for improving the social context in which CCS JV operates.

CCS JV shall promote knowledge of the Code among CCS JV People and the other Stakeholders, and evaluate their constructive contribution to the Code’s principles and contents.

CCS JV carefully monitors compliance with the Code by providing suitable instruments

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<sup>7</sup> “CCS JV” means CCS JV S.c.a.r.l. and its direct and indirect subsidiaries, in Italy and abroad.

and regulatory documents<sup>8</sup> for information, prevention and control purposes. CCSJV provides fairness in all behaviours, and prompt corrective action is taken as and when required. The Compliance Committee of CCS JV performs an oversight function of responsible of the implementation and application of the Code of Ethics (“**Responsible**”).

The Code is a requirement for all those with relations with CCS JV. Each such “CCS JV People” is expected to read this Code promptly upon receipt. In addition to the ethical guidelines included in this Code, each Covered Person must comply with all applicable legal requirements. Those who violate the law, this Code, or other ethical standards are subject to disciplinary action, up to and including dismissal and termination of employment or, if a third party, termination of contract or services. If a CCS JV People has a question about the concepts in this Code, they should contact the Responsible.

## **1. General principles: sustainability and corporate responsibility**

Compliance with Applicable Laws, regulations, statutory provisions, governance codes, ethical integrity and fairness, is a constant commitment and duty of all CCS JV People and characterizes the conduct of CCS JV’s entire organisation.

CCS JV’s activities shall be carried out in a transparent, honest and fair way, and in compliance with applicable laws, regulations and applicable policies and procedures and competition rules.

CCS JV shall maintain and strengthen a governance system consistent with international standards and able to deal with the complex situations in which CCS JV operates and challenges facing sustainable development.

CCS JV shall continue to employ systematic ways to involve Stakeholders, fostering discussion on sustainability and corporate responsibility.

In conducting both its activities as an international company and those with its partners, CCS JV promotes the protection and promotion of human rights, inalienable and fundamental prerogatives of human beings and basis for the establishment of societies founded on principles of equality, solidarity, repudiation of war, and for the protection of civil and political rights, of social, economic and cultural rights and the “third-generation rights” (self-determination right, right to peace, right to development and to the protection of the environment).

No form of discrimination, corruption, forced or child labour is tolerated. Particular attention is paid to the acknowledgement and safeguarding of the dignity, freedom and equality of human beings, to protection of labour and of the freedom of trade union association, of health, safety, the environment and biodiversity, as well as the set of values and principles concerning transparency, energy efficiency and sustainable

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<sup>8</sup> “Regulatory documents” are documents that regulate policies, processes and specific issues/aspects of company interest, with the objective of ensuring uniformity of conduct, as well as pursuing compliance objectives, describing tasks and/or responsibilities of the organisation structures involved in the regulated processes, the management and control procedures and the information flows.

development, in accordance with International Institutions and Conventions.

In this regard, CCS JV operates in compliance with the international provisions of the Universal Declaration of Human Rights of the United Nations and the following conventions:

- the *Convention on the protection of the European Communities' financial interests* (Brussels, 26 July 1995) and relevant first Protocol (Dublin, 27 September 1996);
- the *Convention on the fight against corruption involving officials of the European communities or officials of Member States of the European Union* (Brussels, 26 May 1997);
- the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* (Paris, 17 December 1997);
- the fundamental *Conventions of ILO-International Labour Organization* (18 June 1998).

CCS JV supports the provisions of the national legislation most advanced on the front of the fight against corporate crime and, in particular, the controls and the mechanisms of prevention and control considered and/or referred to within the legal provisions, including:

- the *Foreign Corrupt Practices Act*, adopted by the U.S. Government on 19 December 1977 (as subsequently integrated and modified by the *International Anti-Bribery Act of 1988*);
- the Italian *Legislative Decree 231 of 8 June 2001*;
- the *Bribery Act 2010*, adopted by the UK Government on 8 April 2010 and its supporting legislation, including the *2010 Federal Sentencing Guidelines Manual & Supplement*, issued by the United States Sentencing Commission on 1 November 2010;
- the *Modern Slavery Act 2015* (London, 26 March 2015);
- the *French law No. 2016-1691 of 9 December 2016*, also known as *Sapin 2*.

All CCS JV People, without any distinction or exception whatsoever, must adhere to the principles and contents of the Code in all actions and behaviours in the context of their functions and tasks, remaining vigilant and aware that compliance with the Code is a fundamental requirement for the quality of their working and professional performance. Relationships between and among CCS JV People, at all levels, shall be characterized by lawfulness, honesty, fairness, cooperation, loyalty and mutual respect.

The belief of acting in favour or to the advantage of CCS JV can never justify – not even in part – any behaviour conflicting with the principles and contents of the Code.



## **2. Conduct standards and relations with Stakeholders**

### **2.1. Ethics, transparency, fairness, professionalism**

In its business relations, no matter how significant they are, CCS JV is inspired by and complies with the principles of lawfulness, loyalty, fairness, efficiency and openness to the market.

Any action, transaction and negotiation performed and, generally, the conduct of CCS JV People in the performance of their duties is inspired by the highest principles of lawfulness, fairness, completeness of information and legitimacy, both in form and substance, as well as the recording, clarity and truthfulness of all accounting records, in compliance with the applicable laws in force and regulatory documents.

All CCS JV's activities shall be performed with the utmost care and professional skill, with the duty to provide skills and expertise appropriate to the tasks assigned, and to act so as to protect CCS JV's image and reputation. CCS JV's objectives, as well as the proposal and implementation of projects, investments and actions, shall be aimed at improving the company's assets, management, technological and information level in the long term, and at creating value and welfare for all Stakeholders.

Bribes, illegitimate favours, collusion, requests for personal or career benefits for oneself or others, either directly or through third parties, are prohibited without any exception.

To pay or offer, directly or indirectly, money and material benefits and other advantages of any kind to third parties, whether representatives of governments, public officers and public servants or private employees, in order to influence or remunerate the actions of their office is prohibited.

Commercial courtesy, such as small gifts or forms of hospitality, is permitted only when it serves a legitimate business purpose, value is in accordance with the CCS JV policies on entertainment and gifts, and when it does not compromise the integrity and reputation of CCS JV, the Client or any other party, and is not likely to be construed by an impartial observer as aimed at obtaining undue advantage. In any case, this type of expense shall always be pre-approved in writing by the person in the position identified by the regulatory documents and properly documented in accordance with the CCS JV policies on entertainment and gifts.

Cash gifts or their equivalent from individuals or companies that have or plan to have business relations with CCS JV shall not be accepted. Anyone who receives proposals of gifts or special treatment or hospitality that cannot be considered for legitimate business purposes of value set out in the applicable CCS JV policies, or requests therefore by third parties, shall refuse them and immediately inform their direct superior, or the body they belong to, as well as the Responsible.

CCS JV shall inform all third parties about the commitments and obligations provided for in the Code, require third parties to respect the principles of the Code relevant to

their activities and take proper internal action and if the matter is within its own competence, external action if a third party fails to comply with the Code.

## **2.2. Relations with institutions, associations and local communities**

CCS JV encourages dialogue with Institutions and with organized associations of civil society in all the countries where it operates.

### **2.2.1. Authorities and Public Institutions**

CCS JV, through its people, actively and fully cooperates with the authorities.

CCS JV People, as well as the external collaborators whose actions may somehow be attributed to CCS JV, shall demonstrate conduct towards the public administration characterized by fairness and traceability. These relations shall be exclusively handled by the relevant functions and positions, in compliance with approved plans and regulatory documents.

The functions of the subsidiaries concerned shall coordinate with the relevant CCS JV structure for a preliminary assessment of the quality of the initiatives to be adopted and for the sharing, implementing and monitoring of these actions.

It is forbidden to make, induce, encourage or tolerate false statements to Authorities.

### **2.2.2. Political organisations and trade unions**

CCS JV does not make direct or indirect contributions, in whatever form, to political parties, movements, committees, political organisations, or to their representatives and candidates. Direct or indirect contributions may be made to trade unions and their representatives, to the extent this is provided for by mandatory legislative requirements or applicable collective labour contracts<sup>9</sup>.

### **2.2.3. Development of local Communities**

CCS JV is committed to actively contribute to promoting the quality of life, the socio-economic development of the communities where CCS JV operates and to the development of their human resources and capabilities, while conducting its business activities according to standards that are compatible with fair commercial practices.

CCS JV's activities are carried out in the awareness of the social responsibility that CCS JV has towards all its Stakeholders and, in particular, the local communities in which it operates, in the belief that the capacity for dialogue and interaction with civil society constitutes an important asset for CCS JV and the Project. CCS JV respects

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<sup>9</sup> Potential contributions in favour of supranational sea trade unions shall be explicitly approved by the manager of the Corporate Human Resources, Organisation and Services function.

the cultural, economic and social rights of the local communities in which it operates and undertakes to contribute, as far as possible, to their exercise, with particular reference to the right to adequate nutrition, drinking water, the highest achievable level of physical and mental health, decent dwellings, education, abstaining from actions that may hinder or prevent the exercise of such rights.

CCS JV promotes fairness in the dissemination of the information addressed to local communities, with particular reference to the topics that they are most interested in. Forms of continuous and informed consultation are also promoted, through the relevant CCS JV structures, in order to take into due consideration the legitimate expectations of local communities in conceiving and conducting company activities and in order to promote a proper redistribution of the profits deriving from such activities.

CCS JV, therefore, shall promote the knowledge of its company values and principles, at every level of its organisation, also by instituting the appropriate regulatory documents, and to protect the rights of local communities, with particular reference to their culture, institutions, ties and lifestyles.

Within the framework of their respective responsibilities, CCS JV People shall participate in the creation of individual initiatives in compliance with CCS JV's policies and intervention programs, implement them according to criteria of objectivity and fairness and support them as an integral part of CCS JV's objectives.

#### **2.2.4. Promotion of “non-profit” activities**

The philanthropic activity of CCS JV is in line with its vision and focus on sustainable development.

Therefore, CCS JV shall foster, support, and promote among its people its “non-profit” activities, which demonstrate CCS JV's commitment to contributing to meeting the needs of those communities where it operates.

### **2.3. Relations with clients and suppliers**

#### **2.3.1. Clients**

CCS JV pursues its business success in markets by offering quality goods and services under competitive conditions while respecting the rules protecting fair competition.

CCS JV shall respect the right of clients not to receive goods harmful to their health and physical integrity and to receive complete information on the goods offered to them.

CCS JV acknowledges that the esteem of those requesting goods or services is of primary importance for success in business. Business policies are aimed at ensuring the quality of goods and services, safety and compliance with the precautionary principle. Therefore, CCS JV People shall:

- comply with regulatory documents concerning the management of relations with clients;
- supply, with efficiency and courtesy, within the limits set by the contractual conditions, high-quality goods and services meeting the reasonable expectations and needs of clients; and,
- supply accurate and exhaustive information on goods and services and be truthful in advertisements or other kinds of communication, so that clients can make informed decisions.

### **2.3.2. Suppliers and external collaborators**

CCS JV undertakes to seek suppliers and external collaborators with suitable professionalism and commitment to sharing the principles and contents of the Code and to promoting the establishment of long-lasting relations for the progressive improvement of performances while protecting and promoting the principles and contents of the Code.

In relationships regarding tenders, procurement and, generally, the supply of goods and/or services and of external collaborations (including consultants, agents, etc.), CCS JV People shall:

- comply with regulatory documents concerning selection and relations with suppliers and external collaborators and abstain from excluding any supplier meeting requirements from bidding for CCS JV's orders; adopt appropriate and objective selection methods, based on established, transparent criteria;
- secure the cooperation of suppliers and external collaborators in guaranteeing the continuous satisfaction of CCS JV's clients to an extent appropriate to their legitimate expectations, in terms of quality, costs and delivery times;
- use – as much as possible, in compliance with the laws in force and the criteria for the legality of transactions with related parties -- goods and services supplied by CCS JV companies at arm's length and market conditions;
- state in contracts the Code acknowledgement and the obligation to comply with the principles contained therein, including audit requirements;
- comply with, and demand compliance with, the conditions contained in contracts;
- maintain a frank and open dialogue with suppliers and external collaborators in line with good commercial practice; promptly inform their direct superiors, the CCS JV Compliance Officer and the Responsible, about any possible violations of the Code; and
- immediately inform the relevant CCS JV functions of any serious issue with a particular supplier or external collaborator, in order to evaluate possible consequences for CCS JV

The remuneration due shall be proportionate only to the services to be specified in the contract; payments cannot be made to any party other than the counterparty of the contract or in a third country different from the country of the parties or the country where the contract has to be performed<sup>10</sup>.

## **2.4. Management, employees, and collaborators of CCS JV**

### **2.4.1. Development and protection of Human Resources**

People are a key element in the life of a company. The dedication and professionalism of management and employees are fundamental values and conditions for achieving CCS JV's objectives.

CCS JV is committed to developing the abilities and skills of management and employees so that their energy and creativity can have full expression for the fulfilment of their potential, and to protecting working conditions as regards both mental and physical health of the workforce and their dignity. Undue pressure or discomfort is not allowed, while appropriate working conditions promoting development of personality and professionalism are fostered.

CCS JV will offer in compliance with applicable legal and contractual provisions, equal opportunities to all its employees, making sure that each of them receives fair statutory and wage treatment exclusively based only on merit and expertise, without discrimination of any kind.

Competent functions shall:

- all CCS JV Personnel will be evaluated against objective ability and performance criteria;
- select, hire, train, compensate and manage human resources without discrimination of any kind; and,
- create a working environment where personal characteristics or beliefs do not give rise to discrimination, providing a peaceful environment to all CCS JV People.

CCS JV wishes CCS JV People, at every level, to cooperate in maintaining a climate of common respect for a person's dignity, honour and reputation. CCS JV shall act to prevent offensive, discriminatory or abusive interpersonal behaviour.

Conduct outside the workplace that is particularly offensive to public opinion is also deemed relevant in

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<sup>10</sup> For the purposes of the ban, countries are not considered third countries if a company/organisation, a counterparty of CCS JV, has established there its central treasury department and/or if it has established, fully or partly, offices or operating units that are functional and necessary for the execution of the contract, provided in each case that all further control measures set out in internal regulatory documents on selecting partners and making payments are implemented

this regard.

Conduct constituting physical or moral violence is always forbidden, with no exception.

#### **2.4.2. Knowledge Management**

CCS JV promotes the culture and the initiatives aimed at disseminating knowledge within its structures, and at highlighting the values, principles, behaviours and contributions in terms of innovation of professional families in connection with the development of business activities and CCS JV's sustainable growth.

CCS JV shall offer tools for interaction among the members of professional families, and working groups, as well as for coordination and access to know-how, and shall promote initiatives for the growth, dissemination and systematization of knowledge relating to the core competences of its organisational structures and aimed at defining a reference framework suitable for guaranteeing operating consistency.

All CCS JV People shall actively contribute to the Knowledge Management processes for the activities within their area of competence, to optimize the system for sharing and disseminating knowledge among the individuals.

#### **2.4.3. Company security**

CCS JV engages in the study, development and implementation of strategies, policies and operational plans aimed at preventing and overcoming any intentional or unintentional behaviour that may cause direct or indirect damage to CCS JV People and/or to the tangible and intangible resources of CCS JV. Preventive and defensive measures, aimed at minimizing the need for an active response – always in proportion to the attack – to threats to people and assets, are favoured.

All CCS JV People shall actively contribute to maintaining an optimal company security standard, abstaining from unlawful or dangerous behaviour, and reporting any activity carried out by third parties to the detriment of CCS JV's assets or human resources to their direct superior or the body they belong to, as well as to the relevant CCS JV structure.

In any case, requiring particular attention to be paid to personal safety, CCS JV People shall strictly follow the indications in this regard supplied by CCS JV, abstaining from behaviour that may endanger their own safety or the safety of others, promptly reporting to their direct superior any danger to their own safety or to the safety of third- parties.

#### **2.4.4. Harassment or mobbing in the workplace**

CCS JV supports initiatives aimed at implementing working methods to increase welfare in the organisation.

CCS JV demands that there shall be no harassment or conducts that may be interpreted as mobbing in personal working relationships either inside or outside the company. Such behaviour includes:

- the creation of an intimidating, hostile, isolating or in any case discriminatory environment for individual employees or groups of employees;
- unjustified interference in the execution of work duties by others;
- the placing of obstacles in the way of the work prospects of others merely for reasons of personal competitiveness on their own behalf or on behalf of other employees.

Any form of violence or harassment, either sexual harassment or harassment based on personal and cultural diversity, is forbidden. Such behaviour includes:

- subordinating decisions affecting the recipient's working life to the acceptance of sexual attentions, or personal and cultural diversity;
- obtaining sexual attentions taking advantage of one's position;
- proposing private interpersonal relations despite the recipient's explicit or reasonably clear distaste;
- referring to disabilities and physical or psychic impairment, or to forms of cultural, religious or sexual diversity.

#### **2.4.5. Abuse of alcohol or drugs and smoking ban**

All CCS JV People shall personally contribute to promoting and maintaining a climate of common respect in the workplace; particular attention is paid to respect of others' feelings.

CCS JV will, therefore, consider those who work under the effect of alcohol or drugs, or substances with similar effect, during the performance of their work activities and in the workplace, as being aware of the risk they cause. Chronic addiction to such substances, when it affects work performance, shall be considered similar to the aforementioned events in terms of contractual consequences; CCS JV is committed to favouring social action in this field as provided for by employment contracts.

It is forbidden to:

- hold, consume, offer or give for whatever reason, unlawful drugs or other substances with

- similar effect, at work and in the workplace;
- smoke in the workplace. CCS JV supports voluntary initiatives addressed to smokers to help them quit smoking and, in identifying possible smoking areas, shall take into particular consideration the position of those suffering physical discomfort from exposure to smoke in the workplace shared with smokers and requesting to be protected from “second-hand smoke” in their place of work. Designated smoking areas will be provided which will be located at least five metres away from building entrances, windows or walkways to prevent non-smokers from the exposure to second-hand smoke.

### **3. Instruments for implementation of the Code of Ethics**

#### **3.1. Internal control system**

CCS JV shall promote and maintain an adequate internal control system, i.e. all the necessary or useful tools for addressing, managing and checking activities in C C S J V , aimed at ensuring compliance with applicable laws and regulatory documents, protecting CCS JV assets, efficiently managing activities and providing precise and complete accounting and financial information.

The responsibility for implementing an effective internal control system is shared at every level of CCS JV's organisational structure; therefore, all CCS JV People, according to their functions and responsibilities, shall define and actively participate in the correct functioning of the internal control system.

CCS JV promotes the dissemination, at every level of its organisation, of policies and regulatory documents characterized by awareness of the existence of controls and by the adoption of an informed and voluntary control-oriented mentality; consequently, CCS JV's management in the first place and all CCS JV People, in any case, shall contribute to and participate in CCS JV's internal control system and, with a positive attitude, involve its collaborators in this respect.

Each employee shall be held responsible for the tangible and intangible C C S J V assets relevant to his/her job; no employee can make, or let others make, improper use of the assets allocated and the resources of CCS JV.

Any practices and behaviours linked to the perpetration or the participation in the perpetration of fraud are forbidden without any exception.

Control and supervisory bodies, the Internal Audit function and the auditing firms appointed shall have full access to all data, documents and information needed to perform their activities.



### 3.1.1. Conflicts of interest

CCS JV acknowledges and respects the right of CCS JV People to take part in investment, business and other activities other than the activities performed in the interest of CCS JV, provided that such activities are permitted by law and compatible with their obligations towards CCS JV. CCS JV adopts regulatory documents to ensure the transparency and substantive and procedural accuracy of transactions in which a director or a statutory auditor has an interest and transactions with related parties.

CCS JV's management and employees shall avoid and report any conflict of interests between personal and family economic activities and their tasks within CCS JV.

In particular, all managers and employees shall report any specific situations and activities in which they, or, to their knowledge, their spouse, relatives and relatives in law within the 4th degree of kinship or co-habitants have an economic and financial interests (owner or shareholder) in the context of suppliers, clients, competitors, third parties, or corresponding controlling companies or subsidiaries, and notify whether they perform CCS JV administration or control or management functions therein.

Conflicts of interest also result from the following situations:

- use of one's position in CCS JV, or information, or business opportunities acquired during one's work, to one's undue benefit or the undue benefit of third parties;
- the performing of any type of work for suppliers, sub-suppliers and competitors by employees and/or their relatives.

CCS JV's management and employees shall avoid any situation and activity where a conflict with CCS JV's interests may arise, or which can interfere with their ability to make impartial decisions in the best interest of CCS JV and in full accordance with the principles and contents of the Code, or in general with their ability to fully comply with their functions and responsibilities.

Any situation that may constitute or give rise to a conflict of interest shall be immediately reported in writing to one's direct superior or to the body they belong to. Employees shall also, and in any case, inform in writing the competent Human Resources Manager and the Responsible.

The party involved shall promptly cease to take part in the operational/decision-making process.

The direct superior or the body, after hearing the opinion of the competent Human Resources and the CCS JV Compliance Officer:

- ascertains the existence of the conflict and identifies the operational solutions that may ensure, in the specific case, transparency and fairness of behaviours in

the performance of activities;

- sends to those involved the necessary directions in writing, and copies thereof to the relevant Human Resources, and to the Responsible;
- files the documentation received and forwarded.

### **3.1.2. Transparency of accounting records**

Accounting transparency is based on the use of true, accurate and complete information as the basis for the corresponding book entries. All members of company bodies, manager or employee shall work, within their own field of competence, to ensure the operational events are properly and timely recorded in the accounting books.

It is forbidden to behave in a way that may adversely affect the transparency and traceability of the information within financial statements.

For each transaction, the proper supporting evidence shall be stored to allow:

- easy and timely accounting entries;
- identification of different levels of responsibility, as well as of task distribution and segregation;
- accurate representation of the transaction to avoid the potential for material or interpretative errors.

Each record shall reflect exactly what is shown by the supporting evidence. All CCS JV People shall ensure that the documentation can be easily traced and filed according to logical criteria.

CCS JV People who become aware of any omissions, forgery, negligence in accounting or in the documents on which accounting is based, shall bring the facts to the attention of their direct superior and to the body they belong to, and to the Responsible.

### **3.2. Health, safety, environment and public safety protection**

CCS JV's activities shall be carried out in compliance with applicable worker health and safety, environmental and public safety protection agreements, international standards and laws, regulations, administrative practices and applicable national laws of the countries where it operates.

CCS JV actively contributes to the promotion of scientific and technological development aimed at protecting the environment and natural resources. The operative management of such activities shall be carried out according to advanced criteria for the protection of the environment and energy efficiency, with the aim of creating better working conditions and protecting the health and safety of employees as well as the environment.

Within their areas of responsibility, CCS JV People shall actively participate in the process of risk prevention, environmental protection, public safety and health protection for themselves and for their colleagues and third parties.

### **3.3. Research, innovation and intellectual property protection**

CCS JV promotes research and innovation activities by management and employees, within their functions and responsibilities. The intellectual assets generated and owned through such activities are an important and fundamental heritage of CCS JV.

Research and innovation focus in particular on the promotion of goods, instruments, processes and behaviours supporting energy efficiency, reduction of environmental impact, attention to health and safety of employees, clients and local communities where CCS JV operates, and in general sustainability of business activities.

Within their functions and responsibilities, CCS JV People shall actively transfer to CCS JV and contribute to managing intellectual property to allow for its development, protection and enhancement.

### **3.4. Confidentiality**

#### **3.4.1. Protection of business secrets**

CCS JV's activities constantly require the acquisition, storage, processing, communication and dissemination of information, documents and other data regarding negotiations, administrative proceedings, financial transactions, and know-how (contracts, deeds, reports, notes, studies, drawings, pictures, software, etc.) that may not be disclosed to outside CCS JV pursuant to contractual agreements, or whose inopportune or untimely disclosure may be detrimental to the interest of CCS JV.

Without prejudice to the transparency of the activities carried out and to the information obligations imposed by the provisions in force, CCS JV People shall ensure the confidentiality required by the circumstances for each piece of information they have acquired because of their tasks.

All information, knowledge and data acquired or processed during working activities or because of tasks at CCS JV belong to CCS JV, and may not be used, shared or disclosed without specific authorization of the direct superior in compliance with the specific regulatory documents.

### **3.4.2. Protection of privacy**

CCS JV is committed to protecting the information on CCS JV People and third parties, generated or obtained inside CCS JV or in the conduct of CCS JV's business, and to avoiding improper use of such information.

CCS JV will ensure that the processing of personal data within its structures respects fundamental rights and freedoms, as well as the dignity of the parties concerned, as provided for by the applicable laws.

Personal data shall be processed in a lawful and fair way and the data collected and stored is only what is necessary for certain, explicit and lawful purposes. Data shall be stored for a period of time no longer than necessary for the purposes of collection.

CCS JV shall also adopt suitable preventive safety measures for all databases that store and keep personal data, to avoid any risks of destruction and losses or unauthorized access or processing without consent.

CCS JV's People shall:

- obtain and process only data that are necessary and suited to the aims of their work and responsibilities;
- obtain and process such data only within specified regulatory documents, and store said data in a way that prevents unauthorized parties from having access to it;
- represent and order data in a way to ensure that any party with access authorization may easily get an outline thereof which is as accurate, exhaustive and truthful as possible;
- disclose such data pursuant to specific regulatory documents or subject to the express authorization by their direct superior and, in any case, only after having checked that such data may be disclosed, also making reference to absolute or relative constraints concerning third parties bound to CCS JV by a relation of whatever nature and, if applicable, after having obtained their consent.

### **3.4.3. Membership in associations, participation in initiatives, events or external meetings**

Membership in associations, participation in initiatives, events or external meetings are supported by CCS JV if compatible with the working or professional activity provided. Membership and participation considered as such are:

- membership in associations, participation in conferences, workshops, seminars, courses;

- writing articles, papers and publications in general;
- participation in public events in general.

In this regard, CCS JV's management and employees in charge of explaining, or disclosing data or information on CCS JV's objectives, aims, performance and opinions, shall not only comply with the regulatory documents on market abuse, but also obtain the necessary authorization from their direct superior for the lines of action to be followed and the texts and reports drawn up, as well as to agree on contents with the competent CCS JV structure.

#### **4. Scope of application and reference structures for Code of Ethics**

The principles and contents of the Code apply to CCS JV People and activities.

The representatives indicated by CCS JV in the company bodies of partially owned companies, in consortia and in joint ventures promote the principles and contents of the Code within their own respective fields of competence.

Directors and managers shall be the first to implement the principles and contents of the Code, assuming responsibility for them both inside and outside CCS JV and enhancing trust, cohesion and team spirit. They shall also provide, with their behaviour, an example for their subordinates, to induce them to comply with the Code and make questions and suggestions on specific provisions.

To achieve full compliance with the Code, anyone of CCS JV People may apply, even directly, to or the Responsible.

##### **4.1. Obligation to know the Code and to report any violation thereof**

The Code is made available to all employees on the company Intranet and on the Document Management System and to all users - not just CCS JV's employees - on the CCS JV's website.

All CCS JV People are expected to know the principles and contents of the Code as well as the reference regulatory documents governing their own functions and responsibilities.

All CCS JV People shall:

- refrain from any conduct contrary to such principles, contents and regulatory documents;
- carefully select, as long as within their field of competence, their collaborators and ensure they fully comply with the Code;
- require any third parties in a business relationship with CCS JV to confirm that

they are aware of the Code and adheres to their own Code that embodies similar principles and values;

- immediately report to their direct superior or to the body they belong to, and to the Responsible, any observations of their own or information supplied by Stakeholders concerning potential violations or requests of violations of the Code; reports of potential violations shall be forwarded according to the procedures specified in the specific regulatory documents by the Audit and Risk Committee, the Board of Statutory Auditors and the Compliance Committee of CCS JV;
- cooperate with the Responsible and with the functions entrusted by the applicable regulatory documents to establish potential violations;
- adopt prompt corrective measures whenever necessary and, in any case, prevent any type of retaliation.

CCS JV People are not allowed to conduct personal investigations, nor to exchange information, except to their direct superiors, or to their structure, and to the Responsible. If, after notifying a supposed violation, any of CCS JV People feels that he or she has been subject to retaliation, then he or she may directly apply to and/or Responsible.

#### **4.2. Reference structures and supervision**

CCS JV is committed to ensuring, also by appointing the and Responsible:

- the widest dissemination of the principles and contents of the Code among CCS JV People and the other Stakeholders, providing all possible tools to understand and clarify the interpretation and implementation of the Code, as well as to update the Code as required to meet the evolving civil sensitivities and relevant laws;
- the assessment concerning any notice of violation of the principles and contents of the Code or the reference regulatory documents; an objective evaluation of the facts and, if necessary, the adoption of appropriate disciplinary measures; that no one may suffer any retaliation whatsoever for having provided information on potential violations of the Code or of relevant regulatory documents.

##### **4.2.1. Responsible of the Code of Ethics**

The Code of Ethics is, among other things, a general, mandatory principle of the organisation, management and control Model adopted by CCS JV according to the Italian provision on the administrative liability of legal entities deriving from offences contained in Legislative Decree No. 231, June 8, 2001.

CCS JV assigns the functions of Responsible to the Compliance Committee established pursuant to said Model. Each direct or indirect subsidiary, in Italy and abroad, entrusts the function of Responsible to its own compliance committee or other equivalent body by formal deed of the competent company body.

The Responsible is entrusted with the task of:

- promoting the implementation of the Code and the issue of reference regulatory documents; reporting and proposing to the –Board of Directors of CCS JV initiatives useful for greater dissemination and knowledge of the Code, also in order to prevent any recurrences of ascertained violations;
- promoting specific communication and training programs for CCS JV's management and employees;
- investigating reports of potential violation of the Code by initiating appropriate investigations; taking action, also at the request of CCS JV People, if it is reported that violations of the Code have not been properly dealt with or that there have been retaliation against the person who reports the violation;
- notifying the relevant structures of the results of investigations for the adoption of possible penalties; informing the competent of the results of investigations for the adoption of the necessary measures.

Moreover, the Responsible of CCS JV submits to the Audit and Risk Committee and the Board of Statutory Auditors of CCS JV, as well as to the Chairman of CCS JV, which informs the Board of Directors of CCS JV, a half-yearly report on the implementation and possible need for updating the Code.

For the performance of its tasks, the Responsible of CCS JV avails itself of the Compliance Officer, Human Resources Manager and the Internal Audit function. The Technical Secretariat is also responsible for starting and maintaining an adequate reporting and communication flow to and from the Responsible of the subsidiaries.

To facilitate the reporting flow, CCS JV has set up specific channels of communication indicated in the Procedure “Reports, also anonymous, received by CCS JV in Italy and abroad” published on CCS JV's Intranet and Internet websites and be accessible to all CCS JV People and all users of the website.

CCS JV will also set up its own “dedicated channels” to encourage the notification flow of reports:

#### **4.2.2. Code Promotion Team**

To promote the knowledge and facilitate the implementation of the Code, CCS JV Compliance Officer reporting to the Responsible of CCS JV has been tasked to

make available within CCS JV all possible instruments for understanding and clarifying the interpretation and the implementation of the Code.

The CCS JV Compliance Officer is appointed by the –Board of Directors of CCS JV and the Responsible.

#### **4.3. Code review**

The review of the Code is approved by the Board of Directors of CCS JV, upon proposal of the Chairman of the Board, after hearing the opinion of the CCS JV Compliance Officers, Compliance Committee, Audit and Risk Committee and the Board of Statutory Auditors of CCS JV.

The proposal is made taking into consideration the Stakeholders' evaluation with reference to the principles and contents of the Code, promoting their active contribution and the notification of any deficiency. The CCS JV Compliance Committee will recommend to the Board of Directors any changes or revisions that are appropriate to this Code from time to time.

#### **4.4. Contractual value of the Code**

Respect of the Code's rules is an essential part of the contractual obligations of all CCS JV People pursuant to and in accordance with applicable law.

Any violation of the Code's principles and content may be considered a violation of the primary obligations included in the work contract or disciplinary misconduct, with the consequences specified by the law with regard to the continuation of the employment relationship, and may cause the payment of damages for any loss resulting from the violation.