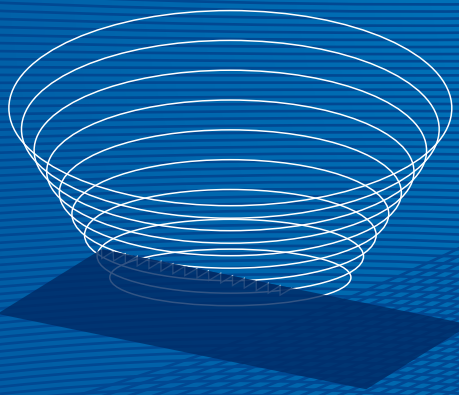
D-Flight S.p.A.

231 Model



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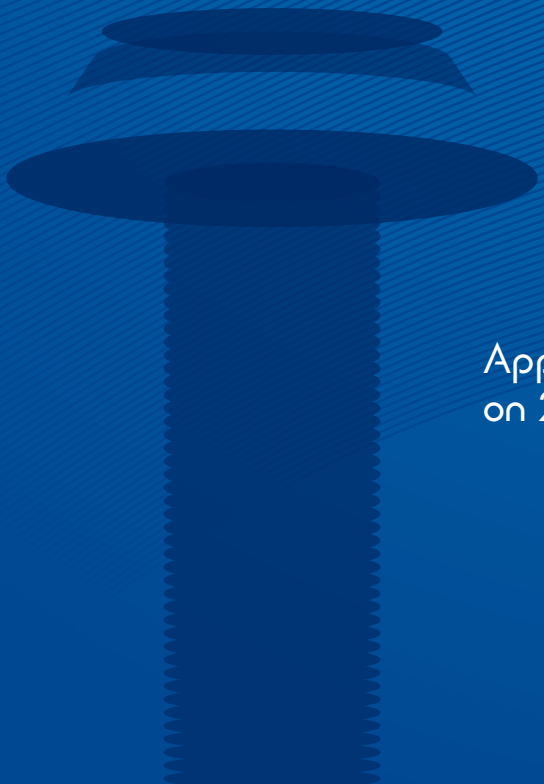
GENERAL PART



Approved by the Board of Directors
on 24 June 2021

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DEFINITIONS

The following definitions refer to both the General Part and the Special Part of the Organisation, Management and Control Model (compliance model) pursuant to Legislative Decree 231/01 (hereinafter the "231 Model"), without prejudice to any other definition contained in the individual sections of the Special Part.

Sensitive Activities: the areas of the Company's activity within which the risk of commission of Offences is greatest.

N.C.B.A.: the national collective bargaining agreements applied by the Company.

Code of Ethics: the ENAV Group code of ethics adopted by and applicable to the Company and all the companies of the ENAV Group.

Anti-Corruption Code: the ENAV Group code of conduct for combating corruption adopted by and applicable to the Company and all the companies of the ENAV Group.

External Associates: all external associates considered as a whole, namely consultants, partners and suppliers.

Consultants: persons who act in the name and/or on behalf of the Company under an agency agreement or other contractual professional services relationship.

Performance Contract: a contract between the Company and the Industrial Partner for the development, construction and supply of a technological platform intended to form the basis of an Unmanned Traffic Management (UTM) system and the provision of operational and maintenance services for that platform.

Service Contract: an intercompany service contract for the provision and management of support services provided by ENAV to the Company.

Obligated Persons: persons associated with the Company, including members of the Board of Directors, members of the Board of Auditors, employees, auditors, consultants, commercial and financial partners, external associates in their various capacities with the Company, as well as, in general, all those who conduct relations with the Company in any capacity (e.g. suppliers and customers), and, in particular, those involved in activities exposed the risk of the commission of an offence.

Financial Reporting Manager: the Parent Company officer referred to in Article 154 bis of the Consolidated Law on Financial Intermediation (introduced with Article 14 of Law 262 of 28 December 2005) where such manager has been appointed, or, where no such manager has been appointed, the Board of Directors of ENAV or any other person designated by that body.

Employees: individuals in a payroll employment relationship with the ENAV Group, including managers. The personnel of the Company consists of employees of the Parent Company or the Shareholders seconded to the Company.

Legislative Decree 231/2001 or the **Decree**: Italian Legislative Decree 231 of 8 June 2001 as amended.

ENAV or Parent Company: ENAV S.p.A.

Company Representatives: members of the Board of Directors and Board of Auditors, liquidators, managers and employees of the ENAV Group.

Suppliers: the suppliers of goods and non-professional services of the ENAV Group that do not fall within the definition of commercial partner or air traffic control operator for unmanned aerial vehicles (UAV).

ENAV Group: ENAV and its subsidiaries governed by the provisions of Legislative Decree 231/2001.

Public Service Operator: pursuant to Article 358 of the Penal Code "*public service operators are those who, in whatever capacity, provide a public service. Public service shall mean an activity governed in the same*

manner as a public office but characterised by the lack of the powers typical of the latter, and excluding the performance of simple executive duties and the provision of merely material services".

Confindustria Guidelines: the Guidelines adopted by Confindustria for the preparation of 231 Models pursuant to Article 6, paragraph 3, of Legislative Decree 231/2001.

231 Model: organisation, management and control model pursuant to and for the purposes of Legislative Decree 231/2001. The 231 Model comprises all the arrangements put in place to contain the risk of commission of an offence, such as rules and procedures, audits of personnel and processes, training activities aimed at prevention, and the control environment.

Supervisory Body: the body established pursuant to and for the purposes of Legislative Decree 231/2001, in accordance with the provisions of the Confindustria Guidelines.

Industrial Partner: UTM Systems & Services S.r.l., a vehicle company set up by the Shareholders selected by ENAV (Leonardo S.p.A. and Telespazio S.p.A.) to take a minority shareholding in the Company for the development and provision of UTM services.

Procedure: a dual-purpose tender procedure to select the economic operator to become a minority shareholder of the Company through the subscription of 40% of its share capital and the performance of UTM services by the Company. The scope of the procedure also includes the performance by the Industrial Partner of activities relating to the creation and development of the system and the platform for the provision of UTM services for UAVs and the management and maintenance of the system and platform.

Partners: the contractual counterparties with which the Company enters into some form of contractually regulated relationship (including, by way of example, temporary business associations, joint ventures, consortiums, licenses, agency relationships and any other collaborative relationships in general) with an intention to cooperate with the ENAV Group in Sensitive Activities.

Public Administration: the public (State, ministries, regions, provinces, municipalities, etc.) or occasionally private (concession holders, contracting authorities, mixed corporations, etc.) entities and bodies, whether Italian, European Union or foreign, and all other actors who perform a public function in some manner in the interest of the community and therefore in the public interest. In particular, with regard to Offences against the Public Administration, we refer to public officials and public service operators.

Public Officials: pursuant to Article 357 of the Penal Code "*public officials are those who exercise a public legislative, judicial or administrative function. For the same purposes, an administrative function is public if it is governed under public law or official authority and is characterised by the formation and manifestation of the will of the public administration or its performance by means of powers of official authority or certification"*.

Offences: the types of offence to which the provisions of Legislative Decree 231/2001 on the administrative liability of legal entities apply.

Shareholders: Leonardo S.p.A. and Telespazio S.p.A., shareholders of the Industrial Partner selected to take a minority shareholding in the Company for the development and provision of UTM services.

Company or **D-flight**: D-flight S.p.A.

ICRMS: Internal Control and Risk Management System.

Internal Rules: documents containing the mandatory internal norms and rules adopted by the Company and with which each representative of the Company, including Obligated Persons, must comply. They include, by way of example but not limited to, in addition to the Code of Ethics and the Anti-Corruption Code, the following: management systems, guidelines, codes, regulations, procedures, operating instructions, manuals, standards, circulars, organisational notices, policies, forms and rules of conduct, as well as all instruments amending and supplementing the same. This category also includes corporate practices adopted although

not formalised in writing (e.g. those adopted following the issue of a law and in mere pending formalisation in a procedure or other Internal Rule).

Consolidated Law: Legislative Decree 58 of 24 February 1998 as amended ("Consolidated Law on Financial Intermediation").

UAV: Unmanned Aerial Vehicles or "drones".

UTM: Unmanned Aerial Vehicle Traffic Management.

Whistleblower: a person who reports an offence, crime or other wrongdoing, committed by persons belonging to or connected with the ENAV Group (employees, but also suppliers, intermediaries and, more generally, anyone with a collaborative relationship with the companies of the ENAV Group).

Whistleblowing: a process through which a Whistleblower can notify the Supervisory Body of an offence, crime or other wrongdoing, committed by persons belonging to or connected with the ENAV Group (employees, but also suppliers, intermediaries and, more generally, anyone with a collaborative relationship with the companies of the ENAV Group).

INTRODUCTION

The introduction in the Italian legal system of a form of administrative-criminal liability for legal entities was a response to the long-standing need to fight corporate criminal activity, which may also emerge due to the organisational and functional complexities of enterprises, which are increasingly characterised by the need to delegate responsibility for actions and decisions to levels of the corporate structure well below top management.

Legislative Decree 231/2001, implementing the enabling authority granted in Article 11 of Law 300 of 29 September 2000, introduced a special form of liability for companies into the Italian legal system.

Article 6, paragraph 1, letter a) of the Decree establishes that a Company cannot be held criminally liable for such offences if it demonstrates that, prior to commission of the offence, the management body had adopted and effectively implemented organisational and management arrangements appropriate for preventing offences of the type involved.

In addition to having adopted the Code of Ethics and the Anti-Corruption Code to govern the conduct of its business, the Company, in accordance with the provisions of the Decree and its own corporate policies/ethics, adopted its own 231 Model, designed to prevent the risk of committing offences relevant for the purposes of the Decree.

The Board of Directors of the Company has updated the Model (with both supplemental language and changes to the existing text) in order to ensure it remains a valid tool for preventing unlawful conduct and to raise the awareness of all Obligated Persons of the need to conduct themselves with propriety and transparency.

The content of the 231 Model is consistent with the provisions of the Confindustria Guidelines. It represents a further step towards rigour, transparency and a sense of accountability in internal relations and with the external world, while offering stakeholders the best guarantee of efficient and correct management of the organisation.

The 231 Model is part of a broader system of corporate governance, meaning by this the set of rules, processes and mechanisms associated with the governance of the company, the supervision of control processes and maintaining relations with internal and external stakeholders.

The key and essential element of corporate governance is the Internal Control and Risk Management System (ICRMS) of the ENAV Group, consisting of the set of rules, procedures and organisational arrangements designed to permit the identification, measurement, management and monitoring of the main risks to which ENAV is exposed. In compliance with the company strategies, it is intended to pursue achievement of the following goals:

- the effectiveness and efficiency of company processes;
- the preservation of company assets;
- the reliability and integrity of information;
- the compliance of operations with legislative, regulatory and contractual provisions, as well as with internal policies, plans, rules and procedures.

The ICRMS is integrated into the more general organisational and corporate governance structures adopted by the Company and the other companies of the ENAV Group and takes account of reference standards, the recommendations of the Corporate Governance Code promoted by the Corporate Governance Committee of Borsa Italiana S.p.A. (which the Parent Company resolved to adopt with effect from the day trading began) and the best practices in this field at the national and international levels..

Having regard to the above, the Company is subject, as a result of the control exercised by its shareholder ENAV pursuant to Article 2359 of the Civil Code and specific Board resolutions, to the “Guidelines of the Internal Control and Risk Management System (ICRMS)” of the ENAV Group and associated documents (such as, for example, the Code of Ethics, the Anti-Corruption Code, the procedure governing transactions with

related parties, the guidelines for handling inside information, etc.), to which reference should be made for the related reference principles, implementation criteria, roles and responsibilities.

In particular, the ICRMS contributes to preserving corporate assets and ensuring the efficiency and effectiveness of business processes, the reliability of financial reporting and compliance with laws and regulations as well as the articles of association and internal procedures.

The ICRMS therefore plays a central role in the company organisation, supporting the adoption of informed decisions consistent with the risk appetite, as well as the dissemination of an appropriate understanding of risks, legality and corporate values.

The Company's 231 Model is an integral part of the ICRMS of the ENAV Group.

1. LEGISLATIVE DECREE 231/2001

1.1 Administrative liability of legal persons, companies and associations

The enactment of Legislative Decree 231/2001 containing "Provisions governing the administrative liability of legal persons, companies and associations, including those without legal personality, pursuant to Article 11 of Law 300 of 29 September 2000", which came into force on the following 4 July, was intended to make Italian legislation on the liability of legal persons compliant with the international conventions previously signed by Italy.[1]

The Decree introduced a system of administrative liability for legal persons into the Italian legal system, accompanying the liability of natural persons who have materially committed specified offences, seeking to also punish the legal entities in whose interest or for whose benefit the offences in question were committed.

The persons subject to the provisions of the Decree are "*entities with legal personality, companies and associations, including those without legal personality*".

The Decree also specifies those who are not subject to its provisions, namely "*the State, territorial public authorities, other non-economic public bodies and bodies performing functions of constitutional importance*".

The number of entities subject to the provisions is therefore vast and the dividing line is not always immediately clear, especially with regard to entities operating in the public sector.

The Decree thus introduced a system of administrative liability - essentially a form of criminal liability - for entities, exclusively for the administrative offences provided for therein, committed in their interest or for their benefit by:

- natural persons who perform representative, administrative or management functions with the entities themselves or with one of their organisational units with financial and functional autonomy, as well as by persons who exercise, even de facto, the management and control of the entities themselves ("senior" management) (Article 5, paragraph 1, letter a), of Legislative Decree 231/2001);
- natural persons subject to the management or supervision of one of the persons indicated above ("subordinates") (Article 5, paragraph 1, letter b), of Legislative Decree 231/2001).

If the perpetrator of the offence is a "senior" manager, a presumption of liability is established in consideration of the fact that that natural person expresses, represents and implements the management policy of the entity.[2]

In this case, the company shall not be held liable, pursuant to Article 6, paragraph 1, of Legislative Decree 231/2001, if it can demonstrate that:

a) the management body had adopted and effectively implemented, prior to commission of the offence, 231 Models appropriate for preventing offences of the type involved;
b) the duty of supervising the operation, effectiveness and compliance with the models as well as updating those models had been entrusted to an internal body with independent powers of initiative and oversight;
c) the perpetrators committed the offence by fraudulently evading the compliance models;

[1] See in particular the Brussels Convention of 26 July 1995 on the protection of the European Communities' financial interests, the Brussels Convention of 26 May 1997 on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union and the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.

[2] In this regard, the Explanatory Report accompanying Legislative Decree 231/2001 emphasises: "*we begin with the presumption (empirically founded) that, in the case of an offence committed by a senior manager, the "subjective" requirement for the entity's liability [i.e. the so-called "organisational negligence" of the entity] is satisfied, since top management expresses and represents the entity's policy. If this is not the case, the company must demonstrate that it played no role, and this can only be done by demonstrating satisfaction of a series of concurrent requirements*".

d) there was no inadequate oversight or omission of supervision by the body referred to in letter b) above.

Conversely, there is no presumption of liability on the part of the entity where the perpetrator of the offence is a "subordinate", since in this case the unlawful act of the subordinate gives rise to liability for the entity only if it appears that its commission was made possible by failure to comply with management and/or oversight obligations.

In any case, the company shall not be liable if, prior to the commission of the offence, it has adopted and effectively implemented a 231 Model appropriate for preventing offences of the type involved.

The liability of the entity is additional to and not a substitute for that of the natural person who materially committed the offence, which accordingly remains governed by ordinary criminal law.

The extension of the scope of liability seeks to involve in the repression of certain criminal offences the assets of entities (and, ultimately, the economic interests of the shareholders) that have benefited from the commission of an offence or in whose interest the offence was committed. Until the entry into force of the Decree, in fact, the principle of "personal nature of criminal liability" referred to in Article 27, paragraph 1, of the Constitution, protected entities from penalties other than payment of damages for losses, if and to the extent they exist.

The Decree sought to construct a model of liability for entities in compliance with the principles of equal protection (but with a preventive function) by establishing liability for legal entities for unlawful activity in order to encourage them to organise their structures and activities in such a way as to adequately safeguard interests protected under criminal law.

The Decree applies both to offences committed in Italy and those committed abroad, provided that the entity has its head office in the territory of the Italian State and the State of the place in which the offence was committed does not prosecute the entity directly.

As noted, the liability of legal entities referred to in Legislative Decree 231/2001 arises only in cases in which the unlawful conduct was carried out in the interest or for the benefit of the entity: thus, not only when the unlawful conduct has given rise to a financial or other benefit for the entity, but also in cases in which, even where such material advantage is absent, the unlawful conduct was prompted by the interest of the entity.

However, an entity is not exposed to liability where the perpetrator of the offence or administrative tort has acted in the exclusive interest of himself or of third parties.

The penalties that can be imposed on the entity can be both pecuniary and interdictive, of which the most severe include: the suspension of licenses and concessions, a prohibition on contracting with the Public Administration, a prohibition on engaging in a business, ineligibility for or revocation of public funding or grants, and a ban on advertising goods and services.

Pecuniary sanction are levied whenever the entity is found liable in relation to the commission, in its interest or for its benefit, of one of the offences provided for in the Decree.

The determination of the pecuniary sanctions that can be imposed pursuant to the Decree is based on a quota system. For each offence, the Decree determines in the abstract a minimum and maximum number of quotas, on the model of the range of penalties that traditionally characterise the sentencing system. Article 10 of the Decree simply provides that the number of quotas can never be less than one hundred or more than one thousand and that the value of the individual quotas can range from a minimum of about €258 to a maximum of about €1,549.

Based on this framework, the judge, having ascertained the liability of the entity, determines the pecuniary sanction applicable in the specific case. The determination of the number of quotas by the judge is commensurate with the seriousness of the offence, the degree of liability of the entity and any actions taken to repair the consequences of the offence committed and to prevent others.

The value of the individual quotas is set on the basis of the financial condition of the entity in order to ensure the effectiveness of the penalty.

By contrast, interdictive penalties can be applied only to the offences for which they are expressly envisaged in the Decree, if at least one of the following conditions is met:

- the entity has received a significant gain from the offence, and the offence has been committed by a member of senior management, or by subordinates subject to the direction and supervision of others where the commission of the offence was prompted or facilitated by serious organisational deficiencies;
- in the case of repeated offences.

Interdictive measures – where there is serious evidence of the entity's liability and there is specific, well-founded evidence of a risk that offences of the same nature could still be committed – may also be applied at the request of the public prosecutor, including as a precautionary measure, during the investigative phase of the proceeding.

These penalties may be accompanied by the seizure of the funds or gains produced by the offence, which is ordered in the sentence, and in certain cases, by the publication of the sentence itself.

Furthermore, under specific conditions, the court - in the application of an interdictive penalty that would interrupt the operations of the entity – may appoint an administrator to oversee the continuation of operations for a period equal to the duration of the prohibition to be applied.

In any case, it should be specified that the assessment of the entity's liability, which is performed by the criminal court judge, is conducted (in addition to the opening of an *ad hoc* trial, in which the entity is equated with the natural person accused) by way of:

- verification of the existence of the predicate offence determining the liability of the company;
- a review of the appropriateness of the compliance models adopted.

1.2 The adoption of 231 Models to gain exemption from administrative liability

As noted above, Article 6, paragraph 1, of the Decree, in introducing the system of administrative liability, provides for a specific form of exemption from such liability if the entity demonstrates that:

a) the management body of the entity has adopted and effectively implemented, prior to the commission of the offence, 231 Models appropriate for preventing offences of the type involved;
b) the duty of supervising the operation, effectiveness and compliance with the models as well as updating those models had been entrusted to an internal body with independent powers of initiative and oversight;
c) the perpetrators committed the offence by fraudulently evading the 231 Models;
d) there was no inadequate oversight or omission of supervision by the body referred to in letter b) above.

In this regard, it is necessary to emphasise the consensus view in legal doctrine and jurisprudence, as well as in the explanatory report giving the rationale adopted by legislators,[3] is that in this case the burden of proof has been reversed (weighing on the entity), although this position has been revised by the Supreme Court of Cassation. [4]

[3] In this regard, the Explanatory Report emphasises: "*we begin with the presumption (empirically founded) that, in the case of an offence committed by a senior manager, the "subjective" requirement for the entity's liability is satisfied, since top management expresses and represents the entity's policy. If this is not the case, the company must demonstrate that it played no role, and this can only be done by demonstrating satisfaction of a series of concurrent requirements*".

[4] Leading scholars had already pointed out the conflict of that presumption of liability with the constitutional principles enunciated in Articles 3, 24 and, above all, 27 of the Italian Constitution. In this regard, the Court of Cassation upheld the constitutionality of Article 6 of Legislative Decree 231/2001, affirming that "*the discipline set out by Legislative Decree 231/01 concerning the liability of entities for offences does not conflict with the principles that the Constitution sets out in Articles 3, 24 and 27 and, accordingly,*

According to the Court of Cassation, "[...] *by virtue of its intrinsic identification with its senior manager, the entity is liable on its own grounds, without involving the constitutional principle of the prohibition of liability for the acts of others (Article 27 of the Constitution). Nor does Legislative Decree 231 establish a situation of strict liability, requiring, on the contrary, "organisational negligence" on the part of the entity, that is, not having implemented preventive measures appropriate for preventing the commission of offences of the type involved. A finding of such organisational negligence enables the easy attribution to the entity of the offence committed within its operational sphere ... [The prosecution] must identify specific channels linking the action of the [natural person] in the interest of the [the entity] and, therefore, provide evidence of the organisational negligence of the entity, thereby rendering its liability independent ...*" (see Court of Cassation, Criminal Law Section VI, ruling no. 27735 of 16 July 2010).

The Court then concluded in the following terms: "*no reversal of the burden of proof can therefore be found in the legal discipline governing an entity's liability for an offence, as the prosecution still has the burden of proving the commission of the offence by a person with one of the qualities referred to in Article 5 of Legislative Decree 231 and the inadequacy of the internal rules of the entity. The latter has ample scope to provide evidence demonstrating the contrary*".

Article 6, paragraph 2, of the Decree also establishes that - in relation to the scope of the delegated powers and the risk of commission of offences - 231 Models must:

- identify the activities potentially exposed to the commission of the offences provided for by the Decree;
- establish specific protocols to plan the formation and implementation of the entity's decisions concerning the offences to be prevented;
- identify methods for managing financial resources suitable for preventing the commission of such offences;
- establish obligations for reporting to the body appointed to oversee the operation of and compliance with the model;
- introduce an internal disciplinary system to punish non-compliance with the measures indicated in the model.

The Decree establishes that 231 Models meeting the above requirements may be adopted on the basis of codes of conduct drawn up by representative trade associations. They shall be notified to the Ministry of Justice which, in agreement with the competent ministries, may make comments within 30 days on the suitability of the models to prevent the commission of Offences (Article 6, paragraph 3, of Legislative Decree 231/2001).

Finally, in smaller entities oversight duties may be performed directly by the management body (Article 6, paragraph 5, of Legislative Decree 231/2001).

1.3 Confindustria Guidelines

In implementation of the provisions of Article 6, paragraph 3, of the Decree, Confindustria, first among the trade associations, produced its own "Guidelines for the construction of 231 Models pursuant to Legislative Decree 231/2001" (issued on 7 March 2002 and subsequently amended), providing methodological recommendations for the associated companies on how to identify risk areas and structure 231 Models.

More specifically, the Confindustria Guidelines recommend that companies use risk assessment and risk management processes, delineating the following steps for the definition of the model:

- risk identification;

the issue raised concerning the constitutionality of the provisions is manifestly unfounded" (see Court of Cassation, Criminal Law Section VI, ruling no. 27735 of 16 July 2010).

- preparation and/or implementation of a control system capable of preventing risks through the adoption of specific protocols.
  The most important components of the control system conceived by Confindustria are:
  - the Code of Ethics;
  - the organisational system;
  - manual and/or computerised procedures;
  - authorisation and signature powers;
  - control and management systems;
  - communication with personnel and their training.

  These components must comply with the following principles:
  - verifiability, documentability, consistency and appropriateness of each operation;
  - application of the principle of separation of functions;
  - documentation of controls;
  - establishment of an appropriate system of penalties for violation of the provisions of the Code of Ethics and the procedures envisaged by the model;
  - autonomy, independence, expertise and continuity of action of the Supervisory Body.
- identification of the criteria for selecting the Supervisory Body and the establishment of specific reporting flows to and from the Supervisory Body.

In a note dated 21 July 2014, the Ministry of Justice, in accordance with the provisions of Article 6, paragraph 3, of Legislative Decree 231/2001, notified its final approval of the new Confindustria Guidelines updated to March 2014.

The new version amends the previous text of 2008 to incorporate the developments in legislation, jurisprudence and practice that have occurred in the meantime, maintaining the distinction between the general part and the special part.

More specifically, the main amendments of the general part include: a new chapter on the essential elements of criminal liability and a summary table of the predicate offences; the disciplinary system and penalty mechanisms; the Supervisory Body, with particular regard to its composition; and liability in business groups.

The special part, which details the predicate offences with specific case studies, underwent a sweeping revision, intended to not only address the new types of predicate offences, but also to provide a more schematic method of analysis that is easier to use.

1.4 Code of Ethics and 231 Model

The Code of Ethics of the ENAV Group sets out the principles of "corporate ethics" that the ENAV Group recognises as its own and with which all employees, corporate bodies, consultants and partners are required to comply. As such, it can be considered one of the components of the Model.

The 231 Model is designed to prevent the commission of specific types of offence (for actions that, apparently committed for the benefit of the company, may involve administrative liability under the provisions of Legislative Decree 231/2001) and sets out specific rules of conduct, in compliance with the provisions of the Decree. The effective and constant implementation of the Model represents one of the bases for exemption from liability pursuant to Legislative Decree 231/2001.

That said, with regard to differences in the function of the 231 Model with respect to the Code of Ethics, note that the latter was drawn up in close coordination with the principles, rules and procedures described in this 231 Model in order to create a consistent and effective body of internal rules.

More specifically, the Code of Ethics of the ENAV Group contains the following essential elements:

- the principles of corporate ethics of the ENAV Group;
- the ethical rules governing relations with all stakeholders of the ENAV Group;
- the principles of conduct to be adopted in relations with the Public Administration;

- the principles of conduct that must guide relations with contractors and subcontractors
- ethical standards of conduct;
- internal penalties for violation of the rules;
- the impact on the corporate organisational system and the methods for its implementation.

Each member of the Board of Directors or the Board of Auditors, employee, external associate and, more generally, all Obligated Persons under this Model are required to comply with the rules contained in the Code of Ethics in the exercise of their functions, including in representation of the Company with third parties.

Any third parties with an interest in interacting with one of the companies of the ENAV Group will be made aware of the Code of Ethics and will be required to gauge their actions and attitudes, within the sphere of their competence and responsibility, to ensure full compliance with the provisions of the Code.

The Company undertakes to disseminate the Code of Ethics, to periodically update it, to provide any possible tool that facilitates its full application, to investigate any reported violations of the rules of the Code of Ethics, and to assess the circumstances surrounding the report and consequently impose, where a violation is ascertained, appropriate penalties on the Obligated Persons involved.

1.5 Anti-Corruption Code

On 2 August 2018, the ENAV Board of Directors approved an Anti-Corruption Code based on ISO 37001. Following approval, the Parent Company made its implementation mandatory for all ENAV Group companies.

The Anti-Corruption Code is part of a comprehensive body of internal rules (e.g. policies, procedures, guidelines and regulations) that govern individual areas in more detail and with which internal personnel must comply.

The ENAV Group bases its action on the broadest compliance with anti-corruption regulations issued by both national and supranational authorities ("Anti-Corruption Laws") and as a consequence it works to counter and does not tolerate any act of corruption, fraudulent conduct and/or, more generally, illegal or wrongful conduct that may be committed in any form, whether as an active or passive participant, by employees or by third parties such as contractors, consultants, suppliers, partners, agents and other natural persons, legal entities and de facto organisations that conduct relations with the Company or with the companies of the ENAV Group.

The management of the ENAV Group is personally committed, in compliance with the Anti-Corruption Laws, to raising awareness and disseminating these rules and principles within its own organisation in order to prevent corruption, in application of the principle of "zero tolerance" of corruption.

The Anti-Corruption Code establishes guidelines regarding ethical issues and standards of conduct and must be applied together with the body of internal rules.

It specifies the activities most exposed to acts of corruption identified by ENAV on the basis of an assessment of the risk associated with the business of the Parent Company, ENAV, and the companies of the ENAV Group.

It also specifies the duties of employees and the penalties for those who violate anti-corruption laws.

Note that employees are required to report to the head of Internal Audit, through the Whistleblowing system, and to the Supervisory Body any actual or suspected illegal activities of which they have become aware.

2. THE GOVERNANCE MODEL AND THE ORGANISATION OF THE COMPANY

2.1. The Company

D-flight is the company whose purpose is the development of UAVs and any related or complementary activity. In particular, the Company:

- develops, builds, installs and manages technological platforms and/or devices for the provision of UAV air traffic management services ("Unmanned Aerial Vehicle Traffic Management") capable of supporting in-flight operations in safe and controlled conditions;
- implements and manages UAV registration and identification systems, also developing services with advanced capabilities (BVLOS and Autonomous Flight management), acts as an enabler for innovative services and promotes new business models for its customers;
- coordinates activities for the registration, identification and management of UAV air traffic, managing the integration of UTM with ATM in order to gradually increase the overall level of risk management;
- provides services for monitoring and controlling UAV air traffic, information to operators, advisory and warning services;
- supports the planning activity and the validation and authorisation process for UAV air traffic, in accordance with regulatory and environmental constraints;
- manages of the registration of all flight data of the UAVs affected by the aforementioned services, creates and manages storage systems for such data and guarantees access to ENAV and the entities responsible for offering or promoting services and/or capital or accessory goods to UAV operators, such as, by way of example, value-added services for the management of fleets and for big data management.

The Company has its registered office at the registered office of ENAV S.p.A., in Rome, via Salaria 716 and its operational headquarters at the offices of TechnoSky S.r.l., in Rome, Via del Casale Cavallari 200. The Company may perform all activities deemed necessary or useful for the achievement of its corporate purpose and to this end it may, by way of example: carry out real estate, securities, commercial, industrial, publishing, financial and sales transactions of services however connected and/or complementary to the corporate purpose, issue guarantees also in the interest of third parties, with the exception of raising funds from the public and the provision of investment services as defined by applicable legislation on banking and credit matters. The granting of credit and the performance of activities reserved for persons operating in the financial sector do not lie within the scope of the corporate purpose.

The development of the platform to provide UTM services is intended to reduce costs for very expensive operations (such as monitoring activities via helicopters) and to improve the performance of UAVs (e.g. range, flight duration, etc.) and to acquire skills in performing missions in complex environments or in risky areas (e.g. urban areas, confined spaces, etc.).

The mission of the Company is to enable the flight of UAVs in complete safety in critical airspace with the development of a dedicated UTM system. The platform to deliver UTM services provides traffic monitoring and control capabilities, allowing the simultaneous flight of multiple UAVs within the same airspace and identifying any obstacles, possible collisions or prohibited areas. In this context, each UAV is free to conduct planned missions while ensuring the safety of people and infrastructure.

The UTM system architecture provides advanced services to all UAV operators: from mission planning to flight management and historical data analysis. Registered users can plan a mission, request authorisation and verify its feasibility in advance as well as continuously monitoring the flight in order to review the mission plan and revise it at the end of the mission. Among other things, the UTM system enables the automated

acquisition (thereby reducing the resources necessary for management) of the proprietary data generated by the instrumentation on board the UAV (UTM box).

The UTM system makes it possible to implement a more streamlined and less expensive mission authorisation process, guaranteeing significant savings compared to the past. The acceptable cost, in fact, allows a greater level of control and an increase in the use of UAVs.

The platform created by the Company guarantees an automated and efficient authorisation process and is managed entirely through a dedicated system that guarantees transparency on the management status of the request.

On 3 August 2016, ENAV and ENAC signed an agreement concerning the identification of the enabling factors for low-altitude operations with UAVs, including remotely piloted aircraft ("APRs") and for the provision of the related traffic management services , as well as for the construction of an infrastructure for the supply of traffic management services compliant with the regulatory requirements of ENAC concerning the digital registration and identification of such vehicles (the "**Agreement**").

Pursuant to Article 4 of the Agreement, ENAV may use a subsidiary established to perform certain services under the Agreement, relating to any activity deemed necessary or suitable for defining the methods for providing UTM services and for the development and implementation of an innovative technological platform that enables the integration of multiple complex sector technologies appropriate to achieving the objectives set out under the Agreement.

With a call published in the Official Journal of the European Union of 10/08/2016 no. 153-276911 and notice of request for expression of interest of 9 August 2016, ENAV launched a procedure for selecting an industrial partner to acquire a minority shareholding in the Company for the development and provision of UTM services.

Following an assessment of the expressions of interest received, a public-private partnership operation was undertaken with the invitation of qualified operators to submit offers under the Procedure.

With a measure of 25 May 2018, following the resolution of the ENAV Board of Directors of 14 May 2018, ENAV selected the joint bidders Leonardo S.p.A., Telespazio S.p.A. and IDS Ingegneria dei Sistemi S.p.A. as winners of the call.

As an additional guarantee of the obligations undertaken by them and the Industrial Partner, the parties (ENAV and the company initially 100% controlled by ENAV, the Industrial Partner and each of the successful joint bidders) entered into a framework contract outlining the structure of their respective contributions and their respective rights and obligations necessary to carry out the operation, beginning the Company's operations. Among other things, the contract defined the commitments of the parties for the implementation of corporate governance arrangements and the signing of contracts (the Service Contract and the Performance Contract), enabling the Company to provide the services assigned to ENAV under the Agreement.

2.2. The Company's governance system

The term corporate governance refers to the Company's administration and control system, understood as a set of rules and procedures designed to ensure the effective and efficient management of the Company, with the aim of creating value for shareholders in the medium-to-long term, taking account of the interests of other stakeholders.

(a) Governance arrangements of the Company

In the context of the dual-purpose tender, steps were taken to establish governance arrangements and safeguards to protect the investment to ensure substantive oversight of the participation of ENAV, the majority shareholder of the Company, while at the same time guaranteeing the effectiveness and operations of the Company.

In addition to ENAV's power to designate the majority of the members of the Board of Directors (including the CEO) and the majority of the Board of Auditors (including the Chairman), this was assured by provisions giving ENAV super-majorities on the Board and in the Shareholders' Meeting in certain matters, procedures for managing possible deadlocks in decision-making and mechanisms for stabilising ownership structures.

In consideration of the fact that the Industrial Partner is entitled to own the shareholding in the Company as a specifically established vehicle company wholly owned by the Shareholders, those Shareholders cannot transfer their shareholding, in whole or in part, for the entire duration of the shareholders' agreement. If the Shareholders intend to transfer all or part of their shareholding in the Company, ENAV has a right of pre-emption on the shares to be transferred. furthermore, if ENAV does not intend to acquire the shareholding, the transfer of the shareholding to the new Shareholders will be subject to the prior approval of the Board of Directors, which will assess compliance with the subjective and technical-professional requirements on the basis of applicable law, issuing its determination with a resolution taken with the statutory majorities.

ENAV also reserves the right to repurchase the shareholding of the Shareholders in certain circumstances, including: the dissolution of the contractual obligations between the Company and the Shareholders and between the Company and ENAV; the expiration of the partnership; the modification of the ownership structure of the Industrial Partner or of the Shareholders; or a deadlock in decision-making within the Board of Directors or the Shareholders' Meeting.

(b) The Company's Board of Directors

The Company's Board of Directors is composed of five members, appointed using a slate voting mechanism in compliance with the rules governing gender balance and in such a way that three members (including the Chief Executive Officer) are appointed by ENAV and two members (including the Chairman) are appointed by the Shareholders

The roles of Chief Executive Officer and Chairman are clearly separated and both are responsible for representing the Company.

(c) The Company's Board of Auditors

Pursuant to the articles of association, the Board of Auditors is made up of three standing members and two alternate members, who are appointed using a slate voting mechanism in compliance with the rules governing gender balance and in such a way that two standing auditors (including the Chairman) and one alternate are appointed by ENAV and one standing auditor and one alternate are appointed by the Shareholders. The Board of Auditors monitors compliance with the law and the articles of association, compliance with the principles of sound administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its actual operation.

(d) The Company's top management

As regards the main management positions in the Company, the appointment of the Chief Operating Officer is the responsibility of the Shareholders and is carried out in agreement with ENAV, while the appointment of the Chief Financial Officer is the responsibility of ENAV.

During the start-up phase, management personnel will be seconded from ENAV and the Shareholders.

(e) Statutory audit of the Company's accounts

The statutory audit of the Company's accounts is awarded through competitive tenders, in compliance with the applicable rules of the Code of Public Contracts. The Company is responsible for selecting the audit firm, which can be appointed for a three-year period, in order to correctly establish the scope of work of the audit in the initial period of the company's activity. Where possible, the audit firm in charge of the statutory audit pursuant to Legislative Decree 39/2010 shall be the same as that of the Parent Company.

2.3. Intercompany contracts

The tender rules provide for ENAV to provide corporate services to the Company under intercompany contracts negotiated on market terms and conditions. Accordingly, the non-core and service activities are performed by the ENAV units responsible for those activities. The intercompany contracts comprise the Service Contract between ENAV and the Company and the Performance Contract between the Company and the Shareholders, which form an annex to the framework contract and are both governed by the specific rules set out in the Procedure.

(a) Service Contract

The Service Contract governs the provision and management of support services and delineates the scope of the rights and obligations of the parties with regard to the services theoretically deliverable by ENAV to the Company.

This three-year contract, with effect from 1 December 2018, governs the performance by the Company of the "UTM Services" referred to in the Agreement, which are detailed in the technical specifications covered by the Procedure.

Pursuant to this Service Contract, the Company undertakes to perform the services to the highest standards, in compliance with applicable national and European regulations and to strictly comply with the agreed conditions.

The Service Contract contains numerous safeguards, such as:

- the Company's obligation to permit ENAV to audit, at any time and without notice, the full and accurate execution of the contract and to collaborate in enabling the performance of such audits and to defend its work;
- the right of ENAV to terminate the contract in the event of breach by the Company of its contractual obligations, without prejudice to the right to seek damages for loss and with the additional right to repurchase the shareholding pursuant to Article 5 of the shareholders' agreement;
- the transfer to the Company of the risks associated with the performance of the UTM Services under an express indemnification clause.

The Service Contract governs, inter alia:

- responsibilities;
- fee structures and fee review procedures, with the possibility of annual review;
- methods of execution of the services;
- term, emphasising the need for stability over time;
- termination for breach and/or the occurrence of certain corporate events that could involve the Company (merger, etc.) or withdrawal;
- documentation - quarterly reporting;
- payment methods and timing;
- confidentiality.

To ensure continuity in the provision of UTM Services, the Company is required to continue providing such services despite the possible termination of the effects of the contract, for any reason and for the period necessary for a new partner to be designated.

Payment of the fees due to the Company for the performance of UTM Services shall be carried out by the users of the services at the rates provided for in the fee schedule agreed between ENAC and ENAV, subject to any periodic review.

Finally, the Service Contract contains standard contractual clauses on the safety, protection and rights of workers, the code of ethics, privacy and traceability of cash flows, in compliance with the applicable provisions of law.

(b) Performance Contract

The Performance Contract is signed between the Company, the Industrial Partner and each of the successful bidders, who shall have joint and several liability in respect of ENAV and the Company for the performance of all the obligations undertaken by the Industrial Partner.

The Performance Contract is intended to govern the specific obligations that the Shareholders assume in respect of the Company and, more specifically, defines and regulates system/platform development activities, as well as the management and maintenance services provided by the Shareholders, dividing the activities into specific sections.

The Performance Contract has a term of 12 years and requires the Shareholders to perform the following activities:

- the creation of the technological system necessary for the first five years of the Company's activity;
- the implementation of technological developments subsequent to the first five-year period (i.e. from the sixth to the twelfth year of the partnership), with an option for the Company;
- the management and maintenance of the technological system for the first five years;
- the management and maintenance of the technological system for the years following the first five.

The contractual services are executed on the basis of the provisions of the technical tender and offer documentation, including the time schedule for the development of the platform and the expected service levels ("Service Level Agreement" or "SLA") for management and maintenance activities. In the event of delays in the execution of the services and/or failure to comply with the technical prescriptions contained in the SLAs, the penalties provided for are applied to the Shareholders, subject to the right of the Company to seek damages for any additional losses that may exceed the maximum amount of penalties.

With regard to the regulation of intellectual and/or industrial property rights associated with the various components of the system/platform, full title to all technological developments (for example software development, UTM Box technological solutions, etc.) carried out in as part of the development of the technological system/platform ("Foreground Products") will be sold and transferred to the Company upon entry into force of the Performance Contract.

(c) Marketing of UTM services

For the marketing of UTM Services abroad, the Shareholders are required in advance to propose to the Company to supply those services jointly, and that only in the case of refusal by the Company shall they be free to market such services. With regard to the marketing in Italy and abroad of UTM services and/or products not included among the UTM Services, the Shareholders undertake to provide the services and/or products of the technical offer presented under the Procedure through the Company on a preferential basis.

3. ADOPTION OF THE 231 MODEL BY D-FLIGHT

3.1. Objectives pursued with the adoption and updating of the 231 Model

The Company has deemed it consistent with its corporate policies as well as its institutional mandate to implement the 231 Model provided for under Legislative Decree 231/2001.

This initiative was taken in the belief that the adoption of that document would represent an effective tool for raising the awareness of all those who work in the name and on behalf of the Company so that they act appropriately in the performance of their duties to prevent the risk of committing Offences.

To this end, with a resolution of the Board of Directors of 27 February 2019, in addition to the Code of Ethics and the Anti-Corruption Code, the Company adopted its own 231 Model pursuant to Legislative Decree 231/2001.

Following organisational changes adopted by the Company following the approval of the Model and the introduction of new offences within those considered by Legislative Decree 231/2001, the Company, in line with the provisions of the Decree and the Confindustria Guidelines, has maintained and updated the Model in order to ensure its ongoing compliance with the requirements of solidity, functionality and effectiveness.

Since this document, and the 231 Model that derives from it, is an instrument issued by the Board of Directors - in accordance with the requirements of Article 6, paragraph 1, letter a) of Legislative Decree no. 231/2001 – any subsequent amendments of it are the responsibility of the Board, except for changes directly connected with corporate reorganisation measures and that do not in any case involve radical changes in the structure of the Model.

The salient principles of the Company's 231 Model are:

- identification of business processes and mapping of the Company's activities at risk;
- presence of a Supervisory Body with financial independence and powers of initiative and oversight to ensure the operation, effectiveness and compliance with the 231 Model;
- verification of corporate conduct and documentation for each significant transaction;
- adoption of a disciplinary system to penalise non-compliance with the requirements and procedures provided for in the 231 Model;
- dissemination at all company levels of the Internal Rules, including, rules of conduct and procedures.

3.2. The function of the 231 Model

The 231 Model represents a structured and comprehensive system of procedures and control activities, both ex ante and ex post, designed to prevent and reduce the risk of committing Offences.

More specifically, the identification of activities exposed to the risk of crime and their proceduralisation in an effective control system is intended to:

- raise awareness among those who work with the Company in various capacities (employees, consultants, suppliers, etc.), asking them, as part of the activities they perform in the interest of the Company, to conduct themselves appropriately and transparently in accordance with the ethical values which inspire the Company in the pursuit of its corporate purpose, thereby mitigating the risk of committing the Offences addressed in the Decree;
- help improve the management of the internal control system, fostering the consolidation of a corporate culture that values the principles of transparency, ethical conduct, fairness and compliance with the rules, thereby also enhancing the Company's image;
- ensure that all those who work in the name and on behalf of the Company are fully aware of the risks of committing, in the event of violations of the provisions contained therein, an offence subject to criminal and administrative penalties not only for themselves but also for the Company;

- reiterate that these forms of unlawful behaviour are strongly condemned by the Company (even if the Company were apparently in a position to benefit from them) as they are contrary not only the provisions of the law but also to the ethical and social principles with which the Company intends comply in pursuing its corporate mission;
- enable the Company, thanks its monitoring of activities at risk, to take prompt action to prevent or combat the commission of the Offences.

The purposes of the 231 Model therefore include establishing among employees, corporate bodies, consultants and partners and, more generally, all those who operate on behalf or in the interest of the Company in areas at risk an understanding of the need for compliance with the roles, operating methods, protocols and, in other words, the 231 Model, and an awareness of the social value of this Model in preventing Offences.

3.3. Principles inspiring the 231 Model

In preparing this document, existing control procedures and systems were taken into account where they were deemed to be valid measures for the prevention of Offences and the oversight of areas at risk.

In particular, the Company identified the following specific existing tools involved in planning the formation and implementation of the Company's decisions concerning, among other things, Offences to be prevented:

- the corporate governance principles adopted formally or in practice by the Company;
- the system for attributing powers and responsibilities within the organisation;
- Internal Rules, including company procedures, documentation and measures concerning the structure of the corporate and organisational hierarchy and functional arrangements and the management control system;
- rules concerning the administrative, accounting, financial and reporting system;
- the Code of Ethics, which among other things seeks to foster and promote a high standard of expertise and to deter conduct that is not in the interest of the Company, that violates the law or that conflicts with the values that the Company seeks to preserve and promote;
- the Anti-Corruption Code;
- the personnel communication and training system currently adopted by the Company;
- the disciplinary system governed by the N.C.B.A.;
- in general, any applicable Italian and foreign legislation.

The key standards inspiring the 231 Model, in addition to the above, are:

- the Confindustria Guidelines, on which the mapping of the areas at risk was based;
- the requirements laid down in Legislative Decree 231/2001, in particular:
  - the assignment to a Supervisory Body of the task of promoting the effective and appropriate implementation of the 231 Model, including through the monitoring of corporate conduct and the right to obtain on an ongoing basis information on activities relevant for the purposes of Legislative Decree 231/2001;
  - the verification of the functioning of the Model, with periodic updating where necessary (ex post oversight);
  - awareness raising and dissemination at all company levels of the rules of conduct provided for in the Code of Ethics and the established procedures;
- the general principles of an adequate Internal Control and Risk Management System, in particular:
  - **the existence of formalised procedures**: corporate measures establishing principles of conduct, operating procedures for performing Sensitive Activities and methods for storing relevant documentation;
  - **ex post tracing and verification of transactions** using appropriate documentary/computerised support and justification of choices: each transaction must be supported with appropriate

documentation that can be audited to determine the characteristics and reasons for the transaction and identify who authorised, executed, registered or verified the transaction;

- **segregation of duties**: the system must ensure - where applicable - the application of the principle of separation of functions, under which an authorisation to carry out a transaction must be given by someone other than the person who performs or audits the transaction. Furthermore: A) powers and responsibilities must be defined and known within the organisation; and B) authorisation and signature powers must be consistent with the organisational responsibilities assigned to their holders;
- **existence of a system of powers consistent with the organisational responsibilities assigned to their holders**: the authorisation and signature powers assigned must be: A) consistent with the organisational and management responsibilities assigned to their holders; and B) clearly defined and known within the Company. Company offices that have the authority to commit the Company to certain expenditures shall be defined, specifying the limits and the nature of the expenditure.

Summarising the four previous points, the Internal Control and Risk Management System must be inspired by the following principles:

- the verification and documentation of every transaction relevant for the purposes of the Decree;
- compliance with the principle of separation of functions, under which no one can independently manage an entire process;
- the definition of authorisation powers consistent with the responsibilities assigned to their holders;
- the communication of relevant information to the Supervisory Body.

The implementation of the principles of this 231 Model, as well as the Code of Ethics and the Anti-Corruption Code, requires - with regard to the individual Sensitive Activities identified within the Company - the adoption of specific Internal Rules and, in particular, company procedures that define the standards with which the Company, with its personnel and its organisational units, must comply in carrying out its activities, especially Sensitive Activities. In cases where a formalised procedure in the strict sense is not necessary or useful (for example, in the case of processes that are already highly regulated by regulations or laws, or in the case of processes performed at a high management level or processes that are sufficiently governed by less detailed organisational documents than formal procedures), minimum control criteria or reference standards for implementing company processes shall be established.

Accordingly, in the remainder of this document and in the Special Section, when reference is made to Internal Rules and, in particular, to company procedures, their formalisation may be based on specific case-by-case assessments, with a degree of formality that may include, for example, the following levels:

- administrative, managerial, technical, operational and similar processes with a high level of complexity and risk (highly detailed formal procedures, possibly structured into operating instructions);
- administrative, managerial, technical, operational and similar processes with a low level of complexity and risk (controlled practices or relatively undetailed proceduralisation, using procedures, circulars, service orders or other organisational documentation);
- processes subject to a high level of external legislative or regulatory control (defined by controlled practices, without the need for specific detailed procedures, provided that the practices are governed by standards and principles, such as correctly stored documentation, tracing of the documentary process, certain dating using specific correspondence management tools, authentication of the signing of documentation where required, etc.);
- high-level management processes (defined by controlled practices or general guidelines/policies or by undetailed procedures, circulars, service notices or other organisational documentation);

- processes with different combinations of the above characteristics (to be assessed on a case-by-case basis and formalised with the level of detail and type of organisational document appropriate to their effective characteristics).

3.4. Structure of the 231 Model: General Part and Special Part organised by type of Offence

The current version of the 231 Model is composed of a "General Part" and a "Special Part", whose sections are organised by the different categories of Offence addressed in the Decree that are considered to be at risk of occurrence in view of the activity carried out by the Company.

- **Section A** - applies to the offences against the Public Administration provided for in Articles 24 and 25 of the Decree and the Offence against the administration of justice of inducement to not make statements or to make false statements to judicial authorities indicated in Article 25-decies of the Decree.
- **Section B** – applies to the offences indicated in Article 25-ter of the Decree, i.e. corporate offences.
- **Section C** - applies to the computer crimes indicated in Article 24-bis of the Decree.
- **Section D** – applies to the organised crime offences indicated in Article 24-ter of the Decree, the crimes committed for the purpose of terrorism or subversion of the democratic order indicated in Article 24-ter of the Decree and the transnational crimes indicated in Law 146 of 16 March 2006.
- **Section E** – applies to the crimes of counterfeiting coins, banknotes, revenue stamps and means of identification (Article 25-bis of the Decree), crimes against industry and commerce (Article 25-bis.1 of the Decree) and the offences relating to the violation of copyright indicated in Article 25-novies of the Decree.
- **Section F** - applies to the types of offences provided for in Article 25-septies of the Decree, i.e. manslaughter and serious negligent personal injury in violation of workplace health and safety regulations.
- **Section G** – applies to the offences of handling of stolen goods, money laundering or the use of money, goods or benefits of illegal origin, as well as self-laundering pursuant to Article 25-octies of the Decree.
- **Section H** – applies to a number of circumstances that could in theory arise with regard to the environmental offences provided for in Article 25-undecies of the Decree.
- **Section I** – applies to offences associated with the employment of third-country nationals in the country illegally indicated in Article 25-duodecies of the Decree and the crimes against individual personhood indicated in Article 25-quinquies of the Decree.
- **Section J** – applies to the tax offences indicated in Article 25-quinquiesdecies of the Decree.
- **Section K** – applies to the smuggling offences indicated in Article 25-sexiesdecies of the Decree.

Although the risk of committing certain other types of offence referred to in Legislative Decree no. 231/2001 (such as the female genital mutilation practices indicated in Article 25-quarter.1) cannot be entirely ruled out a priori, the possibility of such circumstances occurring is considered remote and, in any case, is likely covered by the principles and rules set out in the Code of Ethics, the Anti-Corruption Code and other Internal Rules, which contain equally binding rules for all Obligated Persons, obviously without prejudice to the duty to strictly comply with all applicable laws and regulations.

4. ATTIVITIES PERFORMED FOR THE CONSTRUCTION, UPDATING AND MANAGEMENT OF THE 231 MODEL

4.1. Introduction

The preparation of this document was preceded by a series of preparatory activities divided a number of phases, all aimed at updating the risk prevention and management system in line with the provisions of Legislative Decree 231/2001, inspired not only by the rules contained therein, but also by the Confindustria Guidelines.

The main conceptual phases of the construction of the 231 Model are as follows:

- analysis of Sensitive Activities (risk assessment): identification of the processes and activities within which the offences referred to in Legislative Decree 231/2001 could be committed and identification of the ways in which, theoretically, the predicate offences are potentially applicable to the Company;
- interviews and gap analysis: agreement of the risk profile, identification of the control measures in place and identification of any shortcomings/gaps;
- development of the Model.

4.2. Sensitive Activities

The Company conducted a careful analysis of its organisation, management and control tools in order to determine the extent to which the principles of conduct and protocols already adopted were consistent with the purposes set out in the Decree and, where necessary, plan and organise the adaptation of those arrangements.

Article 6, paragraph 2, letter a) of the Decree expressly provides that an entity's Model shall identify the business activities in which the offences referred to in the Decree could potentially be committed.

Accordingly, an analysis of the Company's business activities and the related organisational structures was conducted for the specific purpose of identifying, in relation to each potentially relevant Offence, the Company areas at risk, in which the Offences could be committed ("Sensitive Activities") and examples of possible ways of this might occur.

The Company then analysed its business activities based on the information collected by the unit managers and by top management, who in view of their positions have the broadest and deepest understanding of operations in their sectors.

More specifically, the activities at risk within the business processes were identified based on a preliminary analysis of:

- the Business Plan;
- the shareholders' agreements;
- the articles of association;
- the Service Contract and the Performance Contract;
- the Company organisation chart, which highlights hierarchical and functional reporting lines;
- the resolutions and reports of the management and oversight bodies;
- the body of company rules (i.e. organisational procedures and guidelines) and the control system in general;
- the system of powers and responsibilities;
- the recommendations in the Confindustria Guidelines;
- the "history" of the Company, i.e. the prejudicial events that have affected the Company in the past.

The Company does not conduct business with third parties who do not intend to align their conduct with the principles of the Code of Ethics, the Anti-Corruption Code and the Model.

5. SUPERVISORY BODY

5.1. Designation of the Supervisory Body and its position within the hierarchical-functional structure

The body charged with supervising the operation of and compliance with the Model, as well as updating it as necessary, must be internal to the Company and have independent powers of initiative and control (Article 6, paragraph 1, letter b) of Legislative Decree 231/2001).

The explanatory report accompanying the Decree specifies that: "*The entity (...) shall also oversee the effective operation of the models and compliance with them: to this end, to ensure the maximum effectiveness of the system, the company shall employ a unit established internally (in order to avoid simple contrivances to create a veneer of legitimacy for the action of the company through the use of compliant bodies, and above all to create a true nexus of fault for the entity), endowed with independent powers and specifically responsible for these duties ... particularly important is the establishment of a reporting requirement in respect of this internal Supervisory Body, so as to ensure its operational capacity ...*".

5.2. Requirements for members of the Supervisory Body, causes of incompatibility and responsibilities

The Confindustria Guidelines recommend that the Supervisory Body should be a body other than the Board of Directors or the directors without delegated responsibilities and that it may also be composed of "external" members.

The Supervisory Body shall have the following characteristics:

- autonomy;
- independence;
- expertise;
- continuity of action.

The requirements for autonomy and independence dictate: a) the integration of the Supervisory Body as a staff unit at the highest possible level in the hierarchy, for example by having it report to the top management of the Company; and b) the absence of operational duties for the Supervisory Body, which by making it participate in operational decisions and activities would jeopardise its objectivity of judgment.

The expertise requirement must be understood as the wealth of theoretical and practical technical-specialist knowledge that the members of the Supervisory Body must have to effectively perform their functions, i.e. the specialised techniques of those who perform inspection and advisory activities. These techniques can be used:

- preventively, to deploy - upon adoption of the Model and subsequent amendments - the most appropriate measures to prevent, with reasonable certainty, the commission of Offences (advisory approach);
- concurrently, to verify that daily conduct effectively complies with codified standards;
- retrospectively, to ascertain how an offence of these types could have occurred and who committed it (inspection approach).

With regard to continuity of action requirement, the Supervisory Body must use its investigative powers to constantly monitor compliance with the Model and ensure its implementation and updating, representing a constant point of reference for all of the Company's personnel.

In addition to possessing these characteristics, the members of the Company's Supervisory Body must meet integrity requirements and in any case not be affected by causes of ineligibility or forfeiture, where provided for in the articles of association and the Rules of the Supervisory Body.

5.3. Appointment and term

In implementation of the provisions of Article 6, paragraph 1, letter b) of the Decree, the Company, following the resolution of the Board of Directors of 10 May 2021, has opted for a collegial Supervisory Body meeting the requirements of independence, professionalism, integrity and continuity of action.

The Supervisory Body has a term of three years.

The Supervisory Body may autonomously adopt its own Rules in order to delineate and govern the above aspects and any other matters within the sphere of its responsibilities.

The Board of Directors has ensured the Supervisory Body all those conditions of autonomy and continuity of action provided for by the legislator.

5.4. Replacement, forfeiture and removal

Causes for forfeiture of office as a member of the Supervisory Body, which also hold for the heads of the units and/or human resources working for the Supervisory Body, are:

- conviction, with a definitive ruling, for having committed one of the Offences provided for under Legislative Decree 231/2001;
- sentencing, with a definitive ruling, to a penalty involving interdiction, whether permanent or temporary, from holding a public office or a temporary interdiction on holding a management position with a legal person or company.

In particularly serious cases, the Board of Directors may decide, even before the issue of a definitive ruling and after obtaining the opinion of the Board of Auditors, to suspend the powers of the Supervisory Body and appoint an interim replacement.

Without prejudice to the possibility of conducting a review of the role and positioning of the Supervisory Body, based on the experience of implementing the Model, the specific powers of the Supervisory Body may only be removed for just cause, subject to a resolution of the Board of Directors after obtaining the opinion of the Board of Auditors.

5.5. Resources available to the Supervisory Body

The Supervisory Body shall have appropriate financial resources.

The resources may be used to pay for professional advice, tools and anything else necessary or appropriate for the performance of the functions of the Supervisory Body.

The Supervisory Body autonomously decides the expenses it shall incur in compliance with corporate signature powers, while expenditure in excess of the budget must be authorised by the Chief Executive Officer and notified to the Board of Directors.

5.6. Operation of the Supervisory Body

In performing its supervisory and oversight duties, the Supervisory Body may avail itself of the support of the unit of the Parent Company responsible for internal audit activities to:

- monitor compliance with the requirements of the 231 Model;
- evaluate the actual effectiveness and ability of the Model to prevent the commission of offences;
- propose any updates to the 231 Model;
- monitor the effectiveness of the 231 Model;
- handle reporting to the Board of Directors;
- monitor and manage reporting flows;
- coordinate and provide training.

5.7. Functions and responsibilities of the Supervisory Body

In general, the Supervisory Body is charged with:

- monitoring compliance with the requirements of the 231 Model by the Obligated Persons and identifying any irregular conduct that may emerge from the analysis of information and reports received;
- verifying compliance with, implementation and appropriateness of the Model with respect to the need to prevent the commission of Offences;
- assessing the actual effectiveness and ability of the 231 Model to prevent the commission of Offences within the context of the company structure;
- proposing updates to the 231 Model where there is a need to modify it in response to changes in conditions within the Company or the introduction of new Offences among those addressed by the Decree that are relevant to the circumstances of the Company;
- monitoring the effectiveness of the 231 Model, i.e. verifying the consistency of actual behaviour with the general model, abstractly defined.
- notify the competent structures of any violations of the Model so that they can take any necessary disciplinary measures;
- with the support of other competent units, periodically audit the system of delegated powers, recommending changes if a power and/or qualification does not correspond with the powers of representation granted to an internal manager or subordinates.

From an operational point of view, the following duties are entrusted to the Supervisory Body, which issues specific instructions on the matters:

- developing a programme for auditing the effective application of the control procedures in the areas at risk, bearing in mind that primary responsibility for overseeing activities, even for those relating to the areas at risk, remains with the competent managers of the various activities involved and forms an integral part of production and support processes;
- ensuring the implementation of the surveillance programme and interventions connected with that programme, performing unscheduled interventions where necessary;
- processing the results of the interventions carried out in the performance of their duties;
- collecting, processing and storing relevant information regarding compliance with the Model, as well as managing information generated by reporting from process owners;
- coordinating with other company units to enhance the monitoring of activities in areas at risk. To this end, the Supervisory Body shall be kept informed on an ongoing basis on developments in activities in the areas at risk and shall have full access, without the need to obtain prior consent, to all relevant company documentation. The Supervisory Body shall also be notified by management of any situations in company activities that may expose the Company to the risk of committing an offence;
- auditing the actual existence, regular keeping and effectiveness of the required documentation in accordance with the provisions of the Special Part of the 231 Model for the different types of Offences. In particular, the most significant activities or operations considered in the Special Section must be reported to the Supervisory Body and the updating of the documentation must also be made available to that Body in order to enable monitoring;
- conducting internal surveys to ascertain alleged violations of the provisions of the 231 Model;
- periodically carrying out targeted audits of certain transactions or specific actions conducted within the areas at risk, as defined in the Special Part of the 231 Model;
- promoting - in coordination with the company unit responsible for training and communication - appropriate initiatives for disseminating an understanding of the 231 Model and preparing the internal organisational documentation necessary for the operation of the Model itself, containing instructions, clarifications or updates;
- verifying that the actions provided for in the Special Part of the 231 Model for the different types of offence (adoption of standard clauses, execution of procedures, etc.) are in any case adequate and meet the requirements for compliance with the provisions of the Decree, taking steps to update these actions where this is not the case;

- coordinating with the other oversight bodies and with the managers of the corporate areas and units.

5.8. Powers of the Supervisory Body

In order to perform its audit, analysis and control activities, the Supervisory Body:

- shall have unlimited access (for the processes designated as sensitive by the 231 Model) to all company information and all documentation deemed relevant for the purposes of these activities;
- may submit requests of a general or specific nature to the various corporate units, including top management units, in order to obtain the information deemed necessary for the performance of its duties;
- may request from anyone who works on behalf of the Company in a Sensitive Activity any information deemed useful for the purpose of its supervision.

5.9. Reporting to corporate bodies

The Supervisory Body reports on the implementation of the 231 Model and the emergence of any critical issues.

As noted above, in order to ensure its full autonomy and independence in the performance of its functions, the Supervisory Body shall communicate directly with the Board of Directors of the Company.

In particular, the Supervisory Body reports to the corporate bodies on the status of the implementation of the Model and the findings of its supervisory activity through direct reporting and meetings (including video conferences) as follows:

- at least annually, to the Board of Directors and the Board of Auditors through a written report discussing the monitoring performed by the Body, the critical issues identified and any corrective or improvement actions appropriate to ensure the operational implementation of the Model;
- promptly to the Board of Directors if it is necessary to report serious and extraordinary situations, such as violations of the principles of implementation of the 231 Model, legislative changes involving the administrative liability of the entities that fall within the scope of implementation of the Model, as well as deficiencies in the Model itself;
- promptly to the Board of Auditors concerning alleged violations committed by top management or by members of the Board of Directors, without prejudice to the faculty of the Board of Auditors to request information or clarifications regarding the these alleged violations.

In general, and in any case for any situation that does not fall within the above, the Supervisory Body shall liaise on an ongoing basis with the Board of Directors of the Company. Meetings with the Board of Auditors should also be held on at least an annual basis.

The Supervisory Body may be summoned at any time by the Board of Directors and the Board of Auditors and, in turn, has the right to request that those corporate bodies be called to address matters relating to the functioning and effective implementation of the Model or concerning specific situations or in urgent circumstances.

The above reporting activity shall be documented in minutes and kept in the records of the Supervisory Body, in compliance with the principle of confidentiality of the data and information contained therein, as well as the regulations governing the processing of personal data.

To ensure the regular and effective flow of information, as well as for the purpose of the complete and correct exercise of its duties, the Supervisory Body is also entitled to request clarifications or information directly from persons with the main operational responsibilities.

Where necessary, the Supervisory Body may avail itself of the support of the Parent Company's Internal Audit unit.

All meetings of the Supervisory Body are recorded and copies of the minutes and related attachments shall be kept at the Company.

The Supervisory Body may also be called to participate in the meetings of the Board of Directors and the Board of Auditors called to examine the periodic or extraordinary reports of the Supervisory Body and, in general, for activities relating to the 231 Model.

6. REPORTING TO THE SUPERVISORY BODY

The obligation to keep the Supervisory Body informed through structured reporting flows is an additional tool to facilitate its supervision of the effectiveness of the Model and the ex post analysis of any circumstances that made the commission of an Offence possible.

The central units of the Parent Company are required to report any irregularities or violations of applicable law.

Similarly, reporting from corporate units owning sensitive processes is intended to enable the systematic monitoring of the operation of the Model and the identification of any measures necessary to adapt the ICRMS.

The reporting obligations for any conduct violating the provisions of the 231 Model derive from the broader duty of diligence and loyalty of workers referred to in Articles 2104 and 2105 of the Italian Civil Code. Accordingly, everyone is required to promptly report violations (whether ascertained or potential) of the Code of Ethics, the Anti-Corruption Code and the 231 Model to the Supervisory Body.

Failure to transmit the information as indicated in the procedure governing such information flows represents - to all effects - a violation of the 231 Model and is therefore subject to disciplinary action.

The information provided to the Supervisory Body is also intended to enable it to improve its control planning activities.

6.1. Reporting by Company Representatives or by third parties

Within the Company, in addition to the documentation required in the individual sections of the Special Parts of the 231 Model and in the procedure on information flows to the Supervisory Body, any other information of any type, including from third parties, relating to the failure to implement the 231 Model must be brought to the attention of the Supervisory Body.

In this regard, the following general provisions apply.

Company Representatives have a duty to report any pertinent information to the Supervisory Body when an Offence has been or is reasonably believed to have been committed.

More specifically, information concerning the following must be sent promptly to the Supervisory Body:

- measures and/or other information from law enforcement or any other authority indicating that a criminal investigation is being conducted, including those involving persons unknown, if such investigations involve the Company, Company Representatives or the corporate bodies;
- requests for legal assistance submitted by Company Representatives following the initiation of judicial proceedings concerning the Offences;
- reports prepared by the managers of other corporate units of the Company as part of their oversight activities from which facts, acts, events or omissions that could jeopardise compliance with the 231 Model may emerge;
- information concerning penalty proceedings and any measures imposed (including measures impacting Company Representatives) or measures dropping charges in such proceedings with the associated motivation if they are connected with the commission of Offences or violation of the rules of conduct or procedural aspects of the 231 Model;
- the committees of inquiry or internal reports indicating liability for the Offences referred to in Legislative Decree 231/2001;
- changes in the articles of association or changes in the company organisation chart;
- any violation or alleged violation of the rules set out in the 231 Model or in any case conduct not in compliance with the rules of conduct adopted by the ENAV Group.

External Associates are also required to report the information referred to in this section, except for information originating within the Company.

If necessary, the Supervisory Body may propose any changes to the reporting flows indicated above to the Board of Directors of the Company.

6.2. Procedure for and management of reports and measures protecting whistleblowers

- If Company Representatives wishes to submit one of the above reports, they must report directly to the Supervisory Body.
- The Supervisory Body will evaluate the reports received, possibly conducting a hearing of the person filing the report and/or the person responsible for the alleged violation, justifying in writing any refusals to conduct an internal investigation. Any consequent measures are applied in compliance with the provisions of the chapter on the Disciplinary System;
- If the reports received do not fall within the Supervisory Body's scope of responsibility but are still relevant, they will be forwarded to the Parent Company's Internal Audit unit for appropriate consideration.
- The Supervisory Body is not required to consider anonymous reports that are not sufficiently detailed.
- Reports must be in writing and based on information of which the whistleblowers have become aware in the performance of their duties.
- Any form of retaliation, discrimination (direct or indirect) or penalisation against whistleblowers for reasons connected directly or indirectly with the report is prohibited. Any discriminatory measures brought against the whistleblower can be reported to the National Labour Inspectorate, including through the trade union organisation indicated by the whistleblower.
- third parties and/or External Associates may report directly to the Supervisory Body, possibly using the dedicated channel referred to in the following point.

Reports should be as detailed as possible and offer as much information as possible to enable the Company to conduct its enquiry.

In implementation of the above, direct reports to the Supervisory Body can be submitted through multiple channels ensuring the confidentiality of the whistleblower, such as by e-mail to odv@d-flight.it; or by accessing the whistleblowing portal from the Parent Company's official website or by ordinary mail to Organismo di Vigilanza Modello 231 di d-flight c/o ENAV S.p.A., Via Salaria n. 716, 00138 – Roma.

All these channels maintain the confidentiality of the whistleblower's identity. In particular, in accordance with the provisions of the Company's Whistleblowing Rules, the whistleblowing portal fully ensures such confidentiality using IT procedures.

Violations of the duty to report to the Supervisory Body referred to in the previous section may result in disciplinary action being taken, as indicated in more detail in the chapter on the disciplinary system.

6.3. System of delegated powers

The Supervisory Body must also be informed about the system of delegated powers adopted by the Company and any subsequent updates.

6.4. Collection and retention of information

All information and reports provided for in this Model shall be retained by the Supervisory Body in a specific archive (computerised and/or physical documentation).

The archive may only be accessed by the Supervisory Body and its associates.

6.5. Enquiries and penalty proceedings

Preliminary assessment

The preliminary assessment seeks to determine the validity of the reports received.

The Supervisory Body prepares a report docket that gives the details and key characteristics of the report itself and the main summary information to assess its validity.

All reports received undergo a preliminary assessment, which is conducted exclusively on the basis of the content of the report and any initial information already available. If in doubt, the manager of the proceeding will, however, carry out further investigations.

Enquiries

Once the preliminary investigation has been completed, the Supervisory Body shall decide whether or not to proceed with further enquiries.

Should information emerge showing the groundlessness or irrelevance of the report received, no audit activities will be carried out and the report, once updated, is filed in a specific computerised and physical data storage system, whose management and retention procedures are illustrated in the section Collection and retention of information.

In the case of blatantly defamatory reports, without prejudice to the individual legal protections that the reported person may seek, the Company may request the initiation of internal or judicial proceedings against the whistleblower.

In the event that the conditions for further enquires are met, the Supervisory Body shall involve the Internal Audit unit of the Parent Company.

The Supervisory Body, drawing on the support of the Parent Company's Internal Audit unit, shall conduct an enquiry to promptly verify the terms of the report and possible deviations or unwarranted conduct in the normal course of business activities. In order to undertake the necessary enquiries, the Supervisory Body may request the support of other organisational units without revealing the terms and contents of the report that it is investigating.

Any consequent measures are determined and applied in compliance with the provisions of the disciplinary system, the operation of which involves the competent human resources unit.

7. TRAINING, INFORMATION AND SUPERVISION

7.1. Information and training

In order to guarantee the effectiveness of the 231 Model, the Company seeks to ensure that its personnel have a thorough understanding the Internal Rules (e.g. procedures and rules of conduct) adopted in implementation of the principles contained in this document, with the degree of detail of their knowledge differing in relation to their different level of involvement in the areas at risk.

Information activities include the following processes:

- the Internal Rules (e.g. procedures, control systems and rules of conduct) adopted in implementation of the principles set out in this document together with the Code of Ethics and the Anti-Corruption Code shall be communicated to all personnel in relation the activities they perform in practice and the duties assigned to them. This communication may be delivered either using computerised tools (e.g. the intranet), an operating manual or other documentation suitable for this purpose or through the provision of such documentation through the secretariat of the head of the employees' unit;
- employees, upon acceptance of their job offer, will be asked to sign a specific declaration of acceptance and commitment to comply with the Internal Rules including, in particular, the Code of Ethics, the Anti-Corruption Code and the procedures adopted in implementation of the 231 Model;
- the members of the Board of Directors, upon acceptance of their appointment, undertake to comply with the provisions of the Code of Ethics, the Anti-Corruption Code and this 231 Model;
- this document and the principles contained therein must be communicated to all managers, who, in relation to the particular fiduciary relationship and the managerial independence of their position, shall collaborate effectively for their correct and effective implementation. Managers must sign a commitment similar to that signed by the members of the corporate bodies.

Training

The Company will also organise training initiatives in order to disseminate and facilitate an understanding of the Internal Rules (e.g. procedures and rules of conduct) adopted in implementation of the principles referred to in this 231 Model and the principles contained in the Code of Ethics and the Anti-Corruption Code. The content of the training will differ depending on the qualifications of the employees, the risk in the area in which they operate and whether or not they perform representative functions within the Company.

Staff training for the purposes of implementing the 231 Model is managed by the Company in close cooperation with the Supervisory Body and the other oversight bodies and will be organised into the following levels:

- Supervisory Body: meetings providing updates on any significant legislative, jurisprudential or doctrinal changes relating to the Decree and its application;
- management and/or personnel with representative functions within the Company and internal managers: information and training seminars, at intervals commensurate with their position; information in the letter of employment for new hires;
- other personnel: internal information document; information in the letter of employment for new hires; access to the intranet; training as part of the company induction course; any other training and/or information initiatives in relation to specific needs; online training.

In addition to these activities, the Company, in agreement with the Supervisory Body, offers a training plan.

The training plan will involve initiatives differentiated by the positions held by the Company Representatives and the specific Sensitive Activities in which they are involved.

Attendance at the training courses prepared for Employees is mandatory: it is the responsibility of the heads of the competent human resources and training units to inform the Supervisory Body on the results of these courses in terms of participation, satisfaction and effectiveness.

7.2. Selection of External Associates and Partners

Acting on a proposal of the Supervisory Body, the Board of Directors may decide to establish specific evaluation systems for the selection of External Associates and Partners.

7.3. Notice for External Associates and Partners

Specific information may be provided to External Associates and Partners on the Internal Rules (e.g. those on policies and procedures) adopted by the Company on the basis of this 231 Model as well as the text of the contractual clauses normally used in this regard.

7.4. Notice to Suppliers

The Company shall notify its Suppliers of the adoption of the 231 Model, the Code of Ethics and the Anti-Corruption Code in a specific clause in the contract.

Suppliers shall also issue a statement that they have not been convicted of and/or that they have no pending proceedings involving the Offences covered by Legislative Decree 231/2001.

7.5. Oversight obligations

All Company Representatives with oversight responsibilities in respect of other Company Representatives shall exercise them with the utmost diligence, reporting to the Supervisory Body any irregularities, violations and non-compliance in accordance with the procedures provided for in the previous section.

In the event of failure to comply with these obligations, Company Representatives with oversight responsibilities will be subject to penalties in accordance with their position within the Company as provided for in the following chapter.

8. DISCIPLINARY SYSTEM

8.1. General principles

A further key step in the construction of the 231 Model, associated with the adoption of the Code of Ethics and the Anti-Corruption Code, was the adoption of an appropriate system of penalties for the violation of the rules and procedures provided for under Legislative Decree 231/2001 that serve as the basis for exemption from the associated liability.

Within the complex and articulated system of compliance models enabling exemption and given the specific purposes of those models, it is clear how such violations damage the fiduciary relationship with the entity and must, consequently, lead to disciplinary action, regardless of the possible pursuit of criminal charges in cases where the conduct constitutes an offence.

Article 6, paragraph 2, letter e) and Article 7, paragraph 4, letter b) of Legislative Decree 231/2001 require the establishment (both for persons in top management positions and persons subject to management by others) of "*a disciplinary system capable of penalising failure to comply with the measures indicated in the Model*".

The imposition of penalties commensurate with and capable of deterring violations of the provisions of the 231 Model is intended to contribute to: (i) the effectiveness of the Model itself and (ii) the effectiveness of the control action of the Supervisory Body.

It is also important to emphasise that the imposition of disciplinary sanctions does not depend on the outcome of a criminal proceeding, since the rules of conduct imposed by the Model are adopted by the company in full autonomy, regardless of whether the conduct gives rise to an Offence.

As regards the type of sanctions that can be imposed, it should first be noted that, in the case of payroll employees, any penalties must comply with the procedures provided for by Article 7 of the Charter of Labour Rights and/or by any special regulations established in law or contract, where applicable, characterised not only by the consistency of the category of violation, but also the consistency of penalty procedures.

8.1.1 Description of the disciplinary system

In compliance with the provisions of Article 7 of the Charter of Labour Rights, the code of conduct and penalties contained in the 231 Model, must be brought to the attention of all employees by posting it in a place accessible to all.

8.1.2 Basis of the code of penalties

The code of penalties contained in this Model has been configured in strict compliance with all labour law regulations.

In consideration of the existing system of trade union relations and the existing regulatory framework regarding collective bargaining agreements specifically applicable to the Company's personnel, no procedures or penalties other than those already codified and incorporated in the collective bargaining agreements and trade union agreements have been envisaged.

The organisational and regulatory measures provided for in the 231 Model pursuant to Legislative Decree 231/2001 have only been matched against potential breaches by persons acting within the scope of the Model, while the possible penalties have been calibrated to ensure they are commensurate with the seriousness of the circumstances and the risk, even if only potential, that the actions of those persons may constitute an Offence pursuant to the Decree.

8.1.3 Violations of the 231 Model

For the purposes of compliance with Legislative Decree 231/2001, it can be generally stated that the following constitutes a violation of the 231 Model:

- actions or conduct that do not comply with the requirements of the 231 Model, or the omission of actions or conduct prescribed by the Model, in performing activities in which there is a risk of commission of the Offences ("Sensitive Areas");
- actions or conduct that do not comply with the requirements of the 231 Model, or the omission of actions or conduct prescribed by the Model, in performing activities connected with Sensitive Processes that:
  - expose the Company to an objective risk of committing one of the Offences;
  - are unequivocally directed at the commission of one or more Offences;
  - are such as to expose the Company to application of the penalties provided for by Legislative Decree 231/2001;
- actions or conduct that do not comply with the principles contained in the Code of Ethics and in this code of conduct-penalties, or the omission of actions or conduct prescribed by them, in the performance of Sensitive Activities.

8.1.4 Categories of sanctionable conduct by Obligated Persons

The penalties provided for below are applied to disciplinary offences connected with:

a) failure to comply with the measures intended to ensure the performance of the activity and/or to uncover and promptly eliminate situations of risk pursuant to Legislative Decree 231/01;

b) failure to comply with the methods and procedures for the acquisition and management of financial resources established to prevent the commission of predicate offences;

c) failure to represent or incomplete or mendacious representation of activities carried out with regard to the documentation, storage and control of the instruments associated with procedures in order to obscure the transparency or hinder the audit of such procedures;

d) violation and/or circumvention of the control system through the theft, destruction or alteration of the documentation of procedures or hindering the audit of or access to information and documentation by the designated persons (including the Board of Auditors, the Supervisory Body, Internal Audit and the Audit Firm);

e) failure to comply with the provisions of the Code of Ethics and the Anti-Corruption Code;

f) non-compliance with the provisions governing signature powers and the system of delegated responsibilities, in relation to the associated risks, with regard to instruments and documents submitted to the Public Administration;

g) non-compliance with the obligation to make periodic statements (or the submission of false statements) relating to: compliance with the Code of Ethics and the Model and the absence of conflicts of interest with regard to relations with the Public Administration;

h) hindering or circumventing the controls of the Supervisory Body and unjustifiably impeding access by the persons responsible for audit activities to information and documentation (Board of Auditors, the Supervisory Body, Internal Audit and the Audit Firm);

i) omissions in compliance with, implementation and control of or violation of the rules on workplace health and safety, the environment and other applicable regulations connected with Sensitive Activities, which may constitute a source of predicate offences;

l) multiple unjustified and repeated violations of the Model protocols;

m) failure to report non-compliance and irregularities, including those committed by senior management;

n) failure to notify the Supervisory Body and the person's superior of any situation at risk of commission of a predicate offence of which that person became aware during the performance of his duties;

o) failure to oversee the conduct of personnel operating within their sphere of responsibility in order to ascertain their actions within areas at risk and, in any case, in performing activities instrumental to operational processes exposed to the risk of commission of an offence.

8.2. General criteria for imposing penalties

In individual cases, the type and severity of specific sanctions will depend on the seriousness of the violations and, in any case, will be based on the following general criteria:

- the subjective nature of the conduct (wilful misconduct or fault, the latter to be understood as negligence, imprudence or inexperience);
- the importance of the obligations violated;
- the potential severity of the harm to the Company, including any resulting from the application of the penalties provided for under Legislative Decree 231/2001;
- the hierarchical or functional level of responsibility;
- the presence of aggravating or mitigating circumstances, with particular regard to previous work performance and other disciplinary measures imposed in the previous two years;
- possible joint liability with other workers who contributed to the violation;
- whether the person is a repeat offender.

If multiple infringements punished with different penalties have been committed with a single act, the most severe penalty shall be applied.

Repeat offences in the two-year period automatically entails the application of the most severe penalty within the type envisaged.

The principles of timeliness and immediacy require the imposition of disciplinary penalties regardless of the outcome of any criminal proceeding.

8.2.1 Penalties imposed on whistleblowers submitting wilfully or negligently unfounded reports or persons who violate measures protecting whistleblowers

Whistleblowers who wilfully or negligently submit an unfounded report shall be subject to the penalty system as indicated in the following sections.

Retaliatory or discriminatory dismissal of whistleblowers is void. Similarly, changes in duties pursuant to Article 2103 of the Civil Code are void, as are any retaliatory or discriminatory measures taken against whistleblowers. The disciplinary system establishes sanctions for those who violate measures protecting whistleblowers.

In the event of disputes related to the imposition of disciplinary sanctions, demotions, dismissals, transfers or other organisational measures with direct or indirect negative effects on the working conditions of whistleblowers subsequent to the submission of their report, the employer shall bear the burden of proof in demonstrating that these measures were taken for reasons unrelated to the report.

8.3. Penalties for non-management personnel: supervisors and office staff

Scope of application

The conduct of employees who violate the rules set out in the 231 Model pursuant to Legislative Decree 231/2001 is defined as a “disciplinary offence”.

The penalties that can be imposed on these employees fall within those indicated by the company disciplinary code referred to in the current N.C.B.A for employees of the Company, in compliance with the procedures provided for by Article 7 of the Law 300 of 30 May 1970 (Charter of Labour Rights) and any applicable special regulations established in law or contract.

With regard to the foregoing, the 231 Model refers to the categories of sanctionable conduct, which are also provided for under the existing penalty system, i.e. the rules agreed in the current N.C.B.A for employees of the Company. These categories describe the conduct subject to punishment in accordance with the importance of the individual cases considered and the penalties envisaged for that conduct as a function of the gravity of the violation.

For each employment relationship, in addition to the Charter of Labour Rights (Law 300/1970) and the rules established in collective bargaining agreements, reference is also made to the provisions of the Italian Civil Code, including Articles 2104, 2105 and 2106, which are reported here.

- Article 2104 *Employee diligence*. An employee shall use the diligence required by the nature of the performance due, by the interest of the company and by the higher interest of national production. The employee shall also comply with the instructions for the execution and regulation of the job given by the employer and his superiors within the organisation.
- Article 2105 *Loyalty obligation*. An employee shall not conduct business on his own or on behalf of third parties in competition with the employer, nor disclose information relating to the organisation and production methods of the company, or make use of such information in a manner that could be prejudicial to the company.
- Article 2106 *Disciplinary penalties*. Failure to comply with the provisions contained in the two previous articles may result in the application of disciplinary penalties in accordance with the seriousness of the infringement (and in accordance with corporative rules).

Penalties

A worker responsible for actions or omissions in violation of the rules set out in this 231 Model shall be subject to the following disciplinary penalties in relation to the seriousness of the non-compliance and whether the action or omission is a repeat offence as well as the harm caused to the Company or to third parties:

- written warning;
- fine;
- suspension from service without pay;
- dismissal.

Written warnings

Employees who violates the internal procedures provided for in this Model (for example, failure to observe the prescribed procedures, failure to notify the Supervisory Body of required information, failure to perform checks, etc.) or in performing Sensitive Activities conduct themselves in a manner that does not comply with the requirements of the Model despite the fact they should have understood that such conduct did not comply with specific provisions brought to their attention by the Company with service orders or other appropriate means.

Fines

Employees who, having already received a written warning, persist in the violation of the internal procedures provided for by this Model or in performing Sensitive Activities continue to conduct themselves in a manner that does not comply with the requirements of the Model despite the fact they should have understood that repeated such conduct did not comply with specific provisions brought to their attention by the Company with service orders or other appropriate means.

Suspension from service without pay

Employees shall be suspended from service without pay if:

- in violating the internal procedures provided for by this Model or, in performing activities connected with "sensitive" processes pursuant to the Decree, their conduct does not comply with the provisions of the Model and as well as violating the provisions of this Model also causes harm to the Company or jeopardises the integrity of the company's assets despite the fact they should have understood that such conduct caused harm or jeopardised the integrity of the company's assets;
- having already been fined, they persist in violating the internal procedures provided for in this 231 Model or in performing Sensitive Activities continue to conduct themselves in a manner that does not comply with the requirements of the Model.

Dismissal with notice

This penalty shall be applied for repeated serious violations of procedures with external relevance in the performance of activities that involve judicial, contractual or administrative relations with the Public Administration, as well as violation of the rules of procedure or conduct provided for in the Model or in the Code of Ethics that cause harm to the company or conduct directed solely at the commission of an offence.

Dismissal without notice

Employees are subject to dismissal without notice where:

- in performing activities connected with "sensitive" processes pursuant to the Decree, they conduct themselves in a manner that that is clearly in violation of the provisions of this 231 Model and gives rise to the actual application of the measures provided for in the Decree to the Company, without prejudice to any independent criminal liability they may incur, despite the fact they should have understood that such conduct, in causing serious harm to the Company, radically undermines the Company's trust in them;
- they wilfully violate and/or fraudulently avoid procedures with external relevance with conduct unequivocally directed at committing an offense included among those provided for in Legislative Decree 231/2001 such as to dissolve the fiduciary relationship with the employer;
- they violate and/or circumvent the control system through the theft, destruction or alteration of the documentation of procedures or hindering the audit of or access to information and documentation by the designated persons (including the Board of Auditors, the Supervisory Body, Internal Audit and the Audit Firm);
- they submit incomplete or untruthful documentation or submit no documentation of activities carried out with regard to the documentation and storage of instruments associated with procedures in order to wilfully obscure the transparency or hinder the audit of such procedures;
- they commit violations of workplace safety regulations that could directly or indirectly give rise to manslaughter or serious negligent personal injury as referred to in Article 25-septies of Legislative Decree 231/2001;
- having already been suspended from service without pay, they continue to violate the internal procedures provided for by this Model or continue conduct themselves in performing activities in areas at risk in a manner that does not comply with the requirements of the Model.

In compliance with the provisions of law and collective bargaining agreements, the Company reserves all rights to pursue claims for damages for harm caused to it by employees as a result of violations of the procedures and the rules of conduct provided for under Legislative Decree 231/2001.

Rules of procedure

Penalties more serious than a verbal reprimand must be imposed in compliance with the procedures provided for in Article 7 of Law 300/1970.

For disciplinary measures more serious than a verbal reprimand, workers must be notified in writing, specifying that within 5 working days of receipt of the written complaint they may submit their justifications in writing or ask to discuss the dispute with the Company. They may be assisted by the Human Resources

department of the Parent Company under the provisions of the Service Contract or by any trade unions to which they belong or ask to represent them.

Without prejudice to the option of imposing a precautionary suspension, if the disciplinary measure is not issued within 10 working days following the fifth day after receipt of the complaint or from the day immediately following any discussion of the dispute with the Company, their justifications shall be considered accepted. If the length of the proceeding or needs related to ascertaining the extent of the violation are incompatible with the presence of the worker in the Company, the Company may suspend the worker on a precautionary basis for the period of time strictly necessary to perform these activities. Such period shall not in any case exceed 30 days. During this period, the employee shall continue to receive their pay unless an infringement punishable by dismissal with or without notice is ascertained.

No account shall be taken of the effects of disciplinary measures after two years from their imposition.

Workers subject to a disciplinary penalty may invoke the conciliation procedure provided for under Article 7, paragraphs 6 and 7, of Law 300/1970. Dismissal may be appealed in accordance with applicable legal procedures.

This article and any company disciplinary code shall be permanently posted in locations within the company that are accessible to all employees.

8.4. Penalties for management personnel

In the case of a violation by management personnel of the internal procedures provided for in this 231 Model or of conduct in performing Sensitive Activities that does not comply with the requirements of the Model, they will be subject to the most appropriate measures in accordance with the provisions of law and the current N.C.B.A. for the Company's management personnel.

In compliance with the provisions of law and collective bargaining agreements, the Company reserves all rights to pursue claims for damages for harm caused to it by management personnel as a result of violations of the procedures and the rules of conduct provided for under Legislative Decree 231/2001.

In particular:

- in the event of a minor violation of one or more rule of procedure or conduct provided for in the Model, management personnel shall receive a written warning to comply with the Model, which is a necessary condition for maintaining the fiduciary relationship with the Company, or shall be subject to a fine of between one half and three times their monthly remuneration;
- in the event of a serious violation of one or more provisions of the Model such as to constitute a significant beach, management personnel shall be subject to total or partial revocation of delegated responsibilities or powers of attorney or to dismissal with notice;
- in the event of a violation that is serious enough to irreparably damage the fiduciary relationship such as to render even temporary continuation of employment possible or that represents the commission of one of the predicate offences or triggers the initiation of proceedings to ascertain the liability of the Company pursuant to Legislative Decree 231/01 or the actual imposition on the Company of the penalties provided for by the Decree or which represents conduct subject to criminal prosecution, management personnel shall be subject to dismissal without notice.

8.4.1 Types of sanctionable conduct by management personnel

The following provides a non-exhaustive list of types of sanctionable conduct by management personnel, in addition to those envisaged for Obligated Persons (see section 8.1.4):

1. failing to comply in the performance of their functions with the protocols and procedures for planning the formation of decisions that are the responsibility of the Board of Directors, the Chairman or the Chief Executive Officer, as well as senior managers or superiors;

2. failing to comply with the procedures and processes for implementing the decisions of the Board of Directors, Chairman or Chief Executive Officer, senior managers or superiors;
3. failing to comply with the obligation to document the decision-making phases envisaged for processes at risk of commission of an offence specified in the Model;
4. failing to comply with rules and conduct requirements provided for in national and foreign laws that establish rules for the prevention of Offences;
5. hindering or circumventing Supervisory Body controls or unjustifiably impeding access by the persons responsible for audit activities to information and documentation (Board of Auditors, the Supervisory Body, Internal Audit and the Audit Firm);
6. failing to report non-compliance or irregularities committed and of which one has become aware in the performance of one's duties;
7. failing to assess and promptly take measures in response to reports and warnings calling for action issued by the Supervisory Body in the performance of its duties.

8.5. Penalties for third parties (self-employed workers, intermediaries, consultants and other associates)

Failure to comply with the requirements set out in the Model, the Code of Ethics and the Anti-Corruption Code by self-employed workers may, in accordance with the provisions of the specific contractual relationship with each worker, give rise to the termination of the relationship, without prejudice to the right to seek damages for harm that has occurred as a result of such conduct, including any harm caused by court-ordered imposition of the measures provided for in Legislative Decree 231/2001.

In particular, a specific contractual clause, of the following nature, shall be inserted in contract language and shall be subject to express acceptance by the third party, thus forming an integral part of the contractual agreements.

Under this clause, these associates state that they are aware of, accept and undertake to comply with the Code of Ethics, the Anti-Corruption Code and the 231 Model adopted by the Company, indicate whether they have also adopted a similar code of ethics and 231 Model and affirm that they have never been involved in judicial proceedings relating to the offences addressed by the 231 Model pursuant to Legislative Decree 231/2001.

In the event that these persons have been involved in the above proceedings, they shall declare this circumstance for the purpose of enabling the Company to pay closer attention to the relationship if it should be established.

These persons shall also undertake not to engage in any conduct that could give rise to the offences referred to in Legislative Decree 231/2001 and to act in compliance with the rules and principles of the Decree. Violation of this commitment shall represent a serious breach of the contract obligations and shall entitle the Company to terminate the relationship with immediate effect, pursuant to and for the purposes of Article 1456 of the Civil Code, without prejudice to the Company's right to seek damages for harm that has occurred as a result of such conduct, including but not limited to any caused by imposition of the penalties provided for in the Decree.

8.6. Monitoring

The implementation of the disciplinary system will be constantly monitored by the Supervisory Body, which shall be kept informed by the head of human resources at the Parent Company.

9. OTHER SAFEGUARDS AGAINST VIOLATIONS OF THE 231 MODEL

9.1. Measures in respect of members of the Board of Directors and Board of Auditors

In the event of non-compliance with the provisions of the Model by one or more members of the Board of Directors or Board of Auditors, the Supervisory Body shall notify the Board of Directors and/or the Board of Auditors and/or the Shareholders' Meeting, in accordance with their respective spheres of responsibility, who shall assess the seriousness of the violation and take the most appropriate initiatives in accordance with the powers provided for by law (Article 2407 of the Civil Code – derivative suits) and the articles of association.

In particular:

- in the event of a minor violation of one or more rule of procedure or conduct provided for in the Model, senior managers shall receive a written warning to comply with the Model, which is a necessary condition for maintaining the fiduciary relationship with the Company, or shall be subject to a fine of up to one third of their total remuneration;
- in the event of a serious violation of one or more provisions of the Model such as to expose the Company to significant risk, senior managers shall be subject to total or partial revocation of their delegated responsibilities;
- in the event of a violation that is serious enough to irreparably damage the fiduciary relationship such as to render even temporary continuation of employment possible or that involves the commission of one of the Offences, senior managers shall be subject to removal from their position.

9.2. Measures in respect of External Associates and Partners

Any action on the part of External Associates or Partners that does not comply with the rules of conduct indicated in this 231 Model such as to give rise to the risk of committing an Offence punishable under the provisions of the Decree may lead, in accordance with the specific contractual clauses included in the letters of engagement or in partnership agreements, to the termination of the contractual relationship, without prejudice to any claim for damages for actual harm to the Company caused by such conduct, such as the court-ordered imposition of the measures provided for in the Decree.

9.3. Penalties that may be imposed on members of the Supervisory Body

Where an offence has been committed by a member of the Supervisory Body, the Board of Directors shall be promptly informed and, having obtained the opinion of the Board of Auditors, may issue a written warning to the member responsible for the violation or remove the member depending on the seriousness of the offence committed. The penalties provided for employees, managers and external associates shall also apply to members of the Supervisory Body who belong to these categories.

10. PERIODIC AUDITS

This 231 Model will be subject to two types of audit:

- **audits of documentation**: the main corporate instruments and the most significant contracts entered into by the Company within the scope of the Sensitive Activities will be audited on an annual basis;
- **audits of procedures**: the effective operation of this 231 Model will be periodically audited in the manner established by the Supervisory Body. In addition, a review will be undertaken of all reports received during the year, of the actions taken by the Supervisory Body and other parties involved, of events considered risky and of employee awareness of the offences provided for in the Decree, based on sample interviews or a self-assessment questionnaire to be sent periodically to the managers of the various areas/units.

Following an audit, a report will be drawn up to be submitted to the Board of Directors of the Company (in conjunction with the annual report prepared by the Supervisory Body) indicating possible shortcomings and suggesting remedial actions to be taken.

11. APPLICATION PROGRAMME AND CRITERIA FOR UPDATING THE 231 MODEL

11.1. Updating and adjusting the 231 Model

The 231 Model shall be updated or adjusted whenever it should become necessary or advisable to do so and in any case in response to circumstances connected with events such as:

- legislative changes (e.g., where new types of offences relevant for the purposes of the Decree are introduced) and changes to the Confindustria Guidelines underlying the 231 Model;
- the occurrence of violations of the 231 Model and/or the findings of audits of the effectiveness of the Model (which may also involve publicly known experiences of other companies);
- significant changes in the organisational structure of the Company and/or in the manner in which it conducts business; identification of new Sensitive Activities or changes in those previously identified, possibly related to the start-up of new business activities, changes to the internal structure of the Company and/or the manner in which it conducts business.
- the findings of audits pointing to inadequacies in the Model.

The approval of updates of the Model shall be immediately notified to the Supervisory Body, which, in turn, shall monitor the correct implementation and dissemination of the updates.

This is an activity of particularly significant importance, as it seeks to maintain the effective implementation of the 231 Model over time despite changes in the regulatory framework or within the Company, as well as in the cases where deficiencies have been identified in the Model itself, above all on the occasion of any violations of the Model.

In compliance with the role assigned to it by Legislative Decree 231/2001, it is the duty of the Supervisory Body to report the necessary updates and adjustments of an ordinary nature and to formulate proposals for substantive updates and adjustments for submission to the Board of Directors for final approval.

The 231 Model will in any case undergo periodic review in order to ensure its ongoing maintenance in response to developments in the Company.

The Supervisory Body shall communicate to the Board of Directors (and, in particular, to the Chairman) any information of which it has become aware that may suggest the advisability of updating or adjusting the 231 Model.

12. THE ENAV GROUP

Issues concerning the liability of an entity belonging to a group are not expressly addressed by Legislative Decree 231/2001.

However, corporate groups represent a widely used organisational solution in the Italian economic system for several reasons, including the need to diversify the business and share risks. Furthermore, the greater organisational complexity that distinguishes a group may be accompanied by greater challenges in developing systems to prevent the commission of the offences envisaged under Legislative Decree 231/2001.

In order to balance the autonomy of individual companies with the need to promote a group policy in the fight against corporate crime, the Parent Company, ENAV, has promoted the adoption of 231 Models and control systems pursuant to the Decree within the ENAV Group companies and a system for reporting by the supervisory bodies of the ENAV Group companies to the ENAV Supervisory Body.

This reporting system may be used, for example, to update the models of the subsidiaries in response to organisational changes or to provide for additional risk areas or violations of the rules of the Model.

The ENAV Group companies have developed their 231 Models on the basis of the principles underlying the Model of the Parent Company and incorporate its contents, except where an analysis of their sensitive activities finds it necessary or advisable to adopt different or additional specific prevention measures with respect to those indicated in the Model of the Parent Company, and in this case they notify the Supervisory Body of the Parent Company.

Until the adoption of their 231 Model, the ENAV Group companies shall ensure the prevention of offences through appropriate organisational and internal control measures.

Each Italian company belonging to the ENAV Group is responsible for implementing its model and appoints its own supervisory body. In small companies, the functions of the supervisory body can be performed directly by the Board of Directors, in accordance with Article 6, paragraph 4, of the Decree.

The Company may also operate with other partners in Italy and abroad. In these situations, while respecting the autonomy of the individual legal entities with which it works, the Company employs specific contractual clauses to ensure that all the person with whom it works conduct themselves in compliance with the principles laid down in the Decree and enshrined in their own 231 Model, the Code of Ethics and the Anti-Corruption Code.