



CODE OF ETHICS

TERRANOVA
BENEFIT CORPORATION

APPROVED BY THE BOARD OF DIRECTORS
OF TERRANOVA S.R.L. ON 21 JULY 2023

INDEX

1. INTRODUCTION →

1.1.	TERRANOVA GROUP AND THE OBJECTIVES OF THE CODE OF ETHICS	3
1.2.	THE RECIPIENTS OF THE CODE OF ETHICS AND STAKEHOLDERS	5
1.3.	TERRANOVA'S COMMITMENT TO THE CREATION OF SUSTAINABLE VALUE	5
1.4.	STRATEGIC VALUES	5

2. GENERAL ETHICAL PRINCIPLES →

2.1.	LEGALITY	6
2.2.	INTEGRITY AND EQUALITY	6
2.3.	FAIRNESS AND FAIR COMPETITION	6
2.4.	FIGHTING CORRUPTION	7
2.5.	COPYRIGHT AND INDUSTRIAL PROPERTY PROTECTION	7
2.6.	IMPARTIALITY IN CASE OF POTENTIAL CONFLICTS OF INTEREST	7
2.7.	CLARITY, TRUTHFULNESS AND TRACEABILITY IN EVERY OPERATION AND TRANSACTION	8
2.8.	CENTRED ON PEOPLE AND THEIR VALUE	8
2.9.	CONFIDENTIALITY	8
2.10.	SECURITY AND PROTECTION OF IT TOOLS AND SYSTEMS	8
2.11.	OCCUPATIONAL HEALTH AND SAFETY	9
2.12.	ENVIRONMENTAL PROTECTION	9

3. RULES OF CONDUCT →

3.1.	RELATIONS WITH THE PUBLIC ADMINISTRATION	10
3.2.	RELATIONS WITH CUSTOMERS	11
3.3.	RELATIONS WITH BUSINESS PARTNERS	12
3.4.	RELATIONS WITH SUPPLIERS OF GOODS AND SERVICES	12
3.5.	FOREIGN RELATIONS	12
3.6.	RELATIONS WITH POLITICAL ORGANISATIONS AND TRADE UNION REPRESENTATIVES	13
3.7.	TRANSPARENT COOPERATION WITH INSTITUTIONS AND RELATIONS WITH TRADE ASSOCIATIONS AND THE MEDIA	13
3.8.	RELATIONS WITH EMPLOYEES	13
3.9.	COMMUNITY RELATIONS	14
3.10.	MANAGEMENT OF FINANCIAL RESOURCES, ACCOUNTING AND TAXATION	14
3.11.	HEALTH AND SAFETY	14
3.12.	ENVIRONMENT	14

4. ADOPTION, UPDATING, DISSEMINATION AND VIOLATIONS →

4.1.	ADOPTION, UPDATING AND AMENDMENTS	15
4.2.	VIOLATIONS OF THE CODE OF ETHICS AND PENALTY SYSTEM	15
4.3.	REPORTS	16



1. INTRODUCTION

1.1. TERRANOVA GROUP AND THE OBJECTIVES OF THE CODE OF ETHICS

Terranova (hereinafter the 'Company') is a Benefit Company that invests in research and training to lead the Utility world in the digital transformation process through innovative solutions that exceed market standards and create value and sustainability.

Today Terranova Group counts on 400 resources working in 5 areas of expertise that, with their presence in Italy and strategic offices abroad, manage more than 350 high-profile customers for a total turnover of more than 44 million Euro, thanks also to important strategic partnerships.

Terranova offers flexible, modular software designed to meet any market need, in the particular sectors of Gas & Power Distribution and Sales, Integrated Water Service, Environmental Management and Smart Networks. Terranova provides its customers with solutions with products that create competitive advantage and optimise processes.

Terranova Way is Terranova's M.O., which pushes the company every day towards finding the best solutions to achieve important goals in digitisation, innovation and sustainability: investments in R&D, training and high-quality partnerships are a must.

For over 20 years, it has been providing tools that promote its customers' business efficiency, including reducing the impact on the environment through optimal operations management. It manages more than 60 projects for the development of sustainable and smart cities, bringing its clients closer to the community with its citizen-oriented projects and facilitating awareness on the use of natural resources.

It promotes the growth and development of its people, devoting time to training and evaluation. It structures professional growth paths and career plans. It provides smart working for work-life balance and invests more than 450,000 euro annually in corporate welfare.

It respects the environment with concrete actions, such as the Green Travel Policy for travel and activities to offset its CO2 emissions, such as the Treedom project.

It promotes inclusiveness, also by collaborating with the voluntary world and supports realities that create employment and offer a decent present for all.

Terranova is driven by strong values that it puts into practise every day. Integrity, which it maintains in all work and personal relationships. Tenacity, which drives everyone to turn every problem into an opportunity. Responsibility, that people take on in achieving concrete results. The care you give to your team by making the most of your people. The constant pursuit of the highest product quality.

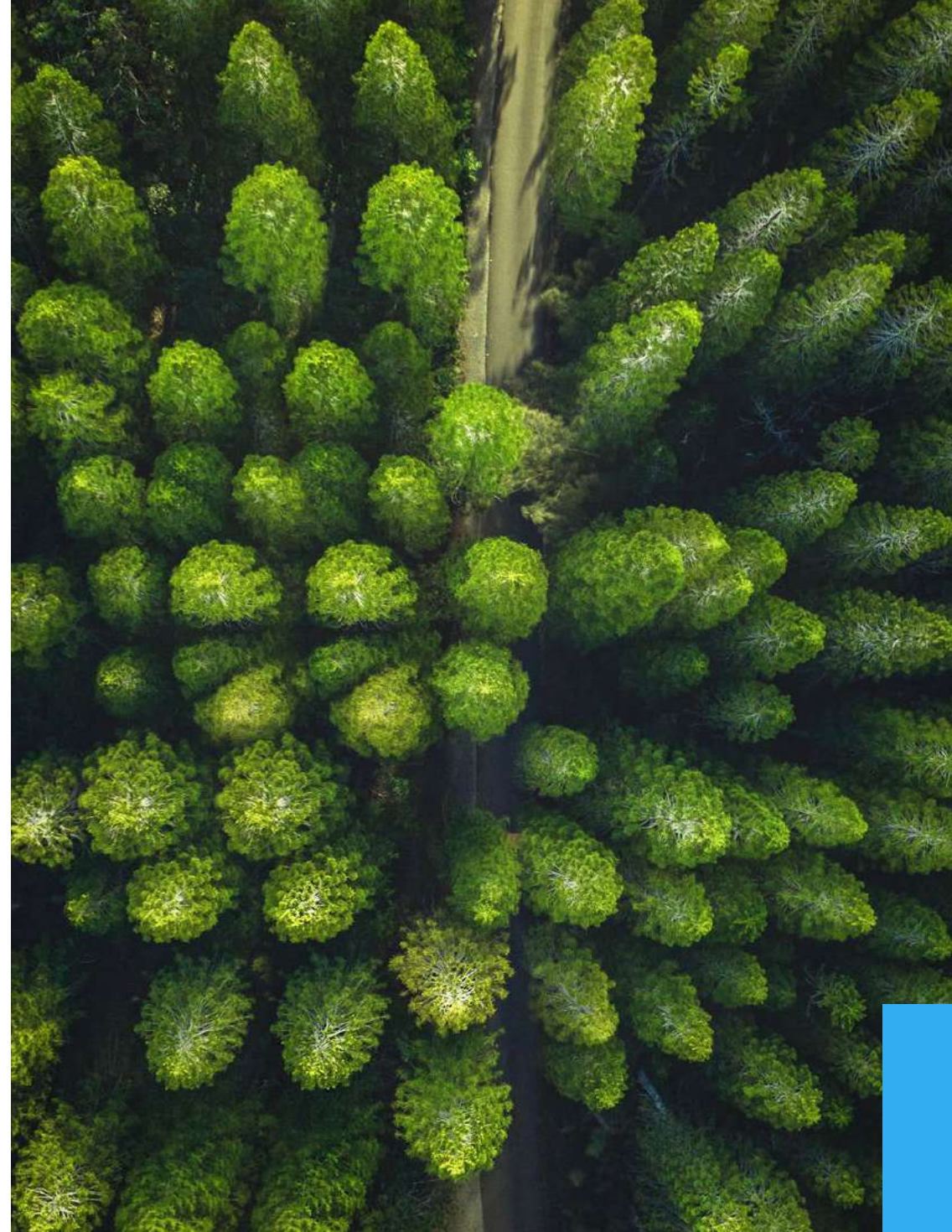
This Code of Ethics (hereinafter referred to as the 'Code of Ethics') expresses the commitments and ethical responsibilities assumed by Terranova and all Group Companies in the conduct of business and all company activities.

The conduct of business must be inspired by criteria and behaviours of fairness, equity, integrity, loyalty, seriousness, honesty, competence and transparency, in full compliance with applicable laws and regulations.

Terranova intends:

- to promote the constant maintenance of ethical conduct and compliance with current regulations and best practices in relations with external and internal stakeholders;
- to reflect as much as possible the efforts made in developing and continuously strengthening trusting relationships with stakeholders;
- to promote and disseminate the integration of the strategic values of sustainable development, concern for the community and the environment into the business.

Terranova prepares, on a voluntary basis, the Sustainability Report, as the main tool, together with the system pursuant to Leg. D. 231/2001 and the Code of Ethics, to represent the three dimensions of economic, social and environmental responsibility.



Terranova wishes to illustrate clearly, truthfully and fairly its achievements in all areas of importance to stakeholders, including the principles and commitments undertaken in this Code of Ethics.

The Code of Ethics is valid in all countries in which Terranova operates, taking into account their cultural, social and economic diversity.

1.2. THE RECIPIENTS OF THE CODE OF ETHICS AND STAKEHOLDERS

The Code of Ethics, approved by the Board of Directors of Terranova S.r.l., is addressed to and is binding to all Directors, Group employees, Statutory Auditors, and all those who, even if external, establish - directly or indirectly - a stable or temporary relationship with the Companies belonging to Terranova Group (hereinafter, for the sake of brevity, referred to as the “**Recipients**”). Each recipient must know and respect the Code of Ethics, actively contributing to its implementation, and report, through the appropriate channels, any violations and non-compliance.

The Code of Ethics is disseminated and made known to all Stakeholders, understood as those categories of individuals, institutions, organisations, whose contribution is significant for the realisation of sustainable value creation according to Terranova’s mission.

1.3. TERRANOVA’S COMMITMENT TO THE CREATION OF SUSTAINABLE VALUE

Terranova, which primarily addresses institutions and public entities serving the community, is committed to ensuring sustainable and inclusive economic growth over time by developing innovative technologies and promoting energy efficiency, the use and good management of renewable energy, and the transformation of urban centres into sustainable cities.

All this is consistent with Terranova’s Vision and Mission, namely with the idea of:

VISION

To become one of the market leaders, providing flexible and integrated products that anticipate our customers’ sustainability needs by harnessing the extraordinary know-how of our people

MISSION

We invest in research and training to guide our customers in the digital transformation process through our innovative solutions that exceed market standards and create value and sustainability.

Terranova manifests its commitment to ensuring maximum stakeholder satisfaction, including by obtaining and maintaining certifications of quality and information security management systems, as well as for occupational health and safety.

These certifications are fundamental tools both to ensure the continuous and constant improvement of their organisational processes and to offer customers high quality solutions, and to preserve the health and safety of employees and external personnel.

1.4. STRATEGIC VALUES

The values that the Terranova Group bases its strategy on and requires the commitment of all its employees and collaborators are:

- Product quality
- Tenacity
- People-oriented
- Integrity
- Responsibility



2. 2. GENERAL ETHICAL PRINCIPLES

2.1. LEGALITY

Every Recipient of the Code of Ethics must operate in compliance with the laws in force, committing themselves to knowing and respecting all Community, national, regional and local laws and regulations in general.

In no case does the conviction of gaining advantages, of any kind, for the Company justify any behaviour in violation with the regulations in force.

2.2. INTEGRITY AND EQUALITY

The Recipients of the Code of Ethics must base their activities on the utmost loyalty, transparency and integrity, acting in accordance with principles of fairness and good faith.

Terranova rejects all discrimination by promoting the equality of persons, regardless of gender, language, religion, political opinion, personal and social conditions.

Terranova, in fact, promotes a secular culture of social equality and is committed to ensuring equal opportunities for employment and professional development without differences, whether based on sex, religion, sexual orientation, gender identity or otherwise, always with a focus on gender equality.

2.3. FAIRNESS AND FAIR COMPETITION

Terranova intends to protect the value of fair competition, in every country it operates in, and is inspired, in the conduct of its business and in its relations with competitors, by principles of fairness and transparency, also undertaking not to unduly damage the image of competitors and their products. Terranova condemns any form of restriction of competition and refrains from collusive business practices that would constitute an infringement of competition laws.

2.4. FIGHTING CORRUPTION

Terranova condemns any act of corruption, whether active or passive, observing and demanding strict compliance by all Recipients with the rules and regulations designed to prevent corrupt acts, applied in the various countries that the Group operates in.

Terranova therefore establishes the prohibition to initiate or continue any action towards or by third parties, aimed at unlawfully promoting or favouring its own interests, to take advantage of them, or capable of impairing its impartiality and autonomy of judgement.

Terranova is committed to preventing all corruption through adherence to a culture of transparency, both in conduct and in all forms of transactions.

2.5. COPYRIGHT AND INDUSTRIAL PROPERTY PROTECTION

Terranova invests in research, in the knowledge that new ideas are fundamental for sustainable development, and is committed to respecting and protecting the rights concerning distinctive marks, industrial and intellectual property of third parties by recognising all moral and proprietary rights of authors and industrial inventors.

2.6. IMPARTIALITY IN CASE OF POTENTIAL CONFLICTS OF INTEREST

In the conduct of any activity, situations must be avoided where those involved are, or may appear to be, in conflict of interest. This means the actual or apparent situation in which the secondary interest (economic, financial, family or other) of an employee or third party acting on behalf of Terranova interferes or tends to interfere with the ability to be impartial when making decisions in the best interests of the company and to fulfil the functions and responsibilities held.

Recipients who consider that they are involved in a situation of conflict of interest must refrain from making decisions in relation to processes or matters in which such a conflict arises, and must communicate this in the appropriate manner.



2.7. CLARITY, TRUTHFULNESS AND TRACEABILITY IN EVERY OPERATION AND TRANSACTION

Terranova has adopted a policy of strict and absolute transparency in transactions, aimed at preventing any form of abuse.

Every operation and/or transaction must be legitimate, authorised, consistent, congruous, properly recorded and verifiable at all times. Every operation must be supported by appropriate documentation to allow, at any time, the performance of checks that attest to its characteristics, the reasons that allowed its execution, and identify the persons who authorised, performed, recorded, and verified the operation itself. Terranova Group, which also operates in Anglo-Saxon countries, has adhered to the ban on the use of 'soft dollars'.

2.8. CENTRED ON PEOPLE AND THEIR VALUE

Terranova is aware of the strategic importance and centrality of people.

People, who are the heart of the company, are the focal point for designing and innovating products and ensuring quality service.

Terranova protects and promotes the professional development of personnel by respecting their aptitudes and aspirations, encouraging the pursuit of a work-life balance and implementing actions aimed at the overall well-being of the people working in the Group.

The protection of human rights underpins all the choices made by the Group: one of the fundamental values that Terranova has decided to base its business model on concerns the 'centrality of the person'.

2.9. CONFIDENTIALITY

Terranova ensures, in accordance with the provisions of the law in force, the confidentiality of information and endeavours to protect confidential, sensitive or personal data, putting in place all useful measures to prevent their improper use.

Terranova intends to ensure adequate security of personal data, including protection, through appropriate technical and organisational measures, from unauthorised or unlawful processing and accidental loss, destruction or damage ('integrity and confidentiality').

Terranova complies with the requirements of current data protection regulations.

2.10. SECURITY AND PROTECTION OF IT TOOLS AND SYSTEMS

Terranova devotes great attention to IT security, in the knowledge that it entails a path of continuous improvement, involving both employees and customers.

Terranova involves personnel in targeted continuous training activities, requiring compliance with criteria of diligence and professionalism in order to protect company assets and work tools, adopting responsible behaviour in line with internal company regulations.

Furthermore, Terranova ensures the protection of its own or third parties' information systems, both public and private, by prohibiting undue intrusions and operating in such a way as to reduce the risk of damage, alteration, extraction and loss of data: also for this purpose, Terranova is committed to the constant implementation of prevention and control systems, subject to third-party certification.

2.11. OCCUPATIONAL HEALTH AND SAFETY

Terranova aims to maintain the highest levels of worker health and safety and ensures that the necessary preventive measures are taken against accidents and illness at work.

Terranova is committed to disseminating and reinforcing a safety culture, ensuring that business activities do not negatively impact the right to health, and promoting responsible behaviour.

2.12. ENVIRONMENTAL PROTECTION

Terranova recognises the value of the environment and biodiversity as a primary asset and promotes its protection also in its strategic plans.

Terranova invests in and develops, according to sustainability criteria, software products and technologies that support the digitisation of the city ecosystem, intending to contribute to the creation and progress of 'smart cities'.

Terranova is committed to investing in research and scientific innovation, and to adopting and maintaining tools and means based on innovative technologies to find lasting solutions to environmental challenges, creating awareness in the use of resources and improving the quality of life.





3. RULES OF CONDUCT

3.1. RELATIONS WITH THE PUBLIC ADMINISTRATION

Terranova, which mainly targets institutions and public entities serving the community, aims at creating sustainable value over time through the implementation of high quality and continuously improving solutions.

All relations with the Public Administration are inspired by the principles of fairness, transparency, collaboration and non-interference, respecting each other's roles.

Terranova condemns any conduct that might undermine the above principles.

The management of relations and the assumption of commitments towards the Public Administration are reserved to authorised Terranova personnel, in compliance with the strictest observance of the applicable provisions of law, regulations and internal procedures.

In the context of relations with public officials, persons in charge of public services or employees in general of the Public Administration, whether they are representatives of Italian institutions, of public administrations of other countries, of EU or international bodies, or their family members, gifts and gratuities or any other form of benefit are allowed only if they are of modest value, proportionate to the case, in strict compliance with corporate procedures and, in any case, always documented. Even where by local custom the giving of gifts or presents is a widespread practice as a sign of courtesy, such gifts must be of an appropriate nature. Any activity directed or aimed, even through an intermediary, at influencing the independence of judgement or inducing the gain of any advantage for oneself or for Terranova is prohibited.

For purposes of corruption, no Recipient may circumvent the aforementioned requirements by resorting to other forms of contributions which are in themselves lawful, such as the awarding of professional appointments, consultancies, etc.

In the context of relations with the Italian Public Administration, it is also forbidden to use or submit false statements or omit information, in order to obtain an undue advantage, such as, by way of example but not limited to, public grants, contributions or subsidised loans. It is also forbidden to use the sums received by the bodies indicated in the above paragraph, by way of disbursements, contributions or financing, for purposes other than those for which they were granted.

All documentation to be submitted and sent to the public administration must be carefully checked, prepared with transparency and clarity, and stored with suitable measures to allow for its identifiability and traceability.

The same provisions and principles must be followed by all third parties that Terranova uses to be represented, even indirectly, in relations with the Public Administration.

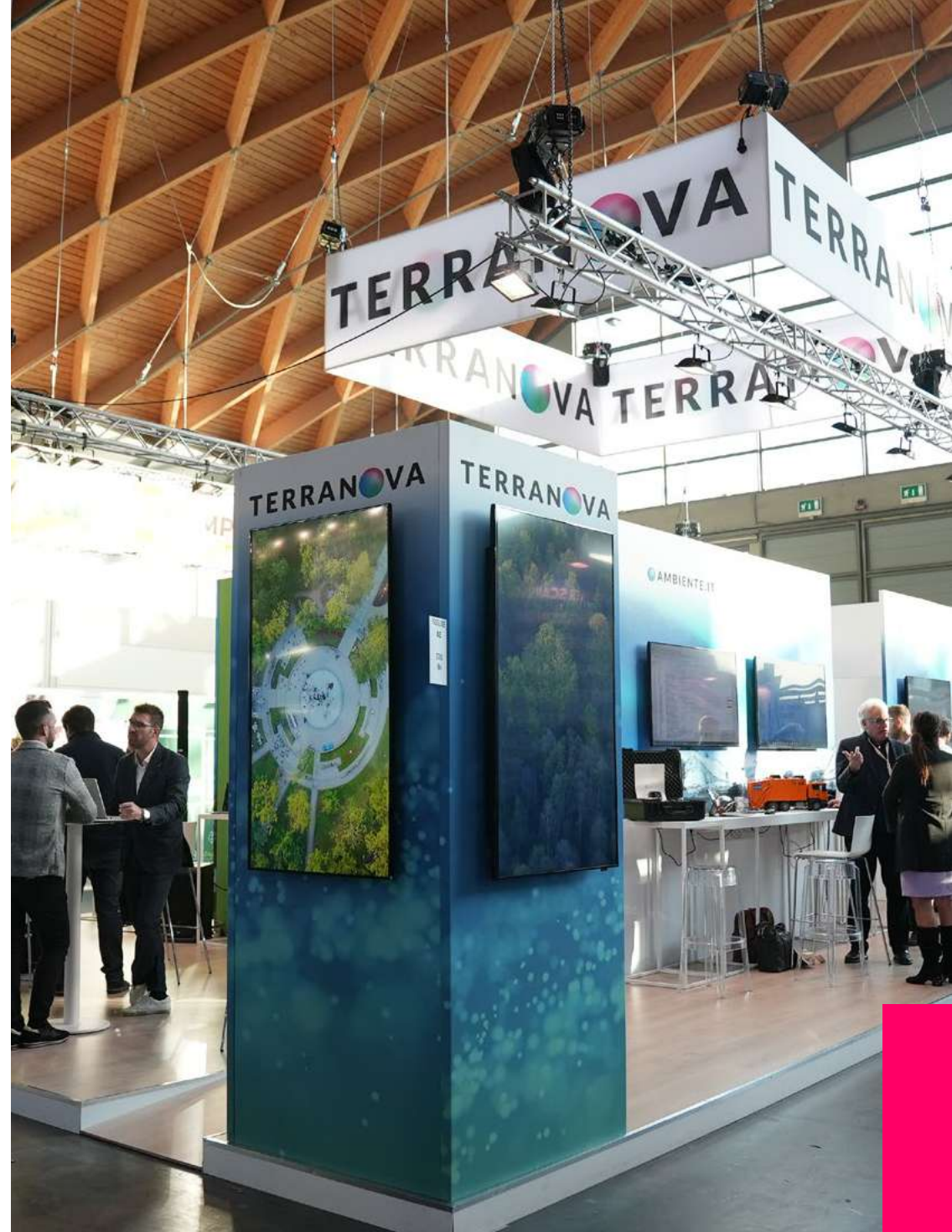
Terranova promotes awareness, on the part of personnel and third parties interfacing with the Public Administration on behalf of the Company, of the Code of Conduct for public employees, pursuant to Presidential Decree no. 62/2013 as amended and supplemented, which states that “gifts or other utilities of modest value means those of a value not exceeding, as a guide, 150 euro”, as well as the codes of conduct, ethical rules and organisational procedures adopted by the various Public Bodies involved.

3.2. RELATIONS WITH CUSTOMERS

Relations, contractual relationships and communications with customers are based on principles of transparency, impartiality and equal opportunities, loyalty, fairness, professionalism, in compliance with the laws of the countries that the Group operates in.

The personnel and those acting on behalf of Terranova must behave in a manner consistent with the contractual commitments and obligations undertaken and endeavour to meet the legitimate expectations of its customers, providing them with quality services, on competitive terms, in compliance with the rules laid down to protect competition and the market.

Terranova is committed to maintaining a constructive and constant dialogue with its customers, based on trust and the creation of shared value.



In establishing business relations with new customers and in managing existing ones, Recipients shall absolutely avoid any relations with persons lacking the necessary requisites of ethical order and commercial reliability.

Terranova is committed to the principles of clarity, professionalism and fairness in commercial and/or advertising communications.

3.3. RELATIONS WITH BUSINESS PARTNERS

In the development of acquisition and participation initiatives and projects, all Recipients must comply with the principles of the Code of Ethics. In particular, Recipients must establish relations exclusively with partners with a sound reputation and who are inspired by ethical principles that are compatible and consistent with those of Terranova. Partners are also selected in consideration of their ability to ensure compliance with applicable laws, regulations and the principles enshrined in this Code.

In the conduct of business, any kind of unethical behaviour can undermine the relationship of trust between Terranova Group and its stakeholders.

3.4. RELATIONS WITH SUPPLIERS OF GOODS AND SERVICES

Terranova intends to establish and maintain relations exclusively with suppliers of goods and services that offer the highest guarantees in terms of fairness and ethical order, and adopt the necessary quality standards and best practices in terms of human rights and working conditions, health and safety at work, environmental responsibility and respect for privacy.

Respect for labour law, including child labour, women's labour, health and safety, trade union rights or in any case rights of association and representation are discriminating factors that cannot be disregarded.

The selection of suppliers and the determination of purchasing conditions are based on objective and transparent criteria: this choice must be made in accordance with an assessment of an adequate number of offers, the competence and reputation of the party, and the quality of the products/ services offered.

Suppliers are also selected in consideration of their ability to ensure compliance with applicable laws, regulations and the principles enshrined in this Code.

Terranova cannot hire and does not initiate forms of collaboration with parties who do not intend to operate in strict compliance with the laws in force or who refuse to comply with the values and principles that have inspired this Code, and contractually reserves the right to adopt any appropriate measure (including termination of the contract) in the event that the third party violates the rules laid down by law or by this Code of Ethics.

3.5. FOREIGN RELATIONS

The Company and Terranova Group also operate in non-EU countries in compliance with international and local legislation, being aware of their responsibility in managing activities related to trade and the import/export of their goods and services. The Group assumes that it must be the primary

controller of import-export activities, adopting due diligence practices that ensure adequate technical and regulatory scrutiny of the nature of the product, destinations and recipients.

3.6. RELATIONS WITH POLITICAL ORGANISATIONS AND TRADE UNION REPRESENTATIVES

It is absolutely forbidden to promise or pay money and/or other benefits to members of political parties and trade union representatives to unduly promote or favour the interests of Terranova. Terranova endeavours to prevent any phenomenon even indirectly attributable to such a circumstance.

3.7. TRANSPARENT COOPERATION WITH INSTITUTIONS AND RELATIONS WITH TRADE ASSOCIATIONS AND THE MEDIA

Institutional relations activities enable the participation of the productive fabric and the entire community in national and supranational policy-making. Terranova believes it is useful and right to make its know-how available to institutions, also in order to contribute to a decision-making process that favours, in the general interest, the development of forms of sustainability in the Gas & Power Distribution and Sales, Integrated Water Service, Environmental Management and Smart Network sectors. Terranova can count on numerous national and international partnerships, as well as in-depth knowledge of the sectors that it operates in. Terranova believes it is crucial to provide correct and complete data and information to decision-makers, enabling them to make more informed decisions taking into account the perspectives of all stakeholders.

Relations with institutions, trade associations and the media are maintained only by those persons delegated to do so by Terranova, in accordance with the internal procedures adopted.

External communication is inspired by principles of fairness and professionalism, transparency, prudence and must be aimed at fostering awareness of Terranova's programmes, projects and corporate policies.

3.8. RELATIONS WITH EMPLOYEES

Terranova operates with respect for equal opportunities and avoids any form of discrimination both in the selection phase and in the phase of personnel career management and development.

Terranova implements a resource selection and placement model geared towards identifying the qualities of people's profiles and their effective placement, avoiding favouritism of any kind and guaranteeing the well-being of personnel.

All Company personnel are employed under regular employment contracts, and no form of illegal or exploitative labour is tolerated.

The terms and conditions of employment are carried out in full compliance with the collective bargaining regulations of the relevant sector, tax, social security and insurance regulations, and immigration provisions. Terranova guarantees a work environment characterised by decorum and demeanour, where respect for the sensitivity and dignity of others is guaranteed, and which complies with current health and safety regulations.

Respect for each individual on the Terranova team is fundamental to motivating people and creating the conditions necessary to foster and stimulate growth while fostering a dynamic, interesting and inclusive work environment.

Terranova, basing its ability to generate value for its customers on a high level of know-how, pursues the objectives of:

- investing in training courses and initiatives with the aim of growing abilities and skills and enhancing welfare and personal well-being;
- making policies operational, including 'job retention' policies, to create a work environment that enhances the various professional and individual profiles at every organisational level and attracts the best talent.

Personal data concerning personnel are processed in full compliance with current legislation, with rules to ensure maximum transparency to those directly concerned and inaccessibility to third parties.

3.9. COMMUNITY RELATIONS

Terranova is aware of the indirect influence its activities can have on the general welfare of the community, as well as the importance of social relevance in the communities that it operates in. Terranova attaches great importance to social sustainability, understood as the ability to ensure that conditions of human well-being are equally distributed, promoting and developing activities and initiatives that have a social impact. Terranova intends to make a constant commitment towards the objectives of inclusion and equal opportunities, also through the promotion, development or sponsorship of social activities to support and assist people suffering from mental-physical challenges, in particular initiatives aimed at reducing the impact of said disadvantages, the promotion and enhancement of social voluntary activities, with the aim of disseminating the values of sharing, positivity and inclusion.

3.10. MANAGEMENT OF FINANCIAL RESOURCES, ACCOUNTING AND TAXATION

All Recipients must behave in a correct, transparent and collaborative manner, in compliance with the laws and regulations in force in the country that the entity operates in, in the accounting and preparation of the financial statements.

Every operation and transaction carried out must be correctly recorded, authorised, verified and supported by adequate documentation.

Financial resources must be managed in full compliance with the system of powers and proxies in force.

It is forbidden to receive or make payments in money, to replace or transfer money, goods or other benefits originating from unlawful activities, or of dubious origin, or to carry out other transactions in connection therewith, so as to obstruct the identification of their origin.

Recipients shall ensure integrity in tax compliance and the correct determination and settlement of taxes due, in compliance with the timing and requirements associated therewith.

3.11. HEALTH AND SAFETY

Terranova adopts all appropriate measures for the prevention and protection of the health and safety of its personnel, who are recognised as having the fundamental right to a healthy and adequate work environment, in full compliance with the laws in force on the subject, and always pursuing the guiding value of the centrality of the person.

All recipients of the Code of Ethics endeavour to comply with the rules on risk prevention and health and safety at work and to promptly report any shortcomings or non-compliance with the applicable regulations.

Terranova is committed to disseminating and consolidating a safety culture by developing awareness and promoting responsible behaviour by all personnel.

3.12. ENVIRONMENT

Terranova recognises the strategic role of the Planet in the choices and implications of daily actions, through the identification and application of solutions aimed at enhancing the use of renewable energy sources, eco-sustainability and green mobility, as well as any other action aimed at pursuing a constant reduction of the environmental impact, with particular reference to the carbon footprint, promoting the dissemination of its values and objectives with Stakeholders by pursuing sustainable development, also through the enhancement of territories and their economic and productive fabric.

Terranova participates in the development of sustainable, smart and resilient cities by providing public utility companies with specific process digitisation technologies for the management of services to access and utilise limited resources, such as energy and water, and waste. Terranova implements concrete actions to spread greater environmental awareness and encourages its employees to adopt virtuous behaviour to protect the environment.

Terranova adheres to all applicable legal requirements in the environmental field, also working to involve and raise the awareness of those directly involved.

All production processes are carried out in full compliance with the applicable environmental legislation, mainly posed by Lgs. D. 152/2006 as amended.



4. ADOPTION, UPDATING, DISSEMINATION AND VIOLATIONS

4.1. ADOPTION, UPDATING AND AMENDMENTS

The Code of Ethics and its future updates are approved by the Administrative Body of the Company and the Group Companies.

The Company endeavours to disseminate this Code of Ethics inside and outside the company, by appropriate means. The personnel of Terranova Group who, in the performance of their activities, have relations with third parties, are required to provide adequate information and dissemination regarding the commitments and rules of conduct set out in this Code of Ethics.

Future updates to the Code will be defined and approved by the Company's Board of Directors in consideration of regulatory developments, case law provisions in the meantime and the most established international practices, as well as the experience gained in the application of the Code itself.

4.2. VIOLATIONS OF THE CODE OF ETHICS AND PENALTY SYSTEM

Violation of the principles laid down in this Code damages the relationship of trust between the Company and the transgressor and is pursued, promptly and immediately, through appropriate and proportionate disciplinary proceedings, regardless of the possible criminal relevance of the conduct assumed and/or the initiation of criminal proceedings where a criminal offence is alleged.

Compliance with the Code of Ethics is an integral part of the obligations of employees, also pursuant to and for the purposes of art. 2104 of the (It.) Civil Code. Any breach therefore constitutes non-fulfilment of contract and/or disciplinary offence, in accordance with the applicable National Collective Agreement.

The Company, through the bodies and functions specifically appointed for this purpose, shall impose, with consistency, impartiality and uniformity, sanctions proportionate to the respective breaches of the Code and in compliance with the relevant provisions in force.

4.3. REPORTS

Terranova pursues the objectives of regulatory and ethical compliance also by promoting the dissemination of the culture of legality and correctness of behaviour, indispensable factors for the proper functioning of the company and respect for the principles that the Group bases its business strategy on. Terranova establishes for the Recipients specific channels of communication through which they may submit their reports, including on the violation or suspected violation of the Code of Ethics.

Terranova supports and encourages, in order to safeguard the values of integrity and ethical behaviour, anyone who intends to report potential misconduct or alleged violations of the principles expressed in the Code of Ethics, in the Organisational Model. Lgs. D. 231/2001 (where applicable) and, in general, potential violations of both national and European Union laws and regulations. To this end, Terranova ensures the protection of persons who report breaches of Union law and/or national legislation, by providing the whistleblower with internal reporting channels capable of ensuring the highest level of confidentiality, by carrying out the ensuing investigations in accordance with the principles of transparency and accountability, and by protecting the identity and interests of all the persons involved or mentioned in the reports.

Whistleblowers in good faith shall be protected against any form of retaliation, discrimination or penalisation, and in any case the confidentiality of the whistleblower's identity shall be ensured, without prejudice to legal obligations and the protection of the rights of the Company or of persons wrongly or maliciously accused.

The Supervisory Board, which is in charge of supervising the operation of and compliance with the Organisation, Management and Control Model pursuant to Lgs. D. 231/2001, also supervises the application of the Code of Ethics, and

receives requests for clarifications and reports of violations (even potential violations) of the principles expressed in the Code.

The Recipients must promptly report to the Supervisory Board (where present, or alternatively to the Company Managers) alleged or actual violations of the Model and the Code of Ethics, as well as illegal conduct relevant pursuant to Lgs. D. 231/2001, occurred or in progress.

Recipients may address the Company's Supervisory Board through the dedicated whistleblowing system.

Following the reports received, the relevant investigations will be carried out, if necessary also with the help of the competent functions, and the competent bodies for the imposition of disciplinary sanctions will be informed.

