

**ORGANISATION, MANAGEMENT AND
CONTROL MODEL PURSUANT TO LEGISLATIVE
DECREE no. 231/2001**

of

TRENITALIA SpA

June 2023

ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO LEGISLATIVE DECREE no. 231/2001 (*)

➤ **GENERAL SECTION**

➤ **SPECIAL SECTION**

➤ **ANNEXES**

- Trenitalia SpA Organisational Chart (Annex 1)
- Crimes pursuant to Legislative Decree 231/2001 (Annex 2)

(*) The Model, approved by the Board of Directors on February 23, 2005, was concerned by the following updates:

First update, approved by the Board of Directors on August 1, 2006, is established with reference to the company's organisational situation as of July 10, 2006.

Second update, approved by the Board of Directors on July 17 July 2008 is established with reference to the company's organisational situation as of June 6, 2008.

Third update, approved by the Board of Directors on June 7, 2012 is established with reference to the company's organisational situation as of May 31, 2012.

Fourth update, approved by the CEO on October 25, 2012 to adapt to the new CCNL (National Bargaining Agreement) dated July 20, 2012.

Fifth update, approved by the Board of Directors on December 19, 2013 is established with reference to the company's organisational situation as of December 1, 2013.

Sixth update, approved by the Board of Directors on July 22, 2014 is established with reference to the company's organisational situation as of July 1, 2014.

Seventh update, approved by the Board of Directors on February 23, 2016 is established with reference to the company's organisational situation as of February 1, 2016.

Eighth update, approved by the Board of Directors on February 20, 2017 is established with reference to the company's organisational situation as of February 1, 2017.

Ninth update, approved by the Board of Directors on October 30, 2018 is established with reference to the company's organisational situation as of October 1, 2018.

Tenth update, approved by the Board of Directors on April 15, 2021 is established with reference to the company's organisational situation as of March 11, 2021.

Eleventh update, approved by the Board of Directors on June 7, 2023 is established with reference to the company's organisational situation as of February 15, 2023.

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GENERAL SECTION

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1. PREMISE

Trenitalia SpA (hereinafter also the "Company" or "Trenitalia") was established on June 1, 2000 as a spin-off of the transport activities of the Ferrovie dello Stato Italiane Group (hereinafter also "FS Italiane Group" or "Group"), within the framework of the radical corporate reorganisation process started in 1998 following the implementation of Directive 91/440/EEC which provided for the process of liberalisation of the railway transport sector, establishing the obligation of separation between network operator and transport service operator.

1.1. Trenitalia S.p.A.

Trenitalia SpA, a company with a single shareholder subject to the direction and coordination of Ferrovie dello Stato Italiane SpA (hereinafter also "FS SpA"), has as its main purpose the operation of medium and long-distance passenger rail transport and metropolitan and regional rail transport. The aforementioned activities are carried out with all of the authorisations, concessions and licenses required by law.

The Company, as provided for in its Articles of Association, may promote, implement and manage any initiative and service in the field of transport, including non-rail transport (including road transport), including the logistics system and any activity that is in any case instrumental, complementary and connected.

The Company may also sell to its customers products and services, including those provided by third parties, using electronic sales methods and/or through its own physical sales channels, without prejudice to the express exclusion of the performance of activities that are reserved by law.

Provided that it is instrumental to the achievement of the corporate mission, the Company may also carry out all security, real estate, commercial, industrial and financial transactions (including the provision of real and personal guarantees in favour of companies belonging to the FS Group and the operations in any case permitted to entities not operating in the financial sector) in any case connected, useful and/or appropriate to the corporate mission.

In order to achieve its corporate mission, in addition to being able to acquire or lease business units or companies, Trenitalia may assume and manage shareholdings and other interests in Italian or foreign companies, as well as in compliance with the strategic objectives and the financial framework of the FS Group, provide, on a participatory or contractual basis, management and technical, organisational and operational coordination activities - as Hub Lead Company - to companies operating in one of the previously indicated sectors, without prejudice to the decision-making and management autonomy of the aforementioned companies.

Trenitalia's organisational structure, represented in Annex 1, has been defined to efficiently and effectively respond to business peculiarities. Organisational structures that follow the Company's business and those that manage transversal or staff processes report to the Chief Executive Officer. The Audit Department reports to the Board of Directors. The Chairman of the Board of Directors guarantees the connection between the Audit Department and the board.

As of January 31, 2023, the number of personnel amounted to approximately 23,694 employees (23,503 Employees/Managers and 191 Executives).

Following the adoption of the Group Regulations and the Passenger Hub Regulations by the Trenitalia SpA Board of Directors with a resolution dated May 18, 2022, Trenitalia SpA, with Intercompany Organisational Communication no. 30/AD of 30 May 2022 "Group

Governance Model Implementation Deed", confirmed the adoption of Group Directive no. 304/AD of 18 May 2022 "FS Italiane Group Governance Model" issued by FS SpA.

Under the new Governance model:

- the Holding (Ferrovie dello Stato Italiane SpA) is assigned the role of steering and coordinating the Hub Lead Companies and the other Subsidiaries listed in the Group Regulation, has a general strategic and implementation role and financially coordinates the Group's common business plan;
- Trenitalia SpA, as the Hub Lead Company of the "PASSENGERS HUB" Sector, is assigned the direction and coordination activity for the management, coordination and technical-operational control, including risk management models, systems and protocols, of the Passengers Hub Companies, in accordance with the provisions of the Group Regulation.

In particular: Trenitalia SpA., "PASSENGERS HUB" Sector Parent Company, exercises direction and coordination activities on a participation and contractual basis over:

→ its subsidiaries;

→ BUSITALIA SITA NORD S.r.l. and its subsidiaries;

→ FERROVIE DEL SUD EST E SERVIZI AUTOMOBILISTICI Srl (for the sole transport service area).

With regard to the corporate structure, Trenitalia holds the following majority interests (situation as at 31 December 2022):

- **Trenitalia France** (100%), a company based in France that operates with HS connections to and from France;
- **Trenitalia UK Limited** (100%), a company based in England that offers rail services in the UK and is present on this market through its shareholdings in the two Trenitalia c2c (100% owned) and First Trenitalia West Coast (30% owned) *franchisees*;
- **Hellenic Train S.A.** (100%), a company based in Greece that deals with passenger and freight rail transport services in Greece;
- **Netinera Deutschland** (100%) a company based in Germany that provides rail and road passenger transport and maintenance services in Germany and in neighbouring countries;
- **Intermodalidad De Levante S.A. (45%)**; 31% is held by Operador Ferroviario de Levante S.L. (OFL) and the remaining 24% by Globalvia Inversiones S.A.U. The company holds a Spanish Railway Operator's License for passenger transport services in Spain.

Trenitalia also owns:

- 50% of **Trenord Srl**, a company operating in the field of passenger mobility services, mainly in the territory of the Lombardy Region, exercising joint control with FNM SpA, which owns the remaining 50%;

70% of **Trenitalia Tper Scarl**, a company operating in the field of passenger mobility services, mainly in the territory of the Emilia-Romagna Region, exercising joint control with Trasporto Passeggeri Emilia-Romagna SpA, which owns the remaining 30%;

1.2. Legislative Decree No. 231 of 08 June 2001

Italian Law, in execution of the power of attorney referred to in Law no. 300 of 29 September 2000, has adapted internal legislation on the liability of legal persons to some international Conventions previously signed by Italy¹, by means of Legislative Decree no. 231 issued on 8 June 2001 (hereinafter also "Decree", "Decree 231" or "Legislative Decree 231/2001"), concerning the *Administrative liability of legal entities, companies and associations with or without legal personality*.

The authorised Law, therefore, putting an end to a heated doctrinal debate, has overcome the principle of *societas delinquere non potest*², introducing, at the expense of some types of Entities, a regime of administrative liability³ in the event that some specific cases of crime, so-called "predicate", are committed **in the interest or for the benefit of the Entities themselves**, even in the form of an attempt (pursuant to art. 26 of the Decree, that is, when the agent performs suitable acts directed in a non-misleading way to commit the crime and the action is not carried out or the event does not occur).

The Decree constitutes an intervention of great regulatory scope in which, the administrative liability of the Entity for the benefit or in the interest of which the same offence was perpetrated is added to the criminal liability of the natural person who committed the predicate offence⁴.

The provisions contained in the Decree pursuant to Article 1, paragraph 2, apply to the following "Entities":

- institutions with legal personality;
- companies and associations even without legal personality.

Pursuant to the following paragraph 3, the following are excluded from the regulation in question:

- the Country;
- territorial public authorities;
- other non-economic public bodies;
- entities that carry out functions of constitutional importance.

¹ Specifically: Brussels Convention of 26 July 1995, on the protection of financial interests; Brussels Convention of 26 May 1997, on the fight against corruption of public officials, both of the European Community and of the Member States; OECD Convention of 17 December 1997, on the fight against corruption of foreign public officials in economic and international transactions. The Law ratified, with Law no. 146/2006, the United Nations Convention and Protocols against transnational organised crime adopted by the General Assembly on 15 November 2000 and 31 May 2001.

² Before the issuance of the Decree, it was excluded that a company could assume, in criminal proceedings, the role of suspect/accused. It was considered, in fact, that art. 27 of the Constitution, which establishes the principle of the personality of criminal liability, prevented the extension of criminal charges to a company and, therefore, to a "non-personal" entity. The company, therefore, could be held liable, from a civil point of view, for the damage caused by its employee considering the combined provisions of Articles 196 and 197 of the Criminal Code, in the event of the insolvency of the convicted employee, for the payment of the fine or penalty.

³ indeed, from a practical point of view, it can be assimilated to a real criminal liability, even if, to date, the most accredited thesis in doctrine and jurisprudence is that of a *tertium genus* in its own right.

⁴ The administrative liability of the Entity is additional and different from that of the natural person who materially committed the offence and are both subject to investigation in the course of proceedings before the criminal court. Moreover, the liability of the Entity remains even in the event that the natural person who committed the offence is not identified or is not punishable, as well as if the accusation is dropped for a cause other than amnesty (Article 8 of Decree 231).

Trenitalia, as an Entity with legal personality, is therefore one of the entities to which the administrative liability regime referred to in the Decree applies.

Liability is attributable to the Entity where the predicate offences have been committed by persons linked in various ways to the Entity itself.

A fundamental assumption of liability is, therefore, the existence of a functional link or subordination of the perpetrator of the offence with the Entity.

Article 5 of the Decree, in fact, indicates as perpetrators of the predicate offence:

- the persons who hold positions of representation, administration or management of the Entity or its organisational unit with financial and functional autonomy, as well as those who exercise, even de facto, the direction and control of the Entity (so-called “Top management positions” or “Top managers”);
- persons subject to the direction or supervision of one of the persons in a top management position (so-called “Subordinate positions” or “Subordinates”).

In the event of crimes committed by a person in a top management position, pursuant to art. 6 of Legislative Decree 231/2001, the liability of the Entity is excluded if the latter proves that the offence has been committed by fraudulently circumventing the existing organisation and management model and that there has also been no omission or insufficient supervision by the Supervisory Body (hereinafter also "Body" or "SB"), specifically in charge of supervising the correct operation and effective compliance with the model itself.

On the other hand, in the event of crimes committed by a person in a subordinate position, pursuant to art. 7 of Legislative Decree 231/2001, the exclusion of the liability of the Entity is subject to the adoption of appropriate behavioural protocols to guarantee, for the type of organisation and activity carried out, the performance of the activity itself in compliance with the law and to identify and promptly eliminate risk situations.

Furthermore, the Entity will be liable only in the event that the illegal conduct has been carried out by the parties indicated above *in the interest or for the benefit* of the Entity itself (art. 5, paragraph 1, Legislative Decree 231/2001). Therefore, it will not be held liable in the event that the top or subordinate parties have acted *in the exclusive interest of themselves or third parties* (art. 5, paragraph 2, Legislative Decree 231/2001).

With regard to the aforementioned criteria, the Entity is concerned when the agent has committed the predicate offence with the aim of favouring the Entity to which it pertains, regardless of whether or not that goal has been achieved. This criterion is to be assessed prior to the time at which the illegal conduct is carried out. The benefit, on the other hand, has an essentially objective connotation, and consists of the benefit that the Entity has obtained from the crime - above all of a financial nature always to be assessed after the crime is carried out.

The Entity's liability is not generally referable to any crime, but is limited to the criminal cases expressly provided for by the Decree, as well as by art. 10 of Law no. 146 of 16 March 2006, which ratifies and implements the United Nations Convention and Protocols against transnational organised crime (as indicated above, so-called predicate offences).

Annex 2, to which reference is made, contains the list of predicate offences provided for by Decree 231, together with their penalties against the Entity.

1.2.1. Penalties for the Entity

In the event that the parties referred to in art. 5 of Decree 231 (top and subordinate persons) commit one of the predicate offences in the interest or for the benefit of the Entity, this could be subject to the imposition of severe sanctions.

Pursuant to art. 9 of the Decree, the sanctions for the Entity, called administrative, are as follows:

1. financial penalties (fines);
2. prohibitive penalties;
3. confiscation;
4. publication of the judgement.

The ascertainment of the liability of the Entity, as well as the determination of the *an* and *quantum* of the penalty, are attributed to the criminal court with jurisdiction over the proceedings relating to the offences from which the administrative liability derives.

In addition, pursuant to art. 26 of Decree 231, in the case of predicate offences committed in the form of an attempt, the financial and prohibitive penalties are reduced from one third to half and the Entity is not held liable when it voluntarily prevents the commission of the action or the occurrence of the event.

Financial penalties (fines)

Financial penalties are regulated in Articles 10, 11 and 12 of Decree 231 and apply in all cases where the Entity's liability is recognised. Financial penalties are applied by "portions", in a number not less than 100 and not more than 1,000, while the amount of each portion ranges from a minimum of €258.23 to a maximum of €1,549.37.

The judge determines the number of portions on the basis of the indices identified by the first paragraph of art. 11 of Decree 231 - or taking into account the severity of the crime, the degree of liability of the Entity and the activity carried out by the Entity to eliminate or mitigate the consequences of the crime and to prevent the commission of further offences - while the amount of the portion is fixed on the basis of the economic and financial conditions of the Entity involved, in order to ensure the effectiveness of the penalty.

Art. 12 of Italian Legislative Decree no. 231/2001 establishes that the amount of the financial penalty is reduced if:

- the offender has committed the offence mainly in his/her own interest or in the interest of a third party, and the Entity has not gained or has only gained a minimal advantage from the crime;
- The resulting financial loss is not particularly serious.

Similarly, reductions in the financial penalties are provided for when, prior to the opening statement of the first instance hearing:

- the Entity has entirely compensated for the damage caused and has eliminated the harmful or dangerous consequences of the crime, or has otherwise taken effective measures in this regard;
- an organisation and management model suitable for preventing the types of crimes that occurred has been adopted and implemented.

Prohibitive penalties

Prohibitive penalties, identified by the second paragraph of art. 9 of Decree 231 - and enforceable only in the cases strictly provided for and only for some crimes⁵ - are:

⁵ The Law has provided for the possible application of prohibitive penalties only for some cases of crime of the following categories: Articles 24 and 25; art. 24 *bis*; art. 24 *ter*; art. 25 *bis*; art. 25 *bis.1*; art. 25 *ter*; art. 25 *quater*; art.

- a) the prohibition to conduct business activities⁶;
- b) the suspension or revocation of the authorisations, licenses or concessions necessary for the commission of the offence;
- c) the prohibition to deal with the Public Administration, except for dealings required to obtain the services of a public service officer;
- d) the exclusion from benefits, funding, grants or subsidies, and any revocation of those already conceded;
- e) the prohibition to advertise goods or services.

Prohibitive penalties may have a duration of not less than three months and not more than two years. A different penalty system is provided for in the event of the Entity's liability for crimes of bribery, undue inducement to give or promise utility and corruption, where the prohibitive penalty applies for a duration of not less than four years and not more than seven, if the crime was committed by a person in a top management position, and for a duration of not less than two years and not more than four, if the crime was committed by a person in a subordinate position.

Pursuant to art. 13 of Decree 231, prohibitive penalties are applied when at least one of the following conditions is met:

- the Entity has obtained a considerable profit from the crime and the crime was committed by top managers or by individuals in subordinate positions when the commission of the crime was determined or facilitated by serious organisational shortcomings;
- in case of repeated instances of the crime being committed.

On the other hand, they do not apply when:

- the offender has committed the offence mainly in his/her own interest or in the interest of a third party, and the Entity has not gained or has only gained a minimal advantage from the crime;
- The resulting financial loss is not particularly serious.

Without prejudice to the application of financial penalties, prohibitive penalties do not apply, moreover, when, prior to the opening statement of the first instance hearing, the following conditions are met:

- the Entity has entirely compensated for the damage caused and has eliminated the harmful or dangerous consequences of the crime, or has otherwise taken effective measures in this regard;
- the Entity has eliminated the organisational shortcomings that determined the crime by adopting and implementing an organisation and management model suitable for preventing crimes of the type that occurred;
- the Entity has rendered available the profit obtained for the purposes of confiscation (art. 17 of Decree 231).

25 *quater.1*; art. 25 *quinquies*; art. 25 *septies*; art. 25 *octies*; art. 25 *novies*; art. 25 *undecies*; art. 25 *duodecies*; art. 25 *terdecies*; art. 25 *quaterdecies*; art. 25 *quinquiesdecies*; art. 25 *sexiesdecies*. For further information, please refer to Annex 2.

⁶ Article 16 of Decree 231 provides that *a definitive ban from conducting business activities may be ordered if the entity has derived a significant profit from the crime and has already been sentenced, at least three times in the last seven years, to a temporary ban from conducting the business. In addition, the court may prohibit the entity from bargaining with the public administration or from advertising goods or services when it has already been sentenced to the same penalty at least three times in the last seven years. Finally, if the entity or one of its business units is permanently used for the sole or predominant purpose of enabling or facilitating the commission of offences in relation to which it is liable, it shall always be permanently prohibited from conducting its business.*

In general, penalties regard the specific activity associated with the Entity's offence. The judge determines its type and duration on the basis of the same criteria indicated for the application of the financial penalty, taking into account the suitability of the individual penalties to prevent offences of the type committed.

In the event that the judge finds the existence of the conditions for the application of a prohibitive measure against an Entity that carries out activities of public interest or has a substantial number of employees, the same may provide that the Entity continues to operate under the guidance of a judicial commissioner. In this case, any profit deriving from the continuation of the activity is subject to confiscation (Article 15 of Decree 231).

These measures may also be applied to the Entity as a precautionary measure, and therefore before ascertaining the merits regarding the existence of the offence and the administrative offence that depends on it, when there are serious grounds for considering the existence of the Company's liability in the commission of the offence and there are reasonable and specific elements that suggest the real danger of the commission of offences similar to the alleged offence (art. 45 of Decree 231).

Also in this case, in place of the prohibitive precautionary measure, the judge may appoint a judicial commissioner for the continuation of the activity if the Entity provides a service of interest to the community, or the interruption of its activity may cause significant repercussions on employment.

Finally, it should be remembered that art. 23 of Decree 231 punishes non-compliance with prohibitive penalties, which is carried out if a prohibitive penalty or precautionary measure has been applied to the Entity pursuant to the Decree and, despite this, the same violates the obligations or prohibitions inherent to them.

Confiscation

The confiscation of the price⁷ or profit⁸ of the offence - or their equivalent - is always ordered against the entity upon conviction, except for the part that can be returned to the injured party and without prejudice to the rights acquired by third parties in good faith (art. 19 of Decree 231). Where the aforementioned confiscation isn't possible, the confiscation may involve sums of money, goods or other benefits of a value equivalent to the price or profit of the crime.

Publication of the judgement

The publication of the conviction sentence may be ordered when a prohibitive penalty is imposed on the Entity at its expense under Article 18 of Decree 231.

Finally, it should be noted that the Judicial Authority may also, in accordance with Decree 231, order: (i) the attachment of the property whose confiscation is permitted (art. 53 of Decree 231); (ii) if there is a valid reason to believe that the Entity does not have sufficient guarantees to pay the financial penalties (fines), procedure expenses, or other sums owed to the State, then the movable and immovable property of the Entity must be seized (art. 54 of Decree 231).

1.2.2. Exemption from the liability of the Entity

Decree 231 recognises, in Articles 6 and 7, specific forms of exemption from the administrative liability of the Entity.

⁷The price is considered that offered or promised to induce or determine another person to commit the crime.

⁸The profit is considered to be an economic advantage immediately obtained by the Entity (see Cassation S.U. no. 38691 of 25.6.2009). In the case of crimes committed in violation of environmental or occupational health and safety regulations, the profit is considered equivalent to the expense savings that the Entity has achieved by the unlawful conduct.

In particular, Article 6, first paragraph, of Legislative Decree 231/2001, provides, in the case of predicate offences committed by persons in a top management position, for the exemption of liability when the Entity proves that, before the commission of the crime:

- a) organisation and management models suitable for preventing the types of crimes that occurred are adopted and implemented;
- b) the Entity has established a body (Supervisory Board) with autonomous powers of initiative and control, with the task of supervising the functioning and observance of the Model and of looking after and/or promoting its updating;
- c) the offence was committed by fraudulently circumventing existing models;
- d) there have not been any omissions or instances of insufficient supervision on the part of the Supervisory Board.

The same art. 6 also provides that the organisation and management models referred to in letter a) must meet the following requirements in relation to the extension of delegated powers and the risk of commission of crimes:

- identify the activities that could give rise to the commission of crimes;
- provide for specific protocols for the Entity's decision making and implementation processes in relation to the crimes to be prevented;
- identify methods for managing the financial resources that are suitable for preventing crimes from being committed;
- establish specific obligations in terms of providing information to the Supervisory Board;
- introduce appropriate internal disciplinary systems for punishing any failures to observe the measures indicated in the model.

In the case of a predicate offence committed by a person in a subordinate position, on the other hand, pursuant to art. 7 of Decree 231, the Entity is liable if the commission of the offence was made possible by failure to comply with management or supervisory obligations. Failure to comply with management or supervisory obligations is excluded if the Entity, prior to the commission of the offence, has adopted and effectively implemented an organisation and management model suitable for preventing offences of the kind that have occurred, and which provides for measures suitable to guarantee the business is run in compliance with the law and to promptly identify and eliminate situations of risk in relation to the nature and size of the organisation as well as the type of business. Moreover, pursuant to the fourth paragraph of art. 7, an effective implementation of the model requires:

- a periodic check and any modification of the same when significant violations of the provisions are discovered or when changes occur in the organisation or business;
- an appropriate internal disciplinary system for punishing any failures to observe the measures indicated in the model.

Following the introduction of law no. 179 of 30 November 2017, "*Provisions for the protection of whistleblowers of crimes or irregularities of which they have become aware in the context of a public or private employment relationship*" and Legislative Decree 10 March 2023, n. 24, implementing Directive (EU) 2019/1937 on the "*protection of persons who report breaches of Union law and containing provisions concerning the protection of persons who report breaches of national regulatory provisions*", the whistleblowing regulation establishes that the organisation and management models include:

- a) one or more channels that allow the parties indicated in art. 5 (top managers and subordinates) to submit, in order to protect the integrity of the Entity, detailed reports of

illegal conduct, relevant pursuant to Decree 231 and based on precise and concordant factual elements or violations of the Entity's model, of which they have become aware due to the duties carried out; these channels must also guarantee the confidentiality of the identity of the whistleblower in the reporting management activities;

- b) at least one alternative reporting channel suitable to guarantee the confidentiality of the whistleblower using IT methods;
- c) the prohibition of any acts of direct or indirect retaliation or discrimination against the whistleblower for any reasons directly or indirectly associated with the report;
- d) Penalties, in the disciplinary system, for those who violate the measures intended to protect the reporting party, as well as for those who, with malice or gross negligence, submit reports that are determined to be unfounded.

Finally, in order to guarantee the protection of the safety and health of workers in the workplace, it must be added that the Law, with the Consolidated Law on Occupational Safety (Legislative Decree no. 81 of 9 April 2008) and in particular with art. 30, surpassed the minimum content of the organisation and management models provided for by the aforementioned art. 6 of Legislative Decree 231/2001, taking care to further investigate the characteristics that the model must possess to be exempt.

Pursuant to the aforementioned art. 30, the organisation and management model suitable to have such effectiveness *must be adopted and effectively implemented, ensuring a corporate system for the fulfilment of all legal obligations relating to:*

- a) *compliance with the technical and structural standards prescribed by law for the equipment, plants, workplaces and all chemical, physical and biological substances;*
- b) *risk assessment activities and the introduction of the ensuing prevention and protection measures;*
- c) *activities of an organizational nature, such as emergencies, first aid, contractor management, regular safety procedure meetings, consultations with labour representatives on safety issues;*
- d) *health monitoring activities;*
- e) *employee information and training activities;*
- f) *supervisory activities with specific regard to the workers' compliance with the work safety procedures and instructions;*
- g) *the acquisition of the necessary documentation and certifications required by law;*
- b) *the regular verifications carried out to ensure the application and effectiveness of the procedures implemented.*

Therefore, without prejudice to the needs to which the model must respond pursuant to the aforementioned art. 6 of Decree 231, art. 30 *Organisation and management models* of the Consolidated Law on Safety at Work introduces additional requirements for the suitability of the organisation and management model, such as the provision of:

- suitable systems for registering the completion of the aforementioned activities;
- a segregation of duties that ensures the technical skills and powers necessary for the verification, evaluation, management and control of risks with regard to the nature and size of the company organisation and the type of business;
- an appropriate internal disciplinary system for punishing any failures to observe the measures indicated in the model;
- an appropriate control system in place for implementing the same model and maintaining the suitability of the measures adopted over time. The system should allow for a review and possible modification of the measures *if significant violations of the rules related to the*

prevention of accidents and hygiene at work are discovered. It should also take into account changes in the organisation and activities in line with scientific and technological progress.

Article 30 of the aforementioned Consolidated Law, paragraph 5, finally introduced a presumption of suitability of the model if it complies with non-legislative standards. This provision provides, in fact, that: *upon first application, corporate Organisational Models established according to the UNI-INAIL Guidelines for occupational health and safety management systems (OHSMS) of 28 September 2001 or the British Standard OHSAS 18001:2007 are presumed to be compliant with the requirements referred to in this article with regard to the corresponding parts.*

In this regard, the Company has implemented an Integrated Safety and Quality Management System (where the term "Safety" means operational safety, occupational health and safety and environmental safety) certified according to the standards provided by the reference standards UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and UNI ISO 45001:2018 (the latter is the evolutionary migration of the BS OHSAS 18001:2007 standard), better described in the following chapter 5.

Although it is not mandatory for Entities to adopt and implement an organisation and management model, it is still considered a viable option. Failure to comply with the provisions of the Decree will not result in any punishment.

The model is not to be understood as a static tool but must be considered, conversely, as a dynamic device that allows the Entity to eliminate, through a correct and targeted implementation of the same over time, any deficiencies that, at the time of its creation, it was not possible to identify.

1.2.3. Crimes committed abroad

Pursuant to the provisions of Article 4 of Decree 231, the Entity based in Italy may be held liable, in relation to predicate offences committed abroad, if the following conditions are met:

- a) the crime must be committed abroad by the person functionally linked to the Entity;
- b) the Entity must have its headquarters in Italy;
- c) the Entity may be held liable in the cases and under the conditions provided for in articles 7, 8, 9 and 10 of the Criminal Code;
- d) if the cases and conditions indicated in the previous point are met, the Entity shall be liable provided that the country where the crime was committed does not prosecute it;
- e) In cases where the law requires the Minister of Justice to request the punishment of the offender, legal action is taken against the organisation only if the request is also made against it.
- f) the offender must be in the country at the time of prosecution and must not have been extradited.

1.2.4. Procedure for assessing the offence

Liability for the commission of a predicate offence by the Entity is established in the context of criminal proceedings.

According to Decree 231, there is a rule that requires the proceedings against an entity and the criminal proceedings against the person who committed the act on behalf of the entity to be joined together. This is to ensure effectiveness, uniformity, and procedural economy. In simpler terms, the proceedings against the entity must be united with the criminal proceedings against the individual who committed the act in the entity's interest or for its benefit (as stated in Article 38 of Legislative Decree 231/2001).

This rule is reconciled in the provisions of the same art. 38⁹ which, in paragraph 2, regulates the cases in which the administrative offence is prosecuted separately.

The assessment of the liability of the entity, assigned to the criminal judge, is carried out by:

- verifying the existence of the predicate offence for the liability of the entity;
- the assessment of the existence of the interest or advantage of the Entity in the commission of the crime by the top management or subordinate party;
- reviewing the suitability of the organisational models adopted.

The judge's opinion on the abstract suitability of the organisation and management model to prevent the crimes referred to in Decree 231 is conducted according to the criterion of the so-called *posthumous prognosis*. The assessment of suitability is made according to a criterion formulated substantially before the commission of an unlawful act. Ideally, the judge should be in the company reality at the time the offence occurred to evaluate the appropriateness of the adopted model.

1.3. Confindustria Guidelines

Art. 6, par. 3 of Legislative Decree 231/2001 states that *organisation and management models may be adopted, guaranteeing the requirements set out in paragraph 2, on the basis of codes of conduct drawn up by the associations representing the entities, notified to the Ministry of Justice which, in agreement with the pertinent Ministries, may, within thirty days, formulate observations on the suitability of the models to prevent offences.*

Trenitalia, in the preparation and subsequent updates of its Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter also "Model 231" or Model"), was inspired by the Guidelines for the construction of models issued by Confindustria (hereinafter, for the sake of brevity, "Guidelines") and the most relevant Circulars issued by it, whose fundamental elements can be briefly summarised as follows:

- mapping of the company areas at risk: once the types of crimes that affect the company have been identified, the activities in which these crimes may be committed are identified, also in consideration of the possible implementation methods of illegal conduct within the specific company activities;
- specific protocols aimed at scheduling training and implementing decision making processes in relation to the crimes to be prevented. The essential elements that must be implemented to ensure the effectiveness of the model are:
 - a code of ethics, approved by the company's Board of Directors;
 - an organisational system, which clearly defines the hierarchy of company positions and duties;
 - an authorisation system, which grants internal authorisation powers and external signing powers in line with the organisational system adopted;
 - operating procedures, for the regulation of the main business activities and, in particular, processes at risk and for the management of financial resources;

⁹ Art. 38, paragraph 2, of Italian Legislative Decree no. 231/2001: *Proceedings are only initiated separately for the administrative offence of the entity under certain conditions including when a) the proceedings are suspended according to Article 71 of the Code of Criminal Procedure [due to the accused's incapacity Ed.]; b) the proceedings are defined with the abbreviated trial or with the application of the penalty [pursuant to Article 444 of the Code of Criminal Procedure], or when the criminal decree of conviction has been issued; c) the procedural provisions necessitate it.* For completeness, reference is also made to art. 37 of the Decree, pursuant to which *the administrative offence of the entity is not ascertained when the criminal action cannot be initiated or continued against the perpetrator of the offence due to the lack of a procedural condition* (i.e. those provided for by Title III of Book V of the Code of Criminal Procedure: complaint, motion for suit, file for suit or authorisation to file).

- a management control system, which promptly highlights critical situations;
- a personnel communication and training system, for the purpose of widespread and effective dissemination of corporate provisions and their operation;
- the identification of a Supervisory Body, with autonomous powers of initiative and control, entrusted with the task of supervising the operation and observance of the models, through periodic checks and their updating when significant violations are discovered, or when changes have occurred in the organisation or activities;
- specific information obligations towards the Supervisory Body on the main corporate events and in particular on the activities considered at risk;
- specific reporting obligations by the Supervisory Body towards top management and supervisory bodies;
- an appropriate disciplinary system to apply penalties for violation of the rules and procedures provided by Model 231.

Finally, the effective implementation of the model requires a disciplinary system suitable for sanctioning non-compliance with the measures indicated therein.

The control system components shall be inspired by the following principles:

- all operations must be verifiable, documented, compliant and appropriate;
- segregation of duties (no one can independently manage an entire process);
- documentation of controls.

Finally, in the preparation and subsequent updates of Model 231, Trenitalia has also taken into account the main jurisprudential provisions on the administrative liability of Entities.

2. THE "TRENITALIA 231 PROJECT" AND SUBSEQUENT UPDATES

After the Decree entered into force, in order to comply with the regulatory dictates imposed by Legislative Decree 231/2001 and in particular under the conditions set out in art. 6 (adoption of suitable organisation and management models, as well as appointment of the Supervisory Body), in line with the Confindustria Guidelines, Trenitalia decided to carry out a set of activities called the "Trenitalia 231 Project" (hereinafter the "Project").

The Company, already having its own organisation, management and control system, consisting of procedures, proxies and powers, information systems, code of ethics, controls and others, considered it appropriate to verify the suitability of this existing system - Internal Control System (today Internal Control and Risk Management System, hereinafter referred to as "ICRMS") - to comply with the requirements of Decree 231.

The Project also had the purpose of raising staff awareness, especially to certain behaviours, which differed from the rules of the ICRMS, that were contrary to the ethical principles that Trenitalia intended to respect and could constitute crimes for which not only the individual, but also the Company, could be held liable, with the sanctions provided for by Decree 231.

Preliminarily, the Supervisory Board was appointed, which was identified, by resolution of the Trenitalia Board of Directors (hereinafter also "BoD") of 29/10/02, in the Audit Department, in accordance with Group Regulation no. 6/AD of 2002.

The following bodies and work groups were established to implement the Project, with specific Organisational Communications signed by the Chief Executive Officer:

- a) *Steering Committee*, which monitored Project progress, shared the main results and examined the most important issues;
- b) Support Group, which supported the SB in activities related to Project implementation;
- c) the Business/Technical Divisions had four Work Groups, which provided guidance to both the SB and the management of the department. The Work Groups were responsible for overseeing the activities carried out within the Business/Technical Divisions and the Project as a whole.
- d) consulting company, which supported the Trenitalia departments involved in defining the Model.

This Project ended with the definition of the Model, consisting of the General Section and the Special Section, approved by the Board of Directors on 23 February 2005.

The Model thus defined has been subjected to subsequent updates that have taken into account the evolution of Trenitalia's business reality, as well as the regulatory changes introduced in Decree 231.

The method used by the Company for the definition and subsequent updates of the Model is described in paragraph 4.2, to which reference is made for more information.

It should also be noted that the Company later modified the composition of its Supervisory Body, which has been identified in accordance with the specific Group and company regulatory documentation, which has been in place over time, indicating the *general criteria for the appointment of the Supervisory Body pursuant to Legislative Decree no. 231/01 and related responsibilities* (for further information, please refer to paragraph 4.5.3).

3. MODEL ADOPTION BY TRENITALIA

The Company has decided to adopt this Model 231 in order to:

- i. integrate and strengthen the Trenitalia corporate governance system, which oversees over corporate management and control;
- ii. define an organic system to prevent the risk of committing the predicate offences provided for by Decree 231;
- iii. introduce principles and rules of conduct in the Company that, relying on ethical values, guarantee fairness and transparency in the conduct of business;
- iv. raise awareness among all personnel, and in particular those working in the areas at risk, of compliance with the principles and rules adopted by the Company in this regard, requiring them to comply with the rules defined by the Model;
- v. to reiterate that Trenitalia considers any behaviour that goes against the law, as well as the provisions of Model 231, the FS Italiane Group Code of Ethics, the Anti-Corruption Policy and the Trenitalia Anti-Bribery & Anti-corruption Management System Model, to be absolutely inadmissible, disapproved and sanctioned. The company does not tolerate any illegal behaviour and will not condone any actions that are deemed to be in the interest or for the benefit of the Company, as such behaviours go against the ethical principles and values that Trenitalia upholds. It is important to note that any such behaviour is contrary to the interest of the company;
- vi. raise awareness and make all those who operate in the name, on behalf or in any case in the interest of Trenitalia aware that the commission of a predicate offence – even if only in the form of an attempt – in the misunderstood interest or advantage of the Company, may give rise to the application not only of criminal sanctions against the agent, but also of administrative sanctions against the Company, exposing it to financial, operational, image and reputation repercussions;
- vii. introduce a disciplinary system - for all those who operate in the name, on behalf or in any case in the interest of Trenitalia - suitable to sanction non-compliance with the measures indicated by the Model and spread awareness of the risk of incurring, in the event of violations of the provisions contained therein, in a disciplinary infraction adequately penalised by the Company and, in the event that a crime is committed, in a criminal proceeding that could involve the Company itself;
- viii. allow the Company to constantly monitor activities at risk.

3.1. Model Recipients

The following are the recipients of this Model (hereinafter "Recipients") and, as such, are required to know and comply with it:

- the members of the Board of Directors and, in any case, those who hold positions of representation, management, administration, direction or control of the Company or of one of its business units with financial and functional autonomy (hereinafter also "Directors"), including de facto;
- the members of the Board of Statutory Auditors (hereinafter also "Statutory Auditors");
- Company employees (hereinafter also referred to as "Employees", "Personnel" or "Internal Recipients");
- individuals or entities who have contractual relationships, whether onerous or free of charge, with the Company. This may include external collaborators, consultants, suppliers,

contractors of works or services, commercial and financial partners, and other similar parties, even if they are occasional or temporary, etc., hereinafter also referred to as “Third party recipients”).

The Recipients are required to fully comply with the provisions of Legislative Decree 231/2001, the expected ethical-behavioural principles and to refrain from engaging in conduct that may constitute a type of offence covered by the same Decree.

3.2. Constituent Model elements and structure

The constituent Model elements represent substantial applications of the general principles of the Internal Control and Risk Management System extensively discussed below in chapters 4 and 5.

This Model, prepared pursuant to Legislative Decree 231/2001, supplements and integrates the broader ICRMS in Trenitalia, with respect to which the Model focuses on compliance objectives and, in particular, on the prevention of the offences provided for by Decree 231. The measures envisaged by the Model therefore represent an opportunity to strengthen the existing ICRMS and spread the culture of control within Trenitalia.

This Model consists of a General Section, a Special Section and two Annexes, as well as the FS Italiane Group Code of Ethics (hereinafter also "Group Code of Ethics" or "Code of Ethics"), adopted by Trenitalia by resolution of the Board of Directors. Furthermore, all the company documents related to the ICRMS indicated in chapters 4 and 5 (such as, for example, the Group procedures and Provisions, even if not expressly referred to, and the documents relating to the organisational and authorisation system) constitute an integral and substantial part of this Model. Consequently, "Model" must not only be considered as this document but also as all the documents defined by Trenitalia to monitor the risks associated with Legislative Decree 231/2001 and which represent constituent elements of the Model itself.

The General Section describes the contents and impacts of Legislative Decree 231/2001, the fundamental principles and objectives of the Model, as well as its methods of adoption, dissemination, updating, and application. It also defines the elements of the Model itself, the responsibilities of the Supervisory Body, and the disciplinary system provisions. Additionally, it identifies the methods used to abstractly configure crimes that can occur on Trenitalia and the related high-risk areas.

The Special Section, on the other hand, indicates the individual macro activities/processes at risk identified and the related specific safeguards considered appropriate to prevent the commission of the offences provided for by the Decree (organisational system, authorisation system, procedures, management control system, Code of Ethics and code of conduct, communication to staff and their training, information flow to the SB, organisational structures involved in the areas at risk and public administrations concerned).

3.3. Model approval, update and implementation

The organisation and management models constitute, pursuant to and for the purposes of Article 6, paragraph 1, letter a) of Decree 231, acts of emanation from top management as a whole. Therefore, Model approval constitutes the exclusive prerogative and responsibility of the Trenitalia Board of Directors.

The first version of the Trenitalia Model 231 was approved by the Board of Directors with a resolution dated 23 February 2005. Subsequent changes and/or additions to the Model have been, and will be, submitted to the Board of Directors, except as provided for in paragraph 4.1.4 below.

With the aim of permanently providing specialist technical support to the Company to update the Model 231 to be submitted to the approval of the Board of Directors, Trenitalia has established, with a specific Organisational Communication, an internal Work Group, which is comprised of representatives from the Legal Affairs, Corporate and Compliance Department, the Audit Department, the Administration, Finance and Control Department, the Technical Department, the Human Resources and Organisation Department and the Risk Officer. In particular, Work Group activities include:

- identifying, with the support of the Heads of the organisational structures concerned, the business areas/processes where the commission of the predicate offences following the amendments and additions to Decree 231 is abstractly conceivable;
- identifying the changes necessary to adapt Model 231 to Trenitalia's changed organisational and/or operational structure, as well as to the evolution of the reference legislation;
- identifying the changes necessary to incorporate the adaptations indicated in the Supervisory Body's audit reports in the Model itself;
- preparing, with the support of the Heads of the organisational structures concerned and taking into account the recommendations of the Supervisory Body, proposals for Model 231 updates;
- monitoring the progress of any corrective actions that may be necessary to the outcome of the updating activities.

To maintain an effective and efficient Model over time, certain events are taken into consideration for updating or adapting Model 231. These events can be traced back to examples such as:

- new legislation with reference to Entity liability regulations;
- significant changes in the Company's organisational structure or business sectors;
- jurisprudence and main doctrine guidelines;
- deficiencies and/or gaps and/or significant violations of the provisions of Model 231 as a result of checks on the effectiveness of the same;
- considerations deriving from the application of Model 231, including the results of the updates of the *historical analysis* (such as, for example, experiences from criminal proceedings, the results of SB activities or of Internal Auditing).

The Chief Executive Officer, on the other hand, with regard to the executive aspects, is responsible for the implementation of the Model.

It is important to mention that Trenitalia aims to emphasise the importance of implementing and ensuring compliance with their policies, principles, and rules outlined in their Model. Additionally, it is crucial to refrain from engaging in any behaviour that may be considered criminal under Legislative Decree 231/2001. This constitutes an obligation and a duty of each Recipient and, in particular, of each Head of the organisational department who is entrusted with primary responsibility for the control of activities, especially those at risk.

3.4. Model adoption in subsidiaries

Trenitalia considers compliance with the laws, sector regulations and principles expressed in the FS Italiane Group Code of Ethics and Anti-Corruption Policy, adopted by Trenitalia by resolution of the Board of Directors, an essential condition for the maintenance and improvement of the company's value over time.

Trenitalia subsidiaries subject to Italian and foreign law, if they also operate in Italy, adopt an autonomous organisation, management and control model pursuant to Legislative Decree 231/2001, taking into account the specific risk profiles related to the actual operations of each.

Trenitalia subsidiaries subject to foreign law that do not operate in Italy, on the other hand, adopt compliance programs consistent with the regulations applicable to them and with the ethical principles expressed in the FS Italiane Group Code of Ethics.

4. TRENITALIA INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

According to the definition of general acceptance established by the Committee of Sponsoring Organizations of the Treadway Commission (hereinafter also "COSO")¹⁰, the internal control system is a process, implemented by the board of directors, management and other personnel of an organisation, designed to provide reasonable assurance regarding the achievement of objectives related to operations, reporting and compliance.

This system is substantially the set of rules, procedures and organisational structures designed to effectively and efficiently identify, measure, manage and monitor the main risks, so as to contribute to the sustainable success of the company¹¹.

The concepts and principles established by the aforementioned COSO have been reiterated and expanded by the *Federal Sentencing Guidelines* which constitute the authoritative and most qualifying reference in terms of the assessment of corporate liability explicitly taken into account by Italian Law, as shown by the accompanying government report of Legislative Decree 231/2001.



In particular, according to COSO, the internal control system, or more specifically the *Internal Control-Integrated Framework*, both at the level of the entire organisation and its subsidiaries, divisions, business units, departments, consists of five integrated components:

1. Control Environment;
2. Risk Assessment;
3. Control Activities;
4. Information & Communication;
5. Monitoring.

There is a direct relationship between the components of the internal control system, the structure of the organisation, and its objectives which can be represented as follows:

1. The Control Environment is the set of standards, ethical values, processes and structures that provide the basis for implementing internal control throughout the organisation, guiding people at all levels in fulfilling their duties and making decisions. It is influenced by the culture of the organisation and by multiple internal and external factors and has a pervasive impact on the overall internal control system;
2. Risk Assessment is the process aimed at ensuring the identification, analysis and management of risks relevant to the achievement of company objectives;
3. Control Activities are the actions, established through policies and procedures, carried out at all levels of the organisation, in the various phases of business processes and on the technological environment, in order to ensure the implementation of the directives imparted by management to mitigate risks and achieve objectives;

¹⁰ Committee of Sponsoring Organizations of the Treadway Commission (COSO) - *Internal Control-Integrated Framework*, May 2013. The *Framework* updated the original publication issued by COSO in 1992. "COSO" is a committee formed in the USA in 1985 by five private organisations, with the aim of developing models and guidelines on corporate risk management, internal control and fraud deterrence.

¹¹ Borsa Italiana (Corporate Governance Committee), *Corporate Governance Code*, January 2020, definition of internal control and risk management system.

4. the collection of Information, both from internal and external sources and its sharing through Communication, are necessary for the organisation to meet its internal control responsibilities and support the operation of all other system components;
5. monitoring includes all the activities, periodic or continuous, carried out to ascertain whether each system component continues to be present and effective during its operation.

According to the framework developed by COSO, as part of the overall governance process, internal control, in its components, is an integral part of the broader *Enterprise Risk Management* process, designed and implemented by the Board of Directors, management and other company operators, to identify and manage the risks and opportunities faced by companies in a strategic context characterised by uncertainty and to provide reasonable assurance of the achievement of company objectives.

To this end, the same COSO, in 2004, completed its *Internal Control Integrated Framework* with the publication of an *Enterprise Risk Management Framework*, which was updated in 2017¹².

As the COSO expressly reiterates, despite having different focuses, the two frameworks are complementary and complete each other and neither replaces the other. In particular, internal control is a fundamental aspect of *Enterprise Risk Management* and the *Internal Control Integrated Framework* remains a valid and suitable model for the design, implementation, conduct and evaluation of the effectiveness of internal control and for its reporting.

The constituent elements of the Trenitalia Model represent the concrete application of the general principles of the control system set out above, as summarised in the following table:

INTERNAL CONTROL SYSTEM ELEMENTS (COSO REPORT)	TRENITALIA MODEL 231 CONSTITUENT ELEMENTS
Control Environment	<ul style="list-style-type: none"> • Organisational system • Authorisation system • Behavioural standards (Code of Ethics) • Disciplinary system • Human resources
Risk assessment	<ul style="list-style-type: none"> • Mapping of the areas at risk of crime
Control activities	<ul style="list-style-type: none"> • Procedures • Management control • Financial resource management
Information and Communication	<ul style="list-style-type: none"> • Communication • IT systems • Personnel education and training
Monitoring	<ul style="list-style-type: none"> • Internal Auditing • Ethics Committee • Supervisory Board • Key Officer

The control system provides for two types of controls: general and specific.

General controls, i.e. relating to the entity as a whole and not referring to a specific process at risk and identified in the Control Environment (paragraph 4.1).

¹² COSO - *Enterprise Risk Management Integrating with Strategy and Performance*, June 2017.

Specific controls, on the other hand, are those aimed at monitoring each identified activity at risk (i.e. specific company procedures aimed at regulating the sensitive activity/process; assignment of roles and responsibilities, or rather specific powers of signature for carrying out the activity in question, etc.).

Specific controls are broken down into three levels:

- a **1st level of control**, which defines and manages the so-called "guideline" controls, inherent in the operational processes, and the related risks. Generally, the company's internal resources monitor operations. Both the operator and the supervisor/manager check themselves to ensure smooth operations. However, for specialised aspects such as instrumental checks, internal or external resources may be involved.
- a **2nd level of control**, carried out by company technical department qualified in the matter and independent from those of the 1st level, as well as from the work sector under audit. This monitoring oversees the management and control process for risks related to system operations, ensuring its consistency with company objectives;
- a **3rd level of control**, carried out by Internal Audit, which provides *assurance*, or independent assessments on the design and operation of the overall internal control system, accompanied by improvement plans defined in agreement with management.

For the first two levels of specific controls, refer to paragraph 4.3 (Control Activities), while for the third level refer to paragraph 4.5 (Monitoring).

As part of the initiatives to strengthen its Internal Control and Risk Management System, Holding has issued the *Ferrovie dello Stato Italiane Group Anti-Corruption Policy* with Group Directive no. 307/ AD of 29 July 2022, adopted in Trenitalia with Intercompany Organisational Communication no. 33 rev. in force.

In addition, in line with Group Directive no. 290 "Guidelines on the Ferrovie dello Stato Italiane SpA Anti-Corruption Policy and Anti Bribery & Corruption management system", Trenitalia has issued its *Guidelines on the Anti-Corruption Policy*, approved by the Board of Directors.

In implementation of the aforementioned guidelines, Trenitalia has issued the Company's *Anti Bribery & Corruption management System* (hereinafter *ABC system*), which aims to prevent behaviour that does not respect the rules and ethical principles of Trenitalia and the FS Italiane Group. In particular, the ABC system leverages existing control systems according to a logic of synergy and optimisation, it is a dynamic model and adapts to the evolution of the business reality by integrating tools and controls through a Control Risk Self Assessment process (hereinafter "CRSA").

In this context, the ABC System is a core element of the Anti corruption Framework that Trenitalia intends to adopt as a unique self-regulatory tool for the prevention of corruptive practices.

The Anti-Corruption Framework is the architecture underlying of the Company's entire anti-corruption system, and meets the need to approach corruption prevention activities in a systematic and united manner, promoting synergies between the various anti-corruption safeguards. The Framework is a constituent element of the ICRMS and is divided into the following documents:

- i. "Anti-Corruption Policy Guidelines" that contain the reference principles and guiding criteria established by the Board of Directors for the preparation and implementation of an effective anti-corruption system within Trenitalia SpA.
- ii. Model 231, for cases of corruption, even between individuals, undue inducement to give or promise utility and bribery.

The *ABC system* deals with corruption hypotheses in a broad sense. This includes acts and behaviours that deviate from internal rules and procedures and may harm the company's performance and general interest. Such cases are considered poor management and malfunctioning. The anti-corruption documentary system was recently integrated with the FS Group Anti-Corruption Policy by the BoD. This policy standardises and integrates all the rules and safeguards for the prevention and fight against corruption in the Group. The aim is to raise awareness among all personnel and external third parties who entertain professional and business relations with the Group regarding the rules and behaviours that they must observe. In addition, always as part of the initiatives to strengthen its Internal Control and Risk Management System, Trenitalia, which has always been sensitive to the need to guarantee the promotion of a corporate culture based on principles of honesty, fairness and compliance with tax legislation, to protect its position and image, has adhered, subject to the requirements, to the so-called "collaborative compliance regime" pursuant to Legislative Decree 128/2015. In this perspective, the Company has implemented an *Internal Control Model to detect, measure, manage and control Tax Risks* ("*Tax Control Framework*"), which is also relevant for the monitoring of risks related to tax offences provided for by Decree 231 (Article 25 *quinquiesdecies*), which defines, in line with the Group *Tax Control Framework*, the roles, organisational structure and information flows between Ferrovie dello Stato Italiane SpA, Trenitalia SpA and subsidiaries.

This system has the specific purpose of reducing, to the maximum extent possible, the tax risk of higher tax, penalties and interest (charges that potentially represent economic damage and even image damage) that may arise from the exercise of the business.

In particular, the "*Internal Control Model to detect, measure, manage and control Tax Risks*" identifies the safeguards and controls to be adopted inherent in business processes, defining the control process management methods within the *Tax Control Framework*.

With a view to the economy, integration and efficiency of the organisational process, the Tax Control Framework also relies on the safeguards and processes already implemented by Trenitalia for the purposes of Law 262/2005 by the Officer in charge of drafting corporate accounting documents, through the "*Internal Control Model for FS SpA and the Ferrovie dello Stato Italiane Group Financial Reporting*" ("*Model 262*"), which is also relevant for the monitoring of other risks related to Decree 231 (think, for example, of the corporate offences referred to in art. 25 *ter* of Legislative Decree 231/2001).

Therefore, the *Tax Control Framework* and *Model 262* represent additional constituent elements of Trenitalia's ICRMS relevant for the purposes of Decree 231.

In line with the company's objective to ensure compliance, Trenitalia SpA and its subsidiaries have adopted the "*Compliance Model*"¹³. This model defines the roles, objectives, operational scope, information flows and reporting system in accordance with the provisions of Group Provision no. 280 "*FS Italiane Group Compliance Model*". This model provides for a decentralised approach to compliance management, where a Compliance department serves as the Group Department Manager and compliance safeguards are present in the subsidiaries.

The Model, which is part of the wider Internal Control and Risk Management System, is an additional element in the set of rules Trenitalia has adopted to ensure its Stakeholders it conducts business in line with the established objectives and in full awareness of the risks that may impact the attainment of these objectives and affect the company's value and reputation.

In this context, the *Compliance Organisational Unit* is located within the Legal Affairs, Corporate and Compliance Department, which, with specific reference to the issues related

¹³ Intercompany Organisational Communication no. 10/AD of 2 February 2021, rev. in force "Trenitalia SpA and Subsidiaries Compliance Model".

to Model 231, is assigned the following responsibilities: *i)* ensure the coordination of the Trenitalia Organisation, Management and Control Model Working Group pursuant to Legislative Decree 231/2001 to update the Model itself (for more information on the Work Group, please refer to paragraph 3.3); *ii)* ensure, with the support of the pertinent corporate departments, the identification of training needs, the definition of training and communication plans and their implementation and monitoring; *iii)* ensure the verification of the issuing company provisions with respect to the prevention tools provided for in Legislative Decree 231/2001, liaising with the Audit Department for the implementation of corrective measures with an impact on Model 231 that emerged from audits.

Below is a representation of the various main elements of the Internal Control and Risk Management System as organised in Trenitalia and, in this context, of the constituent elements of the Model.

The aspects relating to the Integrated Safety and Quality Management System are dealt with in the next chapter 5.

4.1. Control Environment

The Control Environment is the basis on which all other elements of internal control rest: it defines the management style of the company and measures the attention of Top Management to internal control issues.

The Control Environment refers to the so-called general controls, a set of mechanisms whose preparation and implementation is independent of the specific area in which the predicate offences may be committed. They relate to aspects of the company organisation as a whole and are aimed at investigating elements such as, among others, the company organisation chart, job descriptions, company procedures, the authorisation system, code of conduct, human resources management, as well as the existence of disciplinary tools. It is identified in the following representative elements:

- corporate governance or governance model, on the basis of which the organisational and authorisation system is designed;
- adoption of a code of conduct and rules of conduct (code of ethics);
- adoption of a disciplinary system for violations of the defined rules;
- adoption of a human resource management system aimed at controlling recruitment mechanisms and performance evaluations.

Trenitalia's governance model is deeply and incisively oriented towards the dissemination of and respect for the ethical values and principles of integrity set forth by the Group Code of Ethics.

The Board of Directors plays a leading role in defining an effective Internal Control and Risk Management System; it annually approves the action plan proposed by the Audit Department and based on an organised process of analysis and prioritisation of the main risks.

At its meeting on 11 October 2021, the Board of Directors approved the establishment of the Control, Risk and Sustainability Committee with a proactive and advisory function in support of the Board, consisting of non-executive Directors and chaired by the Chairman of the Board of Directors, with advisory and proactive functions vis-à-vis the Board. To this end, it carries out, among other activities, the examination of internal controls in the light of the identification of the main corporate risks, as well as the examination and sharing of the annual audit plan, for subsequent approval by the Board of Directors. The Committee also expresses its opinion on the proposals for the appointment and removal of the Head of the

Audit Department made by the Chairman of the Board of Directors, in agreement with the Chief Executive Officer.

The constituent elements of the Control Environment are represented in the following paragraphs.

4.1.1. Organisational system

As indicated by the Confindustria Guidelines and in line with the Group rules, the organisational system must be updated, formalised and clear, especially with regard to the attribution of responsibilities, the lines of hierarchical dependence and the description of activities, with specific provision for control principles such as, for example, checks and balances.

The adequacy of the organisational system is based on the following characteristics:

- formalisation of the system and its continuous updating;
- clear definition of assigned responsibilities and hierarchy lines;
- existence of checks and balances;
- correspondence between the activities actually performed and what is foreseen by the defined missions and responsibilities.

In accordance with the regulatory document GR_LG/P_ Drafting and dissemination of company regulations_n.1_v.01, the Holding exercises the activity of guidance and coordination through the issuance of Management and Coordination Deeds (Regulatory documents, letters, opinions, clearance, other) that Trenitalia SpA, as Hub Lead Company of the "PASSENGERS HUB" Sector, with the same declaration signed by the Chief Executive Officer and General Manager:

- adopts within the Company and in compliance with its prerogatives of autonomy and independence, through a deed of adoption;
- implements into the Passenger Hub through an implementation deed.

Subsequently, Passenger Hub Companies, with a declaration signed by their respective Chief Executive Officers, adopt the implementation deed issued by Trenitalia SpA as the "PASSENGER HUB" Hub Lead Company.

In addition, for the areas of remit identified in the Passenger Hub Regulations, Trenitalia, as the "PASSENGER HUB" Hub Lead Company, has defined the *Management and Coordination Model for the direction, coordination and technical-operational control of the Passenger Hub Companies*, with Intercompany Organisational Communication no. 31/AD of 30 September 2022. Trenitalia specifies the process indications and/or the models and technical operating tools with additional regulatory documentation for the Hub for the areas of management and coordination identified in the aforementioned Model.

The Passenger Hub Companies confirm the adoption and implement the aforementioned regulatory documentation with a declaration signed by their respective Chief Executive Officers.

Foreign Passenger Hub companies adopt the regulatory principles in line with the legal system in which the company has its registered office.

Furthermore, each Hub Company guarantees the correct and constant application of what has been defined in the regulatory documents, ensuring their maximum dissemination internally and the relative control of implementation also within its own subsidiaries in

compliance with the obligations of confidentiality and the prerogatives of autonomy and independence of each Company.

Trenitalia's organisational system (organisational and regulatory documents) is defined – also in line with the relevant Group Documents - through the direct issuance, dissemination and publication of organisational documents of different types and purposes.

In particular, the organisational system consists of:

Organisational documents:

- *Organisational Provisions (DOr)*: Documents aimed at defining or changing the organisational and para-organisational structure (e.g., Committees, etc.) of Companies, areas of organisational responsibility, and assigning/changing the relevant authority and/or locations. They are also used to communicate the appointment of Chairmen and CEOs;
- *Organisational Communications (COr)*: documents aimed at communicating the appointment of roles provided for by law (e.g. Officer, DPO, etc.), members of the Supervisory Board, any other roles/production units approved by the Board of Directors, as well as formalising and communicating the assignment of roles on projects in the technical field (e.g. Project Owner, PM, etc.). They are also used to represent the operating model and related roles of management systems;

Regulatory documents:

- *Regulatory compliance documents*: documents that guarantee the transposition/implementation of mandatory or voluntary regulations adopted, within the Group, by the Holding Company and each Group Company, which, in addition to legal provisions and the Articles of Association, are overridden by the system of corporate documents;
- *Governance Models and Policies (MdG/PY)*: Documents defining the set of macro-responsibilities and interrelationships between Holding Company, Sector Parent Company and other Companies or regulating specific corporate areas by prescribing actions and rules of conduct;
- *Guidelines and Procedures (GL/P)*: Documents defining the set of guidelines and reference principles relating to specific matters and/or defining the set of activities, roles and responsibilities intended to describe the operation of business processes;
- *Operating instructions and Manuals (OI/M)*: Documents that describe the operating methods and instruments with which to carry out specific activities referring to a given scope/process (Operating Instructions) or indicate the procedures for using tools to support activities to manage/deliver products or services (Manuals);
- *Hub implementation deed*: Document issued by the Hub Lead Company to implement in the Hub the documents issued by the Holding Company with Group validity;
- *Company deed of adoption*: document issued by the individual Companies to adopt the regulatory documents at company level in the case of direct applicability. Specifically, this may involve the adoption of a document issued by the Holding Company with Group validity, by the Sector Parent Company with Hub validity, by Sub-Holdings to their subsidiaries.

The documents previously called Group Directives (DdG), Group Organisational Communications (CO_G), Intercompany Organisational Communications (IOC) and Organisational Communications (CO) are also part of the corporate and Group regulatory documentation for the duration of their validity.

The formalisation, updating, dissemination, publication on the intranet and storage of organisational and regulatory documents are ensured by the Organisation and Processes unit of the Human Resources and Organisation Department, which also periodically updates the following general summary documents:

- "Organisational Structure", which formalises, on a certain date, the Company's organisational chart;
- "Missions and Responsibilities", containing a description of the missions and areas of responsibility of macro department and micro organisational structures.

In addition, the Organisation and Processes department constantly supervises and updates the system of company processes and procedures in force, meaning a special "map" that shows the company processes and sub-processes, the organisational structures that manage them, as well as the reference procedures.

4.1.2. Authorisation system

The Confindustria Guidelines provide for authorisation and signature powers to be assigned in line with the established organisational and management responsibilities, defining spending limits, especially in areas considered to be at risk of crime.

The adequacy of the authorisation system is based on the following characteristics:

- clear definition of the spending powers and their formalisation through delegation or power of attorney;
- assignment of proxies and powers of attorney in line with the organisational and managerial responsibilities defined and assigned.

FS Italiane Group has a standard policy, outlined in the "Group Guidelines and Procedure for the Conferral, Management and Revocation of Power of Attorney," that states that only authorised individuals with specific powers can make commitments to third parties on behalf of the company. Therefore, the following are envisaged:

- powers relating to "individual business deals", attributable through custom deeds conferred with notarial powers of attorney in relation to their content (Special Power of Attorney);
- powers of "permanent representation" attributable through registered notarial powers of attorney, conferred in relation to the performance of organisational roles involving actual needs for representation before external parties (General Power of Attorney, Institutional Power of Attorney, Employer's Power of Attorney/identification deed, Intercompany Power of Attorney).

The powers of attorney may be conferred by the Chief Executive Officer or by the Directors appointed by the same also in implementation of a resolution of the Board of Directors.

In all types of power of attorney, the power to delegate the powers conferred by the Attorney in fact to another person inside or outside the company may be provided, although this possibility must be limited to cases of actual need.

Once drafted, the deed is transmitted to the appointed attorney by means of a letter signed by the Delegating party. The letter contains recommendations regarding the exercise of powers given to the attorney. These recommendations include constraints and company rules, such as the Group Code of Ethics, Model 231, the Group Anti-Corruption Policy, and the Company *ABC system*. The attorney must comply with these recommendations while exercising the powers conferred. Additionally, the letter highlights the rules for protection of personal data, corporate governance, budget, and other related areas. The appointed attorney countersigns the aforementioned letter for acceptance of the powers and the related rules.

In summary, the process of conferring and revoking the powers of attorney of permanent representation in Trenitalia is based on the following principles:

- The Human Resources and Organization Department is responsible for analysing and developing proposals for conferring or revoking powers, ensuring consistency with corporate responsibilities. The Group Powers List identifies the basic powers required for power of attorney proposals.
- the Legal Affairs, Corporate and Compliance Department is responsible for legal checks, formalising conferral/revocation deeds and their retention.

The Human Resources and Organisation Department and the Legal Affairs, Corporate and Compliance Department, each for their area of remit, ensure that the Company's powers and responsibilities are regularly updated to keep up with changes in the organisation and the parties involved.

The process described relating to the conferral, management and revocation of powers of permanent representation is supported by the relative information system, which the Administration, Finance and Control Department, the Purchasing Department and the Audit Department can view with specific profiles to perform their pertinent duties.

These rules can be deduced from IOC no. 24 current revision "Transposition of Group Guidelines and Procedure for the Conferral, Management and Revocation of Power of Attorney", defined in accordance with the "Group Guidelines and Procedure for the Conferral, Management and Revocation of Power of Attorney".

4.1.3. Behavioural standards (Code of Ethics)

"Behavioural Standards" must mean the principles and rules of conduct suitable for guiding actions within the company.

The Confindustria Guidelines stress the opportunity to adopt a code of ethics that contains ethical principles in relation to conduct that may supplement the types of offence provided for by the Decree, whether intentional or culpable. In particular, this code must provide for:

- compliance with laws and regulations in force in all the countries in which the Entity operates;
- compliance with the requirements of correct registration, authorisation, verifiability, legitimacy, consistency and congruity of each operation and transaction;
- basic principles regarding relations with the Entity's counterparts, with particular regard to those with the Public Administration, public employees and, in the case of activities concerning the provision of a public service, relations with private and commercial counterparts;
- the principles and values that should inspire the company policy for the protection of health and safety at work and the environment.

These principles have been formalised in the FS Italiane Group Code of Ethics issued on 19 January 2005 and last updated on 28 February 2018, which *binds corporate bodies, management, employees, external collaborators, business partners, suppliers and all those who have relations with the Group.*

The Group Code of Ethics *is the basis of our common values and represents the minimum and irrevocable text that must guide our behaviours and those of our Stakeholders.*

The Code of Ethics is divided into seven points:

1. Our vision: where we want to go;
2. Our core values;
3. Our common responsibilities;

4. Code recipients;
5. Our commitment to stakeholders;
6. Implementation and control system;
7. Reports and indications.

By resolution of the Board of Directors of 24 May 2018, Trenitalia approved the adoption of the Group Code of Ethics as Trenitalia's Code of Ethics, which forms an integral part of Model 231.

In order to implement the provisions of point 6 of the Group Code of Ethics, the Trenitalia Board of Directors has established the Company's Ethics Committee (referred to in paragraph 4.5.2 below).

Additional and specific "behavioural obligations" for the individual activities at risk carried out are reported for each macro-activity/process at risk in the Special Section.

4.1.4. Disciplinary system

As also clarified by the Confindustria Guidelines, the provision of a disciplinary system and penalty mechanisms must be differentiated according to the various Model 231 Recipients (Directors, Statutory Auditors, Employees and Third Parties) and, in the case of an employment relationship, comply with the procedures provided for by art. 7 of the Workers' Statute (Law no. 300/1970), the special legislation and the principle of typicality of violations relating to the so-called employment relationship conservative maintenance sanctions.

Effective Model operation must be guaranteed by an adequate disciplinary system that sanctions violations of the provisions of the Model itself and its constituent elements (as indicated above, in fact, the term "Model" must mean not only this document but also all the documents defined by Trenitalia to monitor the risks associated with Legislative Decree 231/2001 and which represent constituent elements of the Model, described in chapters 4 and 5).

It is necessary to comply with the provisions of the Model and its constituent elements, and perform the actions prescribed by them in activities where there is a risk of committing the crimes mentioned in Legislative Decree 231/2001. Any action or behaviour that does not comply with these provisions, or the omission of prescribed actions or behaviours, will be considered a violation.

The measures and penalties indicated under the following points also apply to any Recipients who violate the whistleblower protection measures and those who submit unfounded reports with malice or gross negligence pursuant to art. 6 paragraph 2 bis, letter d) of Decree 231.

These violations are punished in a disciplinary manner, regardless of any criminal proceedings, as they constitute a violation of the duties of diligence and loyalty of the internal Recipient and, in the most serious cases, damage to the relationship of trust established with the same.

Punishments will always be determined and applied by taking into account the general principles of proportionality and adequacy with respect to the alleged violation. In this regard, the following circumstances are relevant:

- type of alleged offence;
- real circumstances in which the offence was committed (specific times and methods for committing the offence);
- overall behaviour of the perpetrator;

- the perpetrator's position;
- severity of the violation, also taking into account the subjective attitude of the perpetrator (intentionality of the behaviour or degree of negligence, imprudence or inexperience, with regard to the predictability of the event);
- the extent of the damage or harm as a result of the infringement to the Company;
- potential commission of multiple violations within the same conduct;
- any participation of several parties in the commission of the violation;
- possible recidivism of the perpetrator.

Below are the penalties/measures introduced by Trenitalia to be implemented in the event of violations of the principles and provisions contained in the Model, separated by type of relationship between the Recipient and the Company and the related applicable procedure.

Penalties and disciplinary proceedings against non-executive staff

Behaviours by non-executive staff in violation of the Model constitute disciplinary offences. In accordance with the principle of gradualness and proportionality to the severity of the violation, the disciplinary rules of the National Bargaining Agreement (CCNL) in effect impose penalties on the individuals involved. The aforementioned circumstances are taken into consideration while imposing the penalty.

In particular:

- a) where the violation of one or more procedural or behavioural rules provided for in the Model constitutes a slight irregularity, the worker incurs the provision of verbal or written reprimand pursuant to art. 58 of the CCNL;
- b) in the event of recidivism, within one year of a written reprimand, in the same shortcomings provided for in letter a) above, or of a more serious violation of one or more procedural or behavioural rules provided for in the Model, where such violation does not jeopardise the Company's normal business activities, the worker incurs the fine referred to in art. 59 of the CCNL;
- c) where the violation of one or more procedural or behavioural rules provided for in the Model jeopardises the Company's service, business continuity or interests, the worker risks suspension from service and salary from one to four days, in accordance with the provisions of art. 60 of the CCNL;
- d) where the violation of one or more procedural or behavioural rules provided for in the Model is more serious than the previous ones and is attributable to the cases provided for in Articles 61 and 62 of the CCNL, the worker risks suspension from service and salary from five to ten days, in accordance with the provisions of the aforementioned articles;
- e) where the violation of one or more procedural or behavioural rules provided for in the Model constitutes a shortcoming whose severity is equivalent to the infringements indicated in art. 63 of the CCNL, the worker risks dismissal with notice;
- f) where the violation of one or more procedural or behavioural rules provided for in the Model is of such severity as to irreparably damage the relationship of trust by not allowing the continuation, even provisionally, of the employment relationship, the worker risks dismissal without notice, according to the cases indicated in art. 64 of the CCNL. This article also provides for the hypothesis of dismissal without notice *for the adoption of conduct in violation of the rules contained in the Organisation and Management Model adopted pursuant to Legislative Decree 231/2001, which determine the application of penalties against the company.*

Trenitalia's CEO has the right to make any necessary changes to the content of this paragraph, as a result of any changes and/or renewals of the CCNL.

The operating flow and responsibilities regarding disciplinary proceedings for worker shortcomings, in light of the CCNL, are governed by CO no. 81 current rev. "Disciplinary Procedure Management Procedure".

Penalties and disciplinary proceedings against executive staff

In the event of a breach of the internal procedures provided for in the Model or of the adoption, in the performance of activities in the areas at risk, of behaviour by the Executive staff that does not comply with the provisions of the Model, the most appropriate measures will be applied against the executives, in accordance with the provisions of the law and the applicable collective bargaining agreement and taking into account the circumstances indicated above.

In particular:

- a) in the event of a non-serious violation of one or more procedural or behavioural rules provided for in the Model, the worker incurs a written reminder to comply with the Model, which is a necessary condition for the maintenance of the fiduciary relationship with the Company;
- b) in the event of a serious violation of one or more procedural or behavioural rules provided for in the Model such as to constitute a significant breach, the worker risks dismissal order with notice;
- c) where the violation of one or more procedural or behavioural rules provided for in the Model is of such severity as to irreparably damage the relationship of trust by not allowing the continuation, even provisionally, of the employment relationship, the worker risks dismissal without notice.

The operating flow and responsibilities regarding disciplinary proceedings for worker shortcomings are governed by the reference CCNL.

Provisions/Measures against Directors and Statutory Auditors

Alleged violations of the Model by the Directors or Statutory Auditors must be promptly reported to the Supervisory Board by those who detect them, in accordance with the provisions of paragraph 4.5.3 below.

In the event of violation of the Model by one or more directors, ascertained following the investigation provided for by Intercompany Organisational Communication no. 4 rev. in force. "Intercompany Whistleblowing Management Procedure" (referred to in paragraph 4.5.3 below), the SB promptly informs the Sole Shareholder, the Board of Directors (excluding cases in which the report comes from the same Board of Directors) and the Board of Statutory Auditors (excluding cases in which the report comes from the same Board of Statutory Auditors).

The Sole Shareholder, or the Board of Directors (with the abstention of the person involved and having heard the mandatory opinion of the Board of Statutory Auditors), according to their remit, will take, in accordance with the powers provided for by law and/or the Articles of Association, the most appropriate and appropriate initiatives in relation to the severity of the violation, such as, by way of example, statement in meeting minutes, formal reprimand, revocation of the powers delegated by the Board of Directors or the assignment entrusted, convening the Meeting with, on the agenda, the adoption of appropriate measures against the Director responsible for the violation, including the initiation of legal actions aimed at recognising the liability of the same towards the Company and the compensation of the damages suffered.

In all cases in which the violation of the Model by a Director linked to the Company by an employment relationship is found, the procedure indicated above with regard to Personnel is established. Should the outcome of this procedure be dismissal, the Board of Directors will convene the Sole Shareholder without delay to resolve the removal of the Director from office. In any case, the right of the Board of Directors to adopt (with the abstention of the person involved and having heard the mandatory opinion of the Board of Statutory Auditors) any most appropriate initiative against the same Director remains unaffected (even in the absence of a dismissal of the Director).

This is without prejudice to the possibility of the Director's forfeiture of their position for just cause, without the right to seek compensation for damages, pursuant to art. 15, paragraph 6, sub-section 3, of the Trenitalia Articles of Association.

In the event of violation of the Model by one or more Statutory auditors, ascertained following the investigation provided for by Intercompany Organisational Communication no. 4 rev. in force. "Intercompany Whistleblowing Management Procedure" (referred to in paragraph 4.5.3 below), the SB promptly informs the Sole Shareholder, the Board of Directors (excluding cases in which the report comes from the same Board of Directors) and the Board of Statutory Auditors (excluding cases in which the report comes from the same Board of Statutory Auditors) for the assessments of remit and so that the Meeting can be promptly convened, on the basis of the provisions of the law and the Articles of Association, which may adopt the appropriate and consequent resolutions, including revocation for just cause in compliance with the regulations referred to in art. 2400, paragraph 2, of the Italian Civil Code.

Provisions/Measures against the members of the SB

If a violation of the Model is committed by one or more members of the SB, the other members of the SB, or any member of the Board of Statutory Auditors or the Board of Directors, shall immediately notify the Company's Board of Statutory Auditors and the Board of Directors. Once the accused party has had the opportunity to dispute the violation and any defensive arguments have been made, the Board of Directors, having conferred with the Board of Auditors, will take the appropriate measures, which, if warranted by the conditions, may include the revocation of the assignment.

In all cases in which the violation of the Model by a member linked to the Company by an employment relationship is found, the procedure indicated above with regard to Personnel is established.

Penalties applied to third party Recipients

Trenitalia requires third party Recipients (such as, but not limited to, external collaborators, even occasional and/or only temporary, consultants, suppliers, contractors of works or services, business and financial *partners*) to know and comply with the ethical-behavioural principles set out in Model 231, the Group Code of Ethics and the FS Italiane Group Anti-Corruption Policy.

To this end, the Company shall include specific contractual clauses in the contracts with the aforementioned counterparts that provide, in the event of non-compliance with the principles established in the aforementioned documents, the possible termination of the contractual bond. With these clauses, in fact, the Third Party Recipient undertakes to refrain from engaging in conduct that may supplement an offence contemplated by Decree 231, as well as to review and comply with the principles defined by the Company with Model 231, the Group Code of Ethics and the FS Italiane Group Anti-Corruption Policy.

Therefore, any conduct carried out in the context of a contractual relationship by third-party Recipients in contrast with the lines of conduct indicated in Model 231 and/or in the Code

of Ethics, may determine, depending on the severity of the conduct and in accordance with the provisions of the aforementioned contractual clauses, the suspension or termination of the contractual relationship, as well as the possible legal proceedings for compensation for damages suffered. In the event that the contract provides for the so-called "approval clause", the removal and possible replacement of the third party can be established.

4.1.5. Human resources

The Model provides for a system of controls in the processes relating both to the establishment of the employment relationship and to the management phase, with particular regard to the performance evaluation and associated bonus systems.

With regard to the establishment of the employment relationship, the recruitment mechanism chosen is of particular importance, which must guarantee the existence of controls during the personnel recruitment procedure. By way of example, these checks consist of the extraction of candidates to be selected from the Group's company database generated by the spontaneous applications entered on the institutional website, the composition of teams of evaluators for the verification of technical and aptitude skills, checks of qualifications and preparatory documentation for recruitment (such as, by way of example, residence permits for non-EU workers), or any further checks of conflicts of interest between the evaluator and the evaluated, of the evaluated alone, as well as checks and queries regarding the background of the candidate to be hired (pending charges, criminal records, etc.).

With regard, on the other hand, to the management of the employment relationship, monitoring is provided both on company processes and on Personnel conduct. In particular, by way of example, this monitoring must pay particular attention to the performance evaluation mechanisms, the Personnel bonus systems (which, if too challenging, could constitute an incentive to commit the offences provided for by the Decree) and any measures taken against the workers themselves.

Staff recruitment system

Holding issues the Group's documentation on human resources, with regard to the processes of recruitment, selection, hiring, training, management, development, intercompany mobility of non-executive personnel and regulatory and salary structures of management, including the rules for performance incentive systems.

Trenitalia and Passenger Hub Companies are fully liable and independent in overseeing their human resources, in compliance with the framework of rules defined by the Holding.

FS Italiane Group uses support information systems for Personnel recruitment that ensure the traceability of operations, hiring criteria and the segregation of duties between the departments involved in the process, with a view to ensuring control effectiveness.

The recruitment and selection of personnel in Trenitalia is divided into different processes depending on the different types of roles to be filled, regulated and implemented according to specific procedures indicated in the Special Part of the Model.

Pursuant to GR_MdG_Human Resources & Organisation_n.9, rev. in force, Trenitalia:

- initiates the recruiting process for the profiles managed by the Holding (management, middle management and recent graduate profiles) and participates in the various selection phases;
- manages and coordinates recruitment activities for profiles not managed by Holding, according to guidelines defined by Holding;
- defines the "critical" /strategic roles for recruiting activities, for profiles not managed by Holding and transmits them to Holding for validation.

In addition, for the areas subject to technical-operational coordination by the Sector Parent Company, Trenitalia:

- identifies the recruiting basins (inside the Hub and outside);
- defines the "critical" /strategic Hub roles for recruiting activities and transmits them to Holding for validation.

Performance Evaluation System

The current performance evaluation system (Integrated Evaluation System) concerns executives, managers and employees belonging to the so-called mandatory targets defined by the Holding and the Company, as well as any resources identified, on a discretionary basis, by the direct Manager outside these targets.

The main features of this system are as follows:

- the definition of individual objectives with an impact on the business/customer, linked to the Group and company priorities, following a process from the Top to the 1st levels of the priority deployment structure;
- the annual sharing/allocation of these objectives and their periodic verification and evaluation at the end of the process;
- the year-end evaluation of the behaviours defined in the Group's skills model, expressed by the resource during the year, with areas of strength, areas for improvement and development/training actions.

The process owner is the direct manager of the evaluated worker, with the support of senior management and the pertinent Human Resources and Organisation Department; in particular, on the basis of a proposal from the worker, the direct manager explains/integrates/modifies and shares the individual objectives with the worker and, subsequently, discusses and shares the final evaluation with the worker.

Pursuant to GR_MdG_Human Resources & Organisation_n.9, rev. in force, Trenitalia:

- carries out performance evaluation and calibration activities for Company personnel;
- prepares the annual plan of the Company's valuations and transmits it to the Parent Company and to the Holding Company for the relevant profiles.

In addition, Trenitalia, for professional profiles subject to technical-operational coordination by the Sector Parent Company, consolidates and verifies the consistency of the performance evaluations of the first levels of Chairman and CEO of the Hub Companies and transmits them to the Holding.

Management by Objectives (MBO), on the other hand, is the system to encourage the maximum commitment by the management of the FS Italiane Group in achieving the Group's strategic objectives.

Trenitalia involves senior management positions and all other executives and managers whose responsibilities have a direct impact on the Company's business and income statement, with results that can be objectively found in the system or accounted for on the basis of clear and transparent official non-accounting processing procedures, in the MBO system.

The objectives are defined in line with those set by the Holding for the Company Top Management.

4.2. Risk Assessment - Mapping of the areas at risk of crime

The risk assessment process, a fundamental element of the ICRMS, consists of an analysis of the business context aimed at highlighting where (in which area/sector of activity) and in what ways events may occur that jeopardise the achievement of the objectives set. It is a continuous process of identifying and analysing endogenous and exogenous factors that may affect the achievement of company objectives, in order to determine how these risks can be managed (Risk Management).

The phases of this process can be briefly identified as: risk *(i)* identification, *(ii)* assessment, *(iii)* mitigation and *(iv)* monitoring.

The Control and Risk Self Assessment (CRSA) method is used in order to identify, assess and monitor the risks of committing the predicate offences for which administrative liability is provided for pursuant to Legislative Decree 231/2001.

The CRSA consists of a self-assessment of the risks inherent in the activities performed, as well as the related controls, carried out by the same parties who perform the analysed activities. This method: *i)* ensures a more in-depth analysis as it is carried out by those who are most familiar with the activities in question; *ii)* allows staff to be made more aware of the risks inherent in their work, while ensuring effective training (also through participation in specific workshops), required by the same Legislator in Decree 231, not only with regard to the risk areas identified and the tasks performed by each party but, above all, regarding the hypotheses of offences taken into account by Decree 231 and on the essential elements of each case provided for by the Law.

With reference to the risk of committing the predicate offences, the first purpose to which the Model must respond is to identify the activities within which the offences may be committed, once the types of offences abstractly conceivable in the business context have been identified. The process of identifying and assessing the risks of potential commission of crimes has therefore involved:

- the prior assessment of the entire company, depending on the characteristics of the Company, the types of activities carried out, the peculiarities of the sector in which the Company operates and the history of the Company itself, that is, its past events, including judicial;
- the consequent identification of the predicate offences that can be abstractly configured in Trenitalia's activities, excluding those hypotheses of offences not even hypothetically and abstractly applicable;
- the identification of the possible methods of committing the predicate offences considered applicable and the conduct instrumental to their commission;
- the identification of the macro-activities/processes within which the predicate offences (areas at risk) may be committed, also in consideration of the possible methods of committing the offences;
- the assessment of the inherent risk (based on specific drivers related to the probability of occurrence of the events and their impact) and the residual risk (depending on the adequacy of the ICRMS to monitor the risks);
- the assessment of the adequacy of the Internal Control and Risk Management System to monitor the identified risks, with identification of any actions to strengthen and optimise it.

The aforementioned process was implemented using the aforementioned CRSA method, both during the initial Model 231 definition phase and for its subsequent updates.

The CRSA method applied from time to time has been appropriately adjusted according to the different families/types of crime being assessed. In any case, the assessments were carried out: *i)* using specific self-assessment questionnaires; *ii)* through specific risk assessment workshops and the ICRMS, in the context of which training activities were also carried out on the predicate offences under analysis; *iii)* using the support of qualified external professionals in the field of Legislative Decree 231/2001.

Please also note that:

- with particular reference to crimes against the Public Administration and crimes of corruption between private individuals, the analysis focused on the identification of company activities that involve contacts with the Public Administration or with private parties;
- with regard to the risk of conduct supplementing the crimes of manslaughter and negligent, serious or very serious injury, committed in violation of occupational health and safety regulations, the analysis, in accordance with what is suggested by the Confindustria Guidelines, has been extended to all corporate areas/activities;
- any indirect relationships, i.e. those that Trenitalia has, or could have, through third parties, have also been examined within the CRSA framework. Therefore, the risk profiles related to the activities carried out by Trenitalia have also been evaluated having regard to the hypotheses in which corporate representatives conspire with parties external to the Company, as well as when they create a generally stable organisation with these parties aimed at the commission of an indeterminate series of crimes (so-called criminal conspiracy);
- the analyses carried out also concerned the possibility that the *contra legem* conduct considered may be committed abroad, or with the requirement of transnationality.

The preliminary analysis of the offences, with the cases taken into account as they are potentially configurable, as well as the results of the "historical analysis" are shown in Annex 2 of the Model.

4.3. Control activities

This element can be identified in the establishment of an effective system of protocols and rules (procedures) that allow the risks that threaten the achievement of company objectives to be mitigated. It is identified with the so-called specific controls, that is, put in place to oversee a specific activity at risk, unlike the general controls, considered in paragraph 4.1, which concern the company as a whole.

As part of the internal control system, Control Activities refer to the way in which controls are designed, organised and effectively carried out at the different organisational levels (guideline/operational, hierarchical-functional, risk management and internal audit), necessary to guarantee the correct application of the directives given to the company's top management, in order to mitigate the risks that threaten the achievement of company objectives.

In this context, the "Regulations of the Officer in charge of drafting the corporate accounting documents L. 262/2005" approved at the Trenitalia Board meeting on 16 March 2021 was issued with Organisational Communication no. 543 rev. in force.

The Regulation aims to define the functional guidelines to outline the role, duties, powers, means and responsibilities of the Trenitalia Officer according to the statutory and legal

provisions, as well as to regulate the relations of this party with corporate bodies, the control and supervisory boards, the various corporate structures, the parent company Officer and with subsidiaries.

Control activities can be manual or automatic, with preventive or subsequent effectiveness. The ability of controls to mitigate risks is a function of these requirements. The adequacy of control activities is based on specific characteristics, attributable to the following general elements of control effectiveness:

- coverage, which is measured with respect to the ability to oversee all existing control objectives;
- relevance, i.e. the ability to prevent and correct only anomalous events without creating process inefficiencies by intervening on non-critical situations;
- robustness, which represents the ability of the control to operate in relation to the characteristics of the considered risks and the business context;
- reactivity, which measures the ability of a control to detect and correct a risk in time to eliminate or limit its impacts on control objectives.

The characteristics of effectiveness of a system for the prevention of behaviour at risk of committing the predicate offences of Decree 231 are mainly attributable to the third point. These characteristics are also adjusted by the Confindustria Guidelines, according to which the control system must ensure compliance with the following robustness principles:

“Every operation, transaction and action must be: verifiable, documented, consistent and appropriate”

With this principle, the Company intends to ensure that, especially in the activities that are at risk, there is adequate documentary support (so-called "traceability") on which checks can be carried out at any time to certify the characteristics and reasons for the operation. To this end, it is important to have clear identification of who authorised, carried out, registered, and controlled each operation. Operation traceability can also be ensured through the use of computer systems capable of managing the operation, allowing compliance with the requirements described above.

“No one can independently manage an entire process”

To ensure the principle of segregation of duties is applied, it is important that the authorisation to carry out an operation is the responsibility of someone who is not involved in accounting for, performing, or controlling the operation.

Therefore, it is necessary to verify whether there are processes in the Company that are managed by a single party (or by a few) and, in this case, to implement the necessary changes in such a way as to ensure the aforementioned principle of segregation. This principle must be guaranteed by assigning the various process phases to different parties and, in particular, that of authorisation, accounting, execution and control.

In addition, always in order to guarantee the principle of segregation of duties, it is necessary that: *i)* no one is granted unlimited powers; *ii)* the powers and responsibilities are clearly defined and known within the Company; *iii)* the authorisation and signing powers are consistent with the organisational responsibilities assigned and appropriately documented in order to guarantee, if necessary, an easy *ex-post* reconstruction.

“Controls must be documented”

The methods with which the checks are carried out must guarantee the possibility of reviewing completed control activities, in such a way as to allow the evaluation of the consistency of the methods adopted (self assessment, sample surveys, etc.) and the

correctness of the results that have emerged. In addition, the control system must provide for a reporting system suitable for documenting the performance and results of controls, including supervision, second level and third level.

The three principles above constitute a fundamental requirement from the point of view of crime prevention, which is a prerequisite of Decree 231, as they make it more difficult and complex to commit offences.

The constituent elements of the Control Activities are specified in the following paragraphs.

4.3.1. Procedures

Among the essential elements that must be implemented to ensure the effectiveness of the Model, the Confindustria Guidelines provide procedures to regulate areas at risk.

These procedures must be defined in compliance with the fundamental principles of internal control and specific control standards, with particular regard to:

- the responsible party;
- the authorisation and signing powers;
- traceability;
- segregation of duties;
- documentation of controls;
- reporting;
- monitoring.

The definition, implementation and continuous updating of regulatory documents - which are an integral part of the Model - ensure adequate regulation of areas at risk, ensuring compliance with the principles described above.

The following are formalised in Trenitalia:

- Regulatory documents (itemised in paragraph 4.1.1 above);
- Administrative - Accounting Procedures (PAC) aimed at regulating the activities and controls pursuant to Law 262/2005, as amended and supplemented, on the economic and financial communication processes designed to prevent the risks of erroneous/incorrect representation of the annual financial statements, the consolidated financial statements and other economic and financial disclosures to stakeholders and, where appropriate, to preside over specific corporate processes with tax implications (so-called "Taxed PAC" and "Tax PAC").
- Operational Provisions (DoP) for the Trenitalia Integrated Safety and Quality Management System, which have the objective of regulating, among other things, the activities related to said System, as subsequently discussed in chapter 5;
- Documents with which Trenitalia transposes and regulates the application of railway safety standards and regulations (Organisational Communications for the Safety Certificate and Operational Provisions for the Safety Certificate), as subsequently discussed in chapter 5.

As already indicated in paragraph 4.1.1, the Organisation and Processes unit in the Human Resources and Organisation Department constantly follows and updates Trenitalia's regulatory documentation.

4.3.2. Management control


Main Model elements also include the one connected to a management control system that promptly highlights any critical situations.

Management control is carried out in Trenitalia through the different formal moments provided for during the year by the Group Budget and Control process and is governed by Organisational Communications no. 397 rev. in force "Procedure Guidelines on the Trenitalia and its subsidiaries' Control Model", no. 445 rev. in force "Budget Procedure", and no. 446 rev. in force "Financial Closure and Reporting Procedure".

The management of Trenitalia's Administration, Finance and Control processes, on the other hand, is described in Organisational Communication no. 399 rev. in force "Administration, Finance and Control Procedure".

The methods, schedules and contents of this process are defined annually through the Budget and Control Document prepared by the Parent Company FS SpA, to which all companies to which it is addressed must comply. In line with the contents of this Document, Trenitalia issues and periodically updates Trenitalia and Trenitalia Group companies' Budget and Control Manual to ensure correct budgeting and management control activities.

The following table shows the steps in the Budget and Control process through the identification of the different levels of control/responsibility.

Data flow 	DAFC	
	Business/Technical/Corporate and other 1st level Departments	
	Structures/Departments	
	Elementary owner departments (Profit Centres)	
RESPONSIBILITIES	PROCESS	PRODUCT
<u>DAFC</u> Overall coordination and meet schedule set by the Group process	<u>DAFC</u> Data consolidation, analysis and check at Company level	<u>DAFC</u> Budget report/Forecast review at Trenitalia level to submit to Top Management
<u>Business/Technical/Corporate and other 1st level Departments</u> Meet information flow schedules to Corporate DAFC	<u>Business/Technical/Corporate and other 1st level Departments</u> Coordination, collection and interface with the DAFC Budget, Finance and Control Department	<u>Business/Technical/Corporate and other 1st level Departments</u> Budget/Forecast review at Business/Technical/Corporate and other 1st level Departments.
<u>Structures/Departments</u> Check consistency with Structure/Department objectives and budget process guidelines	<u>Structures/Departments</u> First single Profit Centre data consolidation	<u>Structures/Departments</u> Budget/Forecast review at Structure/Department level.
<u>Elementary owner departments (Profit Centres)</u> Truthfulness, accuracy and consistency of processed data	<u>Elementary owner departments (Profit Centres)</u> Elementary data processing following process schedules and methods.	<u>Elementary owner departments (Profit Centres)</u> Budget/Forecast review at Elementary Owner level

The main process phases are divided as follows:

1. Budget Phase: preparation of the annual budget and its monthly breakdown;
2. Control Phase: analysis of the monthly financial statements and adjustment reviews (on a quarterly basis).

Budget phase

The preparation/definition of the annual budget is divided into the following sub-phases:

- **launch**: the process is initiated through the definition and publication of an operational calendar of activities within Trenitalia, the purpose of which is to ensure compliance with the deadlines set out in the budget calendar drawn up at the FS SpA Parent Company level;
- **negotiation**: with the budget negotiation phase, Company Management assesses the coherence with the policies and strategic objectives provided for in the Business Plan, as well as the economic consistency of the individual budget proposals with the overall Company and thus Group needs;
- **approval**: the process definition phase ends with the preparation of the budget report by the Administration, Finance and Control Department for Companies and Business/Technical/Corporate Departments and other organisational structures directly reporting to the Chief Executive Officer, updated following the negotiation phase.

This report, accompanied by explanatory notes, is submitted for final approval to the Board of Directors;

- **monthly breakdown**: the monthly breakdown phase, carried out by the Business/Technical/Corporate Departments and other organisational structures directly reporting to the Chief Executive Officer, follows the approval of the budget and consists of the monthly breakdown of the annual budget and becomes the benchmark for monthly deviation analysis.

Control phase

Controls take place both at the monthly level, through the analysis of the deviations highlighted by the financial statements with respect to the period budget, and at the quarterly level, through the preparation of the end-year forecast and the related deviations with respect to the annual budget.

After the analysis, the Administration, Finance and Control Department draws up the summary documents to be submitted to Top Management; these documents highlight the progress of the main management events and indicate any areas of intervention to be monitored to achieve the expected results.

All data relating to the budget/forecast process are managed within an integrated management information system, managed by Trenitalia, and subsequently sent to the FS SpA Parent Company management system; both systems guarantee automatic connection to the reference accounting system.

After financial closures, the data residing in the accounting-management systems are considered certified and can no longer be modified.

4.3.3. Financial resource management

Art. 6, paragraph 2, lett. c, of Legislative Decree 231/2001 states that the Model must *identify methods for managing the financial resources that are suitable for preventing crimes from being committed.*

Cash flows are managed in a totally centralised manner by the Parent Company FS SpA through a cash pooling system. All cash flows in and out of the company's current accounts are offset with an equal entry of the opposite sign that, on a daily basis, balances the current accounts themselves. The offset of these entries is recognised in intercompany current accounts with the Parent Company.

The use of cash flows is the exclusive responsibility of the Parent Company FS SpA.

The management of financial resources is strictly regulated in Trenitalia through: *i)* the formalization of precise operational and administrative-accounting procedures, *ii)* the assignment of powers of attorney with spending limits by amount and by nature referring to the activity carried out and the operational needs of each attorney, *iii)* the implementation of a management information system that provides for punctual and blocking control steps for each phase of the authorisation process.

With specific reference to the prevention of conduct at risk of committing predicate offences, the following powers are accurately and meticulously regulated:

- goods, works or service purchase requests (issuance of a Purchase Request);
- purchasing independently;
- paying;
- selling;
- appointments (such as consultancy);
- managing cash on hand.

In order to further represent the specific control elements put in place to manage the Company's financial resources, the following is a description of the processes – sales and purchasing cycles - currently in existence, highlighting the control elements provided for therein.

Purchasing cycle

It includes the steps from the manifestation of the purchase need to the payment of the supplier.

The process is governed by the general procurement procedure, *Procurement Procedure*, issued with a specific Organisational Communication, accompanied by specific Operating Instructions that define the detailed operations. Administration-accounting management is regulated in specific Administrative Accounting Procedures (PAC).

In particular, the purchasing cycle process includes the steps described below.

In carrying out its activity, the organisational structure that needs to make a purchase issues a Purchase Request in the SAP-TBS corporate accounting information system (hereinafter also "RdA"). The RdA, authorised by the budget owner (expenditure officer) to which the cost of the purchase will be charged, is verified by the controller (or by an equivalent central or territorial figure) with regard to its consistency with the assigned budget.

The RdA is transmitted to the pertinent purchasing department. The purchasing department, after having carried out the activities of its remit (choice of the contractual procedure, selection of the supplier, etc.), through the supporting IT systems, signs the contract, which must be signed by a pertinent attorney for the amount and type of purchase.

The contract must be automatically assigned a number by the SAP-TBS accounting system. The contract is then enclosed in the same accounting system to the Identification Record (hereinafter "RIA") and, subsequently, the RIA is reconciled with the RdA and converted

into a Purchase Order (hereinafter "PO"). Finally, the PO is transmitted to the Owner and/or the Contract Execution Director for its management. Upon delivery of the goods/performance of the service, the recipient facility certifies the "service rendered" by recording a Goods Receipt (hereinafter "EM") in the SAP-TBS accounting system. The EM must be checked by the Expenditure Officer/Contract Execution Director (quantity/price compliant with the PO, respect for delivery terms, presence of any withholding taxes, penalties, etc.) and, once the check has been completed, to be carried out through special system transactions available only to authorised parties, it acts as approval for invoice payment.

Following the aforementioned check, the supplier *i)* can verify the EM certifying the delivery of the goods/performance of the service in accordance with the contract on the supplier portal of Ferservizi SpA (a company of the FS Italiane Group) and *ii)* can issue the invoice, whose registration is always entrusted to Ferservizi SpA (hereinafter "Ferservizi").

Subsequently, the Administration and Budget department validates the EM after administrative checks (VAT, DURC validity, etc.) and, following validation, the invoice can be paid at the contractual deadline, according to the payment schedule. Payment is made by Ferservizi subject to authorisation by the Administration, Finance and Control Department following verification and assessment of financial availability.

Sales cycle

The flow differs greatly between traffic revenues and extra-traffic revenues. In addition, there is a further differentiation, in the area of traffic revenues, for the public transport service, both local and long-distance (so-called "universal service"), governed by specific Service Contracts, respectively, with the Regions, the Autonomous Provinces and with the Ministry of Infrastructure and Sustainable Mobility. The main flows related to the different types of sales are indicated below.

Passenger traffic product sales

Trenitalia sells its products directly (at ticket offices and on board the train, through its website and app, through self-service dispensers) and, in an intermediary mode, entrusting the sale to third parties, mainly travel agencies. Travel tickets are paid by cash or electronic payment (mainly credit or debit cards).

An accounting summary is produced at the end of each day and for each sales facility (direct and indirect), on the SIREV2 reporting system that aggregates all transactions based on their accounting and tax procedures. This summary shows, in addition to the summary of sales, the financial amounts expected for payment methods (cash, credit cards, etc.).

An outsourced armed security and transportation of valuables company withdraws receipts from ticket offices and self-service issuers, counts sums and sends cash flows to Trenitalia's bank current accounts. The cash control procedures are carried out following the instructions given in the technical specifications of the contract; any exceptions detected between the expected amounts and those found are declared on the accounting report and investigated with different procedures depending on the difference detected.

The expected results that emerge from the reporting system are compared daily with the amounts credited to Trenitalia's bank accounts for each payment method; any discrepancies are subject to analysis and investigation.

Deferred receipts for B2B customers and for travel agencies or other third parties are managed by direct debit to a current account (Direct Debit B2B) and, on a residual basis, by bank transfer. In the event of non-payment, the reminder procedures are promptly initiated and, in the event of failure, the sale is suspended.

Fees from Service Contracts with the Autonomous Regions/Provinces and with the State

The passenger transport services provided to the Regions/Autonomous Provinces are invoiced on the basis of the Service Contracts stipulated with them, which define the qualitative and quantitative levels of the local passenger rail service provided by Trenitalia, as well as the related fees. Invoicing takes place, generally and on the basis of contractual provisions, on a quarterly basis. In all cases, the adjustment invoice includes the final instalment net of penalties, premiums and reductions in the fee and is issued following the formal agreements made within the bilateral committees (Region-Autonomous Province/Trenitalia) for monitoring Service Contracts.

Any issue of credit notes or other changes, defined as a result of formal agreements, is authorised by the Heads of the Regional Departments.

Credit is monitored by the central organisational structures of the Administration, Finance and Control Department and the preliminary reminder actions against the Regions/Autonomous Provinces are defined with the involvement of the Regional Departments responsible for the Contract and relations with the Regional/Provincial Administration, while any further more incisive recovery actions, also of a judicial nature, are defined in agreement with the Head of the Regional Business Department and with the Heads of the Administration, Finance and Control Department and the Legal Affairs, Corporate and Compliance Department.

Service Contracts with the State (Medium and Long Distance, Special Statute Regions and other Services) are managed by Trenitalia's Business Departments, which interface with the Ministry of Infrastructure and Sustainable Mobility for management aspects (services to be rendered and returns, penalties, deductions, etc.) and with the Ministry of Economy and Finance for the consequent economic and financial aspects. At the request of the Business Departments, the Administration and Budget department issues invoices in accordance with the provisions of the Contracts in force (or related extensions) with deferred quarterly frequency. Credit is managed by the Administration and Budget department in agreement with Management. According to the Group's governance rules, in relations with the MEF and the MIMS, the Company is supported by the Holding's Administration, Finance & Control department.

Extra-traffic income

Extra-traffic sales take place upon the conclusion of a contract by the pertinent attorney. The organisational structure that makes a sale through the sale of goods or provision of services (e.g. sale of rolling stock and other end-of-life material, maintenance to third parties, other miscellaneous services, etc.) requires the pertinent organisational structure of the Administration and Financial Statements department to issue the sales invoice, recorded on the customer's accounting record. Invoices are produced through the SAP corporate accounting IT system. Credit is monitored by the pertinent Administration and Budget organisational structure, which also initiates the enforcement of sureties and the transfer of bad debts to the legal system.

4.4. Information and Communication

The circulation of information within the company assumes a significant value to encourage the involvement of all stakeholders, allow adequate awareness and commitment at all levels, ensure the active participation of staff in improvement actions and ensure information on risks and prevention measures.

In this sense, the Company has implemented an internal communication system through the company intranet to ensure the widespread dissemination of the company's culture and

values. Furthermore, e-mail address comunicazioneinterna@trenitalia.it is active for corporate activities of interest to all Trenitalia employees.

Internal communication and the related channels are also fundamental for the dissemination and knowledge of the Model 231.

4.4.1. Communication

Communication of the Model 231, as also suggested in the Confindustria Guidelines, must be: (i) capillary, (ii) effective, (iii) authoritative, (iv) clear and (v) detailed, (vi) periodically repeated with the updates to the Model itself.

At Trenitalia, the recipients of Model and the Group Code of Ethics communication are:

- all the Directors and Statutory Auditors, as of the approval;
- all Employees, as of the approval;
- new Employees, upon hiring (each of whom is provided with the Model 231, Anti-Corruption Policy, ABC System Model and Code of Ethics).

The Model 231 and Group Code of Ethics communication plan, managed by the pertinent organisational structures in coordination with the Supervisory Board, is divided as follows:

- publication in a special area of the company intranet dedicated to the Model; all the documents that constitute an integral and substantial part of the Model as constituent elements of the same are available and easily consulted in this area, as well as further in-depth materials and an archive of the main news and company messages published regarding the Model
- e-mail sent to all Personnel who have a company e-mail address, in which the Model 231 is presented on the occasion of each update;
- delivery of the Model 231, the ABC System Model and Code of Ethics to new hires, upon hire;
- custom communication, by the Station Manager, for the Personnel most exposed to the risk of committing crimes related to the non-application of health and safety and environmental legislation (prerequisite of administrative responsibility pursuant to Legislative Decree 231/2001) in relation to the professional activity carried out in the station.

To make the information on Model 231 even more effective, Trenitalia has produced an information brochure on Legislative Decree 231/2001 and on its own Model.

This brochure has been made available to all employees in the aforementioned specific section on the company intranet. To allow all employees, even those who do not frequently access the company intranet, to read the information brochure, more than 500 posters with a QR-code have been distributed in the local facilities through which the document can be downloaded in digital format.

In addition, special news and articles are published in the company newsletter sent to all employees in order to keep employees constantly informed about the evolutions and updates of the Model.

Finally, regarding the communication for third party Recipients, Model 231 (General Section), a summary of the ABC System Model and the Group Code of Ethics are published on the company website (see also what is indicated in paragraph 4.1.4 with reference to the contractual clauses).

4.4.2. IT systems

Information and data flows related to the activities carried out within the business processes are managed through a set of IT systems, suitably standardised and formalised, which allow, from a control point of view, to leave a trace and, therefore, to monitor the activities carried out by each organisational structure.

A specific DdG no. 303/TID of 03 May 2022 "Policy on the correct and safe use of Digital Resources" regulates the use of computer stations provided to FS Italiane Group personnel and is aimed at reducing the risks of illicit or misuse, as well as ensuring proper management of the Group's information and IT assets.

This DdG provides information on safety, precautions in the care and management of computers, limitations on the use of computer applications and the ethical use of computer equipment. In particular, the DdG prohibits anyone from installing application software not provided by the Company or downloaded in an unauthorised manner from the internet or for which they do not have a regular licence to use on their PC. In addition, it is forbidden to use connections that present content that is manifestly contrary to the rules of law, public order and good morals.

CO/G no. 92/TID of 29 July 2022 "Management Procedure and access to Group IT tools and services" regulates the process, roles and responsibilities to ensure the correct management of the assignment/revocation, replacement/modification and monitoring of company devices (e.g. Workstations, Mobile Telephony Tools) and network service (e.g. intranet, mail) and application services users. In particular, it specifies:

- the identification of those responsible for the assignment/revocation of company devices and utilities and accesses;
- monitoring of the management activities of company devices;
- monitoring of user traffic;
- monitoring the provisioning of users and accesses;
- monitoring the alignment of active users;
- monitoring the activities of the system administrators (e.g. list of the names of the Administrators).

Another Organisational Communication no. 427 rev. in force "Monitoring of data flows, tools and ICT access users to Public Administration systems" regulates the monitoring of data flows, tools and ICT access users to information processing systems by Trenitalia from/to the Public Administration. In particular, it specifies:

- the initial census and the management of information at full capacity;
- management of users and control of access to Public Administration systems and/or websites;
- the management of users and access control to Trenitalia's IT systems or IT services for consulting, sending and receiving information from/to the Public Administration.

FS Technology SpA (a company of the FS Italiane Group) manages information systems based on a specific service contract.

4.4.3. Personnel education and training

According to the Confindustria Guidelines, companies should define an adequate training program regarding the Model and its most relevant components (such as, for example, the SB, the disciplinary system, the Code of Ethics). This training activity must have the specific

purpose of transmitting the practical and legal reasons that inspired the adoption of the Model to the recipients and, in particular, the implementation of the rules that make up the internal control system.

Trenitalia recognises professional training as a strategic value and essential lever for improving its in-house know-how, capable of increasing the degree of motivation and satisfaction of workers and consequently their competitiveness, with the achievement of increasingly high standards of service quality and customer satisfaction.

Trenitalia's training is organised according to the following types:

- corporate training: training courses aimed at increasing knowledge of Trenitalia's overall operations and the main core business processes. This type of training includes training sessions dedicated to new hires or carried out in conjunction with particularly important organisational changes;
- managerial training: this type of training includes sessions aimed at acquiring and/or developing typically managerial and behavioural/relational skills, including role support, with a particular focus on soft and behavioural skills directly linked to Trenitalia's core business;
- training on processes and for job families: courses, seminars and workshops of a technical-professional nature that allow people to acquire both practical and theoretical knowledge, skills and abilities essential for their work and typical of their job family and the process in which they operate;
- transversal training: training dedicated to the acquisition and/or updating of skills common to people (both with respect to the organisational level and with respect to their job family), such as refresher courses relating to specific issues, such as, legal provisions, IT, etc. Training relating to Model 231 is included in this context;
- training on Safety, quality safety, and security through training sessions for the implementation of regulatory provisions on health and safety at work, quality, environment, energy and operational safety; this type of training also includes training sessions aimed at spreading the safety culture, understood as safety, and corporate security;
- training for digital transformation: training sessions aimed at supporting the development of a digital mindset. This type of training includes both digital training courses (e-learning, webinars, virtual classrooms, etc.) and more traditional training sessions aimed at spreading the use of corporate IT applications.

In order to achieve the indicated objectives, the Company surveys and analyses training needs in the various business areas and drafts an annual training plan, which also takes into account the guidelines issued on the subject by the Holding and what is defined jointly with Trade Unions concerning the CCNL.

Completed training sessions are recorded in the specific company system - which is also used for monitoring the gaps between planned and actually completed training - and are also subject to an evaluation in terms of learning, satisfaction and effectiveness, in a manner consistent with the educational objectives and related contents.

With regard to training in the field of Legislative Decree 231/2001 and Model 231, the initiatives implemented by Trenitalia are also intended to convey the elements of the Company's Internal Control and Risk Management System and the practical and legal reasons that inspired the adoption of the Model itself to the recipients.

The Company can thus achieve the dual objective of internally disseminating the effective knowledge of Legislative Decree 231/2001 and making training recipients aware of the consequences deriving from their possible behaviours that may constitute a violation of the Model. The content of the training course is revised and integrated following each update of Model 231 to take into account the evolution of legislation and the related impacts on it.

Training is specially designed for Trenitalia and, in addition to an illustration of Legislative Decree 231/2001 and the parts constituting the Model (General Section, Special Section, Code of Ethics, disciplinary system, SB, etc.), also includes an illustration of the possible methods of committing crimes in the performance of activities at risk.

The training, mainly provided digitally through an e-learning course, takes into account the different areas and levels in which the Personnel involved in activities and processes at risk identified in the Model operate, to ensure that all Personnel, at every level, are always aware of the importance of the conformity of their actions with the Model and the Code of Ethics and of the possible consequences due to behaviour that deviates from the rules dictated therein. To this end, specific training sessions are planned for the Personnel involved in the areas considered most at risk, with a focus on abstractly conceivable crimes in the area of remit and on possible implementation methods.

The course also includes a final test aimed at verifying that learnt.

Training sessions started periodically are organised in a modular way to allow both updates on the legislative changes that have occurred, and training for Personnel who have not yet passed the course.

In addition to e-learning training, specific classroom and/or e-learning training sessions are provided for the Managers of organisational structures operating in the field of activities particularly at risk and on the basis of specific assessments carried out from time to time, also provided by specialists in legal and criminal matters for the necessary advanced studies.

Training on Model 231, as well as the other training sessions provided by the Company, is recorded in the resource's "training booklet", stored in the company IT system.

Training sessions for Corporate Bodies and Senior Management are also foreseen, held as part of the meetings of the Board of Directors and/or the meetings of the Trenitalia Executive Committee, which involves all the Managers reporting directly to the Chief Executive Officer.

Participation in the training sessions related to Model 231 is mandatory and the pertinent organisational structure of the Human Resources and Organization Department monitors that the training course is attended by all interested recipients, including new hires. In addition, training related to Model 231 is promoted and supervised by the Supervisory Board.

4.5. Monitoring

Monitoring is a process aimed at ensuring and guaranteeing the quality of the internal control system over time. It represents the ability of company representatives (risk owners, risk management departments, Internal Audit, Top Management) to continuously oversee the internal control system, as well as to identify and implement the improvements necessary to solve the critical issues detected, ensuring the maintenance, updating and improvement of the system itself.

At Trenitalia, the Internal Control and Risk Management System monitoring phase is ensured as described below.

4.5.1. Internal Auditing

Trenitalia Internal Auditing is an independent and objective *assurance* and consultancy activity, aimed at improving the effectiveness and efficiency of the organisation. It assists the organisation in pursuing its objectives through a systematic professional approach, which generates added value as it is aimed at evaluating and improving the control, risk management and Corporate.

The Head of the Trenitalia SpA Audit Department is appointed by the Board of Trenitalia SpA, subject to the favourable opinion of the Trenitalia SpA Control, Risks and Sustainability Committee of (hereinafter CCRS) and after consulting the Trenitalia SpA Board of Statutory Auditors (hereinafter CS), upon proposal by the Chairman of the BoD, in agreement with the Chief Executive Officer.

The Head of the Trenitalia Audit Department reports hierarchically to the Trenitalia of Directors, whose Chairman ensures the link between the Audit Department and the board. The Trenitalia SpA CCRS, in agreement with the Trenitalia SpA Chairman of the Board, monitors the independence, adequacy, effectiveness and efficiency of the Audit Department.

The Trenitalia SpA Audit Department, as part of the analysis of corporate SCIGR operations, carries out the activities for which it is responsible with reference to Trenitalia SpA and its subsidiaries.

All departments, units, processes and/or sub-processes, corporate IT systems (including accounting systems) are subject to Internal Audit, with reference to the risks and consequent objectives of:

- effectiveness and efficiency of company processes (so-called operational audit);
- financial reporting reliability (so-called financial audit);
- compliance with applicable laws, regulations, by-laws and regulations, with particular regard, for example, to the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and the ABC system (so-called compliance audit);
- safeguarding of corporate assets (as a combined effect of the previous types of Internal Audits).

The Trenitalia SpA Audit department can also carry out audits on third parties considered to be at greater risk, where this is regulated by the relative stipulated contracts.

In fulfilling its mission, even regardless of the annual audit plan and further activities on request, the Audit Department has access to all information, data, both documentary and IT (including those possibly classified as "confidential"/"strictly confidential"), archives and assets of Trenitalia SpA and its subsidiaries in the context of audits, analyses and assessments carried out.

Through Intercompany Organisational Communication no. 13 rev. in force, the "Guidelines on Internal Audits (Internal Audit Charter)" were issued, approved by the Trenitalia Board of Directors on 11 October 2021, which, by incorporating the FS SpA "Guidelines on Internal Audits (Internal Audit Charter)", identifying the tasks and responsibilities of the Audit Department, the related field of application, the macro operating methods and the information flows to and from Corporate Bodies and the control/supervisory bodies.

4.5.2. Ethics Committee

The FS Italiane Group Code of Ethics, adopted by Trenitalia, provides for the establishment of an Ethics Committee. The purposes of the Trenitalia Ethics Committee are as follows:

- providing advisory opinions to clarify the meaning and application of the Code of Ethics;

- examining the reports and news received, through the established communication channels, and promoting the most appropriate checks to be carried out, in keeping with the applicable company directives;
- guaranteeing the utmost confidentiality of the whistleblower, the subjects, and the facts reported, using information and document management criteria and methods suitable for protecting the identity and integrity of the aforementioned subjects, without prejudice to the legal obligations;
- helping the pertinent corporate business departments define the relative communication and/or staff training initiatives regarding the Code of Ethics and its updates;
- proposing any need for amendments/additions to the Group Code of Ethics to the FS SpA Ethics Committee, also on the basis of the proposals of Trenitalia subsidiaries' Ethics Committees;
- coordinating and maintaining the information flows with the Supervisory Board for aspects of mutual interest;
- periodically informing the Trenitalia Board of Directors about the activities carried out, with particular regard to the management of the reports received.

In carrying out its activities, the Ethics Committee is operationally assisted by the pertinent corporate business departments. Anyone who becomes aware of non-compliant behaviour or violations of the Code of Ethics by any person who has relations with the Group is required to promptly inform the Ethics Committee of the company to which they belong.

The Trenitalia Board of Directors¹⁴ has identified the members of the Ethics Committee in the *pro tempore* Heads of the Audit Department (as coordinator), of the Administration, Finance and Control Department, of the Legal Affairs, Corporate and Compliance Department and of the Human Resources and Organisation Department, specifying that the permanence in the role of member of the Trenitalia Ethics Committee is incompatible with any conduct contrary to the values and standards of conduct set forth by the FS Italiane Group Code of Ethics, even if not ascertained. For reports of non-compliant behaviour or violations of the Code of Ethics, please refer to paragraph 4.5.3.

4.5.3. Supervisory Board

Among the essential prerequisites for the exemption from liability resulting from the commission of a predicate offence, in art. 6, paragraph 1, lett. B), Legislative Decree 231/2001 provides for the establishment of an internal body within the Company - the Supervisory Board - with autonomous powers of initiative and control that has the task of supervising the operation and compliance with Model 231.

The Trenitalia Supervisory Board is identified in line with Group Directive no. 306 indicating the “General Criteria for Adoption of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001 and for the appointment and operation of the Supervisory Board”.

In particular, the Trenitalia SB is a collegiate body, appointed by the Board of Directors (after verifying compliance with the requirements of professionalism, integrity and independence of its members, whose fee it determines) and consists of three members: two members external to the Company, one of whom acts as Chair, and the Head of the Audit Department, represented by the *pro tempore* person in office. The external Board members are identified

¹⁴ Resolution dated 20 May 2020.

among academics and professionals of proven expertise and experience in the topics concerned.

Board appointments are formally communicated within the Company with a specific Organisational Communication, which also reports their responsibilities.

The organisational Board aspects (appointment, term of office, duties and powers, requirements, revocation, etc.) are regulated in a specific Articles of Association, approved by the Trenitalia Board of Directors.

The aspects relating to the performance of its activities are governed by a specific Internal Regulation, independently approved by the Board itself and an expression of its operational and organisational autonomy.

SB Requirements

In accordance with the indications of Decree 231 and the Confindustria Guidelines, Trenitalia's Supervisory Board is in possession of the requirements of autonomy and independence, professionalism and continuity of action.

Autonomy and independence

The SB requirements of autonomy and independence derive from the powers assigned to it by the Decree (*autonomous powers of initiative and control*) and from further elements, such as the adequate composition, the autonomy of expenditure for the performance of its tasks, the duration of office misaligned with that of the Board of Directors, the irrevocable term of its members if not for just cause.

In particular, the SB enjoys autonomy and independence from the Corporate Bodies in respect of which it exercises its control, as it is in no way involved in operational and management activities, nor is it in a position of hierarchical dependence. Therefore, the SB is guaranteed the autonomy of the control initiative from any form of interference or conditioning by any member of the Company.

In order to preserve the independence of the SB, the Articles of Association provide for the Board to remain in office for a period of three years, ensuring that the expiration of the three-year term is significantly deferred with respect to that of the term of the Board of Directors that appointed it. Each member of the SB may be re-elected and, in any case, each member shall remain in office until the appointment of a successor.

The activities carried out by the SB cannot be supervised by any corporate department, body or unit, without prejudice to the power-duty of the boards of directors and statutory auditors to supervise the adequacy of the intervention carried out by the Board in order to guarantee the updating and implementation of the Model.

In performing its duties, the Board must have an autonomy of financial and logistical means that guarantee its full operation. To this end, the Trenitalia Board of Directors annually, when drawing up the company budget, provides the Board, upon its proposal, with an adequate fund, which must be used exclusively for the expenses that it will have to incur when performing its duties - including any consultancy supports of which the Board will provide a specific report. In any case, where deemed necessary, the SB may have additional resources to those indicated in the annual fund, upon a reasoned request to the Board of Directors.

Professionalism

The SB, in its composition, is in possession of specific technical and professional knowledge and skills appropriate to the duties that the Board is called upon to perform (such as, by way of example, skills and experience in criminal law and in the economic and corporate field),

and may also avail itself of the technical support of parties internal or external to the Company, within the scope of the autonomy of expenditure and the annual fund allocated.

Continuity of action

Continuity of action is ensured by the regulation of the operation of the SB and the effectiveness of control activities.

In particular, the Supervisory Board operates at the Company, continuously exercising its supervisory powers and meeting periodically to carry out the task assigned to it. To this end, the SB shall prepare an annual audit plan, without prejudice to the possibility of carrying out further checks at any time.

Causes of ineligibility, forfeiture and revocation of SB members' office

In order to ensure the requirements of autonomy, independence and integrity, the following constitute motives for ineligibility and the forfeiture of a member's position on the Trenitalia SB:

- have relationships of marriage, kinship or affinity up to the fourth degree with Company directors;
- hold or have held administrative positions with Trenitalia within the past three years;
- except for the performance of the duties of Head of the Audit Department or member of the Board of Statutory Auditors (if an external member is identified among the members of the Trenitalia Board of Statutory Auditors) be linked, in any capacity or in any way, to the Company by economic relationships or interests - identified with a specific investigation - considered relevant by the Board of Directors, or have been in the aforementioned conditions in the three years prior to appointment;
- be linked to FS SpA subsidiaries and/or the Parent Company by economic relationships or interests - identified with a specific investigation - deemed relevant by the Board of Directors;
- be members of the FS SpA subsidiaries and/or of the Parent Company's Supervisory Boards;
- exercise or having exercised authoritative or negotiating powers in relation to Trenitalia and or Group Companies on behalf of and as an employee of the public administration;
- being legally prohibited, disqualified, bankrupt or convicted, even with a non-definitive sentence, to a penalty that entails the prohibition from holding public offices or disqualification from holding managerial positions, even temporarily; for these purposes a plea bargain sentence is to be considered equivalent to a conviction;
- have been convicted, even if not definitively, for one of the crimes envisaged by Article 24 and following of Decree 231; for these purposes a plea bargain sentence is to be considered equivalent to a conviction;
- be the recipient of personal, coercive or disqualifying precautionary measures for one of the offences provided for in articles 24 and following of Decree 231;
- have been subjected to personal or property prevention measures, pursuant to Italian Legislative Decree no. 159/2011, as amended;
- having been sentenced, even if not definitively, to imprisonment for a crime against property, the Public Administration, the public trust, the public order for an intentional crime against personal freedom, for a corporate, tax or for one of the crimes envisaged by

R.D. no. 267 of March 16, 1942; a plea bargain sentence is to be considered equivalent to a conviction.

In order to guarantee the aforementioned requirements of autonomy, independence and integrity, the external members of the Board, at the time of appointment, must issue a specific declaration, under penalty of forfeiture. In the context of the same declaration, the members of the SB undertake to promptly communicate any failure to comply with the requirements of independence and good repute, as well as, more generally, any circumstance that may arise that makes them incompatible with their office duties.

Termination of office can be determined by renunciation, revocation or death of a member of the Board.

The members of the Supervisory Board may relinquish their positions at any time by notifying the Board of Directors in writing and specifying the relative reasons.

If even one of the subjective requirements should lapse, or if it is ascertained that one of the members of the SB did not possess one or more requirements at the time of their appointment, the Board of Directors will immediately declare the forfeiture of the relative SB member's position and appoint a new member.

The revocation of the appointment conferred on the members of the Supervisory Board may be resolved by the Board of Directors, having obtained the opinion of the Board of Statutory Auditors, only for just cause (for example, a serious breach of their duties, as defined in the Model and SB Articles of Association).

Should the appointment of all SB members be revoked, the Trenitalia Board of Directors, after consulting the Board of Statutory Auditors, will promptly appoint a new Board. Pending the appointment of the new SB, the functions and duties assigned to it may be provisionally exercised by the Board of Statutory Auditors, pursuant to art. 6, paragraph 4 bis, of the Decree.

SB duties and powers

Trenitalia's SB verifies and monitors the adequacy and effective compliance with Model 231 and its updating.

The following tasks are assigned to the Board (also on the basis of the audit plan approved on an annual basis):

- evaluate the effectiveness of the Model (and its constituent elements) in relation to the company structure and the effective ability to prevent the commission of the offences referred to in the Decree, proposing - where deemed necessary - any updates to the Model, with particular reference to the evolution and changes in the organisational structure and/or company operations and/or current legislation, as well as in the event of violations of the provisions of the Model itself;
- periodically verifying the map of the areas "at risk of crimes" in order to report and/or propose any adaptations needed following changes to the regulations, the business activities and/or the company's structure;
- verify compliance with the Model and the provisions referred to therein or issued in implementation thereof;
- examine the information flows on the activities assessed as at risk of crime transmitted by the organisational structures concerned, which allow the Supervisory Board to be periodically updated, as well as to be able to acquire timely knowledge of any violations of the Model;

- examine the reports sent to the Supervisory Board, evaluating the consequent actions to be taken;
- handle the periodic reporting to the parties to which the SB is required to report concerning Model operations and observance;
- promote personnel training for the dissemination Model knowledge and understanding, monitoring its implementation and evaluating the quality of the content and training programmes.

In addition, with a view to ensuring the effectiveness of the activities carried out, the Supervisory Board ensures the traceability and retention of the documentation of its activities (minutes, reports or specific information, reports sent or received, etc.).

The Supervisory Board, being endowed by law with "*autonomous powers of initiative and control*", has – without the need for any prior consent – both the freedom of access to the information necessary for control, and the freedom of initiative to provide checks on the adequacy and effective compliance with Model 231 and its updating.

The Supervisory Board is provided operational support by the Audit Department in order to carry out its assigned tasks and duties.

The following powers are attributed to the Board to carrying out the tasks indicated above:

- a) access any document, information or data deemed necessary for the performance of its duties;
- b) make use of external consultants of proven professionalism in cases where this is deemed necessary, in accordance with the internal procedures for the assignment of consultancy assignments;
- c) arrange for the Heads of the organisational structures to promptly provide the information, data and/or news requested of them.

All Model Recipients are required to collaborate upon receiving requests from the Supervisory Board.

The Board may decide to delegate one or more specific tasks to its members, on the basis of their respective skills, with the obligation to report to the Board. Whatever the case, the collegial responsibility of the Board itself remains, even in relation to the functions delegated by the Board to its individual members.

SB information blows to Corporate Bodies

The Trenitalia Supervisory Board is responsible for informing the relevant corporate bodies and management about the necessary actions to ensure the effective and consistent implementation of the Model. This helps to maintain its adequacy and substantial implementation at all times.

In particular, the SB reports on the implementation of the Model and the occurrence of any critical issues related to it, through two types of reporting:

- the first, are direct reports to the CEO on an ongoing basis regarding any ascertained or urgent violations of the Model of which the SB has come to have knowledge through reports submitted by the Recipients or that it has ascertained itself during the performance of its activities;
- the second, on a periodic basis, vis-à-vis the Board of Directors and the Board of Statutory Auditors.

With particular reference to the latter type, the Board prepares the following types of written reports for the Corporate Bodies:

- every six months, a written report concerning, in particular:
 1. the activity carried out by the Board (specifically indicating the controls carried out and the outcome thereof, the possible need to update or adapt the Model or its constituent elements, such as the organisational system, the authorisation system, the system of procedures, etc.);
 2. any critical issues (and ideas for improvement) that emerged both in terms of behaviour or events within the Company and in terms of Model effectiveness;
 3. an analysis of any reports received and the related actions taken by the Board;
- annually, a written report concerning the activities planned for the following year.

Meetings with the Corporate Bodies to which the Board refers are recorded and a copy of the minutes is kept by the Board.

The Board can be convened at any time by the above mentioned bodies and, in turn, may submit a request to do so, in order to report on the Model's functionality or specific situations.

The Board must report any violations of the Model implemented by the Directors or Statutory Auditors (see what is indicated in paragraph 4.1.4) without delay to the Sole Shareholder, the Board of Directors and the Board of Statutory Auditors, to the extent of their respective remit.

The SB meets with the Board of Statutory Auditors at least once a year and establishes specific information exchange flows also with the Officer and the Compliance Officer (also as 231 Work Group Coordinator), for an exchange of information on matters of mutual interest.

The Board may also ask the auditing firm for information on the activities carried out by it, useful for the purposes of implementing the Model, and provide for an exchange of information and meetings when deemed necessary.

The SB coordinates with the Ethics Committee and the on matters of common interest.

The *ABC system* also provides for specific flows of information exchange between the SB and the *Anti-Bribery & Corruption Unit* for the areas of its remit.

Information Flows to the SB

Art. 6, paragraph 2, lett. *d*), of Legislative Decree 231/2001 imposes an obligation on organisations to oversee and ensure compliance with their "Organisation Model" for information obligations towards the appointed Board.

The provision of information flows is necessary to guarantee the effective and efficient supervisory activity of the SB and for the possible "retrospective" assessment of the causes that have made the occurrence of the crimes provided for by Decree 231 possible, as well as in order to continuously monitor corporate operations.

To this end, specific information obligations have been defined in the Special Section of the Model aimed at constituting a flow of reports and information, at predetermined deadlines, to the Board for each identified macro-activity/process at risk.

This information flow guarantees the supervision of the effectiveness and efficiency of the Model. The information aims to improve control planning activities and does not involve a timely and systematic verification of all the phenomena represented, but the corrective interventions are limited only to any symptoms that may presage the risk of committing crimes (for example, exceeding certain indices, red flags, warnings, information relating to

repeated violations of the rules of the Model, establishing practices that exceed the provisions of the procedures).

In addition to the outlined system of information flows to the Supervisory Board, as established in paragraph 2a of art. 6 of the Decree, anyone (all Model Recipients) in possession of news relating to the commission of predicate offences or conduct not in line with the provisions of Model 231 and/or its constituent elements is required to immediately notify the Supervisory Board.

The Trenitalia Ethics Committee and Supervisory Board guarantee the reciprocal forwarding of the reports received according to remit. In particular, the Ethics Committee will send all reports received concerning Trenitalia, even if involved together with other Group companies, to the SB for evaluation under Legislative Decree 231/2001 and, consequently, decide who is responsible for them.

Reports on breaches, which can also be made anonymously and must be properly detailed, can be submitted via:

- IT platform: accessible from the Trenitalia SpA website - www.trenitalia.com - or through the company intranet. This channel is to be considered preferential as it is more suitable to immediately guarantee whistleblower confidentiality with IT methods and adequate information security measures;
- ordinary mail: to the address "Trenitalia SpA – Supervisory Board c/o Audit Department – Piazza della Croce Rossa, 1 – 00161, Rome" or "Trenitalia SpA – Ethics Committee Secretary c/o Audit Department – Piazza della Croce Rossa, 1 – 00161, Rome";
- e-mail: to segnalazioni.231@trenitalia.it or comitatoetico@trenitalia.it
- verbally, by means of a declaration issued by the whistleblower at a specific hearing to the Trenitalia SpA Ethics Committee/Supervisory Board, being recorded in the minutes and signed by the whistleblower.

Report management is ensured in accordance with the provisions of the Intercompany Organisational Communication no. 4 rev. in force "Intercompany Reporting Management Procedure" approved by the Board of Directors at its meeting on 26 July 2022. This procedure, as a tool for combating any illegal or unethical conduct, governs the process of receiving, analysing and processing reports from any individual regarding facts and conduct deemed illegal or contrary to the law, the 231 Model (or its constituent elements), the *ABC system* and the FS Italiane Group's Code of Ethics, concerning the operational and organisational affairs of Trenitalia.

The Company ensures:

- the utmost protection and confidentiality for the whistleblower, without prejudice to legal obligations and the protection of the rights of the Company or of persons accused erroneously and/or in bad faith, as well as the guarantee against any form of retaliation, discrimination or penalty (direct or indirect), for reasons related, directly or indirectly, to the report [pursuant to and for the purposes of art. 6, paragraph 2 bis, lett. c), Legislative Decree 231/2001, as amended by Law no. 179 of 30 November 2017]; the correct fulfilment of the information obligation by the Recipients, moreover, cannot give rise to the application of disciplinary and/or contractual penalties;
- protection from defamatory reports;
- the personal data collected within the context of the reporting process is processed in full compliance with the personal data protection legislation.

Penalties are also applied against those who violate the whistleblower's protection measures, those who make reports with intent or gross negligence that prove to be unfounded, as well as those who adopt retaliatory or discriminatory measures or penalties against the whistleblower due to the report itself, in line with the disciplinary system described in paragraph 4.1.4.

All information, claims or reports provided for in the Model are stored by the Supervisory Board in an electronic or hard copy database, in compliance with the legislation on the protection of personal data. Only Board members and the SB technical secretaries are allowed access to the database.

4.5.4. Key Officer

Considering the responsibilities of the Supervisory Board pursuant to Legislative Decree 231/2001, and due to the size of the Company, the need to implement an involvement of all Trenitalia's organisational structures involved in areas at risk of crime has been identified, with the dual objective of implementing the Model (in order to benefit from the exemption referred to in Article 6 of the Decree) and, in addition, to create a system of information flows that allows the SB to provide constant supervision on the adequacy and actual implementation of the Model itself.

The Company, with CO no. 140 rev. in force "Designation, responsibilities and duties of the Key Officers envisaged by the Trenitalia Organisation, Management and Control Model pursuant to Legislative Decree 231/2001" has therefore defined the parties in charge of implementing the Model and managing information flows to the SB regarding the activities assessed as being at risk of crime, it being understood that the obligation to inform the Supervisory Board generally applies to all Model Recipients when concerning news relating to the commission of predicate offences or conduct not in line with the provisions of the Model and/or its constituent elements.

Implementation consists of the measures to improve the Model (such as, for example, the formalisation/adaptation of internal procedures), which follow a diversified process depending on the type of measure, or if of a general or specific nature and is carried out by:

- in the event of improvement measures concerning the general control elements of the Model, the Head of the Corporate organisational structure (called "Corporate Key Officer – KOC") responsible for the specific general control element;
- in the event of improvement measures concerning the specific control elements of the Model, of the "Activity Key Officer – KOA" of each macro-activity/process at risk reported in the Special Section of the Model.

The Corporate and Activity Key Officers are responsible for: *i*) verifying the compliance of company procedures, concerning macro-activities/processes at risk or the general control elements within their remit, with the provisions contained in Legislative Decree 231/2001 and in the Model; *ii*) ensuring, in relation to macro-activities/processes at risk or to the general control elements of their remit, the preparation of new procedures or the modification and/or integration of existing ones, as provided for in the Model, in compliance with the Company's rules for the preparation and issuance of procedures, with the support of the Supervisory Board, which provides advisory opinions on the matter. In the preparation and adaptation of the procedures, each Key Officer may be technically assisted by Flow Key Officers (as defined below) and/or other organisational structures interested in the procedures themselves; *iii*) periodically report implementation progress on the imparted measures to the Supervisory Board; *iv*) once these measures have been implemented, promptly inform the Supervisory Board following the enactment of any provision governing the macro activity/process at risk or the general control element of their remit; *v*) inform the

Supervisory Board about the existence of activities at risk pursuant to Legislative Decree 231/2001 potentially not mapped in the Model, or about the termination or new emergence of already mapped activities at risk in the organisation.

Furthermore, in consideration of the size of the Company, it was necessary to establish a custom position – the so-called "Key Flow Officer - KOF" – with the task of taking care of the information flows to the Supervisory Board provided for by the Model (Special Section) for each macro-activity/process at risk and of collaborating with the Key Officers responsible for the implementation of the measures to improve the Model, providing adequate technical support.

It should be noted, in this regard, that this individual is not a representative nor expression of the SB from an organisational and legal point of view, but an element of support for control, identified among existing parties within the company and in line with their respective organisational responsibilities.

The Flow Key Officers have the task of: *i)* taking action in order to guarantee the information flow provided for in the Model between the organisational structures affected by the macro activities/processes at risk and the Supervisory Board, as well as guaranteeing their frequency, as provided for in the Special Section of the Model, providing the required data; *ii)* ensuring periodic flows are sent to the Supervisory Board by the organisational structures concerned; *iii)* reporting any Model violations to the Board and promptly reporting any circumstance that makes a modification and/or integration necessary or appropriate to the Board; *iv)* assisting and providing technical support, if required, to the Corporate and Activity Key Officers in the Model implementation phase.

A specific Organisational Communication signed by the Chief Executive Officer nominates Key Officers (KOC, KOA and KOF) and defines their respective tasks and responsibilities, separately considered for macro-activity/process at risk or element of general control of the Model.

5. INTEGRATED SAFETY AND QUALITY MANAGEMENT SYSTEM

Following the introduction in Legislative Decree 231/2001 on criminal offences, the Trenitalia Model was extended with the Integrated Safety and Quality Management System (hereinafter also "ISQMS") where "Safety" means operational, health, workplace and environmental safety - which defines how policies on safety and continuous corporate improvement on these subjects are implemented.

The ISQMS has been implemented, with regard to operational safety, in compliance with the principles established at national and international level in force on the subject, while, for aspects related to quality, the environment and health and safety at work, in accordance with the requirements of the international reference standards UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and UNI ISO 45001:2018 and its field of application is related to the "Design and provision of railway passenger transport and integrated mobility services".

Through the adoption of the ISQMS, Trenitalia internally implements and regulates the application of the regulations issued at European and national level, the provisions issued by the European Union Agency for Railways (EU Agency for Railways – ERA), the safety standards and regulations defined by ANSFISA (National Agency for the Safety of Railways and Road and Highway Infrastructures) and by the National Authorities in charge of safety, the recommendations of the National Investigative Bodies (in Italy the former Ministry of Infrastructure and Transport, now the Ministry of Infrastructure and sustainable mobility - DIGIFEMA), as well as the "interface" provisions and requirements of the Railway Infrastructure Managers (IM) responsible for the Trenitalia operating area (GTT, EAV, FER, Ferrovienord), whose application is binding for the purposes of issuing/maintaining the Safety Certificate, and certifies the compliance of all plants, processes and procedures with the multiple mandatory requirements, imposed by Community, national and local legislation, with particular regard to the field of environmental protection and occupational health and safety, and the voluntary ones of the ISO standards.

In particular, with reference to operational safety, the ISQMS includes the maintenance system, that is, all the activities carried out by Trenitalia in the performance of duties as the Maintenance Owner (SRM) of the vehicles for which it is thus registered in the National Vehicle Registries (RNV) in EU countries, as well as in those of Switzerland and Norway, having adopted a management model in accordance with EU Regulation 779/2019 for the maintenance of carriages, locomotives and automotive sets, taking into account the requirements established by ANSF Decree (now ANSFISA) no. 4/2012.

The ISQMS is based on a process approach according to the Deming cycle logic:

- *Plan* - system planning phase carried out by establishing the objectives and processes aimed at obtaining the results established in accordance with the Trenitalia mission and policy;
- *Do* - system implementation and operation phase that is materialised in the definition of resources, roles and responsibilities, in the management of training and internal and external communication, in the management of documentation, in the definition and implementation of operational control procedures and in the management of emergencies;
- *Check* - system effectiveness and efficiency verification phase through the implementation of monitoring and measurement procedures and methods, the assessment of compliance with the requirements and other compliance obligations, the management of non-conformities and related corrective measures, as well as through the control of records and the management of internal audits;

- *Act* - system review phase, which takes place through periodic review by top management.

The processes are conventionally divided into:

- management processes, which describe the way in which Trenitalia defines its policy, divides it into objectives consistent with current legislation and market scenarios, and monitors its performance;
- operating processes, which constitute the set of activities aimed at translating Trenitalia's policy and objectives into concrete actions, through a coherent, homogeneous and effective ISQMS. This family includes processes directly related to transport management (including personnel management and rolling stock management) and processes to support management (including documentation management, internal audits, management of non-conformities and corrective measures, collection and analysis of safety performance).

Trenitalia has: *i)* assigned responsibility for the effectiveness of the ISQMS to the Trenitalia Executive Committee; *ii)* issued the document "Company Policy on Operating, Quality, Environment, Health and Workplace Safety" and defined the objectives relating to the Management System, consistent and compatible with the context and with the strategic guidelines of the organisation; *iii)* issued the ISQMS Manual; *iv)* integrated the requirements of the Management System into corporate business processes; *v)* promoted the use of the process approach and risk-based thinking; *vi)* ensured the availability of the necessary resources to the Management System.

In a nutshell, the ISQMS is based on the following fundamental elements:

- Trenitalia's policy on the Integrated Safety and Quality Management System;
- analysis of the context and the needs and expectations of stakeholders;
- identification of the compliance obligations applicable to the Company;
- objectives for the maintenance and improvement of performance and measures to be taken to achieve them;
- roles, requirements, responsibilities and powers of attorney for safety at all concerned company levels;
- systematic involvement of resources in the development and implementation of the Management System, also in order to guarantee a correct circulation of information inside and outside the Company and improve the resources' awareness of the role played and the importance of the conformity of their actions and behaviours with respect to the defined model of rules;
- procedures and methods that identify the methods:
 - for the identification, management, application and distribution of laws, rules and standards, as well as provisions and requirements issued by the pertinent bodies (e.g. ANSFISA) concerning operational safety, environmental protection and health and safety at work;
 - for demonstrations of compliance with the technical and operational standards in force during the life cycle of the equipment and during its operation;
 - for the identification and control of compliance obligations and legal requirements whose presence implies a priority of intervention within the ISQMS, including, therefore, the legal requirements whose non-compliance may determine the administrative responsibility of the Company;

- for the management of the applicable significant environmental and occupational health and safety aspects;
- for the assessment and management of the risk connected to Trenitalia's ISQMS, for all situations relevant to operational safety, occupational health and safety and environmental safety, including those associated with the human factor, to third parties not directly involved in the process of providing/using the service and to technological, operational and organisational changes;
- to monitor and evaluate the performance of the ISQMS, including that relating to reviews;
- to verify the correct programming, planning and management of the auditing process, including through the creation and updating of the list of auditors and team leaders.

In particular, the Company uses the following assessment methods to address the risks specific to operational safety, occupational health and safety and environmental safety, in relation to the cases to be managed:

- assessment of the safety risk of the railway operation in the presence or in the absence of changes, according to the Organisational Communication for the Safety Certificate no. 23 rev. in force "Procedure for Analysis, Assessment and Control of Operating Security Risks";
- risk assessment for health and safety at work, carried out in compliance with Legislative Decree 81/2008 and according to Operative Provision no. 02 rev. in force "Reference model adopted by Trenitalia for the drafting of the Risk Assessment Document for the safety and health of workers and for the management of Individual Protection Devices".
- assessment of significant environmental aspects, carried out as defined by Operational Provision no. 01 rev. in force "Guidelines for the issuance and management of the Environmental Analysis Document and the Assessment of Significant Environmental Aspects".

Trenitalia conducts risk assessments using the method defined by FS SpA, to evaluate the risks that may hinder the achievement of objectives and the continuous improvement of ISQMS. This activity runs parallel to the specific assessments mentioned above. In fact, the risk assessment method, aligned with international best practices, defines risk as: *The possibility that the occurrence of one or more events hinders the achievement of the Company's strategies and objectives.* The Trenitalia Risk Officer manages and coordinates the systematic and structured risk identification and measurement process, in line with the FS Group's risk assessment model, supporting the process owners (with the exception of issues related to operational safety, health and safety at work and the environment) in the risk identification and measurement cycles. At the end of the risk assessment process, the Risk Officer prepares the reports including the prioritisation of risks and any improvement measures proposed by the process owners, aimed at sharing the results with the organisational structures involved and with the Chief Executive Officer.

At the end of the risk assessment phase, the improvement measures, proposed by the process owners and considered adequate by the hierarchically higher levels (Heads of Business Departments/Chief Executive Officer), are incorporated into the action plans managed and monitored within the framework of the ISQMS (Annex 10 to the ISQMS Manual called "Trenitalia Quality, Environment, Health and Safety at Work, BSC and Operational Safety Improvement Plan").

Within the regulatory framework of reference outlined above, ISQMS documentation consists of:

- Company policy on Operational Safety, Quality, Environment, Health and Safety at Work;
- ISQMS Manual;
- Organisational procedures, operating provisions and operating requirements:
 - organisational procedures¹⁵: issued as Organisational Communications for the Safety Certificate (COCs) or as Organisational Communications (CO), in the manner governed by CO no. 296 rev. in force. "Organisational System Management Procedure, Corporate Processes and Procedures". Any update to this documentation is sent to ANSFISA;
 - operating procedures; 1) issued as Operational Provisions for the Safety Certificate (DOCS), are provisions - included in the ISQMS documentation - issued in application of one or more COCs to regulate operationally the management methods of the processes contained in the COCs or their operational management and 2) issued as Operational Provisions (DoP) issued to regulate, within the ISQMS, aspects related to environmental issues, quality and health and safety at work;
 - Job Manuals (MM), operating provisions and requirements issued as Operating Provisions and Requirements of the Railway Company (DEIF, PEIF), addressed to operating personnel, defined and issued in the manner described by the COCs n. 66 rev. in force. "Trenitalia Procedure for the issuance of Operating Provisions and Requirements";
 - Special Traffic Provisions (DPC) issued in the manner referred to in COCs n. 66 rev. in force. "Procedure for the preparation and issuance of the Special Traffic Provisions for rolling stock";
- Operational Safety Plan, which includes the related macro-objectives, and Trenitalia's Quality, Environmental, Occupational Health and Safety, BSC and Operational Safety Improvement Plan;
- Training and updating plans that ensure that the personnel involved in the aspects of the System and the operational personnel are adequately and constantly trained/informed on the relevant behaviours and procedures for the purposes of operational safety, environmental safety, health and safety at work and quality.

The Management System has an organisational structure with formally defined tasks and responsibilities, in line with the organisational and functional model of the Company. All roles, responsibilities and authority for Trenitalia's ISQMS are defined in the ISQMS Manual, to which reference is made for a detailed description. At each of the aforementioned levels, management operations are ensured by an SGSE Manager and one or more Quality, Environment and Occupational Safety Management System Managers (RSGT), assisted by ISQMS workers (ASGT).

In summary, the ISQMS operating model includes three levels with specific areas of responsibility:

- Level 1, Corporate/Central – or Staff Departments: this level is a guarantee for Top Management and direction and coordination;
- Level 2, DB/DT: is focused on the specific issues of the Business Departments (DB) and the Technical Department (DT), coordinating the supervision, in the DB/DT area, of the safety, environmental protection, quality and health and safety at work "jobs";

¹⁵The "Provision Notes" issued by the Technical Management, or the notes with which these procedures can be modified, pending their updating, to disseminate clarifications or define detailed instructions also with a transitory value are also included.

- Level 3, Basic/Territorial: allows the solid link to territorial operational activities (normally the Production Units).

At the Territorial level, in this organisational system, Employers are formally identified as Heads of Production Units with managerial and technical-functional autonomy. Employers/Production Unit Managers have unlimited spending powers in matters of health and safety at work, the safety of third parties and environmental protection, with the right to implement any related, necessary and consequent act for everything related to interventions in these matters, as well as being responsible for risk assessment and the management of prevention and protection activities.

The organisational structure of the Production Units and their Managers is formalised, on the basis of the resolution of the Trenitalia Board of Directors, with specific Organisational Communication no. 123 rev. in force. "Structure of the Trenitalia Production Units and their Managers pursuant to Legislative Decree 81/2008", which summarises the structure of responsibilities regarding health and safety at work, environmental protection and the safety of third parties in general.

This System provides, at various levels, for the monitoring of activities and events with direct or indirect impact on safety, environmental protection, quality and health and safety at work and the related risk assessment, adopting the criteria provided for by the relevant CO/COCs issued on the subject.