

ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL

PURSUANT TO LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

ADOPTED BY

WÄRTSILÄ ITALIA S.P.A.

ON

24 JANUARY 2014 AND SUBSEQUENTLY UPDATED BY RESOLUTIONS OF THE BOARD OF DIRECTORS OF 10 OCTOBER 2016, OF 6 OCTOBER 2020, OF 23 JANUARY 2024, OF 21 JANUARY 2025 AND OF 30 MARCH 2026

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GENERAL PROVISIONS

1 APPLICABLE LEGISLATIVE FRAMEWORK: LEGISLATIVE DECREE No. 231/2001 AND ITS FURTHER AMENDMENTS

1.1 Administrative liability pursuant to Legislative Decree no. 231 of 8 June 2001

The Legislative Decree ("**Decree**", the full text of which is attached as Annex A) no. 231 on administrative liability of legal entities, companies and associations, including those without legal personality, was adopted on 8 June 2001. The Decree has implemented the Government delegation pursuant to Article 11 of Act no. 300 of 29 September 2000 on the transposition of EU and international regulations, ratifying a number of international conventions that Italy had already signed, such as the Brussels Convention of 26 July 1995 on the protection of the financial interests of the European Community, the Convention of 26 May 1997 on the fight against corruption of civil servants both in the European Community and in its member States and OECD Convention of 17 December 1997 on the fight against corruption of foreign officers in international financial transactions.¹

The Decree has introduced an administrative liability system for legal entities, companies and associations, including those without legal personality Entity ("**Entities**"). The Decree does not cover the Government, local authorities, non-economic public Entities and Entities with constitutional roles, such as political parties and trade unions.

New legal requirements were added: the Entity liability adds to the liability of the individual who's materially responsible. This liability is distinct. However, the Entity may be held liable also if the individual who has material liability cannot be held responsible or if he/she has not been identified.

1.2 Categories of crimes described in the Decree, and its further amendments²

The Entity liability may arise from Crimes specified in the Decree and in any relevant regulations ("**Crime**").

- (i) At the date of the adoption of this Model (as defined), the following Crimes are listed in the Decree:

¹ As explained in these paragraphs, Act no. 146/2006 ratified the UN Convention and Protocols against transnational organised crime, adopted by the U.N. General Assembly on 15 November 2000 and on 31 May 2001.

² By Legislative Decree No. 75 of 14 July 2020, new categories of offences (the "**New Crimes**") were added to the Decree. Since the preparatory activities (see paragraph 2.4 below) for the update of the Model, approved by the Company's Board of Directors on 6 October 2020, had been completed prior to the publication of Legislative Decree No. 75/2020, for the sake of completeness this General Part and the relevant Special Parts have been updated to reflect the New Crimes deemed, *prima facie*, applicable and relevant to the Company. However, the Company reserves the right to assess whether and how the New Crimes may require further amendments to the Model and/or to the principles of conduct and prevention protocols, as defined in the Special Parts, and to address them, where appropriate, in a subsequent update of the Model.

- (a) **Misappropriation of public funds, fraud to the detriment of the State, a public body or the European Union, or for the purpose of obtaining public funds, IT fraud to the detriment of the State or a public body, and fraud in public procurement** (Article 24 of the Decree)
- (b) **Peculation, misapplication of funds or movable property, extortion in office, undue inducement to give or promise benefits, and corruption** (Article 25³ of the Decree);
- (c) **IT crimes and illegal data processing** (Article 24-*bis* of the Decree, as referred in Article 7 of Act no. 48 of 18 March 2008, on “The ratification and implementation of the Convention of the Council of Europe on IT crimes, of 23 November 2001, and relevant implementing regulations in the national system”⁴);
- (d) **Organised crimes** (Article 24-*ter* of the Decree, as referred in Article 2, paragraph 29, of Act no. 94, of 15 July 2009, on “Provisions on public security”⁵);
- (e) **Falsification of money, public credit cards, revenue stamps and acknowledgment instruments and marks** (Article 25-*bis* of the Decree, as referred in Article 6 of Legislative Decree no. 350 of 25 September 2001, converted into Act no. 409 on 23 November 2001, on “Urgent provisions in view of the introduction of Euro”⁶);
- (f) **Crimes against industry and trade** (Article 25-*bis.1* of the Decree, as referred in Article 15, paragraph 7, point b), of Act no. 99, of 23 July 2009, on “Provisions on the development and internationalisation of enterprises and on energy”);
- (g) **Corporate crimes** (Article 25-*ter* of the Decree, as referred in Article 3, paragraph 2, of Legislative Decree no. 61, of 11 April 2002, on “Criminal and administrative offences involving companies” pursuant to Article 11 of Act no. 366 of 3 October 2001⁷).
- (h) **Crimes aimed at terrorism acts and democracy supervision** (Article 25-*quater* of the Decree, as referred in Article 3 of Act no. 7 of 14 January 2003, on “The ratification and implementation of the International Convention against the financing of terrorism, signed in New York on 9 December 1999, and relevant implementing provisions in the national system);

³ As amended by Act no. 190 of 6 November 2012 and Act no. 3 of 9 January 2019; and with the offence of misapplication of funds or movable property introduced into Article 25 by Law Decree no. 92/2024, converted into Act no. 112/2024.

⁴ As amended by Law Decree no. 105 of 21 September 2019, converted, with amendments, into Act no. 133 of 18 November 2019, and most recently by Act no. 90/2024.

⁵ As amended by Act no. 69/2015.

⁶ As amended by Act no. 99 of 23 July 2009.

⁷ As amended by Act no. 262 of 28 December 2005, Act no. 190 of 6 November 2012, Act no. 69 of 27 May 2015, and Legislative Decree no. 38 of 15 March 2017.

- (i) **Female genital mutilation** (Article 25-*quater*.1 of the Decree, as referred in Article 8 of Act no. 7 of 9 January 2006 on "Provisions to prevent and prohibit female genital mutilation");
- (j) **Crimes against individual personality** (Article 25-*quinquies* of the Decree, as referred in Article 5 of Act no. 228 of 11 August 2003 on "Provisions against human traffic"⁸);
- (k) **Market abuse** (Article 25-*sexies* of the Decree, as referred in Article 9 of Act n. 62 of 18 April 2005 on "Provisions on criteria concerning Italy's membership to the European Community. Community Law 2004") and other offences relating to market abuse (Article 187-*quinquies* of the Consolidated Law on Finance – TUF)⁹;
- (l) **Manslaughter and serious culpable injureis as a result of breach of regulations on health and safety at the workplace** (Article 25-*septies* of the Decree, as referred in Article 9 of Act no. 123 of 3 August 2007 on "Provisions on protection of health and safety at the workplace and delegation to the Government on review and reform of any relevant regulations"¹⁰);
- (m) **Receiving of stolen goods, money laundering and use of illicit capital, goods and utilities** (Article 25-*octies* of the Decree, as referred in Article 63 (now Article 72¹¹), paragraph 3, of Legislative Decree no. 231 of 21 November 2007 on "Implementation of Directive 2005/60/EC on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing" and Directive 2006/70/EC on implementing provisions)¹²;
- (n) **Crimes relating to non-cash payment instruments and fraudulent transfer of assets** (Article 25-*octies*.1 of the Decree, introduced by Legislative Decree no. 184/2021 implementing Directive (EU) 2019/713 of the European Parliament and of the Council of 17 April 2019 on combating fraud and counterfeiting of non-cash means of payment and replacing Council Framework Decision 2001/413/JHA);
- (o) **Copyright crimes** (Article 25-*novies* of the Decree, as referred in Article 15, paragraph 7, point c), of Act no. 99, of 23 July 2009, on "Provisions on the development and internationalisation of enterprises and on energy");

⁸ As amended by Act no. 38 of 6 February 2006, Legislative Decree no. 39 of 4 March 2014 and Act no. 199 of 29 October 2016.

⁹ Article amended by Legislative Decree no. 107/2018.

¹⁰ As amended by Article 300 of Legislative Decree no. 81 of 9 April 2008 "Implementation of Article 1 of Act no. 123 of 3 August 2007 on protection of health and safety at the workplace"

¹¹ The numbering of the Articles of Legislative Decree no. 231/2007 was defined by Legislative Decree no. 90 of 25 May 2017.

¹² As amended by Act no. 186 of 15 December 2014. Article 64 of Legislative Decree no. 231 of 21 November 2007 repealed paragraphs 5 and 6 of Article 10 of Act no. 146 of 16 March 2006 that introduced money laundering (Article 648-bis of the Italian Criminal Code) and the use of money, goods or services from illegal sources (Article 648-ter of the Italian Criminal Code) in the category of transnational offences.

- (p) **Incitation not to make statements or to make false statements in Court** (Article 25-*decies* of the Decree, introduced as referred in Article 4, paragraph 1, of Act no. 116 of 3 August 2009 on “Ratification and implementation of the UN Convention against corruption, adopted by the UN General Assembly on 31 October 2003 with resolution no. 58/4, signed by Italy on 9 December 2003, as well as transposing provisions and amendments to the Criminal Code and to the Code on criminal procedure”, later replaced with Article 2 of Legislative Decree no. 121 of 07 July 2011);
- (q) **Environmental crimes** (Article 25-*undecies* of the Decree, as referred in Article 2, paragraph 2, of Legislative Decree no. 121 of 7 July 2011, on the “Implementation of Directive 2008/99/EC on the protection of the environment through criminal law and Directive 2009/123/EC amending Directive 2005/35/EC on ship-source pollution and on the introduction of penalties for infringements”¹³⁻¹⁴);
- (r) **Use of third-country nationals staying illegally** (Article 25-*duodecies* of the Decree, introduced in Article 2, paragraph 1, of Legislative Decree no. 109 of 16 July 2012, on the “Implementation of Directive 2009/52/EC providing for minimum standards on sanctions and measures against employers of illegally staying third-country nationals”¹⁵);
- (s) **Racism and xenophobia** (Article 25-*terdecies* of the Decree, introduced by Article 5, paragraph 2, of Act no. 167 of 20 November 2017 on “*Provisions for the fulfilment of obligations arising from Italy’s membership of the European Union – European Law 2017*”¹⁶);
- (t) **Fraud in sporting competitions, unlawful operation of betting or gambling activities and gambling carried out by means of prohibited devices** (Article 25-*quaterdecies* of the Decree, introduced by Article 5, paragraph 1, of Act no. 39 of 3 May 2019 on “*Ratification and implementation of the Council of Europe Convention on the Manipulation of Sports Competitions*”, signed in Magglingen on 18 September 2014);
- (u) **Tax crimes** (Article 25-*quinquiesdecies* of the Decree, introduced by Article 39, paragraph 2, of Law Decree no. 124 of 26 October 2019, converted, with amendments, into Act no. 157 of 19 December 2019 on “*Conversion into*

¹³ As amended by Act no. 68 of 22 May 2015 and, most recently, by Act no. 147/2025.

¹⁴ Article 25-*undecies* of the Decree refers to Article 260 of Legislative Decree No. 152 of 3 April 2006, which was repealed by Article 7, paragraph 1, letter c), of Legislative Decree No. 21 of 1 March 2018. Pursuant to Article 8, paragraph 1, of the same Legislative Decree No. 21/2018, with effect from 6 April 2018, all references to the provisions of Article 260 of Act No. 152/2006, wherever appearing, shall be construed as references to Article 452-*quaterdecies* of the Criminal Code.

¹⁵ As amended by Article 30, paragraph 4, of Act No. 161 of 17 October 2017.

¹⁶ Article 25-*terdecies* of the Decree refers to Article 3, paragraph 3-bis, of Act No. 654 of 13 October 1975, which was repealed by Article 7, paragraph 1, letter c), of Legislative Decree No. 21 of 1 March 2018. Pursuant to Article 8, paragraph 1, of the same Legislative Decree No. 21/2018, with effect from 6 April 2018, all references to the provisions of Article 3 of Act No. 654/1975, wherever appearing, shall be construed as references to Article 604-bis of the Criminal Code.

*law, with amendments, of Law Decree no. 124 of 26 October 2019 laying down urgent provisions on tax matters and for non-deferrable needs*¹⁷);

- (v) **Smuggling** (Article 25-sexiesdecies of the Decree, introduced by Article 5, paragraph 1(d), of Legislative Decree no. 75 of 14 July 2020);
- (w) **Laundering of cultural property and devastation and pillage of cultural and landscape heritage** (Article 25-duodevicies, Legislative Decree No. 231/2001. Article added by Act No. 22 of 9 March 2022 containing "*provisions on crimes against cultural heritage*").
- (x) **Crimes against animals** (Article 25-undevicies, Legislative Decree No. 231/2001. Article added by Act No. 82 of 6 June 2025 containing "*Amendments to the Criminal Code, the Code of Criminal Procedure and other provisions for the integration and harmonisation of the rules on crimes against animals*").
- (y) **Cross-border crimes** (Article 10 of Act no. 146 of 16 March 2006 on "Ratification and implementation of UN Convention and Protocols against transnational organised crime, adopted by the UN General Assembly on 15 November 2000 and on 31 May 2001.")^{18 19}.

The complete list of criminal offences relevant for the purposes of the Decree, the so-called "Catalogue of Crimes", is attached to the Model as Annex B.

- (ii) As confirmed in the interviews and assessments (described in paragraph 2.4 of this Model), the following category of crimes do not apply to Wärtsilä:
 - (a) **Female genital mutilation** (Article 25-quater.1 of the Decree);
 - (b) **Racism and xenophobia** (Article 25-terdecies of the Decree);
 - (c) **Fraud in sporting competitions, unlawful operation of betting or gambling activities and gambling carried out by means of prohibited devices** (Article 25-quaterdecies of the Decree);
 - (d) **Laundering of cultural property and devastation and pillage of cultural and landscape heritage** (Article 25-duodevicies of the Decree).
 - (e) **Crimes against animals** (Article 25-undevicies of the Decree).
- (iii) Having regard to the main business of Wärtsilä Italia S.p.A. ("**Wärtsilä**"), resulting from the analysis performed to produce this Model (as defined), as specified in

¹⁷ As amended by Legislative Decree No. 75 of 14 July 2020.

¹⁸ As amended by Legislative Decree No. 231 of 21 November 2007.

¹⁹ Pursuant to Article 3 of Act no. 146/2006, "Transnational Crime" means any crime involving organised crime with a conviction exceeding 4 years and in terms of territory: a) the crime has occurred in at least two countries; b) it has occurred in one country, but a substantial part of its preparation, planning, direction or control is based in another country; c) it has occurred in one country, but the criminal group operates in different countries; d) it has occurred in one country, but it has had a substantial impact in another country.

paragraph 2.4, the following Crimes, in any relevant category, may apply to Wäertsilä:

(a) **Crimes against the Public Administration** (Articles 24 and 25 of the Decree), if against the Government or any other local authority or public Entity:

- embezzlement against the Government (Article 316-bis of the Criminal Code);
- illegal financing to the detriment of the Government (Article 316-ter of the Criminal Code);
- corruption in the exercise of office (Article 318 of the Criminal Code; Article 321 of the Criminal Code);
- corruption on actions against office duties (Article 319 of the Criminal Code; Article 321 of the Criminal Code) and aggravating circumstances (Article 319-bis of the Criminal Code; Article 321 of the Criminal Code);
- corruption in legal actions (Article 319-ter of the Criminal Code; Article 321 of the Criminal Code)
- incitement to provide or promise advantages (Article 319-quater of the Criminal Code);
- corruption of officers in charge of public services (Article 320 of the Criminal Code; Article 321 of the Criminal Code);
- incitement to corruption (Article 322 of the Criminal Code);
- aggravated fraud against the Government or any other public authority with the aim of obtaining an exemption from compulsory retention (Article 640, paragraph 2, point 1, of the Criminal Code);
- aggravated fraud to obtain public financing (Article 640-bis of the Criminal Code);
- Trading in unlawful influence (Article 346-*bis* of the Criminal Code)
- Fraud in public supply contracts (Article 356 of the Criminal Code)

(b) **IT Crimes and illegal data processing** (Article 24-*bis* of the Decree):

- IT documents (Article 491-bis of the Criminal Code);
- unauthorised access to any IT or telecommunication systems (Article 615-ter of the Criminal Code);
- unauthorised access codes to IT or telecommunication systems (Article 615-*quater* of the Criminal Code);
- use of any IT equipment, devices or programmes to damage or disrupt any IT or telecommunication systems (Article 615-*quinquies* of the Criminal Code);

- illegal tapping, impediment or disruption of IT or electronic communication (Article 617-quater of the Criminal Code);
 - installation of equipment to tap, prevent or disrupt IT or electronic communication (Article 617-quinquies of the Criminal Code);
 - damage to information, data and IT programmes (Article 635-bis of the Criminal Code);
 - damage to information, data and IT programmes used by the Government or any public authority or of public use (Article 635-ter of the Criminal Code);
- (c) **Organised crime** (Article 24-ter of the Decree):
- criminal association (Article 416 of the Criminal Code);
 - mafia-like association, including at international level (Article 416-bis of the Criminal Code);
 - mafia-based pork barrelling (Article 416-ter of the Criminal Code);
 - kidnapping for burglary or extortion purposes (Article 630 of the Criminal Code);
- (d) **Falsification of money, public credit cards, revenue stamps and acknowledgment instruments and marks** (Article 25-bis of the Decree):
- counterfeiting, alteration or use of trademarks or any distinctive signs or patents, models or designs (Article 473 of the Criminal Code).
- (e) **Crimes against industry and trade** (Article 25-bis.1 of the Decree):
- fraud in the exercise of trade (Article 515 of the Criminal Code);
 - sale of industrial products with illegal brands (Article 517 of the Criminal Code).
- (f) **Corporate crimes** (Article 25-ter of the Decree):
- false corporate notifications (Articles 2621, 2621 bis and 2622 of the Civil Code);
 - false corporate notifications to the detriment of the company, shareholders or creditors (Article 2622 of the Civil Code);
 - control prevention (Article 2625 of the Civil Code);
 - corruption in the private sector (Article 2635 of the Civil Code);
 - incitement to corruption in the private sector (Article 2635-bis of the Civil Code);
 - unlawful repayment of capital contributions (Article 2626 of the Civil Code);

- unlawful distribution of profits and reserves (Article 2627 of the Civil Code);
 - unlawful transactions involving shares or quotas of the company or of the parent company (Article 2628 of the Civil Code);
 - transactions to the detriment of creditors (Article 2629 of the Civil Code);
 - failure to disclose conflicts of interest (Article 2629-*bis* of the Civil Code);
 - fictitious formation of share capital (Article 2632 of the Civil Code);
 - unlawful influence on the shareholders' meeting (Article 2636 of the Civil Code);
 - market manipulation (Article 2637 of the Civil Code);
 - obstruction of the functions of public supervisory authorities (Article 2638 of the Civil Code);
 - false prospectus (Article 173-*bis* of Legislative Decree No. 58/1998);
 - false or omitted statements for the issue of the preliminary certificate (Article 54 of Legislative Decree No. 19/2023);
- (g) **Crimes aimed at terrorism acts and democracy supervision** (Article 25-*quater* of the Decree):
- association with terrorism purposes and against democracy (Article 270-*bis* of the Criminal Code);
 - assistance to any association members (Article 270-*ter* of the Criminal Code);
 - recruitment with terrorism purposes, including at international level (Article 270-*quater* of the Criminal Code);
 - terrorism training, including at international level (Article 270-*quinquies* of the Criminal Code);
 - terrorism purposes (Article 270-*sexies* of the Criminal Code);
 - terrorist attacks or attacks against democracy (Article 280 of the Criminal Code);
 - acts of terrorism with lethal weapons or bombs (Article 280-*bis* of the Criminal Code);
 - kidnapping for terrorism purposes or against democracy (Article 289-*bis* of the Criminal Code);
 - incitement to commit one of the crimes listed paragraphs 1 and 2 (Article 302 of the Criminal Code);

- terrorism crimes or crimes against democracy (Article 1 of Legislative Decree no. 625 of 15 December 1979, as amended and converted into Act no. 15 of 6 February 1980);
 - crimes listed in Article 2 of the International Convention against terrorism financing, New York, 9 December 1999.
- (h) **Crimes against individual personality (Article 25-quinquies of the Decree):**
- Illicit intermediation and exploitation of labour (Article 603-*bis* of the Criminal Code);
- (i) **Manslaughter and serious culpable injuries as a result of breach of regulations on health and safety at the workplace (Article 25-septies of the Decree):**
- manslaughter (Article 589, paragraph 2, of the Criminal Code);
 - severe bodily injuries (Article 590, paragraph 3, of the Criminal Code);
- (j) **Receiving of stolen goods, money laundering and use of illicit capital, goods and utilities (Article 25-octies of the Decree):**
- use of stolen goods (Article 648 of the Criminal Code);
 - money laundering (Article 648-*bis* of the Criminal Code);
 - use of money, goods or other services from illegal sources (Article 648-*ter* of the Criminal Code);
 - self-laundering (Article 648-*ter*.1 of the Criminal Code).
- (k) **Crimes relating to non-cash means of payment (Article 25-octies.1 of the Decree):**
- unlawful use and counterfeiting of non-cash means of payment (Article 493-*ter* of the Criminal Code);
 - possession and dissemination of equipment, devices or IT programmes directed at committing offences relating to non-cash means of payment (Article 493-*quater* of the Criminal Code);
 - possession and dissemination of equipment, devices or IT programmes directed at committing offences relating to non-cash means of payment (Article 493-*quater* of the Criminal Code);
 - fraudulent transfer of assets (Article 512-*bis* of the Criminal Code)
- (l) **Copyright crimes (Article 25-novies of the Decree):**
- Copyright infringements and other related crimes (Article 171, paragraph 1, point a-*bis*, and paragraph 3, 171-*bis*, 171-*ter*, 171-*septies*, 171-*octies* e 174-*quinquies* of Act no. 633 of 22 April 1941).

(m) **Incitation not to make statements or to make false statements in Court**
(Article 25-*decies* of the Decree):

- incitation not to make statements or to make false statements in Court (Article 377-*bis* of the Criminal Code):

(n) **Environmental crimes** (Article 25-*undecies* of the Decree):

- killing, destruction, capture, detention of protected flora or fauna (Article 727-*bis* of the Criminal Code);
- destruction or deterioration of habitats in protected sites (Article 733-*bis* of the Criminal Code);
- breach of environmental regulations (Article 137 of Legislative Decree no. 152 of 3 April 2006) including waste dumping (Article 103 of the Legislative Decree no. 152 of 3 April 2006), underground and underground-water waste dumping (Article 104 of Legislative Decree no. 152 of 3 April 2006), sewage waste dumping (Article 107 of Legislative Decree no. 152 of 3 April 2006), dangerous waste dumping (Article 108 of Legislative Decree no. 152 of 03 April 2006);
- unauthorised waste management business (Article 256 of Legislative Decree no. 152 of 3 April 2006) concerning the single authorisation for new waste disposal and reclamation plants (Article 208), renewal of authorisations to environmentally certified companies (Article 209), authorisation in special cases (Article 210), authorisation of research and testing plants (Article 211), national register of environmental managers (Article 212), qualifying criteria of waste for simplified procedures (Article 214), self-disposal (Article 215), reclaim operations (Article 216), no dumping (Article 192), no mixing of dangerous waste (Article 187), and electric and electronic waste, healthcare waste, vehicles, asbestos products (Article 227);
- breach of requirements on site reclamation (Article 257 of Legislative Decree no. 152 of 3 April 2006);
- breach of requirements on mandatory registers and forms (Article 258 of Legislative Decree no. 152 of 3 April 2006);
- illegal trade in waste (Article 259 of Legislative Decree no. 152 of 3 April 2006);
- organised crime on illegal trade in waste (Article 452-*quaterdecies* of the Criminal Code);
- IT control system on waste traceability (Article 260-*bis* of Legislative Decree no. 152 of 3 April 2006);
- discontinuation and reduction in the use of substances depleting the ozone layer (Article 3 of Act no. 549 of 28 December 1993);

- malicious or reckless pollution (Articles 8 and 9 of Legislative Decree no. 202 of 6 November 2007).
 - environmental pollution (Article 452-*bis* of the Criminal Code);
 - environmental disaster (Article 452-*quater* of the Criminal Code);
 - negligent offences against the environment (Article 452-*quinquies* of the Criminal Code);
 - trafficking and abandonment of highly radioactive material (Article 452-*sexies* of the Criminal Code);
 - aggravating circumstances (Article 452-*octies* of the Criminal Code).
- (o) **Use of third-country nationals staying illegally** (Article 25-*duodecies* of the Decree)
- provisions against illegal immigration (Article 12, paragraphs 3, 3-*bis*, 3-*ter* and paragraph 5, of Legislative Decree No. 286/1998) – illegal entry of foreign nationals into the territory of the State;
 - short term and permanent employment - employment of third-country nationals without visa or with expired visa, with no request for renewal or revoked or null visa (Article 22, paragraph 12-*bis*, of Legislative Decree no. 286 of 25 July 1998);
- (p) **Tax offences** (Article 25-*quinquiesdecies*):
- fraudulent tax return by use of invoices or other documents for non-existent transactions (Article 2, paragraphs 1 and 2-*bis*, of Legislative Decree No. 74/2000);
 - fraudulent tax return by other means (Article 3 of Legislative Decree No. 74/2000);
 - unfaithful tax return (Article 4 of Legislative Decree No. 74/2000);
 - failure to file a tax return (Article 5 of Legislative Decree No. 74/2000);
 - issuance of invoices or other documents for non-existent transactions (Article 8, paragraphs 1 and 2-*bis*, of Legislative Decree No. 74/2000);
 - concealment or destruction of accounting documents (Article 10 of Legislative Decree No. 74/2000);
 - unlawful tax offsetting (Article 10-*quater* of Legislative Decree No. 74/2000);
 - fraudulent evasion of tax payment (Article 11 of Legislative Decree No. 74/2000)
- (q) **Smuggling offences** (Article 25-*sexiesdecies* of the Decree))
- smuggling by failure to declare (Article 78 of Legislative Decree No. 141/2024);

- smuggling by inaccurate declaration (Article 79 of Legislative Decree No. 141/2024);
 - assimilation of attempted offence to the completed offence (Article 87 of Legislative Decree No. 141/2024);
 - recidivism in smuggling (Article 89 of Legislative Decree No. 141/2024);
 - habitual smuggling (Article 90 of Legislative Decree No. 141/2024);
 - professional smuggling (Article 91 of Legislative Decree No. 141/2024);
 - habitual or professional smuggling pursuant to the Criminal Code (Article 92 of Legislative Decree No. 141/2024);
- evasion of assessment or payment of excise duty on energy products (Article 40 of Legislative Decree No. 504/1995).
- (r) **Cross-border crimes** (Article 10 of Act no. 146 of 16 March 2006):
- criminal association (Article 416 of the Criminal Code);
 - mafia-like association, including at international level (Article 416-bis of the Criminal Code);
 - personal advantages (Article 378 of the Criminal Code);
 - breach of provisions against illegal immigration (Article 12 of Legislative Decree no. 286 of 25 July 1998)²⁰.

1.3 Criteria on organisation liability

When a Crime is committed, the Entity may be held liable if the applicable criteria on Entity liability are met. Such criteria are both "objective" and "subjective".

Under the first objective criteria, the Crime is committed by an individual or entity having qualified relations with the Entity.

The Entity is held liable when the following criteria are met and the Crime is committed by:

- (i) person vested with representation, administration or direction functions for the Entity, having financial and operational independence, and individuals that control and manage, including *de facto*, the Entity ("**Individuals in Top Positions**")²¹;

²⁰ By Legislative Decree No. 75 of 14 July 2020, new categories of offences (the "**New Crimes**") were added to the Decree. Since the preparatory activities (see paragraph 2.4 below) for the update of the Model, approved by the Company's Board of Directors on 6 October 2020, had been completed prior to the publication of Legislative Decree No. 75/2020, for the sake of completeness this General Part and the relevant Special Parts have been updated to reflect the New Crimes deemed, *prima facie*, applicable and relevant to the Company. However, the Company reserves the right to assess whether and how the New Crimes may require further amendments to the Model and/or to the Direct Crime-Risk Areas and the Instrumental Areas, and to the principles of conduct and prevention protocols as defined in the Special Parts, and to address them, where appropriate, in a future update of the Model.

²¹ This category includes individuals in charge of managing or directing the organisation or its branches, such as general managers and plant managers.

- (ii) Persons subject to the direction or surveillance of any individuals in top positions, as listed in point i) (i.e. "**Individuals in Subordinate Positions**")²².

As a further objective criterion, the Crime was meant to be *in the interest* or *to the benefit* of the Entity.

"Interest" means that the individual committing the Crime acted in an attempt to support the Entity, irrespective of the actual achievement of his/her aim.

"Interest" is therefore subjective in nature, as it relates to the volitional sphere of the perpetrator of the Crime and is to be assessed at the time of the conduct. "Benefit" means that the Entity has or could have a gain, whether or not a financial gain, from the Crime, and is characterised as the totality of the benefits – in particular of a financial nature – derived from the Crime, which may be assessed after the commission of the Crime.

The interest and the benefit of the Entity are two alternative criteria, and the Entity may be held liable if one of such criteria is fulfilled. Under the applicable regulations, the actual or expected gain for the Entity may not necessarily be financial. The Entity may be held liable if the Crime has resulted into some form of support for the Entity, not necessarily a financial gain or any other tangible gain.

As for malicious crimes, such as manslaughter and severe or very severe personal injuries, pursuant to the applicable regulations on health and safety at the workplace (ex Article 25-septies of the Decree) and some environmental crimes resulting into the imposition of fines (ex Article 25-undecies of the Decree), the interest or the advantage of the Entity do not result from the actual event (such as the death of an employee), rather from the conduct causing such event, provided that such conduct is deliberate and voluntary and aimed at benefiting the Entity²³. The interest and/or advantage may be the saving on business costs or the enhancement of the speed of performance or the increase in productivity resulting

²² Typically, "Individuals in Subordinate Positions" means employees as defined in Articles 2094 and 2095 of the Civil Code, but also individuals not employed by the entity, who have been appointed to provide a service under the supervisions of Individuals in Top Positions. Therefore, "Individuals in Subordinate Positions" also include external workers, promoters, agents, advisers, who, in line with their mandate, act in the interests of the entity.

²³ Conduct arising from mere lack of skill, simple underestimation of the risk or imperfect implementation of accident prevention measures would therefore not be relevant for the purposes of the Entity's liability.

from the failure to adopt the necessary accident prevention or environmental protection measures required by law.²⁴

The Entity may not be held liable if the Crime was committed irrespective or against its interest or in the exclusive interest of the offender or any third parties.

Articles 6 and 7 describe the subjective liability criteria for the Entity. Different criteria apply whether the offender is an Individual in Top Position or in a Subordinate Position.

For Crimes committed by Individuals in Top Positions, pursuant to Article 6 of the Decree, the Entity is exempt from any responsibility, provided that:

- before the Crime, the Board of Directors has adopted and implemented an appropriate Organisational, Management and Control Model ("**Model**") to prevent any such offences or crimes;
- the duty of surveillance over the functioning and the compliance of the Model and its update has been entrusted to a supervisory body of the Entity, vested with independent initiative and control powers (**Supervisory Body**).
- supervision by the Supervisory Body was not omitted or inappropriate;
- the individuals have committed the crime fraudulently, evading the provisions of the Model.

All the above criteria must be fulfilled for the Entity not to be held liable. Such exemption of liability results from the adoption and the proper implementation of the Model on Crime prevention and the actual existence of a Supervisory Body.

The fraudulent circumvention referred to in the Decree does not necessarily require artifice or deception, but presupposes that the breach of the Model is brought about by a circumvention of the control measures provided for therein that is capable of "overriding" their effectiveness²⁵.

²⁴ Among the most recent cases, Court of Cassation, 16 April 2018, No. 16713, according to which: "*In negligent event-based offences, the purposiveness of the conduct referred to in Article 5 of Legislative Decree no. 231/2001 is compatible with the unintentional nature of the harmful event, provided that it is established that the conduct which caused such event was determined by choices serving the interest of the Entity or was aimed at obtaining an advantage for the Entity. The requirement of interest is met where the natural person, although not intending the occurrence of the worker's death or injury, has consciously acted with the aim of obtaining a benefit for the legal entity; this occurs, for example, where the failure to adopt accident prevention measures is the result, not of a mere underestimation of risks or of an inadequate assessment of the necessary preventive measures, but of a choice deliberately directed at reducing business costs: although not intending the occurrence of the accident to the detriment of the worker, the perpetrator has consciously breached safety regulations with the aim of satisfying an interest of the Entity (for example, enabling the company to achieve savings on prevention costs). The requirement of advantage is met where the natural person, acting on behalf of the Entity, although not intending the occurrence of the worker's death or injury, has systematically breached safety regulations and has thus implemented a business policy that disregards workplace safety, thereby enabling cost reductions and expenditure containment, with a consequent maximisation of profit; the criterion of advantage, so understood, is undoubtedly the most appropriate to serve as a connecting link between the Entity and the offence committed by its senior management or by employees subject to their direction or supervision. It is therefore necessary to ascertain, in concrete terms, the manner in which the facts occurred and to verify whether the breach of workplace health and safety regulations that caused the accident corresponded, assessed ex ante, to an interest of the company or enabled it to obtain an advantage*".

²⁵ This is the position taken by the Confindustria Guidelines (as defined below). In negligent offences where the intention to cause the harmful event is absent, the acceptable risk consists in the occurrence of conduct in breach of the Model notwithstanding compliance with the supervisory obligations of the Supervisory Body.

For Crimes committed by Individuals in Subordinate Positions, pursuant to Article 7 of the Decree, the Entity is held liable if the Crime resulted from non-compliance of management and supervision requirements only. Such condition does not apply if the Entity, before the Crime, has adopted and implemented an appropriate Model to prevent any offences and crimes.

As for the regulations on health and safety at the workplace, pursuant to Article 30 of Legislative Decree no. 81 of 9 April 2008, the Model is deemed appropriate to exempt the Entity from any liability if it has been adopted and implemented properly, resulting into a corporate system on the implementation of any relevant legal requirement:

- compliance with technical-structural standards on equipment, plants, premises as well as chemical, physical and biological agents;
- risk assessment and any relevant prevention and protection measures;
- organisational measures, such as emergency, first-aid and supply management measures, regular meetings on safety, consultations with the workers' representative for safety;
- healthcare surveillance measures;
- relevant information and training of staff;
- surveillance measures on safe procedures and instructions to the staff;
- the obtainment of any mandatory licence and authorisation;
- regular testing on implementation and efficiency of procedures.

The Model must include appropriate systems to trace any of such actions. The Model needs to include, depending on the scope and the size of the Entity and the type of business, an appropriate system to provide any skills and powers on monitoring, assessment, management and audit on risks as well as an appropriate sanction system. The Model must also include an appropriate control system on its implementation and on the continued relevance of any measure in force.

Finally, pursuant to Article 30, in their first implementation, any Models developed in line with:

- UNI-INAIL guidelines on health and safety management system at the workplace, of 28 September 2001, or
- the British Standard OHSAS 18001:2007, now replaced by the more recent standard UNI ISO 45001 – Occupational Health and Safety Management Systems, are deemed compliant with the above requirements.

The presumption of conformity relates to the assessment of the abstract preventive suitability of the legal model, but not to its effective implementation, which will be assessed by the court on the basis of the concrete and actual observance of the Model's implementation.²⁶

²⁶ Compliance by the Entity with certification systems does not constitute a presumption of conformity with the requirements of the Decree either.

1.4 Cross-border Crimes

Pursuant to Article 4 of the Decree, the Entity is held liable in Italy for Crimes committed abroad in the following events:

- the Entity has its registered office in Italy;
- Articles 7, 8, 9 and 10 of the Italian Criminal Code apply and legal proceedings may be launched for the Crime committed abroad;
- the Crime has been committed abroad by an individual/Entity having qualified relations with the Entity;
- in the country where the Crime has occurred, no action is taken²⁷.

1.5 Sanctions

If the Entity is held liable, sanctions described in Article 9 and subsequent Articles of the Decree apply, i.e.:

- pecuniary penalties;
- disqualification penalties;
- confiscation;
- publication of the Court's sentence.

The relevant Criminal Court will determine the sanctions and any other relevant applicable conditions.

The Entity is held liable also when any attempt to commit a crime has been made²⁸. In this event, fines and disqualification penalties are reduced from 1/3 to 1/2 (Article 26 of the Decree).

Pursuant to Article 26 of the Decree, the Entity is not responsible when it has actively prevented the action from being performed or the actual event.

(a) Pecuniary penalties

Pecuniary penalties are imposed whenever the Entity is held liable (Articles 10, 11 and 12 of the Decree).

Pursuant to Article 10 of the Decree, fines are imposed on a "pro-rata" basis, from 100 up to 1200. The amount of each rata starts from Euro 258,00 up to Euro 1.549,00²⁹. Reduced payments are not applicable.

²⁷ The Decree also applies to any entity incorporated abroad under the provisions of its own legislation which has its administrative headquarters or principal object in Italy.

²⁸ An offence is attempted where, in the presence of acts suitable and unequivocally directed at committing an offence, the action is not completed or the event does not occur (Article 56 of the Criminal Code)Article.

²⁹ However, depending on the actual offences, rata on the calculation of the fine are different for some offences (for instance, Articles 25-*sexies* and 25-*duodecies*) vs. offences listed in Article 10 of the Decree.

When determining the pecuniary penalty, the Court will base its calculation on the severity level of the Crime, the liability of the Entity and the actions that have been implemented to eliminate or mitigate any relevant impact and to prevent any further Crime. For the sanctions to be practicable, the Court will also take into account the economic and financial conditions of the Entity.

Fines are reduced: (i) by 50%³⁰, if a) the offender had acted mainly in his/or interest and the Entity has gained no or little advantage, and b) the economic damage is not relevant; (ii) by 1/3 to 50%, if before the opening of the proceedings, the Entity a) has fully paid any damages and it has eliminated any detrimental or dangerous impact or it has been active to this end, or b) an appropriate Model has been implemented to prevent any of such Crimes; (iii) from 50% to 2/3, if both conditions apply as described in points a) and b) of point (ii) above.

(b) Disqualification penalties

Disqualification penalties add to any fine in the event they expressly apply for some categories of Crimes, if at least one of the following criteria is met:

- The Entity has gained a considerable profit and the Crime was committed by an Individual in Top Position, or any Individual in Subordinate Position, and in this latter case the Crime was committed as a result of severe organisational issues;
- Crimes have been repeated.

Under the Decree, disqualifying sanctions are:

- disqualification to exercise the business: this applies when other sanctions are not appropriate and it results into the suspension or suppression of licences or authorisations on the business;
- suspension or revocation of the authorisations, licenses or concessions involved in the Crime;
- prohibition from negotiating with the public administration, except for obtaining public services; this may apply to categories of contracts or administrative areas;
- exclusion from benefits, financing, contributions, subsidies and the suppression of any benefits, financing, contributions or subsidies;
- prohibition to advertise any goods or services.

If applicable, disqualification penalties may apply jointly.

Crimes resulting into disqualification penalties are listed in Articles 24, 24-bis, 24-ter, 25, 25-bis, 25-bis.1, 25-ter, 25-quater, 25-quater.1, 25-quinquies, 25-septies, 25-octies, 25-octies.1, 25-novies, 25-undecies, 25-*duodecies*, 25-*terdecies*, 25-*quaterdecies*, 25-*quinquiesdecies*, 25-*sexiesdecies*, 25-*septiesdecies*, 25-

³⁰ In such event, the fine may not exceed Euro 103,291.00.

duodevicies and 25-undevicies of the Decree and cross-border Crimes resulting into disqualifying sanctions are specified in Act no. 146/2006.

Disqualification penalties do not apply, when:

- the perpetrator committed the offence primarily in his or her own interest or in the interest of third parties, and the Entity has derived no advantage or only a minimal advantage therefrom;
- the financial damage caused is of particular insignificance;

Disqualification penalties shall furthermore not apply when:

- the Entity has fully paid any damages, and it has eliminated any detrimental or dangerous impact or it has been active in this respect;
- the Entity has solved any Entity issues that caused the Crime by adopting and implementing any appropriate Model to prevent such Crimes;
- the profit is available for confiscation.

Disqualifying sanctions may be imposed to the Entity, either when the actual liability has been proved or as a precautionary measure, where one or more of the following conditions are met:

- the Entity has derived a considerable profit from the Crime and the Crime was committed by individuals in top positions, or by individuals in subordinate positions where, in the latter case, the commission of the Crime was determined or facilitated by serious organisational deficiencies
- in the event of repeated offences.

Disqualification penalties may be applied to the Entity as a precautionary measure where:

- evidence is found on the liability of the Entity for administrative offences as a result of a Crime;
- evidence is found that similar Crimes are likely to be committed again.

As for fines, the Court may define the type and the duration of disqualification penalties, in line with the provisions of Article 14 of the Decree.

Disqualification penalties have a duration from 3 months up to 2 years.³¹

Disqualification penalties must relate to the specific sector of activity of the Entity and must comply with the principles of adequacy, proportionality and subsidiarity, in particular where applied as a precautionary measure.

(c) Confiscation

³¹ However, in the cases provided for under Article 25, paragraph 5, disqualification penalties may apply for a maximum period of seven years.

Criminal Courts always impose the confiscation of the price or the profits gained from the Crime in their sentences, save as for the part that can be returned to the plaintiff. This without prejudice for any rights that any third party may have.³²

When confiscation of the price or the profits gained from the Crime is not practical, sums of money, goods or other assets having an equivalent value of the price or the profits of the Crime may be confiscated.

(d) Publication of the Court's sentence

The Court may order the publication of the sentence, when a disqualifying sanction is imposed.

The sentence is published pursuant to Article 36 of the Criminal Code and it is also posted in the municipality where the Entity is based.

1.6 Substantial changes of the Entity

The Decree also covers any substantial changes to the Entity, such as transformation, merger, spin-off and transfer, concerning Crime-related administrative liability.

Under the Decree, such events may not be used as means to avoid liability and any relevant negative impacts, but this may be a constraint for Entity acting fairly.

Therefore, as a general rule, any fine imposed to the Entity are regulated under the provisions of the Civil Code on the liability for debts, whereas disqualifying sanctions are imposed on the business area involved in the Crime.

In the event of:

- transformation of the Entity, no prejudice is made for the Crimes before the transformation;
- merger, the Entity resulting from the merger, including by incorporation, is responsible for any Crimes of the Entities involved in the merger;
- spin-off of the Entity, no prejudice is made for the Crimes before the spin-off; Entities resulting from the spin-off are jointly responsible for any fine of the original Entity for any Crime before the spin-off. This requirement is limited to the actual net equity that has been transferred to the individual Entity, save as for the Entity that included the business areas involved in the crimes. Any disqualifying sanctions are imposed to the Entity with the business area involved in the Crime.
- transfer of the Entity concerning Crimes, the transferor has joint responsibility for the payment of the fine, as the prior examination of the transferor and up to the value of the Entity. The responsibility for the transferor is limited to the fines resulting from

³² For the purposes of confiscation, reference must be made to the time at which the offence was committed rather than to the time at which the profit was received, so that the profit deriving from an offence which, at the time the conduct was carried out, was not included among the predicate offences under the Decree (but was so included at the time the profit was obtained) shall not be subject to confiscation.

the mandatory accounting records or payable for administration offences the transferor was aware of.

1.7 Requirements of the Model under the Decree

The Decree does not include any detailed provisions on Model requirements. Some general principles and requirements are listed, and in proportion to the extent of the delegated powers and the risk of commission of the Crimes, the Model must:

- identify any business areas that may give rise to Crimes;
- include detailed protocols on the planning of training and the implementation of any decisions of the Entity on Crimes that must be prevented;
- identify any management procedures on financial resources allocated to prevent Crimes;
- identify the notification requirements to the Supervisory Body;
- introduce an appropriate disciplinary system on breaches to the Model.
- provide, pursuant to the legislative decree implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 (Decree No. 24/2023, as defined below), for internal reporting channels, the prohibition of retaliation and the disciplinary system, adopted as provided for in the preceding indent;

Under the Decree:

- the Model must include appropriate provisions to ensure that any activity is performed in line with any applicable regulations and to identify any risk based on the type of business as well as the scope and the size of the Entity;
- for the Model to be properly implemented: a) a regular review and any necessary amendments must be implemented whenever significant changes are made to the Entity or to the business, b) an appropriate disciplinary system on Breaches to the Model must be implemented.

Formally, the adoption and the implementation of the Model is not a requirement, it's an option. Therefore, if no Model is adopted or implemented, no sanction can be imposed on the Entity. However, the adoption and the implementation of an appropriate Model is a fundamental prerequisite for the Entity to benefit from the liability exemption under the Decree for any Crimes committed by Individuals in Top Positions and/or Individuals in Subordinate Positions.

Therefore, the Model includes rules, principles, procedures and audit measures on Crime prevention in the Entity and the business.

The Model may vary and it is based on the scope and the size of the Entity as well as on its business. It's not a static tool. It's a dynamic system for the Entity to mitigate the Crime Risk, implementing provisions consistently over the time.

1.8 Guidelines issued by the Industrials' Association

Pursuant to Article 6 of the Decree, Models may be adopted on the basis of codes of conduct drafted by the Industrials' Association.

In March 2002, Confindustria (the Italian Industrials' Association) issued the guidelines on the Model ("**Guidelines**") providing associations and companies with instructions on how to draft a model to prevent Crimes for the purpose of liability exemption under the Decree.

Guidelines were updated and adopted by the Ministry in June 2004³³ and they were reviewed in March 2008 and later in March 2014.

Wärtsilä is a member of Confindustria and this Model was defined also on the basis of such Guidelines.

2 ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL

2.1 Wärtsilä background

Wärtsilä is part of the international Wärtsilä group ("**Wärtsilä Group**"), and its parent company is Wärtsilä Corporation, a leading company in the development of marine engines and energy platforms in major markets in Europe, Middle East, Africa, India, Australia, South America and Asia.

Wärtsilä was founded jointly by FIAT and IRI (Istituto per la Ricostruzione Industriale - Institute for Industrial Reconstruction) and its original name was "Grandi Motori Trieste" (GMT). Operations started at the beginning of the 70's on the designing, manufacturing and servicing of 2-stroke and 4-stroke engines for marine and industrial applications.

Wärtsilä was later fully transferred to IRI and in 1984 it became the "Grandi Motori" division of Fincantieri. In 1997, it became a separate company with its original name, "Grandi Motori Trieste S.p.A.". In April of the same year, Wärtsilä NSD Corporation acquired a 40% shareholding in Wärtsilä, and the manufacturing of Wärtsilä-branded engines started with the series "Wärtsilä W64".

Until July 2024, Wärtsilä manufactured four-stroke engines with a power range from 1.9 MW to 23 MW for the Wärtsilä W26, Wärtsilä W38, Wärtsilä W46, Wärtsilä W46F, Wärtsilä W46DF, Wärtsilä W50DF, W50SG and Wärtsilä W64 series, and assembled LMT Thrusters, CPP and gearboxes. Following the closure of the Delivery Center Trieste (DCT) and the Delivery Center Trieste Propulsion (DCT-P) and the subsequent transfer to third parties of the remaining business unit dedicated to mechanical production, Wärtsilä ceased all manufacturing activities at the Trieste site.

Wärtsilä currently operates in the mechanical and metallurgical industry sector, with particular regard to the sale, design, installation, technical assistance and development — including testing activities — of power and energy generation systems and propulsion systems of any kind and type, installed on both moving and stationary units, as well as their components, spare parts and equipment instrumental to their use; maintenance, installation and assistance services, including on a subcontract basis, in relation to the aforementioned goods, to be provided to third parties, also on the basis of specific authorisations, concessions and/or licences.

³³ Ministerial Decree No. 201 of 26 June 2003 defined the procedure for the communication, examination and effectiveness of the codes.

The Model and Wärtsilä objectives

Wärtsilä, in line with the policies of Wärtsilä Group, has based its business on ethical principles that apply to production methods and business management, external relations with suppliers, customers, and any business partner. To this end, it has, *inter alia*, implemented the following actions:

- training courses for the staff and any relevant refresher courses;
- projects improving working conditions with a regular monitoring on environmental conditions and any necessary investments on environmental protection, health and safety at the workplace, individual and collective protective devices and working procedures, in line with evolving technologies and products, also with research on the most appropriate technical equipment; and the adoption of a system, via a web/app platform, for reporting critical issues relating to occupational health and safety as well as environmental matters, with a view to their resolution and, more generally, to suggesting improvement ideas for the various operational units, known within the Company as “We Care”.
- constant monitoring on operations and measures on environmental and safety protection, including ISO 14001 certification on the San Dorligo della Valle (Trieste) plant with DNV (*Det Norske Veritas*);
- "Zero injury" project to a) enhance awareness and information on corporate principles; b) provide guidelines and tools to ensure the highest safety standards; c) support the Group companies and local sites; d) monitor and constantly improve safety conditions; e) publish reports; and f) involve the staff in the implementation of prevention measures;
- implementation of the Code of Conduct adopted at Group level (as described in Article 4 of this Model).
- specific mandatory training projects relating, *inter alia*, to the “Code of Conduct”, “Bribery and Anticorruption” and “Cybersecurity”;
- the obtaining of certifications or authorisations, such as the AEO authorisation – Authorised Economic Operator Customs Simplifications/Security (AEOF) – obtained on 4 September 2016. Currently suspended since 2024 following the closure/sale of the plant and the need to redefine processes, boundaries and procedures.

Against this background, Wärtsilä has based its business on transparency, integrity, fairness and loyalty. Its monitoring system has been summarised in the Model. Wärtsilä strives to improve and review its control and governance system on a regular basis.

To this end, with a view to completing the system of principles, rules and audit measures in line with the best practices, Wärtsilä performed a thorough analysis of its organisation in the light of the provisions of the Decree. Wärtsilä has implemented the Model and any internal procedures and it has adopted new audit procedures as a result of the review of the current audit system. This was also needed, as recently new Crimes were added in the Decree, that potentially apply to Wärtsilä business.

On 24 January 2014, Wärtsilä Board of Directors (i) adopted this Model³⁴ and (ii) appointed a Supervisory Body with responsibility of surveillance on the Model implementation, compliance and review. As a complement to the Code of Conduct, Wärtsilä also adopted the Code of Ethics (as defined), which forms an integral part of this Model.

With this Model, Wärtsilä has provided a tool to any individuals or Entities working in the Company, including all business units and support functions, or to those having relations with the Company. In this framework, any conduct must be based on fairness in line with the Model, ethical principles and rules of conduct of Wärtsilä, as specified in the Code of Ethics and the Code of Conduct, and with any operational or audit procedures to prevent the Crime Risk, as defined in paragraph 1.2 of this Model, also in accordance with the Group's policies and operational procedures set out in the Corporate Manual, as further specified below.

2.2 Scope and goals of the Model - Recipients

The Model provides a comprehensive system of principles and procedures to prevent Crimes. The Model is in line with Wärtsilä audit and corporate governance system, and it promotes fairness, transparency and compliance with rules and regulations.

The Model also aims at enhancing awareness among Recipients (as defined), enabling them to identify any event that may give rise to any Crime risk in the framework of their roles or positions.

The Model promotes:

- corporate principles based on compliance with rules and regulations and audit measures: Wärtsilä opposes any conduct against the law or internal rules and the provisions of this Model and any relevant protocols;
- awareness of any Recipients (as defined), especially those working in Crime-Risk Areas, including any applicable sanctions for any breach of the Model, as applicable, for offenders and for Wärtsilä.
- efficient and balanced organisation, focussing on decision-making and transparency, audit measures, and the management of internal and external information;
- measures to promptly eliminate any cause that may give rise to Crimes;
- proper information of Recipients (as defined) on conducts and actions that may result into Crimes;
- proper information of any Relevant Third Parties (as defined) on Wärtsilä audit system.

This Code applies to:

- (a) members of the Board of Directors of Wärtsilä ("**Board of Directors**"), any receiver, in the event of winding-up, and any other officers in charge

³⁴ Subsequently updated by resolutions of the Board of Directors of 10 October 2016, 6 October 2020 and 23 January 2024, 21 January 2025 and 30 March 2026

of management, administration, direction or audit in Wärtsilä or in any of its independent units.

- (b) members of the Board of Auditors;
- (c) officers in charge of the statutory audit of Wärtsilä accounts (and any other individual defined in points (a), (b) and (c), collectively the "**Corporate Bodies**");
- (d) members of the Supervisory Body;
- (e) Top Managers ("Dirigenti");
- (f) any other employee of Wärtsilä, including employees that are seconded abroad (and any other individual defined in points (e) and (f), collectively the "**Employees**"); and
- (g) any other individuals working with Wärtsilä as consultants or, though not employees of Wärtsilä, who act directly or indirectly (on a permanent or temporary basis) on behalf of Wärtsilä (including, but not limited to: temporary staff, contract workers, any external staff, representatives, agents, advisers, providers, trade partners) (collectively "**Relevant Third Parties**"),

(all the above individuals, collectively the "**Recipients**").

This Model is an internal regulation of Wärtsilä and it is binding for all Recipients irrespective of their level of accountability. Compliance with the Model is an essential part of the legal requirements of Employees pursuant to Article 2104 and subsequent Articles of the Italian Civil Code.

Recipients are required to:

- a) abstain from conducts infringing the provisions of this Model and any applicable regulations;
- b) contact their managers or the Supervisory Body to have any explanations on the implementation of the Model and/or any applicable regulations;
- c) report any breach, including potential breaches, to the Supervisory Body in line with the procedures described in paragraph 9.5.2;
- d) cooperate with the Supervisory Body and the Function Managers (as defined in Article 3.1 of the General Part of the Model), as identified in the Special Parts of the Model, for the purposes of paragraph 9.3 of the General Part of the Model, and, in case of enquiries of the Company, the Supervisory Body or any public authorities on alleged Breaches of the Model.

2.3 Drafting of the Model

To produce this Model, Wärtsilä set up a working group with qualified corporate staff and an advice firm with proven experience in the sector ("**Working Group**") to perform any necessary actions to draft the Model (i.e., risk mapping and risk self-assessment).

In this framework, the Working Group has based its work on Confindustria Guidelines, theoretical and legal instructions as well as national and international best practices (such as Co.S.O. Reports, IIA (Institute of Internal Auditors) standards, standards of the Italian Board of Chartered Accountants) and KPMG with a fundamental contribution of the U.S. Federal Sentencing Guidelines for compliance programs.

Additionally, reference was also made to:

- UNI-INAIL Guidelines on health and safety system at the workplace and/or the British Standard OHSAS 18001:2007, in line with Article 30 of Legislative Decree no. 81/2008, as amended (“**Legislative Decree no. 81/2008**”);
- ISO/IEC 27001:2022 standards on information security systems, COBIT (Control Objectives for Information and related Technology) framework on IT governance and control as well as national and international best practices on IT security and control;
- UNI EN ISO 14001:2015;
- Regulation (EC) no. 1221/2009 (EMAS);
- UNI EN ISO 19011:2011 on audit procedures.

The Working Group defined the steps for the implementation of the project and involved a number of Company business areas in a risk self-assessment process with a view to drafting the Model. In parallel with the risk self-assessment process, an analysis on the existing internal audit system for the prevention of Crimes was performed (as-is analysis) with the relevant offices (audit mapping). Any necessary integration measures were also identified (gap analysis).

Steps in the Model drafting process:

- Step 1 - Start up & Project Management:
 - planning of the project together with Wärtsilä on the units to be involved or any necessary working group, timeline, data collection procedures, progress reporting, and presentation of the project at corporate level;
 - document collection and analysis on Wärtsilä to identify: i) the organisation of Wärtsilä; ii) any applicable regulations; iii) types of relations and transactions (trade, finance, legal compliance, public relations, collective bargaining, etc.), focussing on transactions with Italian, foreign and international public administration; iv) chart with unit structure and processes and relevant leading positions; v) internal rules and procedures on internal audit, delegation criteria, organisational provisions; vi) profiles, internal communication, organisational charts, contracts, agreements and any other evidence on the business and the Entity; vii) incident analysis.
- Step 2 - Risk Self-Assessment
 - meetings with the heads of business divisions on objectives, incident risk and key audit measures on major actions and processes, focussing on the public administration and general features of the Company organisation;

- in this framework, validation and adjustment of risk self-assessment questionnaires for Crime-Risk Areas (as defined). Questionnaires were completed by the relevant staff in the area/processes that may be affected by the Crime Risk, as defined in the Decree. As a result of the feedback analysis, the following findings were reported:
 - areas at risk of Crime were mapped and/or confirmed. In this respect, specific areas at Crime Risk were identified ("**Crime-Risk Areas**") and areas that may give rise to Crimes ("**Instrumental Areas**"). Such areas are defined as "**Crime-Risk Areas**")
 - the efficacy of audit level and administrative and management procedures to prevent Crimes were assessed.
 - any relevant necessary change pursuant to the Decree was identified and/or confirmed to mitigate risks.
- Step 3 - Gap Analysis
 - Analysis of the organisational structure and the procedures to monitor the level of internal regulations on Crime-Risk Areas, as identified in the risk self-assessment. The reporting system, the Code of Ethics, the delegation system and any internal Company procedures were analysed also in the light of the questionnaire findings;
 - improvement areas were identified and suggestions were drafted as well as action plans on the implementation of audit requirements to implement a governance system and prevent Crimes.
- Step 4 - Drafting of the Model
 - As a result of the findings of the risk self-assessment and the gap analysis, a detailed Company overview, focussing on the criteria on the Supervisory Body, the principles of the Code of Ethics and regulations, including labour regulations, was used as a basis for the Disciplinary System;
 - The Model, the Code of Ethics and the Disciplinary System were drafted on the basis of the output analysis of the Working Group and the above analysis, and they were presented to the Board of Directors for approval.

2.4 Review of the Model

As provided for in paragraph 2.7 below, the Model has been subject to updates in accordance with the process described above, as applicable:

- a first update during 2016 with reference to certain changes in the organisational and management structure³⁵, the historical risk analysis³⁶, as well as the legislative amendments to the Decree, in particular with regard to the offence of false corporate

³⁵ Including the establishment of a branch in Malta, resolved upon by the Company's Board of Directors on 8 May 2015.

³⁶ The historical risk analysis relating to the period following the first adoption of the Model did not reveal any situations requiring the updating of protocols, in particular with regard to the types of breaches identified in the course of the Supervisory Body's monitoring activities.

communications, environmental crimes and self-laundering, on the basis of an integration of the activities described in paragraph 2.4 above aimed at such update. With specific reference to the offence of self-laundering, since the offence presupposes the commission of a non-negligent crime, and notwithstanding the absence of consistent case law and doctrinal guidance on the matter, and taking into account the considerable proceduralisation of the Company's activities³⁷, Wärtsilä deemed it appropriate to extend the risk assessment activity beyond the mere activities of use, substitution or transfer referred to in Article 648-ter.1 of the Criminal Code, identifying certain sensitive activities and/or activities preparatory to the commission of the Crime, in order to identify further control protocols for the prevention of self-laundering³⁸. The updated version of the Model as described above was approved by Wärtsilä's Board of Directors on 10 October 2016;

- a second update between the end of 2019 and the beginning of 2020 with reference to certain changes in the organisational and management structure, the historical risk analysis³⁹, as well as the legislative amendments to the Decree, most recently with regard to tax offences. The updated version of the Model as described above was approved by Wärtsilä's Board of Directors on 6 October 2020;
- an update in the second half of 2023 with reference to the adoption of Legislative Decree No. 24 of 10 March 2023 on the "*Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law*", which introduced amendments, *inter alia*, to the system for reporting unlawful conduct relevant under the Decree or breaches of the Model. The updated version of the Model as described above was approved by Wärtsilä's Board of Directors on 23 January 2024;
- an update at the beginning of 2025, whereby Article 9 of the Model was amended with regard to the composition of the Supervisory Body, as well as in relation to the interaction between the Supervisory Body and the Group Compliance Function in the event of whistleblowing reports shared by the latter with the Supervisory Body.
- an update at the beginning of 2026 concerning a general review of the risk areas through the performance of a new risk assessment, also taking into account the organisational and structural changes of the Company resulting from the aforementioned business unit transfer in July 2024. In addition, the Model was updated in relation to the predicate offences introduced into the legal system following the last amendment, as a result of the legislative changes to the Decree. The Model as updated was approved by Wärtsilä's Board of Directors on 30 March 2026.

³⁷ Which should constitute a sufficient safeguard to prevent the commission of the Crimes and consequently to prevent the formation, in relation to the Crimes, of the funds subject to use, substitution or transfer. In this sense, with regard to the so-called "internal funds", the ABI Circular – Legal Series No. 6 – of 1 December 2015, notwithstanding the specific nature of the addressees of that circular.

³⁸ This analysis was conducted for the purposes of preventing the offence of self-laundering, and not also for the identification of protocols aimed at preventing the predicate offences of self-laundering.

³⁹ The historical risk analysis relating to the period following the 2016 update of the Model did not reveal any situations requiring the updating of protocols, in particular with regard to the types of breaches identified in the course of the Supervisory Body's monitoring activities.

2.5 Structure of the Model

The Model includes a General Part and Special Parts on different categories of Crimes that may apply to Wärtsilä, as described in paragraph 1.2 (iii) above.

The General Part describes the contents and the rationale of the Decree, requirements of the Model, appointment and dismissal of the Supervisory Body, powers and duties of the Supervisory Body. The following Protocols ("**Protocols**") are included in the Model:

- organisational system;
- proxy and delegation system;
- manual and IT procedures;
- management and audit system;
- Code of Ethics;
- Disciplinary System;
- system on health and safety at the workplace;
- environmental management system;
- awareness of Employees on the Model, especially on health and safety at the workplace as well as training and education on the Model.
- integrated control systems.

Special Parts are integral parts of the Model and they aim at: (i) providing evidence on potential risks in the framework of Wärtsilä business; (ii) describing the components of the prevention system for each process. Special Parts are:

- (a) Special Part "A" - Crimes against the Public Administration;
- (b) Special Part "B" - IT crimes and illegal data processing;
- (c) Special Part "C" - Corporate crimes
- (d) Special Part "D" – Manslaughter and serious culpable injuries as a result of breach of regulations on health and safety at the workplace;
- (e) Special Part "E" - Receiving of stolen goods, money laundering and use of illicit capital, goods and utilities;
- (f) Special Part "F" - Cross-border crimes; organised crime; Incitement not to make statements or to make false statements in Court;
- (g) Special Part "G" – Payment instruments;
- (h) Special Part "H" - Environmental crimes
- (i) Special Part "I" - Crimes aimed at terrorism acts and democracy supervision;
- (l) Special Part "L" - Use of third-country nationals staying illegally or offences against the individual;
- (m) Special Part "M" - Copyright crimes;

- (n) Special Part "N" - Crimes against industry and trade;
- (o) Special Part "O" - Forged trademarks and patents.
- (p) Special Part "P" – Tax Crimes;
- (q) Special Part "Q" – Smuggling Offences.

Each Special Part includes:

- (i) the description of the relevant Crimes with practical examples;
- (ii) the identification of Crime-Risk Areas for each category and any relevant business units / offices involved;
- (iii) general rules of conducts to prevent Crimes;
- (iv) prevention protocols on operations in Crime-Risk Areas.

2.6 Amendments to the Model

In line with the provisions of the Decree, the Board of Directors is responsible for any amendment to the Model.

The Board of Directors, taking into account suggestions from the Supervisory Body, is required to update the Model in the following events:

- significant changes in any applicable regulations, in the Company organisation or business, also in view of scientific and technology advances;
- breaches or circumvention of provisions of the Model, especially if ineffective or inconsistent in Crime prevention;

whenever amendments are required.⁴⁰⁴¹

The Supervisory Body must promptly report, in writing, any events/reasons that require the Model to be amended and the Board of Directors will act accordingly.

The implementation of any principle and requirement of the Model is under the responsibility of all Recipients, especially Top Managers ("Dirigenti"), heads of business areas, and/or Function Managers (as defined in Article 3.1 of the General Part of the Model). The Supervisory Body must constantly be informed of any update and implementation of working procedures as well as any amendment proposals.

Any change to the Company procedures resulting from the Model must be implemented by the relevant units under the supervision of the heads of the relevant divisions, i.e. Legal & Compliance (Marine and Energy), Human Resources, *Statutory, Tax & Company Compliance (ST&CC)* and QEHS for the relevant areas. The Supervisory Body must be constantly updated and informed on the implementation of new working procedures, and it

⁴⁰ Article 30, paragraph 4, of Legislative Decree No. 81/2008 provides that *"the review and any amendment to the organisational model must be adopted when significant breaches of the regulations on accident prevention and occupational health and safety are discovered, or in the event of changes to the organisation and activities in relation to scientific and technological progress"*.

⁴¹ The mere formal amendment of the names of the relevant functions (as indicated, *inter alia*, in the Special Parts) shall be carried out without this constituting an integration/amendment of the Model and therefore requiring the adoption of a formal resolution of the Board of Directors.

may provide its opinion on any draft change. If the Supervisory Body finds it appropriate to amend any working procedures, it will notify the relevant business unit / office.

3 WÄRTSILÄ ORGANISATION AND GOVERNANCE SYSTEM

3.1 Wärtsilä organisation

Wärtsilä's organisational structure aims at clearly identifying roles and responsibilities between executive and operational functions to achieve the highest level of efficiency.

Wärtsilä's organisational structure is based on an accurate definition of competences of each business unit / department, and it includes the divisions set out below.

Each corporate function – as listed below – is headed by a Function Manager (“Responsabile di Funzione”), who may be identified among individuals operating within the Company (“Internal Heads”) or among individuals operating within the Wärtsilä group who also carry out activities for the Company (“Group Heads”) (Internal Heads and Group Heads hereinafter jointly referred to as the “Function Manager(s)”). The Function Manager, either directly or through duly delegated persons, performs the tasks pertaining to that function and acts as the point of contact with the Supervisory Body for the purposes of carrying out supervisory activities.

In view of the need to adapt the organisational structure, the existing organisational structure – including as subsequently amended – shall in any case be considered for the purposes of this Model, provided that it complies with the requirements of segregation of duties, roles and responsibilities between operational and control functions.

The corporate functions of WIT's organisational structure are as follows:

- (i) **Marine Business**, comprising the *Power Supply and Propulsion departments (supporting the development of solutions for new builds), Parts and Field Service, Project Services, Performance Services, Shaft Line Solutions and Sales, supporting customers during the after-sales phase*. With specific reference to the Parts and Field Service department, it operates in Italy at the sites of San Dorligo della Valle (Trieste), and at the Genoa, Naples and Taranto local units, and provides services to the marine market throughout the full lifecycle of the systems. In particular, this function carries out maintenance of Wärtsilä and third-party engines and related systems, and provides components, maintenance and solutions for the modernisation of propulsion systems.
- (ii) **Sales Energy EPP**, responsible for market development activities relating to Wärtsilä Energy Solutions in Italy, the former Yugoslavia and Albania, including cross-border projects with Italian counterparts. Its activities include the promotion, sale and manufacturing of power plants ranging from 1 to 200 MW, liquefaction, storage and regasification plants for natural gas and biomethane, large-scale photovoltaic installations (from 10 MW upwards), and battery energy storage systems;
- (iii) **Wärtsilä Global Business Service (WGBS)**, which includes:
 - (a) **Payment**: responsible for (i) inbound and outbound payments for the whole Wärtsilä Group; issuing of letters of credit and guarantees; anticipated travelling expenses (payment and registration); (ii) monthly reporting to the

- parent company, consolidation of financial data from Wärtsilä business units, and preparation of Wärtsilä's statutory financial statements; calculation of direct taxes and correct application of indirect taxes, both for Wärtsilä and for other Group companies for which Wärtsilä acts as fiscal representative, as well as customs matters relating to transactions subject to excise duties; Invoice to cash *(iii)* accounting of outgoing invoices,
- (b) **Invoice to pay:** responsible for accounting of incoming invoices and accrual accounting for balance sheet items;
 - (c) **Record to report:** responsible for general accounting and asset management;
 - (d) **Master data:** responsible for the management of customer, supplier and installation databases, etc.
 - (e) It is divided into **Marine Finance and Control** and **Energy Finance and Control** and is responsible for supporting business development, reporting – including forward-looking reporting at business level – and the accounting management of projects and orders.
- (iv) **Legal & Compliance (Marine and Energy) and WIT Corporate Affairs:** legal and corporate affairs;
 - (v) **Human Resources:** human resources management in Wärtsilä in line with any applicable regulations; selection, recruitment, hiring, and on-boarding in line with corporate requirements in terms of quantity, type and quality of resources in line with the required profile; training and education; support to mobility; management of profiling systems and retribution policies; collective and individual contracts in line with any applicable standard; agreements on secondment abroad; development of relations with trade unions and educational institutions;
 - (vi) **Indirect Purchasing,** is responsible for the procurement of goods and services necessary for the management of Wärtsilä's operation
 - (vii) **Supply Management,** is responsible for validating, developing and managing the supplier base, whilst overseeing commercial relations and negotiating activities. It ensures the definition and maintenance of supply contracts, including price lists, and is responsible for achieving the objectives relating to Quality, Delivery Reliability, Lead Time and Costs. It also manages the production capacity of suppliers and promotes, supports and coordinates continuous improvement initiatives within the supply base. Finally, it ensures supplier qualification, component validation and the management of compliance and related risks.
 - (viii) **R&D and Engineering,** is responsible for research and development activities (programmes relating to the development of new technologies and products) and for technical support activities to production in respect of the products sold;
 - (ix) **Real Estate:** management of corporate real estate assets; general service and maintenance contracts for Wärtsilä's registered office and local units, as well as management of energy-related matters;

- (x) **Communication:** Wärtsilä's Communication function is responsible for the management of internal and external communications, in coordination with the local Management Director and in accordance with the Corporation's guidelines. It also oversees local initiatives and events and is responsible for the application of visual guidelines aligned with the brand, both internally and externally.
- (xi) **IT (Information Technology):** matching IT systems with the needs of corporate units in line with the instructions from the Group, ensuring integration, operation and security of data; implementation and control over systems, implementation of HW and SW decisions in line with corporate needs and any planned investments. Implementation of corporate and group IT and telecommunication policies and procedures.
- (xii) **QEHS:** support to all corporate units. It includes:
 - (a) **Corporate quality system** based on:
 - management of procedures for the validation of products with the relevant classification bodies and of internal compliance procedures with EU regulations;
 - management of the quality management system (QMS), specifically for services activities.
 - (b) **Health and Safety**, including:
 - prevention and protection system for all Marine and Energy activities at the plant of San Dorligo della Valle (Trieste), local units, and any related construction site activities
 - (c) **Environmental**, including:
 - environmental management system at the plant of San Dorligo della Valle (Trieste) and the other relevant local units.

3.2 Wärtsilä governance system

In line with its organisation and business, Wärtsilä has adopted the following governance system:

- General Shareholders' Meeting:
The General Shareholders' Meeting represents the shareholders. Its resolutions, adopted in line with any applicable regulations and the Articles of association, are binding for all shareholders. Wärtsilä has a sole shareholder, i.e. Wärtsilä Technology Oy Ab, and it's under the direction and coordination of Wärtsilä Corporation, pursuant to Article 2497 of the Civil Code.
- Board of Directors:
The Board of Directors may include from 3 (three) to 7 (seven) Directors, as determined in the resolution on its appointment. The Board of Directors has the widest powers on ordinary and extraordinary management of the Company, with no exception, and it may act as it deems appropriate to achieve the Company Recipients pursuant to Article 2380-bis of the Civil Code, save as for the resolutions

that must be adopted by the General Shareholders' Meeting under the applicable regulations, and the following resolutions that require the prior approval of shareholders, as specified in the Articles of association:

- cession of the only corporate business;
- acquisition of shareholdings in other companies with a similar business, up to 30% (thirty per cent) of the net equity resulting from the latest financial statements.

Pursuant to Article 2365, paragraph 2, of the Civil Code and the Articles of association, the Board of Directors has the following powers:

- resolutions on mergers, as specified in Articles 2505, 2505-bis, 2506-ter, last paragraph, of the Civil Code;
- opening and closing branches;
- assignment of Wärtsilä representation powers to directors;
- reduction in the share capital in the event of termination of a shareholder;
- amendments to the Articles of association in line with any applicable legislative requirements;
- transfer of the corporate registered office in a different location in Italy;
- reduction in the share capital if over 1/3 of the share capital is lost and Wärtsilä has issued shares with no par value.

The President of the Board of Directors or, in his/her absence or impediment, the Vice-President (if appointed) are the legal representatives of Wärtsilä. The Board of Directors may assign any representation powers to Directors, to the general manager, to managers and representatives within the limits and under the terms and conditions the Board may determine.

– Board of Auditors:

Wärtsilä has appointed a Board of Auditors. As specified in Article 2403 of the Civil Code, the Board of Auditors is required to supervise compliance with any applicable regulations, the Articles of association, any requirement on proper administration, focussing on the administration, organisation and accounting systems.

The Board of Auditors includes 3 (three) permanent auditors and 2 (two) substitute auditors. As specified in Article 2400 of the Civil Code, the term of office for auditors is three financial years. Their office ends on the date of the General Shareholders' Meeting on the adoption of the financial statements at the third year of their office.

– Independent auditor:

Pursuant to Article 2409-bis of the Civil Code, Wärtsilä has appointed an independent auditor among primary audit companies.

3.3 Audit system

Audit procedures are the basis of the decision-making process aimed at preventing and mitigating any management/organisational risks. These procedures also provide a clear overview of the overall corporate business. With this system: (a) several stakeholders with different roles in a consistent information flow are involved; (b) critical events are promptly reported in the information and reporting flows.

Wärtsilä has access to shared services in the Wärtsilä Group, including the Treasury Office and the Internal Audit Department.

The System features:

(a) Management system

The system includes several areas, i.e.: (1) quality management, (2) environmental sustainability, (3) information security, (4) health and safety at the workplace.

The system objectives are: quality, environment, safety and security (information and workplace), accounting system, HR. These objectives are pursued in the above areas as follows:

– Quality management

ISO 9001:2015 standard applies to the management system. Wärtsilä products and services are based on guidelines and legal requirements.

– Environmental sustainability

Wärtsilä contributes to pursuing global environmental goals and the sustainable development. The sustainable development plays a crucial role in Wärtsilä business, which is ISO 14001:2015 certified.

– Data Security System

Wärtsilä data security system is ISO 27001:2022 certified. This standard specifies the requirements on data security management, including logistics and physical and organisational safety.

– Health and safety at the workplace.

Wärtsilä Health and safety systems are in line with ISO 45001:2018 standard on occupational health and safety. Adherence to, and ongoing maintenance of the ISO 45001 standard attests that Wärtsilä has voluntarily applied a proper control system on health and safety of workers, besides compliance with any other mandatory legal requirements.

– Accounting and financial system

The accounting reporting system to Wärtsilä Corporation is based on IFRS accounting standards. At local level, the audited financial statements are drafted in line with the Italian accounting system. Being part of the Wärtsilä Group, the annual budget includes the targets and the action plans for each business entity in line with the objectives of the Wärtsilä Group (rolling forecast) and the strategic plan, enabling the business units to align the organisation with sufficient advance notice to the evolution of demand.

(b) Business processes

Business processes are based on standards, as described in the corporate policies. The main features of the processes are the following: (i) clear ownership for each process; (ii) transparency in the description of the process; (iii) clear targets and measures; (iv) regular updates. The managers responsible for each process are in charge of planning, design, changes as well as the on-going improvement of the process and the relevant requirements so that processes are aligned with the relevant targets.

(c) Business Process Management Procedures

Wärtsilä has adopted and applies the Corporate Manual – made available on its corporate intranet – which consolidates and lists all the main policies, guidelines and operational procedures applicable within the Group.

4 CODE OF ETHICS

Ethical business principles, i.e. integrity, fight against corruption, fair competition, transparency and compliance with the law and human rights, play a central role in Wärtsilä.

In this framework and in the light of the ethical objectives of Wärtsilä, a Code of Conduct ("**Code of Conduct**") was adopted and shared in Wärtsilä Group. This Code includes binding guidelines and requirements, i.e. ethical and legal standards governing all the companies of Wärtsilä Group. The Code of Conduct covers any ethical principles and responsibility in the business at Group level. It describes: rights, requirements and responsibility of Wärtsilä in its corporate business.

With a resolution of the Board of Directors, Wärtsilä has adopted the Code of Ethics. This Code defines the ethical principles and rules of conduct that Wärtsilä implements - also in the light of the criminal risk analysis performed in view of the adoption of the Model (as defined in paragraph 2.4) and the Criminal Risk Area identified in the Special Parts of the Model. These have an ethical value and apply to any employee of Wärtsilä as well as to any contractors or any other Entities doing business with Wärtsilä.

The Code of Ethics and the Code of Conduct are two separate documents. Principles and rules of conduct under the Code of Ethics are aligned with the provisions of the Code of Conduct, and they add to such provisions, whose contents and principles continue to be implemented in Wärtsilä and they are complementary to ensure an efficient and effective implementation of the Model pursuant to the Decree.

The Code of Ethics includes three Parts, and each Part is divided into Articles:

- (i) Part 1 describes the general provisions of the Code of Ethics, i.e. objectives, Recipients, information of Recipients and general requirements for Recipients;
- (ii) Part 2 includes the ethical principles of Wärtsilä in its business;
- (iii) Part 3 includes the rules of conduct for each category of Recipients and describes the implementing provisions of the Code of Ethics.

Recipients are required to comply with the Model and the Code of Ethics, which forms an integral part of the Model, and to take a proactive approach on their implementation.

The Code of Ethics is also applicable to foreign transactions and business.

Any breach to the Code of Ethics must be notified to the Supervisory Body, pursuant to Part 3, paragraph 4.1.

The Code of Conduct applies to the relevant breaches.

5 MONITORING SYSTEM ON HEALTH AND SAFETY AT THE WORKPLACE

Health and safety at the workplace are priorities of Wärtsilä, as specified in the Code of Ethics and the Code of Conduct. With a view to monitoring the achievement of these objectives, Wärtsilä has implemented a proper audit system based on awareness - also with training courses - of any Company risks, prevention and monitoring.

Wärtsilä focuses on raising awareness on safety, informing on risks and promoting responsible conducts. It also focuses on prevention, especially with preventive actions, to protect health and safety at the workplace. Wärtsilä strives to protect human resources and achieve synergies in the Company and with suppliers, external companies, partners and customers. To this end, technical and organisational actions are implemented in the framework of an extensive internal system based on the evolution of existing scenarios and risk evolution. These aim at:

- implementing an integrated system for the organisation and management of health and safety at the workplace;
- constantly monitoring risks and critical areas in terms of processes and resources;
- adopting the best technologies;
- auditing and updating working methods;
- implementing training and information initiatives.

Pursuant to Legislative Decree no. 81/2008, as amended, general provisions on health and safety at the workplace include the following:

- risk assessment on health and safety;
- planning of prevention, i.e. protection of working conditions and the environment;
- elimination or mitigation of risks;
- implementing less-risky options;
- limiting the number of workers exposed to any risks;
- limited use of chemical, physical or biological agents;
- priority of collective prevention measures;
- proper use and monitoring on individual prevention measures;
- healthcare monitoring;
- information and training of workers, worker's representatives, managers and employees in line with their roles in the safety system;

- involvement and consultation with workers;
- proper and comprehensive information to workers;
- regular maintenance of equipment, premises and plants;
- emergency and safety emergency measures.

Company procedures have been conceived pursuant to the applicable laws on health and safety at the workplace.

6 DISCIPLINARY SYSTEM

Pursuant to the Decree, a Disciplinary System ("**Disciplinary System**") applies to any Breach of the Model. This System against Breaches (as defined) is a pre-requisite to achieve effectiveness and efficiency of the Model.

The Disciplinary System must be in line with any applicable regulations, including collective agreements, and it is applicable in Wärtsilä only. It does not replace, rather it complements any applicable regulations and it supplements any other external rule.

Sanctions under the Model do not replace any other sanctions (including, but not limited to criminal, administrative, civil and tax sanctions) that may be imposed for the same Crime.

For any case not covered in the Disciplinary System, reference is made to any applicable regulations, i.e. Article 7 of Act no. 300 of 20 May 1970 (Labour Code) and the provisions of any collective agreements and corporate regulations.

Sanctions are imposed irrespective of the outcome of any criminal proceeding, as the rules of conduct in the Model and the Code of Ethics are applicable irrespective of the type of Crime and Breach (as defined).

The Disciplinary System, included as an annex of the Model, is also published in the Company Intranet, it is posted in the corporate board in a public area to fully inform Recipients and any Relevant Third Parties.

7 MANUAL AND IT PROCEDURES

All procedures, both manual and IT, are implemented in Wärtsilä business in line with the requirements of the Model, the Code of Ethics and the Guidelines.

Human and IT procedures in Wärtsilä are based on requirements and rules on processes. Preventive audit measures are implemented to achieve appropriateness, efficiency and effectiveness.

As for IT procedures, Wärtsilä is part of a group sharing a number of IT services. Wärtsilä has access to databases and processing procedures of Wärtsilä Information Management and Wärtsilä IT, i.e. the global organisation, that are allocated centrally in a third-party EDP centre (Fujitsu and Microsoft). These include:

- *Active Directory* IT – database on basic profiles of user access;

- *Active Directory OT* – distributed database for the management of OT network access profiles;
- *SAP Global HR* – personal data and staff trips;
- *WE S4HANA* – ERP base of F&C data and basic data on customers and suppliers;
- *SABA* and *ARTIST* – management system on staff training;
- *IDM* and *IFIN* – external companies responsible for paper and digital document retention;
- *CRM* – basic and business data on customers;
- *M-File*: organisation of technical and administrative files
- Microsoft file storage and sharing services such as *SharePoint / Teams / OneDrive / Intune*.

These systems are under the responsibility of Fujitsu (for the "Active Directory IT" system), Elisa Santamonica (with reference to the "Active Directory OT" system), Microsoft (with reference to Microsoft services), and Tieto (for the other systems mentioned above). In general, in the design of its own procedures, both manual and IT, Wärtsilä applies the following requirements:

- involvement of multiple stakeholders to define any clear responsibility with a system of balanced checks;
- adoption of measures to ensure that each operation, transaction, and action is traceable, documented and consistent;
- adoption of measures on monitoring evidence on operations/actions.

The Human Resources Department has the responsibility to notify procedures with specific actions by publishing them in the Company intranet and on paper at the Wärtsilä offices. The relevant training is provided under the responsibility of the head of the relevant division.

8 PROXY AND DELEGATION SYSTEM

8.1 General provisions

Wärtsilä Board of Directors may grant the power to sign on behalf of the Company in line with the relevant role. The degree of independence, limits and representation power are assigned to a number of executives depending on their positions and as provided in the relevant proxy. Delegates or persons vested with powers of attorney must comply with the rules and procedures applicable to the area of the function or duties delegated to them.

Powers so assigned are regularly reviewed in line with the evolving needs of the Company.

The delegating party or the person granting a power of attorney is required to oversee the activities of the delegate or of the person vested with such power of attorney, in order to ensure that such person acts in compliance with the Company's internal regulations and other internal provisions in force within the Company.

Wärtsilä also has implemented efficient information flows for all positions, including the Supervisory Body and the Board of Auditors, to promptly disclose any powers and the relevant changes, as well as to enable oversight of the exercise of the delegated powers.

The system of authorisation and signatory powers, which includes all delegations and powers of attorney granted (including those relating to health and safety and environmental matters), is regularly and periodically monitored as a whole and, where necessary, updated in light of any changes to the Company's organisational structure, by the WIT Corporate Affairs function upon notification by the relevant corporate functions, so as to ensure the highest possible consistency with Wärtsilä's organisation..

8.2 The proxy and delegation system in Wärtsilä

Wärtsilä's powers of attorney are formalised (also for the purpose of ensuring their traceability and facilitating any subsequent reconstruction), in compliance with the applicable legal provisions, by means of resolutions of the Board of Directors and/or notarial deeds, and are communicated to the relevant recipients. Wärtsilä's delegations are digitally formalised by means of a qualified electronic signature and time stamp or, in any case, by means of a handwritten signature, and are communicated to the relevant recipients and, where necessary, accepted by them.

Without prejudice for any other requirement under any relevant regulations, proxies include:

- (a) the individual receiving the powers and the source of his/her powers;
- (b) the role of the representative;
- (c) the object, i.e. the list of tasks covered in the proxy/delegation. This is instrumental to the role/tasks of the representative.
- (d) the limits, including any financial limits, within which the delegate is authorised to exercise the power conferred upon him/her.

9 SUPERVISORY BODY OF WÄRTSILÄ

9.1 Requirements for the Supervisory Body and its members

As described in paragraph 1.3 above, the Entity may benefit from the exemption under Article 6 of the Decree if the governing body has, *inter alia*:

- adopted and effectively implemented, prior to the commission of the offence, a Model suitable for preventing offences of the type that occurred;
- entrusted the task of supervising the functioning and compliance of the Model, as well as its update, to the Supervisory Body.

As already described in paragraph 2.2 above, simultaneously with the adoption of this Model, Wärtsilä's Board of Directors also resolves upon the appointment of the Supervisory Body, in compliance with the provisions of the Decree.

The Supervisory Body is:

- a collective body with 3 (three) to 5 (five) members, i.e.

- (i) one or more external advisers, preferably expert on the implementation of audit systems, or legal experts on administrative responsibility, who may act as Chairman;
- (ii) one or more members of the staff, not having an operational office, who will contribute with his/her knowledge on the Company.

Wärtsilä's Supervisory Body may be composed entirely of external professionals, but not exclusively of internal professionals.

Wärtsilä's Board of Directors adopts the Model and resolves upon the appointment of the Supervisory Body, in compliance with the provisions of the Decree. Upon the formal appointment, the resolution on the adoption of the Model and the appointment of the Supervisory Body has been notified to the Company with an internal note.

Updates to the Model and changes in the composition of the Supervisory Body are communicated in the same manner.

As specified in the Guidelines and in the best practices, Wärtsilä's Supervisory Body meets the following criteria:

- Autonomy and independence: the Supervisory Body does not have any operational tasks, its autonomy in terms of initiative and audit is protected from any interference and/or influence, as it accounts directly to the Board of Directors. The budget that the Board of Directors assigns to the Supervisory Body ensures its autonomy. This budget may be increased upon proposal of the Supervisory Body for any need relating to its mission.
- Professional skills: the Supervisory Body has any appropriate skills to perform its tasks, as a result of the expertise of its members. As described in the guidelines, members of the Supervisory Body are selected among candidates with appropriate skills on inspection and advice on audit systems (such as sampling, analysis techniques, risk assessment and management, procedure analysis, interview techniques and questionnaire design), organisation, finance, audit and in the legal sector to provide the necessary expertise on the Crimes described in the Decree. The Supervisory Body may use its budget to acquire any necessary external skill.
- Continuity of action: the Supervisory Body has its own budget and it may use either corporate staff or external advisers to ensure the implementation of the Model, its continuous monitoring and the relevant updates also as corporate conditions evolve. Continuity of actions is constantly monitored and the analysis of the prevention system is regularly performed.
- Honourability: members of the Supervisory Body comply with subjective criteria contributing to ensure autonomy and independence, i.e. honourability, no incompatibility, no conflict of interests, in line with the provisions of the Civil Code on the Board of Directors and the Board of Auditors.

9.2 Appointment of the Supervisory Body - term of office and termination

The Board of Directors has the exclusive power to appoint the Supervisory Body with a qualified majority of two thirds of its members.

Requirements listed in paragraph 9.1 above apply to candidates of the Supervisory Body.

When appointing the Supervisory Body, the Board of Directors also appoints its Chairman, determining the fees for the Chairman and for the other members as well as the overall budget.

The term of office for members of the Supervisory Body is from 1 (one) to 3 (three) financial years.

Members of the Supervisory Body may be re-elected.

Ineligibility/disqualification criteria are:

- (i) disqualification, bankruptcy, conviction, including non final convictions, for any Crimes resulting into the disqualification, including temporary disqualification, from holding any public office;
- (ii) family members up to the fourth degree of members of the Board of Directors or the Board of Auditors of Wärtsilä or parent companies or subsidiaries or companies under shared ownership with any external entities with audit tasks.
- (iii) previous office as member of Supervisory Bodies in companies that were imposed the sanctions described in Article 9 of the Decree;
- (iv) save as any subordinate employment, the existence of any long-term advice or service contract, or other financial contracts between members and Wärtsilä or any parent company, subsidiary or any company under shared ownership with audit entities, that may jeopardise the independence of members;
- (v) non-compliance with honourability requirements.

If, in the term of office, any disqualification criteria are met, the relevant member is required to immediately notify the other members of the Supervisory Body and the Board of Directors.

Eligibility and/or disqualification criteria also apply to the staff and advisers that the Supervisory Body may employ. Therefore, the Supervisory Body may not use staff or advisers if they meet any ineligibility/disqualification criteria.

In addition to non-compliance with eligibility criteria, other termination events are:

- resignations that must be notified in writing to the Board of Directors, including the relevant reasons, with at least 1 month notice.
- death or inability to perform the role;
- termination for any reason of the position held in Wärtsilä for the member of the staff in the Supervisory Body.

The Chairman of the Supervisory Body or any other member in the event of termination of the Chairman must report to the Board of Directors without delay any of the above events resulting into the need to replace one of the members of the Supervisory Body. The Board of Directors is required to promptly replace the terminated member accordingly.

In case of resignation, inability, death, termination or disqualification of the Chairman of the Supervisory Body, the eldest member will serve as Chairman until the Board of Directors has appointed a new Chairman.

The Supervisory Body may only be terminated for justified cause. Justified causes for the termination of the Supervisory Body include but are not limited to:

- involvement in any judicial investigation on a Crime;
- non-compliance with the provisions of the Model;
- non-compliance with the role, such as failure to report to the Board of Directors without justification;
- conviction, including non final conviction, against Wärtsilä under the Decree or imposition of any sanction upon request (plea bargaining) resulting from omitted or incomplete surveillance by the Supervisory Body;
- failure to monitor the implementation of the training plan or the internal audit plan;
- no good faith nor diligence in performing the office;
- unjustified non-attendance for more than 2 meetings, including non consecutive meetings, of the Supervisory Body;
- disclosure of confidential information without any justified reason;
- no cooperation with the other members of the Supervisory Body or hampering the Supervisory Body.

The Board of Directors is required to adopt a resolution on the termination of the Supervisory Body with the reasons for termination.

9.3 Responsibilities and powers of the Supervisory Body

Pursuant Article 6 of the Decree, the Supervisory Body is required to supervise the implementation and compliance with the Model and to update it regularly.

Measures of the Supervisory Body may not be challenged by any other department or unit. However, the Board of Directors will monitor any such measures, as it has the ultimate responsibility on the implementation and effectiveness of the Model.

The Supervisory Body is required to:

- (a) monitor and supervise the Model:
- check if Model is appropriate to prevent any illegal conduct;
 - check if the Model is efficient, i.e. actual conducts are in line with the requirements of the Model;
 - monitor compliance with the methods and procedures set out in the Model and identify any deviations in conduct arising from the analysis of information flows and from Reports (as defined below);
 - monitor the Company business, also in terms of compliance with any applicable regulation on health and safety at the workplace, including with

regular meetings with the relevant stakeholders, regular checks and any relevant follow-up;

- regularly check - with the support of any relevant unit - the system of appointment and delegation and present draft amendments, if needed or appropriate.

(b) assessment of Model adequacy, namely:

- examine the actual – and not merely formal – capacity of the Model to prevent prohibited conduct;

(c) monitoring of the ongoing update of the Model:

- monitor the updating of the Model, submitting any necessary amendment to the Board of Directors or any relevant Company divisions to improve appropriateness and efficiency, also in the light of any new regulations or changes to the Company organisation, changes to the strategy, or business, also as a result of the scientific and technology progress and/or to identify any significant Breaches of the Model;

(d) cooperate with Wärtsilä on information and training on the Model:

- monitor any actions aimed at enhancing awareness on the Model among the Recipients, including for updates and amendments, and promote the adoption when inappropriate and/or insufficient;
- monitor any action, including courses and notices, aimed at promoting awareness of the Model among the Recipients and promote the adoption when inappropriate and/or insufficient;
- respond to any inquiries from any corporate unit or administrative and audit bodies, also providing ad hoc opinions, if relevant or connected to the Model;

(e) manage information flows from and to the Supervisory Body:

- implementation of all reporting requirements concerning the Model;
- assess the information and/or any Reports (as defined) that have been received on the Model;
- inform any relevant body, as specified in the following paragraphs, on its actions, the relevant results and any planned actions;
- during the inspections from institutional authorities, including the Public Administration, provide any necessary information.

For any Crime listed in Article 25-septies of the Decree, without prejudice for the above and for the responsibility and the tasks of any relevant authority on the implementation and compliance of regulations on accident prevention and health and safety at the workplace, the Supervisory Body may perform a regular monitoring on the efficacy and compliance of internal procedures and monitor the efficacy of checks in the prevention of the Crimes.

The Supervisory Body is required to cooperate with any corporate audit departments and units. In this respect, the Supervisory Body is required to:

- coordinate with the Head of the Human Resources Department and with the Head of the Legal & Compliance (*Marine and Energy*) Department on the training of Recipients and with the *Marketing & Communication* Department on communication strategies.
- coordinate with the Function Managers responsible for the area to which the contract or relationship relates, for the introduction of provisions on the implementation of the Model to any Relevant Third Party and the regular monitoring of such provisions;
- coordinate with any relevant department on Crime-Risk Areas for the implementation of operating procedures of the Model, focussing on health and safety at the workplace; the Supervisory Body may use any resource at Wärtsilä on these issues.

To this end, the Supervisory Body:

- may perform inspections and access corporate documents;
- has adequate financial resources in the annual budget provided by the Board of Directors, which may be changed/supplemented upon request;
- may acquire external advice.

Therefore, the Supervisory Body, supervising the actual implementation of the Model,

- may perform any checks and inspections, including without notice, also on individual transactions or actions in the Crime-Risk Areas;
- has access to any department, files and documents of Wärtsilä, without the need for any prior authorisation or consent, to obtain information, data or any other documents required on Crime-Risk Areas (as listed in the Special Parts of the Model);
- may require information or documents on sensitive processes from any Employees and from the Board of Directors, the Board of Auditors and the external auditor;
- may require information or any other document on Crime-Risk Areas from external staff, advisers, representative and agents of Wärtsilä and, in general, from any Recipients, as the requirement to comply with any requests from the Supervisory Body is included in the relevant contracts;
- regularly receives and analyses information from the heads of the departments involved in Crime-Risk Areas, as listed in the Special Parts of the Model and/or from the Function Managers (as defined in Article 3.1 of the General Part of the Model), and the relevant information sheets, if relevant;
- may request the support of the Employees of Wärtsilä;
- may request the support of external advisers for particularly complex issues requiring specialised skills;
- will check that the competent authority imposes the sanctions specified in the Disciplinary System;

- reviews the Model regularly and, if needed, presents any draft amendment to the Board of Directors;
- drafts a report on a regular basis, at least annually, on its activities to the Board of Directors;
- informs the Chairman of the Board of Directors of any urgent and relevant event that have been identified;
- regularly monitors the identification and update, upon the opinion of the heads of the relevant corporate divisions, of the type of legal relations with external entities of the Company covered in the Model, the communication and implementation procedures to ensure compliance.
- shall be provided with an expenditure budget, in the annual amount made available by the Board of Directors, for the performance of its supervisory activities, where the resources made available by the Company are not sufficient or adequate, or in any case where the Supervisory Body, at its sole discretion, deems it justified or appropriate for the activities to be carried out.

The Supervisory Body shall collect any Reports (as defined) and findings from any monitoring actions in a special folder (IT and/or on paper) that must be filed for 10 (ten) years (the “**Supervisory Body Archive**”), unless different retention periods apply in relation to specific circumstances, as specified from time to time. It is responsible for the update of this archive and it will define any criteria, access and authorised users, as well as the methods for data storage, in compliance with applicable regulations.

All corporate units are required to cooperate with the Supervisory Body to support it in its role.

9.4 Regulation of the Supervisory Body

The Supervisory Body will draft its regulation on the actual implementation of its mission.

This regulation includes:

- (a) type of audit and supervision actions, including the meetings with the Board of Auditors, officers in charge of internal audit, health and safety at the workplace, environmental sustainability, the frequency of controls and the type of analysis procedures; the type of actions on the Model review;
- (b) actions on surveillance and monitoring on information and training of Recipients;
- (c) management of information flows from and to the Supervisory Body;
- (d) activities and internal organisation of the Supervisory Body, such as meetings, procedures on resolutions, minutes of meetings.

The Supervisory Body meets at least every 3 (three) months and upon written request of a member to the Chairman or whenever the Chairman deems it appropriate.

The Chairman is required to convene the meetings of the Supervisory Body with a notice of at least 5 (five) days from the meeting date, save as for emergency meetings which require a notice of at least 2 (two) days from the meeting date. Meetings are held at the registered office of Wärtsilä or in any other location in Italy.

Meetings are lawfully held if the majority of members are attending. Each member of the Supervisory Body is entitled to one vote. Resolutions of the Supervisory Body are taken at absolute majority of its members. Meetings held by means of appropriate audio-visual or IT systems shall also be valid, provided that participants are able to take part. In the absence of formal notice, meetings of the Supervisory Body shall in any case be deemed validly constituted and capable of adopting resolutions where all members are present.

For each meeting, minutes are drafted and signed by all attending members. Each member attending the meeting is entitled to have the reasons for his/her disagreement on any adopted resolutions included in the minutes. A copy of the minutes is filed in a confidential archive accessible to Supervisory Body members.

9.5 Information flows involving the Supervisory Body

9.5.1 Information flows to the Supervisory Body

Article 6, paragraph 2, letter d) of the Decree provides that the Model must include reporting obligations to the Supervisory Body.

The Supervisory Body must be duly notified of any information that may be relevant for the purposes of monitoring the effectiveness, efficacy and updating of the Model, namely information relating to Wäertsilä's activities that may be relevant to the performance of the duties assigned to the Supervisory Body.

The obligation to provide information applies to all Recipients and, in particular, to Function Managers (as defined and governed by Article 3.1 of the General Part of the Model) or to persons delegated by them to carry out such reporting.

In particular, information flows to the Supervisory Body are divided into:

- periodic information flows,
- event-driven information flows.

Periodic information flows relate to information connected with Crime-Risk Areas and the Protocols, and must be transmitted to the Supervisory Body by the relevant corporate functions with the frequency provided for and/or defined by the Supervisory Body.

Event-driven information flows concern information that is particularly relevant and significant in relation to the Model, the Crime Risk Activities and the Protocols and which, by their nature, must be promptly submitted to the Supervisory Body.

Periodic information flows to be transmitted to the Supervisory Body, with the content and frequency established and/or defined by the Supervisory Body, may include the following information, it being understood that the Supervisory Body may modify, expand or reduce such information flows depending on the areas to be monitored, without prejudice to the Supervisory Body's right to verify directly, during meetings with the relevant Function Managers (as defined in Article 3.1 of the General Part of the Model), the information provided in such information flows:

- annual expense/investment budget on the implementation of security improvement measures and the relevant actual expenditure/investments;

- risk assessment report pursuant to Article 28 of Legislative Decree no. 81/2008;
- interference risk assessment report pursuant to Article 26 of Legislative Decree no. 81/2008;
- reports from Function Managers (as defined in Article 3.1 of the General Part of the Model);
- information on changes to any organisational and Company procedures;
- the resolutions of the Board of Directors that may result into changes to the Model, such as the change to the organisation, business lines, incentive systems, etc.;
- updates in the delegation system;
- minutes on regular meetings pursuant to Article 35 of Legislative Decree no. 81/2008, data on accidents at the workplace to Employees or accidents occurred at any corporate plant; reports or programmes on information, training and drills for Recipients on health and safety at the workplace;
- summary reports on outsourced services to and by Wärtsilä as a result of procurements at national and European level or private negotiations;
- information on orders of public authorities or public utilities and any other Entity that may qualify as Public Administration pursuant to paragraph 1.1. of the Special Part A of the Model;
- information on orders from/to Wärtsilä to/from third parties with discounts which are not in line with Wärtsilä Group corporate procedures or policies;
- summary schedules of contracts having the Public Administration and entities assimilated thereto as counterparty;
- the results of prior and subsequent checks carried out on awards to market operators following national and European tenders or private negotiations;
- the results of monitoring and checks already carried out on contracts awarded by public bodies or entities performing public utility functions;
- information on matters of fiscal relevance, such as, for example, significant tax transactions;
- any prior information on draft amendments to the Model;
- financial statements with the relevant notes to the accounts;
- any report on internal audit;

- appointments of external auditors on Wärtsilä accounts;
- notices from the Board of Auditors and the external auditors on any critical issues, also when solved, or in any case relating to aspects that may indicate a deficiency in the internal controls;
- audit reports from Corporate Bodies;
- minutes on any inspections to sites by environmental agencies (ARPA, ISPRA, etc.);
- appointments to third parties on Wärtsilä waste disposal;
- documents on the health and safety systems, including but not limited to emergency plans, minutes on environmental analysis and inspections to the premises;
- internal control activities of Wärtsilä or of the Group, or activities carried out by internal committees, from which situations may emerge giving rise to Wärtsilä's liability under the Decree;
- reports relating to information and training activities on the Model and the Decree addressed to Recipients, as well as on the verification of learning outcomes;
- information relating to disciplinary proceedings and sanctions imposed, or the archiving of such proceedings and the relevant reasons therefor;
- reports on transactions with individuals or Entities on the list of individuals and Entities based in countries at risk in the "country lists" and/or with individuals or Entities in the "name lists" concerning international terrorism of the Bank of Italy.
- intra-group transactions involving the purchase or sale of goods or services at values other than market value, with express indication of the relevant reasons;
- requests for the disbursement of public funding in any form;
- any financial transfers between Wärtsilä and other Group companies that are not justified by a specific contract;
- information on any financial and commercial transactions carried out in countries governed by preferential tax regulations;
- measures and/or information from judicial police authorities or any other authority from which it may be inferred that investigations are being conducted that concern, even indirectly, Wärtsilä and/or the Recipients;
- inquiry committees or internal reports from which liability for Crimes emerges;

- any disputes, inspection reports or notices issued by the supervisory authorities referred to in Article 13 of Legislative Decree No. 81/2008 against Wärtsilä or the Recipients of the Model;
- any workplace accidents with a prognosis of 10 (ten) days or more, as well as any occurrences which, although not resulting in injury to workers, may be considered indicative of potential weaknesses or gaps in the health and safety system;
- information relating to the counterfeiting, alteration or use of trademarks or distinctive signs, or of patents, models and designs of products owned by Wärtsilä or in respect of which a licence or other form of exploitation right has been granted;
- information relating to omissions and/or deficiencies in the IT security system.
- measures adopted by the judicial authority or by other authorities in relation to workplace health and safety matters.

By way of example, event-driven information flows include:

- anomalies or atypical circumstances identified within the available information, such as facts that may not be relevant if considered individually but could assume a different significance if repeated or due to the extent of the area in which they occur;
- requests for legal assistance submitted by Employees against whom judicial authorities are conducting proceedings in relation to the Crimes;
- legal actions threatened or initiated by Recipients against Wärtsilä concerning the offences of manslaughter and serious or very serious bodily injury committed in breach of workplace health and safety regulations;
- significant anomalies identified in the functioning of the Model;
- atypical conduct which, although not constituting a breach of the Model, significantly deviates from ordinary business practice (by way of example, a fact which, taken individually, appears irrelevant may become significant, or indicative of malfunctions or anomalies, if repeated);
- instructions received from a superior which are considered to be in conflict with the law, internal regulations or the Model;
- requests for, or offers of gifts (exceeding a modest value) or other benefits from public officials or persons in charge of a public service;
- requests for or offers of gifts (exceeding a modest value) or other benefits from any third party where exceeding the amount of Euro 100.00 (one hundred/00);

- significant deviations from budget forecasts or anomalies in expenditure;
- omissions or negligence in accounting or in the retention of documentation underlying accounting records, or in the Company's tax declarations relating to income tax and value added tax;
- the unjustified destruction of accounting documents;
- deficiencies or inadequacies in workplaces, work equipment or protective devices made available by Wärtsilä, as well as any other hazardous situations relating to occupational health and safety, including with reference to fire prevention and emergency management;
- information relating to malfunctions or inadequacies of wastewater treatment plants or systems for conveying atmospheric emissions;
- laboratory reports containing the results of analyses of wastewater or atmospheric emissions from which any exceedance of legal limits emerges;
- information relating to hazardous situations or risks that may jeopardise health or physical integrity or otherwise cause damage in the performance of the Company's activities;

With a view to supporting such information, Wärtsilä has set up a dedicated channel ensuring confidentiality, i.e. an email address for the Supervisory Body: "odv_wit@wartsila.com".

9.5.2 Reports

Legislative Decree no. 24 of 10 March 2023 (hereinafter "Decree no. 24/2023") on the "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national law" governs the protection of persons who report breaches of national law or European Union law that harm the public interest or the integrity of a public or private entity, of which they have become aware in a public or private work context.

Reports concern breaches of national law and European Union law that harm the public interest or the integrity of Wärtsilä and of which the reporting person has become aware in a work context.

For the purposes of this Model, "breaches" means conduct, acts or omissions that harm the public interest or the integrity of Wärtsilä and that consist of:

- (a) unlawful conduct relevant under Legislative Decree no. 231/2001 or breaches of the Model;
- (b) offences committed in breach of EU and national legislation referred to in the Annex to Decree no. 24/2023, or of national acts implementing the Union acts referred to in the Annex to Directive (EU) 2019/1937, relating to the following

sectors: public procurement; financial services, products and markets and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection; protection of privacy and personal data and security of network and information systems;

(c) acts or omissions affecting the financial interests of the EU referred to in Article 325 of the Treaty on the Functioning of the EU, as specified in the relevant derived EU law;

(d) acts or omissions relating to the internal market referred to in Article 26(2) of the Treaty on the Functioning of the European Union;

(e) acts or conduct that defeat the object or purpose of the provisions of European Union law in the sectors referred to in the preceding points.

In accordance with Decree no. 24/2023, Wärtsilä has established an internal reporting channel, the management of which is entrusted to the **Group Compliance Function**.

Pursuant to Article 5 of Decree no. 24/2023, Wärtsilä has made available an information document (the “Whistleblowing Information Document”) setting out the procedures and conditions for making reports both through the internal channel and through the external reporting channel established by the National Anti-Corruption Authority (ANAC).

The Whistleblowing Information Document, to which reference may be made for a complete description of the provisions of Decree no. 24/2023, defines the reporting procedures, who may make a report (hereinafter the “**Reporting Person**”), the subject matter and content of reports, anonymous reports, the handling of reports, conflicts of interest, the processing of personal data, the external channel established by ANAC, and the measures for the protection of the Reporting Person.

The Whistleblowing Information Document is attached to this Model and is displayed and made easily visible in the workplace, and made accessible to persons who have a legal relationship with Wärtsilä that is relevant for the purposes of Decree no. 24/2023 other than employees, and is published in a dedicated section of Wärtsilä’s intranet and website (<https://www.wartsila.com/ita>).

All Wärtsilä employees are required to be familiar with the contents of the Whistleblowing Information Document and to comply with its provisions to the extent applicable to them..

Improper use of the reporting system by means of deliberately inaccurate, defamatory and/or slanderous statements or information may result in the application of disciplinary measures as provided for in the disciplinary system set out in the Model.

Any person who receives an oral or written report must forward it immediately, and in any case no later than 7 (seven) days from receipt, to the Group Compliance Function via the Platform or by registered post to Wärtsilä Oyj Abp / Wärtsilä

Corporation, Hiililaiturinkuja 2, 00180 Helsinki, Finland, addressed to the Group Compliance Function, and shall simultaneously notify the Reporting Person (where known) of such transmission.

The Group Compliance Function shall forward the report to the Supervisory Body in order to assess whether the report constitutes unlawful conduct relevant under Legislative Decree No. 231/2001 or a breach of the Model.

Where the report concerns the entire Group Compliance Function and/or the Supervisory Body, it may be sent by registered post to the Chairman of the Board of Directors at Bagnoli della Rosandra 334, 34018 San Dorligo della Valle, Trieste – Italy and to the Chairman of the Board of Statutory Auditors of WIT at Bagnoli della Rosandra 334, 34018 San Dorligo della Valle, Trieste – Italy.

The transmission must include the original Report, any supporting documentation and evidence of the communication to the Reporting Person that the Report has been forwarded.

The recipient may not retain a copy of the transmitted documentation, is not authorised to take any action whatsoever in relation to the Report and is required to maintain the strictest confidentiality regarding the Report, and in particular regarding the identity of the Reporting Person, the persons involved and/or mentioned in the Report, the content of the Report and any documentation attached thereto.

Failure to communicate a received Report, as well as any breach of the confidentiality obligation, may result in the adoption of disciplinary measures.

Article 17 of Decree no. 24/2023 provides that the Reporting Person shall not be subject to any retaliation.

Retaliation means any conduct, act or omission, even if only attempted or threatened, carried out as a result of the Report, the complaint or the public disclosure, which causes or may cause unjust harm, directly or indirectly, to the Reporting Person or to the person who has filed the complaint.

By way of example, the following may constitute retaliation:

- a) dismissal, suspension or equivalent measures;
- b) demotion or failure to promote;
- c) change of duties, change of workplace, reduction of salary, modification of working hours;
- d) suspension of training or any restriction of access thereto;
- e) negative performance reviews or negative references;
- f) the adoption of disciplinary measures or other sanctions, including financial penalties;
- g) coercion, intimidation, harassment or ostracism;
- h) discrimination or otherwise unfavourable treatment;

- i) failure to convert a fixed-term employment contract into an open-ended employment contract, where the worker had a legitimate expectation of such conversion;
- l) failure to renew or early termination of a fixed-term employment contract;
- m) damage, including to the person's reputation, in particular on social media, or economic or financial harm, including loss of economic opportunities and loss of income;
- n) inclusion in blacklists on the basis of a formal or informal sectoral or industry agreement, which may result in the person being unable to find employment in the sector or industry in the future;
- o) early termination or cancellation of a contract for the supply of goods or services;
- p) cancellation of a licence or permit;
- q) a requirement to undergo psychiatric or medical examination.

The authority responsible for receiving from the Reporting Person and handling communications regarding alleged retaliation suffered by the Reporting Person is the National Anti-Corruption Authority (ANAC).

The Reporting Person may therefore report to ANAC any retaliation they consider to have suffered.

ANAC shall inform the National Labour Inspectorate for the adoption of measures within its competence.

Acts adopted in breach of the prohibition on retaliation are null and void. Persons who have been dismissed on account of a report have the right to reinstatement in their position pursuant to the applicable specific regulations.

The judicial authority shall adopt all measures, including interim measures, necessary to ensure protection of the legal position asserted, including compensation for damages, reinstatement in the workplace, an order to cease the conduct carried out in breach of the prohibition on retaliation and a declaration of nullity of acts adopted in breach thereof.

In the context of judicial or administrative proceedings or out-of-court disputes concerning the ascertainment of conduct, acts or omissions prohibited under Decree no. 24/2023 against the Reporting Person, it shall be presumed that retaliatory conduct was carried out as a result of the report, and the burden of proving that such conduct or acts are motivated by reasons unrelated to the report shall lie with the person who carried them out.

Likewise, in the event of a claim for damages brought before the judicial authority by the Reporting Person, where the Reporting Person demonstrates that they have made a report pursuant to Decree no. 24/2023 and have suffered harm, it shall be presumed, unless proven otherwise, that the harm is a consequence of the report. Acts adopted in breach of the prohibition on retaliation are null and void. Persons

who have been dismissed on account of a report have the right to reinstatement in their position pursuant to the specific regulations applicable to the worker.

The prohibition on retaliation applies to the Reporting Person where the following conditions are met:

- a) at the time of the report or complaint to the judicial or accounting authority or of the public disclosure, the Reporting Person or complainant had reasonable grounds to believe that the information on the breaches reported or disclosed was true and fell within the scope of Decree no. 24/2023;
- b) the report or public disclosure was made in accordance with the provisions of Decree no. 24/2023.

The reasons that led the person to make a report, complaint or public disclosure are irrelevant for the purposes of their protection.

Subject to the limitations of liability set out above, where the criminal liability of the Reporting Person has been established, even by a first-instance judgment, for the offences of defamation or slander or in any case for the same offences committed by means of a complaint to the judicial or accounting authority, or their civil liability, for the same reasons, in cases of wilful misconduct or gross negligence, the protections set out above shall not apply and the Reporting Person shall be subject to disciplinary action.

The preceding provisions shall also apply in cases of anonymous reports, where the Reporting Person has subsequently been identified and has suffered retaliation, as well as in cases of reports submitted to the competent institutions, bodies and agencies of the European Union.

Waivers and settlements, whether full or partial, relating to the rights and protections provided for under Decree no. 24/2023 shall not be valid, unless made in the forms and manner referred to in Article 2113, paragraph 4, of the Civil Code.

Without prejudice to the provisions of Article 17, paragraphs 2 and 3, of Decree no. 24/2023, the prohibition on retaliation shall also apply to:

- a) facilitators, namely natural persons who assist the Reporting Person in the reporting process, operating within the same work context, whose assistance must be kept confidential;
- b) persons in the same work context as the Reporting Person, the person who has filed a complaint with the judicial or accounting authority or the person who has made a public disclosure, who are linked to them by a close personal relationship or by family ties up to the fourth degree;
- c) work colleagues of the Reporting Person or of the person who has filed a complaint with the judicial or accounting authority or made a public disclosure, who work in the same work context and who have a regular and ongoing relationship with that person;
- d) entities owned by the Reporting Person or by the person who has filed a complaint with the judicial or accounting authority or made a public disclosure,

or for which such persons work, as well as entities operating in the same work context as the aforementioned persons.

9.5.3 Report processing

Any other information or report pertaining to the activities of the Supervisory Body may be sent to the dedicated Supervisory Body email address at odv_wit@wartsila.com.

Such communications (hereinafter "**Ordinary Reports**") will be examined by the Supervisory Body, which will determine whether to initiate an investigation, transmit them to the relevant bodies/functions on a case-by-case basis, or refer them to the Board of Directors for the relevant decisions. **With regard to Ordinary Reports, the Reporting Person protections under Legislative Decree No. 24/2023 referred to above shall not apply**, it being understood that, also in relation to such reports, Wärtsilä shall apply the prohibition on retaliation on the same terms and conditions as provided for under Decree No. 24/2023, and shall ensure the protection of the identity of the Reporting Person, the persons involved and/or mentioned in the report, the content of the report and any documentation attached thereto.

9.5.4 Reporting of the Supervisory Body to Corporate Bodies

The Supervisory Body regularly reports to the Corporate Bodies on the implementation of the Model and on the findings of its monitoring and audit actions.

The Supervisory Body will:

- (a) liaise, on regularly basis, with the Board of Directors;
- (a) report at any meeting of the Board of Directors and at least every three months to the Board of Directors and the Board of Auditors on its performance and on the relevant findings;
- (c) report in writing, at least every six months, to the Board of Directors and the Board of Auditors on its activities; the report in writing must include at least:
 - (i) number and dates of the meetings of the Supervisory Body;
 - (ii) summary of the actions and the monitoring performed during the year;
 - (iii) any issues on the implementing procedures of the Model;
 - (iv) any new Crime-Risk Areas;
 - (v) the summary of Reports from Recipients on alleged Breaches and the outcomes of the investigations on these Reports;
 - (vi) any disciplinary proceedings and sanctions imposed by Wärtsilä.
 - (vii) summary of any relevant event and critical points in the implementation of the Model;
 - (viii) overall assessment on the execution and efficacy of the Model with any draft amendment in terms of form or contents;

- (ix) any amendment to the applicable regulations resulting into amendments to the Model;
- (x) if needed, the request to increase the budget and the report on expenses;
- (xi) planning, including interim planning;

In general, the reporting of the Supervisory Body will focus on:

- any activity carried out by the Supervisory Body;
- any issues or critical points identified in the surveillance activities;
- any corrective activity that are needed or appropriate to ensure efficacy and effectiveness of the Model;
- evidence of conducts which are not in line with the Model;
- identification of any defect in the organisation or in any procedure exposing Wärtsilä to the Crime-Risk.
- non-cooperation or lack of cooperation from any business units / area in the performance of the monitoring and/or investigations.

The Supervisory Body will fully inform the Board of Directors if urgent resolutions are needed.

The Supervisory Body may be convened at any time by the Board of Directors or the Board of Auditors. Conversely, Supervisory Body may request to report on the Model or any relevant issue to the Corporate Bodies at any time. Minutes of these meetings are filed at the office of the Supervisory Body.

10 AWARENESS ON THE MODEL - INFORMATION AND TRAINING OF RECIPIENTS

10.1 Awareness on the Model

Wärtsilä promotes the Model and its protocols. It will provide information on its principles and provisions among Recipients on Crimes listed in the Decree and the relevant prevention measures, the Model, the Code of Ethics, any relevant procedures and the Disciplinary System. The Model - including the Code of Ethics - is circulated under the responsibility of the Head of the Human Resources Department in collaboration with the Marketing & Communication Department, with any appropriate means with evidence of receipt. The Model is officially sent to all members of the Corporate Bodies, who are required to sign a statement that they have received, read and subscribed to it, which is filed by Wärtsilä and the Supervisory Body.

Officially the Model is:

- notified to all Employees through publication on local Intranet and posted on the Company note boards;
- notified to Relevant Third Parties through publication on the Company website, as regards the General Part and the Code of Ethics.

The statements whereby the Recipients have received, read and subscribed to the Model are filed by Wärtsilä.

Agreements with any Relevant Third Parties will include the requirement to comply with the Model, and the imposition of any relevant sanctions in case of Breach.

10.2 Training on the Model

Wärtsilä will implement training programmes to promote awareness of the Decree, the Model and the Code of Ethics among all Recipients.

To this end, the Supervisory Body will monitor any information and training programmes depending on the relevant Recipients also in terms of hierarchy, position, professional skills, actual tasks and the involvement in Crime-Risk Areas, as identified in the Special Parts of the Model, and the actual exposure to Crime-Risks.

Any special training may be implemented, also upon proposal of the Supervisory Body, in special cases, i.e. whenever there's a need to increase the awareness of Recipients on general or specific issues (for instance, in case of Crimes or for any significant or repeated Breach of the Model and/or the Code of Ethics).

The Supervisory Body:

- contributes to the definition of contents of regular notices to Recipients to promote awareness and basic information on the Decree;
- monitors the promotion of training courses on the Decree, focussing on special cases (for instance, changes to the organisation, significant amendments to the applicable regulations or repeated breaches of the Model and/or the Code of Ethics);
- monitors the preparation and the update, in cooperation with the relevant unit, of the corporate Web site, and the intranet Part on the Decree and the Model;
- monitors any appropriate initiative to promote awareness and insights on the Model;
- monitors the preparation of the documents on instructions, explanations and updates on the Model;
- monitors the appropriateness of contents of training programmes and regularly monitors attendance of Recipients.

As for awareness and training of Function Managers (as defined in Article 3.1 of the General Part of the Module) in Crime-Risk Areas (as identified and defined in the Special Parts of the Model), besides the above training, Wärtsilä will also implement specific training courses to provide these officers in Crime-Risk Areas with proper skills on the Model and any necessary tool to implement the audit procedures in their units.

Training events may take place either in class or remotely with IT systems. However, for Individuals in Top Positions, especially Function Managers (as defined in Article 3.1 of the General Part of the Module) and Corporate Bodies Members, training should be provided in class. Training of Employees and Corporate Bodies on the implementation of the Model is under the responsibility of the Human Resources Department which regularly reports to the Supervisory Body.

Training events are traced for monitoring purposes in terms of Recipients (attendance lists and signed lists), contents (training material), provision method (e-learning, in class, or other), level (testing), any need to repeat the event (in case of failure of tests).

Training is compulsory and repeated non-attendance without justification may result into the imposition of sanctions. Inconsistent conduct on training (such as repeated failure of tests) is a breach of the training requirement.

Training activities also include adequate specific training on the whistleblowing regulations under Legislative Decree No. 24/2023, on the correct use of the internal and external reporting channels and on the sanctions applicable in the event of breaches.

11 MONITORING THE IMPLEMENTATION OF THE MODEL

The Model is monitored and audited on an annual basis in the framework of a supervision plan of the Supervisory Body, as follows:

- audit on the main actions and agreements signed by Wärtsilä in the Crime-Risk Areas;
- monitoring on the actual effectiveness of the Model to determine consistency between the provisions of the Model and the actual conduct of Recipients;
- audit on effectiveness and efficacy of procedures on the prevention of Breaches.

The Supervisory Body will report on the relevant findings to the Board of Directors on an annual basis.