



**Warrant**  
Innovation Lab  
TINEXTA GROUP

# **ORGANISATION, MANAGEMENT, AND CONTROL MODEL**

PURSUANT TO ITALIAN LEGISLATIVE DECREE N. 231 DATED 8 JUNE 2001

## **GENERAL SECTION**

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## **GENERAL SECTION**

## **1. ITALIAN LEGISLATIVE DECREE N. 231/2001**

### **1.1 General principles of corporate liability**

Italian Legislative Decree n. 231 dated 8 June 2001 (hereinafter also the 'Decree'), which was issued to enforce the authorisation contained in Art. 11 of Italian Law n. 300, dated 29 September 2000, introduced (into the Italian legal system) the concept of corporate liability for principal offences resulting from minor offences committed within their organisation.

More specifically, the Decree sets out that entities with legal personality, companies, and also associations (including those with no legal personality) are liable in the event that the senior management thereof, the executive managers, or any party operating under the management or supervision thereof commit certain (clearly specified) kinds of offences in the interest or to the advantage of the said entity.

The intent of the Italian law is to raise entities' awareness of the need for an internal organisation structure which can prevent offences being committed by the senior management or by the people under their control. It should be noted that the corporate liability of an entity does not replace the criminal liability of the natural person who actually carried out the minor offence (also known as the 'predicate offence') but is attributed in addition to it.

The types of offences to which the provisions in question apply can be grouped, for the sake of convenience, into the following categories:

- Offences committed as part of relationships with public administration authorities and bribery and corruption offences. (Arts. 24 and 25).
- Computer crimes and unlawful data processing (Art. 24-bis).
- Organised crime offences (Art. 24-ter).
- Extortion, bribery, and corruption (Art. 25).
- Crimes consisting of counterfeiting of coins, public credit notes, duty stamps,

identification instruments, and distinctive signs (Art. 25-bis).

- Crimes against industry and trade (Art. 25-bis1).
- Corporate crimes (Art. 25-ter).
- Offences committed with terrorist intent or with the intention to subvert democracy (Art. 25-quater).
- Female genital mutilation (Art. 25-quater 1).
- Offences against the person (Art. 25-quinquies).
- Market abuse (Art. 25-sexies).
- Crimes committed through breach of accident prevention regulations and regulations to protect health and safety at work (Art. 25-septies).
- Receipt of stolen goods, money laundering, use of money, goods, or benefits of illegal origin, and self-laundering (Art. 25-octies).
- Copyright infringement crimes (Art. 25-novies).
- Incitement to withhold statements or to make false statements before judicial authorities (Art. 25-decies).
- Environmental offences (Art. 25-undecies).
- Employment of illegal immigrants (Art.25- duodecies).
- Racial and xenophobic crimes (Art. 25-terdecies).
- Fraud in sports competitions, illegal gambling or betting and gambling carried out by means of prohibited devices (Art. 25-quaterdecies).
- Tax crimes (Art. 25-quinquiesdecies).
- Smuggling offences (Art. 25-sexiesdecies).

- Transnational offences (Italian Law n. 146 dated 16 March 2006, Arts. 3 and 10).

The complete list of offences likely, according to the Decree, to result in corporate liability of the entity and the breakdown of the categories of offences likely to be committed within the context of the company's operations, can be found in the annex to part of the model titled "Special Section".



## **1.2 The prerequisites for corporate liability**

### **1.2.1 The parties who commit the predicate offence and their "link" with the entity**

Art. 5, paragraph 1, of the Decree, sets out the natural persons whose unlawful conduct can result in the corporate liability of an entity by virtue of what is known as the "identification theory". Pursuant to this article, then, the entity is liable for offences committed in its interest or to its advantage if committed:

- a) by parties which perform representative, administrative, or managerial duties within the entity or one of its organisational units which are financially and functionally independent, or by parties involved in the entity's management and control (even in the event of de facto exercise of powers);
- b) by persons under the management or supervision of one of the parties set out section a).

With reference to the parties specified in section a), it is worth noting that legislators deem the provisions applicable not only to senior management positions held formally but also to management and control activities carried out in a "de facto" manner (indeed, the ministerial report on the Decree stressed the need for both).

### **1.2.2 Interest or advantage of the entity**

As mentioned above, the natural persons whose unlawful conduct could result in corporate liability must have committed what is known as a 'predicate offence' in the interest or to the advantage of the entity. The 'interest' of the entity always exists prior to the unlawful conduct by the natural person, while the 'advantage' always occurs after the conduct and can be gained by the entity even when the natural person has not acted in the entity's interest. The juridical terms "interest" and "advantage" refer to different concepts and each one has specific, separate significance, since it is quite possible that, for example, conduct that might have seemed to be in the interest of the entity initially does not bring the desired advantage after the event. Conversely, the entity is not liable if the persons stated in point 1.2.1 have acted in their own exclusive interest or in the interest of third parties; in this case, any advantage would be, in certain respects, "fortuitous" and hence not attributable to the intentions of the entity.

In the event that the natural person has committed the said 'predicate offence' in his or her own overriding interest or of that of third parties and the entity has not gained any advantage or has gained only an insignificant advantage from it, the liability will still exist and will be addressed by the application, pursuant to Art. 12, paragraph 1, subsection a) of the Decree, of the monetary penalty; this penalty will be reduced to half the amount envisaged and, in any case, will not exceed €103, 291.38.

### **1.2.3 The predicate offences for which entities may be held liable**

Corporate liability of an entity can only occur in relation to the criminal offences expressly specified as a prerequisite therefor by Italian Legislative Decree n. 231/2001 and/or by Italian Law n. 146/2006.

It should be noted that the entity cannot be held liable for an event constituting an offence if its corporate liability for the said offence and the relative penalties are not expressly provided for by an Italian law that entered into force before the event occurred (an aspect known as the 'principle of legality').

## **1. 3 The conditions for entities' exoneration from liability**

Articles 6 and 7 of the Decree govern the conditions for the entity's exoneration from corporate liability.

### **1.3.1 Corporate liability of the entity and predicate offences committed by persons in senior management positions**

Based on the provisions of Italian Legislative Decree n. 231/2001 - Art. 6, paragraph 1, subsections a) and b) - the entity may be exonerated from liability for an offence committed by qualified persons pursuant to Art. 5 of Italian Legislative Decree n. 231/2001, if it can prove that:

- a) before the offence was committed, the governing body had adopted and effectively implemented an organisational and management model suitable to prevent the kind of offence that occurred being committed;
- b) the task of supervising the implementation and effectiveness of the model as well as

compliance therewith and also ensuring the model is updated has been entrusted to a body within the entity with independent initiative and control powers;

c) the natural persons have committed the offence by fraudulently evading the organisation and management models;

d) the supervision by the supervisory body stated in point b) was neither totally lacking nor insufficient.

Italian Law n. 179, dated 30 November 2017, added paragraph 2-bis to Art. 6 of Italian Legislative Decree n. 231/2001 with the intention of governing activity to report concerns about unlawful conduct (also known as 'whistleblowing'). More specifically, for the purposes of the exonerating effect, legislation stipulates that the models must provide for the following:

"one or more channels that, in order to protect the integrity of the entity, allow the parties stated in Art. 5, paragraph 1, sections a) and b) to submit detailed reports of conduct deemed unlawful pursuant to this decree (founded on accurate, concordant elements of fact) or breaches of the entity's organisation and management model of which they have become aware while carrying out their duties; these channels must guarantee confidentiality and protection of the whistleblower's identity in the management of the report;

b) at least one alternative reporting channel which guarantees, through IT methods, confidentiality and protection of the whistleblower's identity;

c) a ban on acts of retaliation or discrimination, whether committed directly or indirectly, against the whistleblower for reasons relating (directly or indirectly) to the concerns reported;

d) in the disciplinary system adopted pursuant to paragraph 2, section e), penalties are envisaged for those who breach whistleblower protection measures, as well as for anyone who reports concerns which turn out to be unfounded as an act of wilful misconduct or gross negligence".

In relation to the scope of delegated powers and the risk of offences being committed, organisation and management models must:

a) specify the activities within the context of which offences are likely to be committed;

- b) provide for specific protocols concerning planning the decision-making process and the implementation of the entity's decisions in relation to the offences to be prevented;
- c) define procedures for managing financial resources suitable to prevent the commission of such offences;
- d) provide for disclosure duties to the body responsible for supervising the functioning of and compliance with the models;
- e) introduce a disciplinary system to address non-compliance with the measures specified in the model.

The model is a set of rules and tools intended to provide an entity with an effective organisation and management system, which also sets out - in order to prevent - relevant unlawful conduct which could be carried out by those who work on behalf of the company. These models can also be prepared (meeting the requirements set out above) on the basis of codes of conduct which have been drawn up by the entity's trade association and submitted to the Italian Ministry of Justice, pursuant to Art. 6, paragraph 3, of the Decree.

In any case, it is important to remember that the Decree outlines a different treatment for the entity depending on whether the predicate offence is committed:

- a) by parties which perform representative, administrative, or managerial duties within the entity or one of its organisational units which are financially and functionally independent, or by parties involved in the entity's management and control (even in the event of de facto exercise of powers);
- b) by persons under the management or supervision of one of the parties set out above.

In the first case, the Decree provides for what is known as "the reversal of the burden of proof" regarding the adoption and effective implementation of a model suitable to prevent the predicate offences in question being committed. This means that if the entity is accused of a principal offence as a result of one or more predicate offences being committed by a senior management, it is the entity's duty to demonstrate ("cannot be held liable if it demonstrates") that the requirements of the Decree have been met in full.

### **1.3.2 Corporate liability of the entity and predicate offences committed by persons under the management of others**

Art. 7 of the Decree states that if the predicate offence is committed by the persons stated in Art. 5, paragraph 1, section b), the entity is liable if the said offence was enabled by failure to comply with management or supervision requirements.

Failure to comply with management or supervision requirements is ruled out if, before the offence was committed, the entity had adopted and effectively implemented an organisational, management, and control model suitable to prevent the kind of offence that occurred being committed.

In relation to the nature and size of the organisation, as well as the type of activity carried out, the model must include suitable measures to ensure that the activity is carried out in compliance with the law and to promptly detect and eliminate risk situations.

Effective implementation of the model also requires:

- a) periodic monitoring and - where necessary - modification of the model when significant breaches of requirements emerge or in the event of changes within the organisation or the activity;
- b) a disciplinary system to address non-compliance with the measures specified in the Model.

## **1.4 The practical application of Italian Legislative Decree n. 231/01**

### **1.4. 1 The requirements which - if met - exonerate entities from corporate liability**

The Decree therefore establishes that, in order to have an exonerating effect, the model adopted by an entity must:

- a) specify the activities within the context of which offences are likely to be committed;
- b) provide for specific protocols concerning planning the decision-making process and the implementation of the entity's decisions in relation to the offences to be prevented;
- c) define procedures for managing financial resources suitable to prevent the commission of such offences;

d) provide for disclosure duties to the body responsible for supervising the functioning of and compliance with the models;

e) introduce a disciplinary system to address non-compliance with the measures specified in the model.

Effective implementation of the model also requires:

- periodic monitoring and - where necessary - modification of the Model when significant breaches of requirements emerge or in the event of changes within the organisation or the activity;

- a disciplinary system to address non-compliance with the measures specified in the Model.

#### **1.4.2. The Confindustria Guidelines**

As already highlighted, pursuant to Art. 6 of the Decree, the models can also be prepared (meeting the requirements set out above) on the basis of codes of conduct which have been drawn up by the entity's trade association and submitted to the Italian Ministry of Justice, pursuant to Art. 6, paragraph 3, of the Decree. Confindustria, the main trade organisation for manufacturing and service companies in Italy, has a (voluntary) membership of approximately 150,000 companies of all sizes, which employ over five million workers in total. As stated in its Articles of Association, Confindustria strives to work with political and economic institutions, as well as social and cultural organisations, both nationally and internationally, to contribute to the country's economic growth and social progress. With this in mind and to assist its member companies, Confindustria has issued the "Guidelines for the construction of Organisation, Management, and Control Models pursuant to Italian Legislative Decree n. 231/2001". The first version of the Guidelines, drawn up in 2002 by the working party on "Corporate Liability of Legal Persons", set up within the Confindustria Legal Affairs, Finance and Corporate Law Unit, was approved by the Italian Ministry of Justice in June 2004. Following extensive legislative activity which has taken place in the meantime, resulting in amendments to the provisions concerning corporate liability and an extension of the scope of application to further types of offences, the Confindustria working party has updated its guidelines for the construction of organisational models.

The first update of these guidelines, dated March 2008, was approved by the Italian

Ministry of Justice on 2 April 2008, while the second update (dated March 2014) was approved by the Italian Ministry of Justice on 21 July 2014.

The new Confindustria guidelines for the construction of organisational models adapt the earlier provisions to the new legislation, case law, and application practices that have occurred in the meantime, with the aim of providing guidance on measures which can prevent the predicate offences provided for in the Decree dated July 2014 being committed.

The Confindustria guidelines for the construction of the models provide associations and companies - regardless of whether or not they are members of the association - with methodological instructions on how to prepare an organisational model suitable to prevent the offences stated in the Decree being committed.

These guidelines - which are recognised by the Decree - can be broken down into the following fundamental points:

- identification of areas at risk, i.e. establishment of the company areas/sectors in which the offences envisaged by Legislative Decree 231/2001 could be committed;
- identification of the ways in which the offences could be committed;
- performance of the risk assessment;
- identification of control measures to mitigate the risk of offences being committed;
- gap analysis.

The most significant components of the control system devised by Confindustria are:

- the Code of Ethics;
- the organisational system
- manual and IT procedures;
- authorisation powers and signing authority;
- control and management systems;

- dissemination to personnel and their training.

The components of the control system must be oriented towards the following principles:

- verifiability, documentability, consistency, and congruence of each action;
- application of the principle of segregation of duties (no individual is solely responsible managing an entire process);
- control documentation;
- provision of an adequate system of penalties addressing breaches of the procedures envisaged by the model;
- specification of the characteristics required of the supervisory body, which can be summarised as follows:
  - autonomy and independence;
  - professionalism;
  - continuity of action.
- disclosure duties concerning the supervisory body and specification of the criteria to apply when appointing the members of this body.

It should be noted that:

- 1) failure to comply with specific points of the Confindustria Guidelines does not in itself invalidate the validity of the model;
- 2) the guidance provided in these guidelines requires subsequent adaptation by the companies. Indeed, in order to have an effective preventive effect, each organisational model must be constructed taking into account the characteristics of the company to which it applies. The risk of offences being committed within any individual company is closely linked to the industry within which it operates, the organisational - not only dimensional - complexity of the company, and the geography of its operations.

Following the entry into force of Italian Law n. 179 containing "Provisions for the protection of whistleblowers within public- or private-sector employment relationships",



Confindustria has published an explanatory note on the provisions for whistleblowing which explains the main contents of the legislation of reference and provides clarifications concerning application for entities which have adopted a model pursuant to Italian Legislative Decree n. 231 (also known as the '231 Model').

### **1.5. Administrative penalties applicable to entities**

The Decree provides for four types of penalties - all administrative - which are applicable to entities liable for principal offences resulting from predicate offences:

1) monetary penalties (and preventive attachment), which are applicable to all offences;

2) disqualification (also applicable as a precautionary measure and in any case only in particularly serious cases of events with a duration of between three months and two years, including:

- disqualification from the business carried out by the company;
- suspension or revocation of permits, licenses, or concessions which were instrumental to the commission of the offence;
- ban on dealings with the public administration authorities, except to obtain public services;
- exclusion from concessions, loans, aids, and subsidies, and/or possibility of revocation of those already granted;
- ban on advertising goods or services;
- confiscation (and preventive attachment);
- publication of the conviction (in the event of application of a disqualification penalty).

The reasoning behind the provisions concerning penalties is clear: the application of monetary and disqualifying penalties is intended to impact both the entity's assets and its operations, while the introduction of the confiscation of profits is intended to address the

unjust and unjustified enrichment of the entity through the commission of offences.

### **1.5.1 Monetary penalties**

The monetary penalty is the fundamental penalty, which is always applicable to all principal offences resulting from predicate offences. The monetary penalty is applied using a points system, in which the minimum number of points that can be applied is one hundred and the maximum is one thousand.

The judge determines the number of points to apply, taking into account the gravity of the circumstances, the degree of liability of the entity, as well as the activity carried out to eliminate or mitigate the consequences of the event and to prevent further offences being committed.

The penalty payable for each point is then established (from a minimum of €258.23 per point to a maximum of €1,549.37 per point) on the basis of the financial and equity conditions of the entity in order to ensure effectiveness of the penalty. Nevertheless, the amount payable per point is always €103.29 in the following cases:

- a) the party who committed the offence was acting in his or her own overriding interest or of that of third parties and the entity did not gain an advantage or only an insignificant advantage from it (Art. 12, paragraph 1, subsection A, of the Decree);
- b) the monetary damage caused is particularly minor (Art. 12, paragraph 1, subsection B, of the Decree).

Furthermore, the monetary penalty is reduced (by an amount ranging from a third to half) if, before the opening statement of the first-instance hearing:

- a) the entity has fully compensated the damage and has remedied the harmful or dangerous consequences of the offence or has, in any case, taken effective action to do so;
- b) an organisational model suitable to prevent crimes of the type that occurred had been adopted and made operational.

If both conditions are met, the penalty is reduced by an amount ranging from half to two thirds; in any case, the monetary penalty cannot be less than €10, 329.14. To quantify the

monetary value for the points system, the criminal judge must therefore perform two steps: the first to establish the number of points to attribute on the basis of the aforesaid indicators (the gravity of the offence, the degree of liability of the entity and the activity carried out to mitigate the consequences of the offence) and the second to establish the monetary value of the penalty applicable per point, taking into account the financial and asset conditions of the entity, in order to ensure the effectiveness of the penalty. Lastly, there are cases envisaged in which the monetary penalty may be reduced, namely:

- 1) when the offence is particularly minor, in which case the monetary penalty applicable must be no less than €10,329.00 and no more than €103,291.00;
- 2) if for the offence committed has been redressed through reparation or restoration in kind.

However, Art. 27 of the Decree sets an absolute upper limit to the amount of the penalty by providing that the most the entity will be required to pay as a monetary penalty must remain within the limits of its capital or assets.

### **1.5.2 Disqualification penalties**

The disqualification penalties are applied together with the monetary penalty, but only for the predicate offences for which they are expressly envisaged. Their duration must be no less than three months and no more than two years.

The Decree provides for the following disqualification penalties:

- a) disqualification from carrying out the activity in question (this involves the suspension or revocation of authorisations, permits, licences, or concessions which are instrumental to the performance of the activity and applies only when the imposition of other disqualification penalties is insufficient);
- b) suspension or revocation of permits, licenses, or concessions which were instrumental to the commission of the offence;
- c) ban on dealings with the public administration authorities (this can also involve simply the restriction to certain types of contract or to certain types of authorities), except to obtain public services;
- d) exclusion from concessions, loans, aids, and subsidies, and/or possibility of revocation of those already granted;

- e) ban on advertising goods or services.

If necessary, disqualification penalties can be applied jointly. The application thereof, therefore, can paralyse business for the entity and also significantly impact the entity through the limitation of its legal capacity or the appropriation of financial resources. Since these are particularly onerous penalties, the Decree establishes that at least one of the following conditions must be met in order to apply them:

- a) the entity gained a significant profit from the offence and the offence was committed by persons in senior positions or by persons under the management of others when, in this case, commission of the offence was determined or facilitated by serious organisational shortcomings;
- b) in the event of repetition of the offence.

In any case, these penalties do not apply if:

- the party who committed the offence was acting in his or her own overriding interest or of that of third parties and the entity did not gain an advantage or only an insignificant advantage from it;
- the monetary damage caused is particularly minor.

Furthermore, they do not apply when, before the first-instance hearing is declared open, the following conditions are met (as reparation for the consequences of the offence):

- a) the entity has fully compensated the damage and has remedied the harmful or dangerous consequences of the offence or has, in any case, taken effective action to do so;
- b) the entity has remedied the organisational shortcomings that led to the offence by adopting and implementing organisational models which are suitable to prevent a recurrence of the same kind of crime;
- c) the entity has handed over (for confiscation purposes) the profit obtained.

### **1.5.3 The publication of the conviction**

When a disqualification penalty is applied to the entity, the court may order that the conviction be published. The conviction is published once only, in full or in abridged form, in one or more publications, as specified by the court, which are normally specialist or trade journals, or may be posted in the town or city hall in the town or city where the entity has its head office, with all costs payable by the entity. This penalty has a purely afflictive nature and is intended to adversely affect the entity's image.

#### **1.5.4 Confiscation of the price paid or the profit resulting from the offence;**

As regards the entity, upon issuing the conviction, the court also always orders the confiscation of the price paid or the profit gained from the offence, with the exception of the part thereof that can be returned to the injured party and without prejudice to the rights acquired by third parties in good faith. When it is not possible to confiscate the price paid or the profit gained from the offence, the confiscation may concern other sums of money, goods, or other benefits of an equivalent value to the price paid or profit gained from the offence (also known as "confiscation of equivalent value").

The term "price paid for the offence" means the objects, money, or other benefits either given or promised to induce the offender to commit the offence. The term "profit gained from the offence" means the immediate financial gain made from the offence.

The confiscation of equivalent value has recently become one of the tools most commonly used in the fight against what is known as 'criminal profits'. Like the penalty described above in section 1.5.3, this penalty also originates directly from criminal law.

## 2. THE GOVERNANCE MODEL AND THE ORGANISATIONAL STRUCTURE

### 2.1 The company

In order to ensure increasing fairness and transparency in the conduct of business activities, the company has decided that to adopt the model, based on the provisions of the Decree, would be in line with its company policies.

The decision to adopt the model was taken by the company in the belief that, aside from the provisions of the Decree (which states that the model is an optional, and therefore not compulsory element), the adoption of this model would be a valid tool for raising awareness among employees.

Warrant Innovation Lab S.r.l. has been registered in the Reggio Emilia Business Register since 7/11/2013.

Its corporate purpose includes basic research, industrial research, and experimental development and the dissemination of its results through teaching, publication, or technology transfer.

More specifically, the following activities fall within the scope of the company's corporate purpose:

- A) - consulting services to facilitate companies in their digital transformation through action concerning their technology, organisation, and culture;
- B) - the design, development, and production of technology and organisational solutions with the aim of improving the efficiency and effectiveness of company processes;
- C) - the design, development, construction, management, and marketing of innovative IT solutions, systems, and services with a high technology content for connection, monitoring, and control and for maintenance of operating assets and other property;
- D) - training and innovation relating to the activities stated in section c);
- E) - design, construction, and consulting services for the creation of hardware, software, and applications with a high technology content within the context outlined in section c);
- F) - experimental or theoretical work aimed predominantly at acquiring new knowledge on the fundamentals of observable circumstances and events;
- G) - performance of planned research or significant investigations aimed at acquiring new knowledge, to be used to develop new products, processes, or services or to improve existing products, processes or services or to create components of complex systems needed for industrial research (with the exception of the prototypes stated below in section I);

- H) - the acquisition, combination, structuring and use of knowledge and skills of a scientific, technological, and commercial nature in order to produce plans, projects, or designs for new, modified, or improved products, processes, or services;
- I) - performance of other activities aimed at the conceptual definition, planning, and documentation concerning new products, processes, and services; these activities may include the development of designs, drawings, plans, and other documentation; the creation of prototypes to be used for commercial purposes and of pilot projects for technological or commercial trials;
- L) - the production and testing of products, processes, and services;
- M) - the publication of journals, periodicals, and other means of communication, including therein on IT media, in the fields of science, culture, and current affairs.

The Company is under the predominant control of Warrant Hub S.p.A., which is - in turn - controlled by Tinexta S.p.A., the latter being a public limited company listed in the STAR segment (for small and mid-sized firms) of the Italian Stock Exchange.

## **2.2 The corporate structure**

Warrant Innovation Lab S.r.l. The company is managed by a three-member board of directors whose members are appointed, when necessary, by a shareholders' meeting resolution.

The company also complies with the personal data protection requirements set out in the GDPR 2016/679, as well as in Italian Legislative Decree n. 196/2003 (known as the 'Privacy Code'), as amended by Italian Legislative Decree n.101/2018.

### **Shareholders' meetings**

The shareholders decide on the matters for which, by Italian Law and by the Articles of Association, only they may decide, as well as on any matters submitted for their approval by either one or more directors or shareholders representing at least one third of the share capital.

In any case, the following matters must be decided by the shareholders:

- a) approval of the financial statements and distribution of profits;
- b) appointment and dismissal of directors;

- c) appointment, in the cases provided for by Italian Law, of the sole auditor or the board of auditors and of the chairman of the board of auditors or of the statutory auditor, and revocation of these appointments;
- d) amendments to the Memorandum of Association (and/or Articles of Association) and/or the shareholders' decisions for which the same procedure as required for amendments to the Articles of Association applies;
- e) any operation that would result in a substantial change to the corporate purpose or a significant change to the shareholders' rights;
- f) the winding-up and dissolution of the company, as well as the revocation of winding-up proceedings;
- g) the issuance of debt securities.

For the matters set out in sections d), e), f), and g), or when requested by one or more directors or a shareholders representing at least one third of the share capital, or for the matters envisaged in Art. 2482-bis of the Italian Civil Code, the shareholders' decisions must necessarily be taken at shareholders' meetings.

In any other case, on the other hand, the shareholders may reach their decisions, not only at the shareholders' meetings, but also by postal vote or using the written consent method.

The meetings must be convened by the governing body and may be held in or outside the registered office, as long as the venue is in Italy.

As well as in the cases and for the matters provided for by Italian law and by the Articles of Association the shareholders' meetings are also called whenever the governing body deems it appropriate.

The governing body must also call a shareholders' meeting without delay whenever requested to do by shareholders representing at least one tenth of the share capital (who are required to state the items to be discussed in the request).

A meeting cannot be called at the request of the shareholders, however, for matters on which, by Italian law, the shareholders must decide following a proposal by the directors or on the basis of a project or a report prepared by the latter.

Each shareholder with voting rights is entitled to attend the meetings and take part in the decisions, and the vote thereof is proportional to the shareholding thereof. Every shareholder can delegate another party to represent them at the meeting.

The shareholders' meeting, which is chaired by the chair of the board of directors (and, in the event of the absence or impediment thereby, by the deputy chair or the managing director) are duly formed and can pass resolutions at both first and second call if



shareholders representing a majority greater than at least half of the share capital vote in favour.

### **Governing body**

The term of office of the governing body is established with a shareholders' decision.

The company is managed by a three-member board of directors whose members are appointed, when necessary, by a shareholders' meeting resolution.

The members of the governing body:

- A) can also be non-shareholders;
- B) anyone who meets the conditions provided for by Art. 2382 of the Italian Civil Code cannot be appointed to the body and if they have been appointed, will be dismissed from office ;
- C) remain in office for the term established each time by the shareholders upon appointment, and, in any case, until their dismissal or resignation;
- D) can be re-elected;
- E) can be co-opted in compliance with Art. 2386 of the Italian Civil Code ;
- F) are bound by the 'no competition' duty provided for in Art. 2390 of the Italian Civil Code, unless authorised by a shareholders' meeting decision.

General representation of the company is assigned as established by law.

In any case, the power of legal representation of the company lies with the chair of the board of directors and, in the event of the absence or impediment thereof, with the deputy chair if appointed, as well as with any managing directors within the limits of the powers conferred on them or, if no managing directors are appointed, with the director most senior in age.

The governing body may also assign powers of attorney and authorisations in general for certain actions or categories of actions, as and when necessary.

### **Data Protection Officer**

In compliance with the guidelines provided by European Regulation 679/2016, the Warrant Group has appointed a DPO.

Furthermore, as part of the management of this area, a privacy committee has been established within the direct parent company (Warrant Hub), which comprises the DPO, the privacy officer, and the IT manager.

The DPO remains in office until dismissed by the Italian data protection authority (the '*Garante*' in Italian).

The duties assigned thereto are those stated in Art. 39 of the GDPR, namely:

- a) to inform and advise the data controller or data processor, as well as the employees who carry out the processing, on the obligations arising from Regulation 679/2016 as well as other European Union or member state provisions for data protection;
- b) to monitor compliance with the said regulation, other European Union or member state provisions for data protection, as well as the controller's or processor's policies on personal data protection, including the assignment of responsibilities, awareness raising, and training of the personnel involved in processing and the related control activities;
- c) to provide, if requested, an opinion on the data protection impact assessment and monitor its performance in accordance with Art. 35;
- d) to cooperate with the supervisory authority;
- e) to act as a contact point for the supervisory authority for processing-related matters, including the prior consultation provided for in Art. 36, and to provide, where appropriate, consultations on any other matter.

As regards the duties of the privacy officer, these include:

- back-office activity to follow up the meetings (report on surveillance activities, liaise with DPOs, internal staff involved, and with external data processors or providers of technology/application solutions);
- updating and setting the Privacy Lab GDPR platform (processing registers, data breach register and list of data processors);
- preparing the quarterly GDPR report required by the group data protection policy;
- managing emails for requests from staff tasked with data processing and any reports on breaches of Italian data protection legislation.

### **The other company units and departments**

The organisation chart shows the areas, the department managers, and also those in charge of the related units and departments.

More specifically, the organisation chart shows that the managers of the following areas report directly to the chair of the board and the managing director:

- Business Development;
- Digital & Innovation;
- Intangible Assets;

- Data Protection.

### 2.3 The company's governance tools

The company has put the following corporate governance tools in place in order to ensure the organisation functions properly:

- Articles of Association
- Group Code of Ethics
- Company organisation chart
- System of authorisations and powers of attorney
- Governance model for data protection matters
- Financial disclosure control system
- Group Dialogue and Control Model
- Quality manual.
- Any other regulations

**Group Code of Ethics:** this code governs the set of rights, duties, and responsibilities that the group companies uphold and undertake to observe in relation to their stakeholders, and with which all the parties to whom or which this model applies must comply. The Group Code of Ethics establishes the underlying ethical principles of the companies in the TINEXTA group and on which all the parties with whom or which they operate must base, therefore, their conduct. More specifically, the company draws on the following principles:

- compliance with current national and EU laws and in general the international legislation of the countries in which it operates, as well as internal regulations or codes and, where applicable, the standards of professional ethics;
- honesty, fairness, and transparency of the actions taken in pursuit of its objectives;
- loyalty in relationships with counterparties of any kind;
- protection of data and sensitive information, in compliance with the provisions of data protection legislation;

prevention of bribery and corruption, nationally and internationally, in terms of the conduct of both the actor and the receiver. In this regard, for example: the company

bans favours, collusion, and solicitations made directly and/or through third parties in order to obtain advantages for the Company, for oneself, or for others; the personnel must not attempt to unduly influence the decisions of the counterparty in dealings (such as public officials/representatives of private-sector entities who are negotiating or making decisions on behalf of public administration authorities and private-sector entities, respectively); it is never acceptable to give or offer, directly or indirectly, money, gifts, or any benefit to public administration authorities or to private-sector entities or their families, as consideration for an activity performed as part of their duties;

- repudiation of terrorism, by, among other things, performing checks to ensure the potential partners are not on the blacklists published by the Financial Information Unit (FIU) established by the Bank of Italy, pursuant to Art. 6, paragraph 1, of Italian Legislative Decree n. 231/2007, to prevent and counter money laundering and the financing of terrorism;
- protection of health, safety, and the environment in the workplace and safeguarding of corporate assets;
- impartiality, which includes the duty to prevent conflicts of interest.

Adoption of the Group Code of Ethics is also one of the prerequisites for the effective functioning of the model. The Group Code of Ethics and the model offer an integrated compilation of the internal rules and regulations in order to encourage a culture of ethical conduct and corporate transparency and prevent the predicate offences which could result in corporate liability being committed.

**Company organisation chart:** this shows the company's current organisational framework and is designed and developed to take into account the company's specific operational and size characteristics.

**System of authorisations and powers of attorney:** the company has adopted a system of authorisations and powers of attorney featuring safeguards to prevent offences being committed (such as the traceability and the ability to highlight sensitive activities) which also ensure efficient management of the company's activities. The term 'authorisation' is used to refer to a transfer of responsibilities and powers (unrelated to any specific occasion) from one member of the company to a lower-ranking member. The term "power of attorney" means the legal arrangement by which one party gives another party power to represent the former (i.e. to act in the name and on behalf thereof ). A power of

attorney, unlike simply an authorisation, gives counterparties the guarantee that the person they are negotiating and entering into agreements with (the power of attorney holder) is officially appointed to represent the company.

In order to effectively prevent offences being committed, the system of authorisations and powers of attorney must meet the following essential requirements:

- a) the authorisation must be based on a combination of powers and respective responsibilities, as well as appropriate positioning within the company's structure;
- b) each authorisation must set out, specifically and unequivocally, the powers of the authorised party and the party (body or individual) to which the authorised party reports hierarchically;
- c) the management powers granted with the authorisations and their implementation must be consistent with the company's objectives;
- d) the authorised party must have adequate spending powers for the duties assigned thereto;
- e) all those who have dealings, on behalf of the company, with public administration authorities and/or with parties in the private sector must have a specific power of attorney to the act in that capacity;
- f) each power of attorney (which therefore involves the power to represent the company in dealings with third parties) must be accompanied by an internal authorisation setting out the relative management power;
- g) copies of the authorisations and powers of attorney and updates thereof will be sent to the supervisory body (SB).

The SB periodically checks, with support from the other competent units and departments, the system of authorisations and powers of attorney in force and their consistency with the instructions issued within the organisation, recommending changes in the event that management powers and/or qualifications do not correspond to the representation powers attributed to the authorised party or if there are other inconsistencies;

**Governance model for data protection matters:** the company has established a data compliance model by adopting and implementing specific documents contained in the data protection management model envisaged in European Regulation 679/2016 (GDPR).

**Financial disclosure control system:** as a member of the Tinexta Group, the company complies with the provisions of Italian Law n. 262/05 concerning documenting the accounting and administrative control model adopted, while also carrying out specific checks on the controls identified, to support the certification process performed by the designated executive manager of the parent company in the preparation of the corporate accounting documents. More specifically, in order to ensure that the risk coverage requirements and the framework for the control thereof are both adequate, audits are carried out on administrative and accounting control measures every six months in order to verify - during the period in question - the effective application and operation thereof, while also monitoring activities to ascertain the implementation of the corrective measures decided.

**Group Dialogue and Control Model:** in order to ensure that group companies operate on the basis of shared values, the Group Dialogue And Control Model has been established, which:

- governs the operating procedures of the TINEXTA Group and constitutes the key provisions applicable to the relations between the parent company and the subsidiaries, on which these must be based;
- guarantees levels of integration which are consistent with the achievement of a common strategic plan without undermining the legal autonomy of the group member companies;
- optimises the synergies determined by membership of the group, enhancing the characteristics of the various companies;
- states the interactions between the parent company and the direct and indirect subsidiaries.

However, the Group Dialogue and Control Model does not describe or govern the processes managed internally by the individual companies and the interactions between the units and departments within the same company, for which specific procedures are drawn up.

## **2.4 The internal control system**

The company has an internal control system designed to monitor typical business risks over time. The internal control system is a set of rules, procedures and organisational frameworks designed to identify, measure, manage, and monitor the main risks, in order

to contribute to the company's sustainable success.

The internal control and risk management system meets the need to ensure:

- (i) the effectiveness and efficiency of processes and operations;
- (ii) the quality and reliability of performance and financial information;
- (iii) compliance with Italian Laws and regulations, as well as the Articles of Association, regulations, and internal procedures;
- (iv) the corporate equity and assets are safeguarded;
- (v) the identification, prevention, and management of all risks relating to the business management of the company and the Tinexta Group, whether of a strategic, financial, operational, or compliance nature.

The company adopts regulatory instruments based on the following general principles:

- a) clear description of the reporting lines;
- b) accessible, transparent, and public information about the powers attributed (within the company and in dealings with third-party stakeholders);
- c) clear and formal definition of roles, with a complete description of the duties of each position and the related powers and responsibilities.

The internal procedures to be adopted must also feature:

- assignment of different people, within each process, to the roles of decision-maker, decision implementer, and process supervisor (also known as "segregation of duties");
- written records of each relevant step in the process (also known as "traceability");
- appropriate level of formalisation.

The company has obtained ISO 9001:2015 certification and therefore all the contents thereof are applicable.

## **2.5 Intercompany relations**

The performance of intragroup services must be governed by a written agreement, a copy of which must be sent, upon request, to the company's supervisory body. More specifically, the service provision agreement must:

- govern the roles, responsibilities, operating procedures, and information flows concerning performance of the services envisaged in the agreement;
- provide for monitoring to ensure proper performance of the service activities assigned;
- include a clause with which the parties undertake to comply with the organisation, management, and control principles designed to prevent the offences pursuant to Italian Legislative Decree n. 231/01 being committed, as defined in the Organisation, Management, and Control Model adopted, or other compliance model (if the provisions of Italian Legislative Decree n. 231 discipline are not in force) containing control measures consistent with those envisaged in the Organisation, Management, and Control Model adopted by the company;

When providing services, the company complies with the provisions of this model and the procedures established for the implementation thereof. If the services provided are deemed sensitive activities but are not covered by its own model, at the request of the SB, the company providing the service must establish appropriate rules and procedures to prevent the relevant offences being committed.

## **3. THE COMPANY'S ORGANISATION AND MANAGEMENT MODEL**

### **3.1 Objectives and function of the model**

By adopting an Organisation, Management, and Control Model compliant with the provisions of the Decree, WARRANT INNOVATION LAB S.R.L aims to:

- raise awareness among the parties to whom or which the model applies, requiring them - within the limits of the activities carried out in the company's interest - to conduct themselves in a way which is fair, transparent, and in line with the underlying ethical values when striving to achieve the corporate purpose and in a way which prevents the risk of the offences envisaged in the Decree being committed;



- raise awareness in the aforesaid parties to the disciplinary and/or contractual consequences, as well as in criminal and administrative penalties they face in the event of breach of the provisions issued by the company;
- establish and/or strengthen controls that allow the company to prevent or react promptly to prevent offences being committed by senior management or persons under the management or supervision thereof which would result in corporate liability;
- ensure the company, by monitoring the areas of activity at risk, can act promptly to prevent or counter the said offences and apply penalties in the event of conduct breaching its model;
- improve the effectiveness of and transparency in the management of activities;
- establish full awareness in potential offenders that commission of an offence is strongly condemned and breaches not only the provisions of the Italian Law but also the ethical principles with which the company intends to comply, and goes against the interests of the company (even though it could seemingly benefit from the offence).

### **3.2 Parties to whom or which the model applies**

The rules contained in the model apply primarily to those parties who perform representation, administration, or managerial duties for the company, as well as any parties involved in the entity's management and control (even in the event of de facto exercise of powers). The model also applies to all of the company's employees, including the seconded employees, who are required to comply with all the provisions and controls contained in the model, as well as the procedures for its implementation, with the utmost propriety and diligence. The model also applies, within the limits of the existing relationship, to those who, although not members of the company, operate on behalf of the company under an authorisation or are in any case linked to the company by significant legally based relationships. To this end, in the agreements or in relationships in place with the aforesaid parties, express reference is made to the Group Code of Ethics and the model.

More specifically, with reference to any partners, in Italy and abroad, with which the company may operate, while respecting the independent status of the individual legal entities, the company will promote the adoption of an internal control system designed to prevent - amongst other things - the predicate offences envisaged in Italian Legislative Decree n. 231/01, working to ensure - through the inclusion of specific contractual clauses

- the conduct of the said partners complies with the principles envisaged by the decree and enshrined in the model adopted by the company.

### **3.3 Structure of the model: General Section and Special Section**

The model is divided into this General Section, which contains its fundamental principles and a Special Section, which is further divided into subsections describing the types of offences envisaged by the Decree which it is deemed could potentially occur within the company.

In line with the structure envisaged by the guidelines for the preparation of the Organisation, Management, and Control Model, after an introduction outlining the purpose and main contents of Italian Legislative Decree 231/2001, the General Section provides information on the company's organisational structure, governance, and the internal control system. Following the definition of the function of the model and the parties to whom or which it applies, this subsection outlines the methods adopted by the company for its adaptation and updating. Later on in the document, the following areas will be discussed:

- the roles, responsibilities, and information flows concerning the supervisory body
- the procedures for reporting unlawful conduct;
- the disciplinary and penalty system;
- the HR recruitment and training criteria for the selection and training, as well as the procedures for disseminating the model.

The Special Section, meanwhile, examines the areas of activity within the Company in relation to the various types of offences - envisaged by the Decree and by Italian Law n. 146/2006 - which are deemed could potentially occur within the company. More specifically, the Special Section describes:

- the 'Sensitive Activities', i.e. those activities carried out in the company which could be at risk of one of the offences referred to in the previous point being committed;
- the general control standards used to monitor the activities envisaged by the instruments and the methods used to structure the specific control standards; these standards must always be applied in all Sensitive Activities taken into consideration by the Model;
- specific control standards applicable to individual sensitive activities, developed on the basis of the general control standards set out above, such as the definition of monitoring measures to mitigate the specific risk of an individual offence/category of offences being committed.

The company has identified the following sensitive areas, within which the predicate offences could, in theory, be committed:

The company has identified the following areas at risk, within which the predicate offences could, in theory, be committed:

- Management of corporate communications and privileged information
- Procurement of goods and services
- Consulting and professional assignments to third parties
- Management of sponsorships, donations, gifts, and the like
- Management of obligations relating to occupational health and safety
- Management of accounting and financial statement preparation activities
- Management of tax obligations
- Sales management and service provision
- Financial and treasury management
- Management of disputes and contracts
- Corporate affairs
- Management of relationships with public administration authorities and supervisory authorities
- Management of ordinary and extraordinary transactions concerning the share capital
- Human resource recruitment and management
- Management of environmental obligations
- Information system management
- Management of transactions with related parties and intercompany relations

In the event that it is necessary to include further specific subsections in the Special Section to take into account new kinds of offences which might fall within the scope of application of the Decree in the future, the governing body has the power to supplement this model by a specific resolution, which may be taken following a report from and/or consultation with the supervisory body.

### **3.4 The company's project to establish a model**

Warrant Innovation Lab has decided to prepare and adopt its own model as it is aware that, while being voluntary rather than compulsory, this system represents an opportunity

to strengthen its governance culture, while also using the activities carried out (inventory of Sensitive Activities, analysis of potential risks, assessment and adjustment of the system of controls already existing in relation to the Sensitive Activities) to raise awareness among personnel to process control issues, with a view to building an active system to prevention offences being committed.

The methodology chosen to carry out the project, in terms of the organisation, definition of operating procedures, structuring in steps, and the assignment of responsibilities between the various units and departments, was developed in order to ensure quality and authoritative results.

The project is divided into the steps summarised below, which are examined separately solely for the purposes of explaining the methodology. The operational and methodological approach adopted by the company in the risk assessment activity is consistent with the contents of the "Guidelines for the drafting of the Organisation, Management and Control Model".

### **3.4.1 Identification of sensitive areas, activities, and processes**

Art. 6, paragraph 2, subsection a) of Italian Legislative Decree n. 231/2001 includes, among the requirements of the model, the specification of the processes and activities within which the offences expressly referred to in the Decree could be committed. In other words, these are activities and processes that are commonly defined as "sensitive" (hereinafter, "Sensitive Activities").

The purpose of the first step was to identify the areas concerned and preliminarily identify the Sensitive Activities.

In preparation for this work to identify the Sensitive Activities, an analysis of the organisational structure of the company was performed, in order to better understand the company's activities and identify the areas concerned.

The analysis of the organisational structure of the company allowed us to identify the sensitive processes/activities and the preliminary identification of the personnel responsible for these processes/activities.

The following activities were carried out during the first step:

- gathering of documentation relating to the company's organisational structure;
- analysis of the documentation gathered in order to establish the activities that are carried out within the company;
- analysis of the case history, i.e. past cases of precedents in criminal, civil, or administrative law against the company or its employees which are in any way linked to the legislation introduced by Italian Legislative Decree n. 231/2001;

- identification of the areas of activity and related functional responsibilities;
- preliminary identification of the Sensitive Processes/Activities pursuant to Italian Legislative Decree n. 231/2001;
- preliminary identification of the departments, units, or personnel responsible for the Sensitive Activities identified.

### **3.4.2 Identification of the key officers**

The purpose of the second step was to identify the personnel responsible for the Sensitive Processes/Activities, i.e. the resources with an in-depth knowledge of the Sensitive Processes/Activities and the control mechanisms currently in place (hereinafter referred to as the "key officers"), and subsequently further examine and complete the preliminary inventory of the Sensitive Processes/Activities as well as the departments, units, and parties involved.

A prerequisite for the operational activities in this step was the collection of the information needed to i) establish the roles and responsibilities of the parties involved in the Sensitive Activities and ii) identify the key officers capable of providing the operational support necessary to draw up the breakdown of the Sensitive Activities and related control mechanisms.

More specifically, the highest-ranking staff members capable of providing detailed information on the individual processes and activities of the individual units and departments were identified as the key officers.

### **3.4.3 Analysis of Sensitive Activities and Processes**

The objective of the third step was to analyse and formalise (for each Sensitive Process/Activity identified in the first and second steps) the main activities, duties, and roles/responsibilities of the internal and external parties involved, and the safeguards in place, in order to establish in which areas/sectors of activity and in what ways the types of offences envisaged in Italian Legislative Decree n. 231/2001 could theoretically occur.

The activity in the third step involved the conduction of structured interviews with the key officers in order to gather the information necessary to fully understand the Sensitive Processes/Activities identified in the previous steps, and more specifically:

- the processes/activities carried out;
- the internal/external departments and units/parties involved;

- the related roles/responsibilities;
- the existing control system.

More specifically, the aim of the interviews with the key officers was to:

- acquire a systematic overview of all areas/sectors of activity within the company and how they effectively work;
- verify the effectiveness of the existing protocols and procedures, i.e. that actual conduct is in line with the conduct provided for in the protocols;
- identify the theoretical risks of the area/sector of activity under examination, as well as the potential risk factors;
- determine exposure to risk (also known as inherent risk) by assessing the impact of the event on the company ("D") and the probability that the offence may actually occur ("P");
- identify the existing control measures and activities to mitigate significant risks, using, among other things, the following control principles as a benchmark:
  - existence of formalised procedures;
  - traceability and ex-post verifiability of transactions through adequate supporting documents/information;
  - segregation of duties;
  - existence of a system of formalised authorisations consistent with the organisational responsibilities assigned;
- assess the adequacy of existing protocols and procedures, i.e. their ability to prevent unlawful conduct occurring (or in any case to reduce the risk thereof to an acceptable level) and highlight the possible implementation methods based on the analysis of the existing situation in the company (in relation to the areas/activities deemed sensitive, the company areas/departments/personnel involved and the controls and procedures in place);
- determine the level of residual risk based on the existence and adequacy of the control measures found. More specifically, the assessment of the adequacy of the existing internal control system was examined in relation to the desirable (i.e. that considered optimal) level of efficacy and efficiency of the control protocols and standards;
- set out any areas for improvement.

The information acquired during the interviews was then shared with the interviewees so that they could formally check it was full and accurate.

At the end of this step, a map was produced of the Sensitive Processes/Activities which (given their specific content) could be at risk of the offences referred to in Italian Legislative Decree n. 231/2001 being committed.

#### **3.4.4 Identification of corrective mechanisms: comparative analysis of the existing situation and the target situation envisaged in the model**

The purpose of the fourth step consisted in identifying *i)* the organisational requirements of an organisational model suitable to prevent the offences referred to in Italian Legislative Decree n. 231/2001 and *ii)* the corrective mechanisms, i.e. the actions to improve the existing organisational model.

In order to assess and closely examine the control model in place to safeguard against the risks found and to assess compliance of the model with the provisions of Italian Legislative Decree n. 231/2001, a comparative analysis was carried out to establish the differences between the existing organisational and control model and a theoretical model assessed on the basis of the requirements specified in the provisions of Italian Legislative Decree n. 231/2001.

More specifically, the comparison was conducted in terms of compatibility with the system of authorisations and powers, with the system of procedures, and with the Group's Code of Ethics.

From this comparison, we were able to extrapolate the areas for improvement of the existing internal control system and the related corrective mechanisms. On the basis of the findings, an implementation plan was prepared with the aim of establishing the organisational requirements characteristic of an organisation, management, and control model compliant with the provisions of Italian Legislative Decree n. 231/2001, and the actions to improve the current control system (processes and procedures).

#### **3.4.5 Adaptation of the model**

After completing the previous steps, this document was updated, so that it sets out the essential constituent elements of the Organisation, Management, and Control Model, structured according to the provisions of Italian Legislative Decree n. 231/2001 and the guidelines issued by Confindustria. The model includes the following constituent elements:

- the specification of the company's activities within which the offences referred to in Italian Legislative Decree n. 231/2001 could occur;

- the general and specific control standards, which essentially concern the ways in which the entity's decisions in relation to the offences to be prevented are reached and implemented;
- the definition of procedures for managing financial resources suitable to prevent the commission of such offences;
- the supervisory body;
- the information flows to and from the supervisory body and the specific reporting duties concerning the supervisory body;
- the disciplinary system used to address breaches of the provisions contained in the model;
- the general principles for adopting the training and communication plan for the parties to whom or which the model applies;
- the criteria for updating the model.

#### **3.4.6 Criteria for updating the model**

The supervisory body suggests to the governing body that the model should be updated in the event of changes (in legislation and/or the organisation or the corporate structure) which will affect the efficacy and effectiveness of the model.

More specifically, the model may be updated if:

- breaches of the provisions of the model emerge;
- changes to the internal structure of the company occur;
- amendments are made to applicable legislation.

More specifically, in order to ensure that changes to the model are made in good time and effectively, without - however - risking a lack of coordination between the operational processes, the provisions contained in the model, and the dissemination thereof, the governing body has decided to delegate the task of making any changes to the model that become necessary (on a periodical basis and concerning aspects of a descriptive nature) to the Quality & Compliance department of the parent company Warrant Hub. It should be noted that the expression "descriptive aspects" refers to items and information originating from measures approved by the governing body (such as, for example, reviews of the company organisation chart) or from specifically authorised departments or personnel (e.g. new procedures).

The Quality & Compliance department in the parent company Warrant Hub notifies the SB promptly of any changes made to the model relating to aspects of a descriptive nature and



informs the board of directors, at the first useful meeting, so that the latter can approve them.

In any case, the resolutions concerning updates and/or adjustments to the model due to the following factors lie solely within the remit of the governing body:

- legislative changes regarding corporate liability;
- the definition of new sensitive activities, or changes to those already specified (necessary in the event that new activities are begun);
- commission of the offences stated in Italian Legislative Decree n. n. 231/2001 by the parties to whom/which the model applies or, more generally, significant breaches of the model;
- any shortcomings and/or gaps found in the provisions of the model following checks on its effectiveness.

In any case, the SB retains specific duties and powers regarding promoting the constant updating of the model. To this end, it makes observations and proposals relating to the organisation and the control system, the units and departments tasked with these activities, and - in cases of particular importance - the governing body.

### **3.5 Extension of the principles of the model adopted by Tinexta S.p.A.**

In order to prevent discrepancies between the guidelines and the criteria adopted, when preparing and/or adapting its model, the company complies with the Guidelines and draws on the principles of the model adopted by the parent company, taking into account the operational needs and making the adaptations deemed appropriate according to its size and the industry in which it operates.

## 4. SUPERVISORY BODY

### 4.1 The characteristics required of the supervisory body

Based on the provisions of the Decree, the entity can be exonerated from liability for offences committed by senior management or by parties under the supervision and management thereof, if - in addition to having already adopted and effectively implemented an organisation model suitable to prevent offences - the management body has entrusted the task of supervising the implementation, compliance with, and updating of the model to a body within the entity with independent initiative and control powers.

Having a body with independent initiative and control powers entrusted to perform the aforesaid tasks and likewise ensuring the said body carries out these duties correctly and effectively are two aspects which, together, constitute an indispensable prerequisite for the exoneration from liability provided for by the Decree.

The main characteristics required of the supervisory body are set out below:

- **autonomy and independence:** the body must be classified as a staff unit of the highest possible level, hierarchically speaking, and must report to the most senior level of operations management. Furthermore, the body must not be assigned operational tasks which, by their nature, would undermine its impartial judgement. Finally, it must be able to perform its duties without any form of interference and conditioning by the entity, and, in particular, by the company management;
- **professionalism:** the body must have sufficient knowledge, tools, and techniques necessary to carry out its business effectively;
- **continuity of action:** to ensure effective, constant implementation of the organisational model, through periodic checks. Continuity of action can be facilitated, for example, by having a company employee attend the supervisory body meetings and whose duties can guarantee a constant presence within the company, without performing, obviously, duties which are monitored by the supervisory body.

The supervisory body is a single-person body, established with a board of directors' resolution, which remains in office for the same term as the board of directors that appointed its members.

Upon expiry of the term, the supervisory body remains in office until a new body is approved and appointed by the board of directors. If, during the term of office, the office

of supervisory body is terminated for any reason, the board of directors will replace the body immediately with a board of directors' resolution.

Remuneration for the office of member of the supervisory body, for the entire term of the appointment, is established with the board of directors' resolution approving the appointment.

Appointment to the supervisory body is dependent on meeting the eligibility requirements. Upon appointment, the person designated to hold the office of supervisory body must issue a statement confirming that they do not meet the following criteria for ineligibility and/or forfeiture (in addition to any provided for by applicable legislation):

- conflicts of interest - even if only potential - with the company of such a gravity as to undermine the independence required by the role and duties of member of the supervisory body;
- parties linked - by linear kinship, marriage (or situations of de facto cohabitation comparable to marriage), or kinship of affinity within the fourth degree - to directors, members of the board of auditors, and statutory auditors of the companies, senior management, as well as the directors of parent companies or subsidiaries;
- direct or indirect ownership of shareholdings large enough to exercise significant influence over the company or its subsidiaries;
- persons with administrative positions, authorisations, or positions of an executive nature within the companies or other companies in the group;
- receipt of a conviction (even if not finalised) or involvement in plea-bargaining (also known as a "plea agreement" or "plea deal"), for the offences referred to in the Decree, or which, due to their particular gravity, affect the party's moral and professional reliability;
- receipt of a conviction (even if not finalised) with application of a penalty including disqualification, even if temporary, from public office or temporary incapacity vis-à-vis directorship within a legal entity or business;

The aforesaid reasons for incompatibility and/or ineligibility and the related self-statement also apply to any external consultants involved in the activities and performance of duties by the supervisory body. Termination of office may result from foregoing, forfeiture, revocation or - as regards members appointed on the basis of the position they hold within the company - loss of this position.

Any party appointed to the SB can decide to forego their membership at any time and must notify the board of directors thereof in writing, stating the reasons for their decision.

Membership of the supervisory body can be revoked during the term of office solely for just cause and subject to a specific board of directors' resolution. In this regard, just cause for revocation includes, for example:

- disqualification or incapacity, i.e. serious ill-health that renders the member of the supervisory body unable to carry out his or her supervisory duties or ill-health that, in any case, involves the absence thereof for more than six months;
- assignment of operational duties and responsibilities to the member of the supervisory body, or the occurrence of events, which are incompatible with the requirements which must be met by members of the supervisory body, namely autonomous initiative and control, independence, and continuity of action;
- loss of the required characteristics present upon appointment, i.e. integrity, reliability, respectability, and independence;
- existence of one or more of the aforesaid causes of ineligibility and incompatibility;
- serious breach of the duties of the supervisory body.

The supervisory body will carry out activities to:

1. oversee compliance with the provisions of the model, in relation to the various types of offences envisaged by the Decree and subsequent Italian laws that have extended its scope of application, drafting a plan of activities aimed, amongst other things, at checking the conduct adopted by the parties required to comply with the model corresponds to the theoretical provisions of the model;
2. check whether the model is sufficient to both prevent the offences referred to in Italian Legislative Decree 231/2001 being committed and to reveal any illegal conduct which may take place;
3. check whether the model is efficient and effective in terms of ensuring the operational methods adopted in practice correspond to the procedures formally provided for by the model;
4. check whether the efficiency and effectiveness requirements of the model are maintained over time;
5. carry out, using the designated personnel where necessary, periodic inspection and control activities, including both continuous activities and surprise checks, depending on the area of action and the type of activities and the critical issues, in order to verify the efficiency and effectiveness of the model;
6. report any need to update the model, where there is a need for adaptation thereof in relation to changes within the company, legislative or regulatory changes, or in the event of a breach of its contents;

7. monitor the periodic updating of the system used to identify, map, and classify Sensitive Activities;
8. highlight any deviations from acceptable conduct which may emerge during analysis of information flows and reports which the managers of the various units and departments are required to provide;
9. with reference to the reporting of offences: check the information channels set up in application of the provisions on whistleblowing to ensure they are effective enough to ensure compliance with the legislation of reference;
10. take action to begin disciplinary proceedings;
11. working with the relevant personnel and departments, check and assess the suitability of the disciplinary system pursuant to Italian Legislative Decree n. 231/2001, overseeing compliance with the ban on "acts of retaliation or discrimination, whether committed directly or indirectly, against the whistleblower for reasons relating (directly or indirectly) to the concerns reported";
12. promote initiatives for the dissemination of knowledge and to increase understanding of the model, as well as to train and raise awareness among the staff about compliance with the principles contained in the model;
13. promote communication and training activities concerning the contents of Italian Legislative Decree n. 231/2001, the impacts of the legislation on the company's business, and rules of conduct.

To pursue its purposes, the supervisory body has to carry out the following activities:

- examine any reports received and carry out the necessary and appropriate checks;
- promptly inform the governing body of any breaches of the model that may lead to corporate liability, so that it may take appropriate measures;
- coordinate with the department in charge of staff training programmes;
- update the list of information that must be sent to the body or kept at the body's disposal;
- provide periodical reports to the governing body on the implementation of the model.

To carry out their duties, the supervisory body has unrestricted access to all the company's units and departments and to corporate documentation and are not required to seek prior consent. The governing body will ensure personnel are properly informed of the duties and powers supervisory body. The supervisory body does not have management powers or decision-making powers relating to the performance of the company's activities, nor any organisational powers or powers to change the company's structure, nor any disciplinary

powers. The supervisory body, as well as the parties whose services are used by the supervisory body, for whatsoever reason, are required to maintain the strictest level of confidentiality in relation to any information which may come into their possession when going about their duties.

#### **4.2 Reporting by the supervisory body to the corporate bodies**

The supervisory body reports on the implementation of the model, the emergence of any critical issues, and the need for modifications. There are two distinct reporting lines:

- the first is a continuous solid line directly to the senior management, informing the latter - whenever deemed appropriate - of significant circumstances and events relating to its activities. The supervisory body informs the management of exceptional situations immediately (for example: significant breaches of the principles contained in the model which emerged during supervisory activity, legislative changes in the area of corporate liability, etc.) and any urgent reports received;
- the second line involves half-yearly reports to the board of directors.

As regards the half-yearly reporting activity by the supervisory body to the other corporate bodies, this involves providing at least the following information:

- a) a summary of the activities carried out during the half-year;
- b) any problems that may have arisen regarding the ways in which the procedures adopted to implement the model are carried out;  
and if not already specifically reported:
  - corrective actions which must be taken in order to ensure the efficacy and/or effectiveness of the model, including those needed to remedy the organisational or procedural shortcomings found which are likely to expose the company to a risk of the offences envisaged in the Decree being committed, including a description of any new sensitive activities identified;
  - conduct and results breaching the model, which must always be reported in compliance with the terms and procedures set out in the disciplinary system adopted by the company pursuant to the Decree;
- c) an account of the concerns reported (including the direct findings of the body regarding alleged breaches of the provisions of this model), of the prevention protocols and the procedures to implement them, and of the outcome of the checks carried out as a consequence;

- d) information about any offences committed which are deemed relevant for the purposes of the Decree;
- e) any disciplinary proceedings or penalties applied by the company for breaches of the provisions of this model, of the prevention protocols, or of the procedures to implement them;
- f) an overall assessment of the functioning of the model, including any instructions for additions, corrections, or changes;
- g) notice of any changes in the regulatory framework and/or significant changes to the internal structure of the company which make updates to the model necessary;
- h) the statement of expenses incurred.

### **4.3 Information to the supervisory body**

As regards reporting to the supervisory body in general, this activity must be structured and must include:

- 1) the following reports, which must be produced every six months:
  - a) information reports summarising the main activities carried out for the purpose of preventing and protecting against risks in the workplace (concerns reported, findings from inspections, accidents and other events recorded, minutes of the periodic meetings), as well as the effectiveness and adequacy of the occupational health and safety (OHS) system and the management measures adopted;
  - b) reports on procurement orders entered in the accounting system and approved in the half-year in question with the following information highlighted: order sum, supplier's name, and the account under which the cost is reported;
  - c) list of consulting agreements entered into, with the assignments which have been assigned directly highlighted;
  - d) list of donations, contributions, and gifts as well as entertainment expenses above the "modest value" defined in the relative company documentation (beneficiary, amount, and date of payment);
  - e) list of hires, and related recruitment process, with any specification of any hires made outside the budget;
  - f) list of new provisions issued by the company (e.g. models, guidelines, regulations, procedures, organisation charts, authorisations, powers, etc.) relating to the sensitive activities stated in the model;
  - g) list of legal and arbitration proceedings in progress;

- 2) the following reports, which must be produced if the events listed below occur:
- a) report by the DPO on any breaches of IT security ("data breaches");
  - b) report by the DPO on the methods by which personal data is processed by the data controller, and likewise the level of security measures adopted, and whether they are adequate for the level of risk;
  - c) results of inspections/assessments by public entities (labour inspectorate, fire brigade INAIL (Italian national institute for the insurance against accidents at work), Italian national health system, local authorities, *Guardia di Finanza* (the Italian tax enforcement authority) , etc.);
  - d) a list of settlement agreements in the event of disputes or legal action taken;
  - e) measures by and/or information from judicial police bodies, or any other authority, which indicate that investigations are underway (including investigations against unknown offenders) into offences envisaged by Italian Legislative Decree n. 231/2001 which could concern the company;
  - f) requests for legal assistance submitted by directors, managers and/or other employees in the event of judicial proceedings against them and in relation to the offences referred to in Italian Legislative Decree n. 231/2001, unless expressly prohibited by the judicial authority;
  - g) reports prepared by the managers of internal audit, compliance, management control, or other company units and departments as part of their control activities and from which critical circumstances, actions, events, or omissions may emerge with respect to compliance with the provisions of Italian Legislative Decree n. 231/01;
  - h) information relating to the disciplinary proceedings carried out and any penalties imposed (including provisions against employees) or provisions to close such proceedings, with the reasons therefor;
  - i) reports prepared by the executive assigned to prepare the corporate accounting documents pursuant to Italian Law n. 262/05 from which circumstances, actions, events or omissions may emerge which are of a critical nature profiles with respect to compliance with the provisions of the Decree, the provisions of the model pursuant to Italian Legislative Decree n. 231/01, and procedures;
  - j) outcomes of resolutions by corporate bodies that could lead to changes in the functioning and structure of the model (e.g. changes in the organisational structure, changes in governance, and changes in lines of business);
  - k) any other record or documents of a critical nature with respect to compliance with the provisions of the Decree or the provisions of the model;



- l) any other information that, although not included in the list above, is relevant for the purposes of full, correct supervisory activity and updating of the model.

Within the company, in addition to the documentation required in the individual parts of the model, all information relating to the implementation of the model itself in the areas of activity at risk, including that provided by third parties, must be brought to the attention of the supervisory body. More specifically, the members of the corporate bodies, employees and third parties must pass on to the supervisory body any information relating to presumed breaches of procedures that could facilitate commission of the offences envisaged or conduct breaching the rules of conduct adopted by the society.

In accordance with the provisions of legislation on whistleblowing, the company has established the following reporting channels in order to ensure confidentiality and protection of the whistleblower's identity:

- 1) for all concerns to be reported - including therein by "third parties" - the company has prepared the following channels:

- an email address: [odv231winnlab@warranthub.it](mailto:odv231winnlab@warranthub.it): which is active and is published on the website
- a conventional mail address (marking envelope with the word: "RISERVATO" i.e. "CONFIDENTIAL", and addressing them to: The supervisory body, c/o Warrant Innovation Lab S.r.l. - Correggio (RE), Corso Mazzini, 11;

- 2) with reference, meanwhile, to the channel dedicated entirely to whistleblowing, the company has adopted a specific whistleblowing platform accessible from the site: [https://digitalplatform.unionefiduciaria.it/whistleblowing/default\\_new4.asp](https://digitalplatform.unionefiduciaria.it/whistleblowing/default_new4.asp)

The SB examines the information received and decides what - if any - action to take any, contacting the person who has raised the concern to hear their opinion and/or the alleged offender and/or any other party deemed useful, and then sets out in writing the reasons for each conclusion reached.

More specifically, the reports received through the aforesaid channels are managed by the SB, which carries out an initial examination of the report in order to:

- ensure it falls within the remit of the SB;
- establish whether it is sufficiently detailed to allow closer investigation.

If the report meets these conditions, the SB will begin investigation activities, otherwise, it will file the report, with a brief explanatory note.

More specifically:

- **Preliminary investigation activity:** the SB examines the report at its discretion and under its own responsibility in order to decide whether there is a need for specific further investigations to verify the circumstances reported therein. This need is determined on the basis of the following elements: (i) information provided to support the concern raised; (ii) current procedures in force relating to the circumstances reported; (iii) previous reports/investigations concerning the same matter.
- **Investigation activities:** the SB initiates ad hoc checks (the investigation activities), employing confidential methods if necessary, depending on the concern raised. Any investigation activity is conducted with support from the competent personnel, units, or departments, or any external parties involved, and in compliance with all applicable rules to protect both the party who raised the concern and any parties involved in the checks. If the SB decides that no further checks are necessary, it draws up a brief explanatory note of the investigations carried out and files its report.
- **Corrective measures:** if the investigation reveals the need for corrective action, the supervisory body instructs the relevant personnel, unit, or department ensure this action is taken.

The SB sets up a register of reports, listing the reports received, the managers concerned, as well as of any penalties applied to them.

In order to promote dissemination and knowledge within the group member companies of the methodology and tools for implementing the model, the supervisory body of Tinexta S.p.A. meets with the supervisory bodies of the group member companies on a regular basis. These meetings are dedicated to examining and sharing significant experiences gained.

The meetings take place at least once a year. The schedule of meetings is defined by the supervisory body of Tinexta S.p.A., together with the supervisory bodies of the subsidiaries. The meeting is called by the chair of the supervisory body of Tinexta S.p.A. and is emailed to the parties concerned at least fifteen days prior to the meeting.

#### **4.4 Collection and retention of information**

All information and reports provided for in the model are kept by the supervisory body in a special file (paper or electronic).

## **5. DISCIPLINARY AND PENALTY SYSTEM**

### **5.1 General principles**

The effective implementation of the model is also ensured by providing for and establishing a suitable disciplinary and penalty system to address breaches of the rules of conduct imposed by the aforesaid model for the purpose of preventing the offences referred to in the Decree being committed, and, in general, breaches of the internal procedures (cf. Art. 6, second paragraph, subsection and, Art. 7, fourth paragraph, subsection b). Disciplinary penalties are applied regardless of whether or not an actual offence has been committed, of whether or not criminal proceedings are brought, and of the outcome in the event.

Disciplinary penalties may therefore be applied by the company to any breach of this model and the Group Code of Ethics, regardless of whether or not an offence has been committed and of the conduct, as well as of the outcome of any criminal proceedings brought by judicial authorities.

Breach of the individual provisions of this model or of the Group Code of Ethics always constitutes a disciplinary offence. In any case, the supervisory body must be informed of whether or not disciplinary penalties have been applied or the case has been filed.

The company ensures all the aforesaid parties are aware, from the beginning of their employment relationship, of the existence and content of this penalty system.

### **5.2 Punishable conduct: fundamental categories**

Actions which breach the Group Code of Ethics, the model, and internal operating procedures, as well as failure to comply with any instructions or requirements from the supervisory body may be punished.

The breaches for which disciplinary measures can be applied can be broken down into the following four basic categories, in increasing order of gravity:

- breaches not related to Sensitive Activities;
- breaches related to Sensitive Activities;

- breaches constituting solely and objectively one of the offences for which corporate liability is envisaged;
- breaches carried out with the intent of committed any of the offences provided for by Italian Legislative Decree n. 231/2001 or which, in any case, involve the possibility of the company being attributed corporate liability. By way of example, the following are forms of conduct are punishable:
- failure to comply with the procedures prescribed and/or referred to in the model;
- non-compliance with the disclosure requirements prescribed in the control system;
- omissions in documents or untruthful documentation of transactions, pursuant to the principle of transparency;
- failure of designated parties to carry out controls;
- unexplained failure to comply with the disclosure obligations;
- failure of designated parties to carry out required controls on the dissemination of the Group Code of Ethics;
- engaging in action to evade control systems;
- engaging in conduct that exposes the company to the application of the penalties provided for by Italian Legislative Decree n. 231/2001;

breaches of measures to protect whistleblowers, as well as reporting concerns which turn out to be unfounded as an act of wilful misconduct or gross negligence.

### **5.3 Parties**

The disciplinary and penalty system stated in this model applies to all of the company's employees, executive managers, directors, and associate workers, as well as - by virtue of specific contractual clauses - all those parties who or which have contractual relationships with the company. If one or more employees of a group member company are working at the company through a secondment arrangement, these persons are required to comply

with the provisions of the Group Code of Ethics and this model.

#### **5.4 Breaches of the model and related penalties**

The company has prepared the rules of conduct contained in the model and in the Group Code of Ethics, as well as the applicable penalties (which are proportionate to the gravity of the breaches), in compliance with applicable legislation and on the basis of typical breaches and penalties; any breach of these rules constitutes a punishable offence. Reference should be made to the Group's Code of Ethics, which lists the potential breaches which could be committed by employees and the corresponding applicable penalties.

This does not affect the right of the company to seek compensation for damage arising from the breach of the model, which will be commensurate with:

1. the degree of independence of the employee;
2. the gravity of the consequences of the breach, or the possible implications pursuant to Italian Legislative Decree n. 231/01;
3. the degree of intentionality of the conduct;
4. whether or not any previous disciplinary measures have been applied.

The HR manager of the direct parent company (Warrant Hub S.p.A.) is in charge of initiating and carrying out the disciplinary procedure and must keep the body constantly updated on the progress of the procedure, the explanations given, the outcome of the procedure, and any other information that may be of interest to the said body.

#### **5.5 Measures against employees**

Employees must comply with the requirements established by Art. 2104 of the Italian Civil Code, which are part and parcel of this model and the Code of Ethics adopted by the group. For non-executive level employees, the measures that may be applied, in accordance with the provisions of Art. 7 of Italian Law n. 300/1970 (also known as the Workers' Statute) and any applicable special legislation, are those provided for by Italian Law, as well as by the disciplinary system applicable to employment agreements.

More specifically and in application of the national collective labour agreement for non-executive level employees, it is envisaged that:

Any worker who breaches the internal procedures provided for by this model (for example, who fails to comply with the prescribed procedures, fails to provide the SB with the necessary information, etc.), or engages in conduct that breaches the provisions of the model and the Code of Ethics when carrying out their activities in the areas at risk faces a verbal or written reprimand.

Any worker who repeatedly breaches the internal procedures of the model or repeatedly engages in conduct that breaches the provisions of the model and the Code of Ethics when carrying out their activities in the areas at risk (even if such failings have not yet been formally individually ascertained and notified) faces a fine amounting to no more than four hours' pay.

Any worker who – when breaching the internal procedures provided for by this model or engages in conduct that breaches the provisions of the model and the Code of Ethics when carrying out their activities in the areas at risk, or who engages in conduct against the interest of the company - causes damage to Warrant Innovation Lab or exposes it to a situation which objectively jeopardises the integrity of the company's assets, faces suspension from work and pay for a period ranging from 1 to 10 days,

Furthermore, any worker who breaches the measures provided for the protection of parties who raise concerns, and likewise anyone who reports offences which then prove to be unfounded, faces the same penalty as stated above (see whistleblowing procedure).

Any worker who engages in conduct that breaches the provisions of the model and the Code of Ethics when carrying out their activities in the areas at risk, with the intention of committing one of the offences directly attributable to the company pursuant to Italian Legislative Decree n. 213/2001 faces dismissal with notice.

Any worker who adopts, who engages in conduct that clearly breaches the provisions of the model and the Code of Ethics when carrying out their activities in the areas at risk, which results in the application by the company of disciplinary measures provided for by Italian Legislative Decree n. 231/2001 against the company faces dismissal without notice.

No measures may be taken against the worker until the worker has been notified of the accusation in writing and given the opportunity to put forward his or her defence. The worker must be notified of the accusation within 15 days of the date on which the company became aware of the circumstances in question.

Any worker may request for their defence to be heard and is entitled to be assisted by a representative of the trade union association to which he or she belongs or which he or she authorises within five days of the date of receipt of the notice.

The company must notify the worker of the disciplinary measure within no more than 20 days of receipt of the written explanation or of the date on which the worker put forward his or her defence.

The type and amount of the aforesaid disciplinary measures are established on the basis of:

the intentionality of the conduct or the degree of negligence, imprudence, or inexperience with regards to the predictability of the event;

the overall conduct of the worker, particular as regards whether or not prior disciplinary measures have been applied thereto, within the limits permitted by Italian law;

the duties performed by the worker;

the functional position of the people involved in the circumstance constituting the failing;

the other particular circumstances accompanying the disciplinary breach.

The ascertainment of the aforesaid breaches, the disciplinary proceedings, and the application of penalties fall within the remit of the company management.

The disciplinary system is constantly monitored by the SB.

## **5.6 Measures against executive managers**

In the event of a breach of the model or of the Group Code of Ethics by executive managers, the company will apply the most suitable measures to the managers in compliance with the provisions of the Italian Law.

In the event that the breach breaks the relationship of trust between the company and the manager, the measure applicable is dismissal for just cause.

## **5.7 Measures against directors**

In the event of a breach of the model or the Group Code of Ethics by a member of the governing body, the supervisory body will notify the entire governing body thereof immediately, expressing an opinion on the gravity of the breach. The governing body is competent to take the appropriate measures, even - in cases of serious breaches - calling a shareholders' meeting in order to set out the facts ascertained to the shareholders and pass the resolutions deemed necessary.

The member or members of the governing body whose breach is being discussed will be required to refrain from the related resolutions.

If the breaches are committed by a sufficient number of members of the governing body to prevent the body in question from deliberating, the supervisory body must inform one or more shareholders of the need to call a shareholders' meeting in order to take the necessary measures.

### **5.8 Measures against other parties to whom or which the model applies**

A breach by consultants, associate workers, or business partners of the provisions of the Group Code of Ethics applicable to them is punishable according to the provisions of the relative contractual clauses.

It is understood that, upon signing their contracts, all external parties with contractual relationships with the company must undertake in writing to comply with the Group's Code of Ethics.



## **6. STAFF COMMUNICATION AND TRAINING**

### **6.1 Training and dissemination of the model**

In order to effectively implement the model, the company ensures proper dissemination of its contents and principles within and outside its organisation. The aim of the company is to disseminate the contents and principles of the model also to parties who - while not being formally classified as employees of the company - work (even if only occasionally) to achieve the company's purposes on the basis of contractual relationships.

Regarding this, the company intends:

- to instil awareness among all those who work for and on behalf thereof in Sensitive Activities that, in the event of breach of the provisions contained herein, they could be liable for an offence punishable by disciplinary measures;
- to inform all those who work, in any capacity, for and on behalf thereof or in any case in its interest that breach of the provisions contained in the model will result in the application of appropriate penalties or the termination of the contractual relationship;
- to reiterate that the company does not tolerate unlawful conduct, of any kind, regardless of the purpose, as such conduct (even if the company could apparently gain from it in some way) is in any case contrary to the ethical principles which the company intends to abide by.

The training activity aimed at disseminating knowledge of the provisions of Italian Legislative Decree n. 231/2001 is differentiated, in terms of content and delivery methods, according to the status of the parties to whom/which the model applies, the level of risk of the area in which they operate, and whether or not they have powers to represent the company.

The company ensures an adequate level of knowledge is achieved through suitable dissemination tools such as:

- classroom learning;
- online learning;
- information materials;

The training must focus on achieving complete knowledge and understanding of the following areas:

- Italian Legislative Decree n. 231/2001: the general principles, the offences envisaged (including those referred to in Italian Law n. 146/2006) and the penalties applicable to the company;
- the principles of conduct contained in the model and in the Group Code of Ethics;
- the powers of the supervisory body, as well as the disclosure requirements concerning it;
- the disciplinary system;
- the system of reporting offences (also known as whistleblowing).

## **6.2 Members of the corporate bodies, employees, and executive and middle managers**

Through the preparation of specific plans passed on to the governing body and implemented by the company, the supervisory body promotes the training and information activities concerning the model.

Dissemination of the model and knowledge among staff of the provisions of Italian Legislative Decree n. n. 231/2001 and their duties relating to the implementation of the model are constantly achieved through the various tools available to the company.

The training and dissemination activity concerns all staff, including management personnel and includes both the provision of specific information upon hiring and the performance of further activities deemed necessary in order to guarantee the correct application of the provisions set out in Italian Legislative Decree n. 231/2001.

All employees, suppliers, associate workers, and corporate bodies are informed of the adoption of the model and of subsequent significant additions or changes thereto.

New hires are given an information pack containing the Group Code of Ethics and the Organisation, Management, and Control Model in order to ensure that they have the knowledge deemed of primary importance to the company.

## **6.3 Other parties to whom or which the model applies**

The activity to disseminate the contents and principles of the model must also be addressed to third parties who have contractually governed working relationships with the company, with particular reference to those who work in the field of activities deemed sensitive pursuant to Italian Legislative Decree n. 231/2001.