

## **Scalapay s.r.l. a socio unico**

### **Organisation, management and control model**

**pursuant to Legislative Decree No. 231**

**of 8 June 2001**

**Ver. 2.0 approved by the Board of Directors of Scalapay S.r.l. on 13/12/2023**

## Foreword

This document constitutes the organisation, management and control model adopted by Scalapay s.r.l. a socio unico (hereinafter the '**Company**') pursuant to Art. 6, Legislative Decree No. 231 of 8 June 2001.

The adoption and proper implementation of this model allows the company to be exempt from administrative liability related to offences committed by its top management or subordinates to the advantage or in the interest of the company, in accordance with the provisions of Legislative Decree No. 231 of 8 June 2001. The establishment of the offence provided for by this legislation exposes the entity to the application of serious sanctions, which affect its assets, image and the activity itself.

The organisation, management and control model consists of a system of suitable controls to prevent or reduce the risk of offences being committed.

This document consists of two parts:

- the **General Section** illustrates the contents of Legislative Decree No. 231 of 8 June 2001 and the relevant regulations, briefly describing the Company's activities and internal organisation; it presents, in general terms, the procedures for drafting the organisation, management and control model, as well as the main controls and organisational structures adopted to ensure its proper implementation;
- The **Special Section** considers the different areas of the Company's activities that present risks of offences, outlining the relevant principles of conduct and control that must be observed to prevent the commission of offences.

## **Scalapay s.r.l. a socio unico**

### **Organisation, management and control**

#### **model pursuant to Legislative Decree no. 8**

**June 2001, no.**

**231**

## **General Part**

## INDEX

<b>DEFINITIONS</b>	6
<b>1. REGULATORY FRAMEWORK</b>	7
1.1. Legislative Decree No. 231 of 8 June 2001	7
1.2. Relevant offences	9
1.3. Sanctions apparatus	11
1.4. Offences committed in the form of attempt and offences committed abroad	12
1.5. Organisation, management and control models	13
1.6. Guidelines for the Preparation of Organisational, Management and Control Models.	14
<b>2. COMPANY DESCRIPTION</b>	15
2.1. The company, governance and internal organisation	15
2.2. Scalapay's activity	17
2.3. The Delegation System	18
<b>3. THE SCALAPAY MODEL AND THE METHODOLOGY FOLLOWED</b>	18
3.1. Scalapay's Adoption of the Model	18
3.2. The Functions and Objectives of the Model	19
3.3. Methodology for drafting the Model	20
3.4. Scalapay's Organisation, Management and Control Model	22
3.5. Identification of sensitive activities and relevant offences	23
3.6. Recipients	24
3.7. The Code of Ethics	25
<b>4. THE SUPERVISORY BOARD</b>	25
4.1. Composition and Appointment	25
4.2. Ineligibility, suspension and revocation	27
4.3. Functions and powers of the Supervisory Board	28
4.4. Reporting by the Supervisory Board	30
4.5. Information flows to the Supervisory Board	31
4.6. Reporting violations (whistleblowing)	32
<b>5. THE DISCIPLINARY SYSTEM</b>	36
5.1. Foreword	36
5.2. General criteria for the imposition of sanctions	37
5.3. Measures against non-management employees	38
5.4. Measures against Managers	40
5.5. Measures against non-employees	41
5.6. Measures against third parties	41
5.7. Measures against directors	41
5.8. Measures against the Supervisory Board	42
5.9. procedure for the application of disciplinary sanctions	42
The	

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**Modello di organizzazione, gestione e controllo ex d. lgs. 231/2001 – Parte Generale**  
**GeneradsaGenerale**

6.	<b>INFORMATION AND TRAINING ON THE REGULATIONS OF DECREE 231/2001</b>	43
7.	<b>CRITERIA FOR UPDATING AND ADAPTING THE MODEL</b>	44
8.	<b>ATTACHMENTS</b>	45

## Definitions

**Scalapay, Company or Entity:** Scalapay S.r.l., with registered office in via Meravigli 2 – 20123 Milan, VAT registration number 06891080480.

**CCNL Commerce:** National Collective Labour Agreement for employees of Tertiary, Distribution and Services companies currently in force and applied by Scalapay.

**Code of Ethics:** the document adopted by Scalapay that identifies the core values, the ethical principles and rules of conduct to which those working on behalf of the Company must be inspired and comply with. The Code of Ethics is an integral part of the organisation, management and control model.

**Customers:** natural persons who register on the Scalapay portal and make one or more purchases from companies or businesses that have adopted the deferred payment in instalments system set up by Scalapay.

**Legislative Decree 231/2001 or Decree 231/2001:** Legislative Decree No. 231 of 8 June 2001 and subsequent amendments.

**Legislative Decree 81/2008:** Legislative Decree No. 81 of 9 April 2008, as amended, regulating activities relating to the protection of health and safety in the workplace.

**Addressees:** all persons required to comply with the principles and provisions contained in the organisation, management and control model. In particular, these are all those who work for the achievement of the Company's purpose and objectives: (1) the directors and members of the corporate bodies; (2) any person in an apical position (meaning any person who holds, even de facto, functions of representation, management, direction or control of the Company); (3) employees and external collaborators in any capacity (open-ended, fixed-term, part-time, temporary, interns, resources seconded abroad) subject to the direction or supervision of the Company's apical persons; (4) to the extent applicable to them, external suppliers and consultants.

**Whistleblowing Law:** Law No. 179 of 30 November 2017, which contains the 'Provisions for the protection of the authors of reports of offences or irregularities of which they have become aware in the context of a public or private employment relationship', as well as Legislative Decree No. 24 of 10 March 2023 implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons who report breaches of national laws.

**Merchants:** enterprises and companies that have contracted with Scalapay for make use of the Service (as defined below) provided by the latter in order to offer its customers the possibility of

deferred payment in instalments, without interest, for the purchase of products or services at physical points of sale or via *e-commerce*.

**Model:** this organisation, management and control model provided for in Art.

6, para. 1, lett. a, Legislative Decree 231/2001 and adopted by Scalapay.

**Supervisory Board (SB):** the body set up by the Company and responsible for supervising the operation of and compliance with the Model, its effective implementation and its updating pursuant to Article 9 of Legislative Decree 231/2001.

**Scalapay Gateway:** Scalapay's proprietary point-of-sale integrated *software* and *e-commerce* of Merchants in order to allow customers to purchase the products offered by benefiting from deferred payment in instalments.

**Service:** the service offered by Scalapay in favour of Merchants consisting of in the activation and integration of the Scalapay Gateway in their points of sale or *e-commerce* to offer their customers the possibility of purchasing products or services while benefiting from deferred payment in instalments.

**Disciplinary System:** the document adopted by Scalapay pursuant to Art. 6, para. 2, lett. e) Decree 231/2001 which, on the basis of the provisions of the CCNL Commerce, regulates the types of sanctions that can be imposed on Recipients who violate the provisions of the Model and the Company's Code of Ethics.

**Scalapay Ltd:** the company Scalapay Limited incorporated under Irish law with its registered office in Suite 4.01

Ormond Building 31-36 Ormond Quay Upper, Arran Quay, Dublin, Ireland, which holds the entire share capital of Scalapay and the Scalapay Associated Companies.

**Scalapay Associated Companies:** Italian and foreign-based companies controlled by Scalapay Ltd offering the same Service or carrying out instrumental or related activities.

## 1. Legal framework

### 1.1. The Legislative Decree of 8 June 2001, No. 231

Emanato in attuazione della delega conferita al Governo con l'art. 11, legge 29 settembre 2000, n. 300, recante la disciplina della «Responsabilità degli enti per gli illeciti amministrativi dipendenti da reato», il Decreto Legislativo 8 giugno 2001, n. 231 aimed to bring Italian legislation into line with the international conventions signed by Italy on the liability of legal persons, in particular the Brussels Convention of 26 July 1995 on the protection of the European Community's financial interests, the Brussels Convention of 26 May 1997 on combating bribery of public officials of both the European Community and individual Member States, and the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in economic and international transactions.

The regulations introduced by Legislative Decree 231/2001 apply to entities

with legal personality, companies and associations, including those without legal personality.

According to the provisions of Decree 231/2001, organisations can be held 'liable' for certain offences committed or attempted in their interest or to their advantage by members of the company's senior management (so-called 'top management') and by those who are subject to their direction or supervision (Article 5(1) of Legislative Decree 231/2001).

The administrative liability of companies is autonomous with respect to the criminal liability of the natural person who committed the offence, and stands alongside the latter if certain conditions are met.

This extension of liability introduced with the enactment of Legislative Decree No. 231/2001 is essentially aimed at involving in the punishment of certain offences the assets of companies and, ultimately, the economic interests of shareholders, who previously did not suffer direct consequences in connection with the commission of offences committed in the interest or to the advantage of their company.

At the same time, Legislative Decree 231/2001 provides that administrative liability is excluded if the entity has adopted and effectively implemented, prior to the commission of the offences, an organisational, management and control model capable of preventing offences of the same kind as the one that has occurred.

Interest and advantage are legally different concepts and must refer to the conduct of the agent and not to its outcome: the former requires an assessment prior to the predicate offence and takes shape when the perpetrator, although not intending the offence to be committed, has acted to enable the legal person to obtain a utility, whereas the latter, which requires an assessment subsequent to the commission of the offence occurs when the perpetrator, acting on behalf of the body, brings a utility, which can also be classified as a cost saving, to the legal person by engaging in unlawful conduct or from which a criminal offence has arisen, which does not necessarily have to be intended. As, in fact, has been emphasised by recent case law of legitimacy: "on the subject of criminal liability, the criteria of objective imputation, represented by the reference contained in Article 5 of Legislative Decree no. 231 of 2001 to the "interest or advantage", are alternative and competing with each other, in that the criterion of interest expresses a teleological assessment of the offence, appreciable "ex ante", according to a markedly subjective yardstick of judgement, whereas that of advantage has an essentially objective connotation, as such assessable "ex post", on the basis of the effects concretely derived from the commission of the offence" (Cass. Pen. Sez. IV, 7 November 2019, no. 3731).



By express legislative provision *pursuant to* Article 5(2) of Legislative Decree No. 231/2001, the entity is not liable if the company's senior executives or their subordinates have acted solely in their own interest or in the interest of third parties.

## 1.2. Relevant offences

Under Legislative Decree No. 231/2001, the entity can only be held liable for the commission of offences expressly referred to in Articles 24 et seq. of Decree No. 231/2001 or in other regulatory provisions (e.g., Article 10 of Law No. 146/2006 on "Transnational Crimes"), if committed in its interest or to its advantage by persons qualified *under* Article 5(1) of Legislative Decree No. 231/2001.

For ease of exposition, the offences referred to in Decree 231/2001 can be identified in the following categories:

- **offences in relations with the Public Administration** (such as, for example, corruption, extortion, embezzlement to the detriment of the State, fraud to the detriment of the State, computer fraud to the detriment of the State and inducement to give or promise benefits, referred to in Articles 24 and 25 of Legislative Decree 231/2001);
- **computer crimes and unlawful data processing** (such as access unauthorised access to a computer or telematic system, installation of equipment designed to intercept, prevent or interrupt computer or telematic communications, and damage to computer or telematic systems referred to in Article 24-bis of Legislative Decree No. 231/2001);
- **organised crime offences** (e.g. associations of mafia, including foreigners, mafia political electoral exchange, kidnapping for the purpose of extortion referred to in Article *24-ter* of Legislative Decree 231/2001);
- **offences against public faith** (such as, for instance, forgery of money, counterfeiting of public credit, revenue stamps and identification instruments or signs, referred to in Article *25-bis* of Legislative Decree 231/2001);
- **offences against industry and trade** (e.g. disturbing the freedom industry and trade, fraud in the exercise of trade, sale of industrial products with misleading signs, referred to in Article *25-bis.1* of Legislative Decree 231/2001);
- **corporate offences** (e.g. false corporate communications, impeded control, unlawful influence on the assembly, bribery between private individuals, incitement to bribery referred to in Article *25-ter* of Legislative Decree 231/2001);
- **offences relating to terrorism and subversion of the democratic order**

(referred to in Article *25-quater* of Legislative Decree 231/2001);

- **practices of female genital mutilation** (referred to in Art.

- 25-quater.1 Legislative Decree 231/2001);
- **offences against the individual** (such as trafficking in persons, enslavement and keeping in slavery, and 'caporalato', referred to Article 25-quinquies of Legislative Decree 231/2001);
  - **market abuse offences** ( such as insider dealing and manipulation market, referred to in Article 25-sexies of Legislative Decree 231/2001);
  - **occupational health and safety offences** (such as manslaughter manslaughter and grievous bodily harm referred to i n Art. 25-septies Legislative Decree 231/2001);
  - **offences of receiving stolen goods, money laundering, use of money, goods or benefits of unlawful origin, and selflaundering** (as referred to i n Art. 25-octies Legislative Decree 231/2001);
  - **offences relating to non-cash payment instruments** (as referred to in Article 25-octies.1 of Legislative Decree 231/2001);
  - **copyright infringement offences** (as referred to i n Art. 25-novies Legislative Decree 231/2001);
  - **inducement not to make statements or to make false statements to the judicial authorities** (as referred to i n Article 25-decies of Legislative Decree No. 231/2001);
  - **environmental offences** (as referred to i n Article 25-undecies of Legislative Decree 231/2001);
  - **the crime of employment of illegally staying third-country nationals** (as referred to in Article 25-duodecies of Legislative Decree 231/2001);
  - **racism and xenophobia** (as referred to in Article 25-terdecies of Legislative Decree 231/2001);
  - **fraud in sporting competitions**, unlawful gaming or betting and gambling by means of prohibited devices (as referred to Article 25-quaterdecies of Legislative Decree 231/2001);
  - **tax offences** (as referred to in Article 25-quinquesdecies of Legislative Decree 231/2001);
  - **offences of smuggling** (as referred to i n Article 25-sexiesdecies of Legislative Decree 231/2001);
  - **offences against cultural heritage**, laundering of cultural goods and devastation and looting of cultural and landscape heritage (as referred to Articles 25-septiesdecies and 25-duodicies of Legislative Decree 231/2001).

In addition, Law No. 146 of 16 March 2006, although not directly amending Decree 231/2001, extended the administrative liability of entities also to cases of

commission of so-called **transnational** offences, such as conspiracy and obstruction of justice, when committed in a transnational context.

Finally, pursuant to Article 23 of Legislative Decree 231/2001, an administrative sanction is imposed on an entity to which a sanction or precautionary disqualification measure has been applied pursuant to the same Decree 231/2001 and this is not adequately complied with, to the benefit or in the interest of the entity.

A more detailed illustration of the individual offences under Legislative Decree 231/2001 is given below.

in **Annex 1 - Catalogue of offences**.

### 1.3. Apparatus sanctions

As a consequence of the commission or attempted commission of the offences indicated above, Articles 9 - 23 of Legislative Decree 231/2001 provide for the following sanctions against the entity:

- **fin**es (and precautionary attachment);
- **prohibitory sanctions** (also applicable as precautionary measures) of a duration of no less than three months and no more than two years (with the clarification that, pursuant to Article 14(1) of Legislative Decree No. 231/2001, "prohibitory sanctions are aimed at the specific activity to which the offence of the entity refers"), which may consist of
  - disqualification;
  - suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
  - prohibition of contracting with the public administration, except to obtain the performance of a public service;
  - exclusion from benefits, financing, contributions or subsidies and the possible revocation of those granted;
  - ban on advertising goods or services;
- **confiscation** (and precautionary seizure);
- **publication of the judgment** (in case of application of a disqualification sanction).

The **fine** is determined by the Judge through a system based on 'quotas' in a number of not less than one hundred and not more than one thousand and of an amount varying from a minimum of EUR 258.22 to a maximum of EUR 1,549.37. In calculating the fine, the Judge shall determine:

- the number of shares, taking into account the seriousness of the offence, the degree of the entity's liability and the activity carried out to eliminate or mitigate the

consequences of the act and to prevent the commission of further offences;

- the amount of the individual quota, based on the economic and asset conditions of the entity. **Disqualification sanctions** apply only in relation to administrative offences for which they are expressly provided for and provided that at least one of the following conditions is met:
- the entity has derived a significant profit from the commission of the offence and the offence was committed by persons in a senior position or by persons subject to the direction of others and, in such a case, the commission of the offence was determined or facilitated by serious organisational deficiencies;
- the offence occurred repeatedly.

The Judge determines the type and duration of the disqualification sanctions, taking into account the suitability of the individual sanctions to prevent offences of the type committed and, if necessary, may apply them jointly (Article 14(1) and (3) of Legislative Decree No. 231/2001).

The sanctions of disqualification from exercising the activity, prohibition from contracting with the Public Administration and from advertising goods or services may be applied

- in the most serious cases - definitively.

In addition, pursuant to and subject to the conditions set out in Article 15 of Legislative Decree No. 231/2001, in lieu of the imposition of the disqualification sanction, the Judge orders the continuation of the entity's activity by a commissioner.

#### **1.4. Offences committed in the form of attempt and offences committed abroad**

In cases where the offences punishable under Decree 231/2001 are committed in an attempted form, the pecuniary penalties (in terms of amount) and the prohibitory penalties (in terms of duration) are reduced by one third to one half (Articles 12 and 26 of Legislative Decree 231/2001). Article 26 of Legislative Decree No. 231/2001 provides that, if the commission of the action or the occurrence of the event is voluntarily prevented, the entity does not incur any liability. In this case, in fact, the exclusion of liability and consequent sanctions is justified by the interruption of any relationship of identification between the entity and the persons who assume to act in its name and on its behalf.

Pursuant to Article 4 of Legislative Decree 231/2001, the entity may be held liable in Italy in relation to offences - covered by Decree 231/2001 - committed abroad.

The prerequisites on which the liability of the entity for offences committed abroad is based are as follows:

- a) the offence must be committed by a person functionally linked to the entity, pursuant to Article 5(1) of Legislative Decree No. 231/2001;

- b) the entity must have its head office in the territory of the Italian State;
- c) the entity may be liable only in the cases and under the conditions provided for in Articles 7, 8, 9, 10
  - c.p. (in cases where the law provides that the offender – a natural person – is punished at the request of the Minister of Justice, proceedings are brought against the body only if the request is also made against the body itself) and, in accordance with the principle of legality set out in Article 2 of Legislative Decree No. 231/2001, only in respect of offences for which its liability is provided for by an *ad hoc* legislative provision;
- d) the cases and conditions provided for in the aforementioned articles of the Criminal Code being met, against
  - of the entity does not prosecute the State of the place where the act was committed.

### 1.5. **Organisation, management and control models**

A characteristic element of the regulatory apparatus dictated by Decree 231/2001 is the attribution of an exempting value to the organisation, management and control model adopted by the entity.

Pursuant to Article 6(1) of Legislative Decree 231/2001, in the event of an offence committed by a person in an apical position, the company is not liable if it proves that

- the management body has adopted and effectively implemented, prior to the commission of the offence, organisational, management and control models capable of preventing offences of the kind committed;
- the task of supervising the operation of and compliance with the models and ensuring that they are updated has been entrusted to a body of the company endowed with autonomous powers of initiative and control;
- the persons committed the offence by fraudulently circumventing the organisation and management models;
- there was no or insufficient supervision by the supervisory body.

In the case of offences committed by senior persons, there is a presumption of liability for the entity due to the fact that such persons express and represent the policy and, therefore, the will of the entity itself.

In order to be exempt from liability, the entity must, therefore, prove its extraneousness to the facts alleged against the senior person, by proving the existence of the above-mentioned competing requirements and demonstrating that the commission of the offence did not derive from its own 'organisational fault'.

On the other hand, in the case of an offence committed by persons subject to the direction or supervision of a senior person, administrative liability arises for the

company if the commission of the offence was made possible by the violation of the



management or supervisory obligations with which the person is required to comply.

In this case, there is a reversal of the burden of proof: the prosecution will be required to prove the failure to adopt and effectively implement an organisation, management and control model capable of preventing offences of the kind that have occurred.

Article 7(4) of Legislative Decree No. 231/2001 also defines the requirements for the effective implementation of the organisational models: (1) periodic verification and possible amendment of the Model when significant violations of the prescriptions are detected or when changes occur in the organisation and activity; (2) a disciplinary system capable of sanctioning non-compliance with the measures indicated in the Model.

The organisation, management and control models adopted pursuant to Decree 231/2001 must:

- identify the activities within the scope of which offences may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the offences to be prevented;
- identify ways of managing financial resources that are suitable for preventing the commission of offences;
- provide for information obligations vis-à-vis the body in charge of supervising the functioning of and compliance with the models;
- introduce an appropriate disciplinary system to sanction non-compliance with the measures indicated in the Model;
- provide for channels enabling the submission of circumstantiated reports of unlawful conduct or violations of the Model or the Code of Ethics pursuant to the Whistleblowing Law.

## **1.6. Lines Guidelines for the preparation of Models of organisation, management and control**

Article 6(3) of Legislative Decree No. 231/2001 provides that 'organisational and management models may be adopted, guaranteeing the requirements set out in paragraph 2, on the basis of codes of conduct drawn up by the associations representing the entities, communicated to the Ministry of Justice which, in agreement with the competent Ministries, may, within thirty days, formulate observations on the suitability of the models to prevent offences'.

In preparing this Model, Scalapay was inspired by the 'Guidelines for the Preparation of Organisational, Management and Control Models' approved by Confindustria on 7 March 2002 and last updated in June 2021.

These Guidelines suggest following the processes of risk *assessment* and *risk management* normally implemented in companies in the construction of organisation, management and control models, which can be broken down as follows:

- identification of risks in relation to offences that may be committed;
- design of a preventive control system, achieved through the construction of an appropriate organisational system and the proceduralisation of certain activities;
- adoption of a code of ethics and a system of disciplinary sanctions applicable in the event of non-compliance with the measures provided for in the Model, in order to ensure its effectiveness;
- identification of the criteria for the choice of a control body, internal to the company, endowed with the necessary functions, which shall supervise the effectiveness, adequacy and application of and compliance with the Model *pursuant to* Decree 231/2001 (the Supervisory Board).

The components of a preventive control system include:

- a) the Code of Ethics;
- b) a formalised and clear internal organisational system;
- c) powers of authorisation and signature assigned in line with organisational and management responsibilities;
- d) the regulation of the performance of activities, providing the appropriate control points (control procedures and documentation for each operation);
- e) procedures, manual and computerised;
- f) management control systems;
- g) communication and training arrangements for staff.

Any deviation from specific points of the Guidelines used as a reference does not, in itself, invalidate the validity of the Model adopted by the entity.

In fact, since the individual Model must be drafted with reference to the concrete reality of the entity to which it refers, it may deviate from the Guidelines (which, by their very nature, are general in nature), in order to better meet the prevention requirements of Decree 231/2001.

## **2. Description of Company**

### **2.1. The Company, Governance and Internal Organisation**

Incorporated on 7 January 2019, Scalapay is a limited liability company. The

Company's object is the development, production and marketing of innovative products or services with a high technological value, and more specifically: the development of *software* products and services that enable consumers to benefit from greater

flexibility in payments, both *online* and at merchant facilities, in order to increase sales.

The share capital of Scalapay is € 1,000,000.00 (one million/00), wholly owned by Scalapay Ltd, based in Ireland. This parent *holding company* raises funds from Italian and foreign investors for the development and growth of the Company's *business*.

With reference to corporate *governance*, the Company currently has a Board of Directors composed of two members, including Simone Mancini, founder of the *start-up*, who holds the office of Chairman of the Board of Directors, Managing Director and legal representative of the company, and is vested with delegated powers and powers for the ordinary and extraordinary management of the Company, subject to the limits set forth by law and the Articles of Association, for amounts not exceeding € 1,500,000.00.

Since the prerequisites of Art. 2477 of the Civil Code were not met, Scalapay did not have a controlling body and a statutory auditor in its first years of operation. However, the strong and rapid development of the *business*, with the increase in assets, revenues and number of resources could soon require the adoption of a body with management control and statutory auditing functions, in accordance with the provisions of the law and the articles of association.

In addition to the meetings of the Board of Directors, meetings of a management committee are scheduled with the constant participation of the Chief Executive Officer and the Heads of the Divisions most directly involved in the strategic management of the Company (including, for example, the Finance, Accounting and Financial Statements Division and the Legal Division), as well as the Managers from time to time responsible for the items on the agenda. The committee has advisory tasks and is aimed at ensuring that the company's activities are constantly updated and coordinated. The topics discussed, the documents examined and, in general, the content of the proceedings are minuted, traced and filed by means of special *tools*.

The internal organisation of the company is currently divided into divisions, which are responsible for the different areas of Scalapay's operations. These divisions report to the Managing Director and the Board of Directors. The divisions have their own internal organisation, generally with a manager to whom the other resources involved report directly.

The performance of the company's activities involves functional coordination with

affiliated companies that perform the same activity and offer the Service in other countries,

mainly European.

The extensive development of Scalapay's business and the consequent growth in economic and dimensional terms will soon entail interventions in terms of *governance* and internal organisation for the company.

## 2.2. The activity of Scalapay

Scalapay is a *fintech* company that has developed a *Buy Now Pay Later* (so-called BNPL) payment solution for third parties. More specifically, Scalapay allows merchants to offer their customers a deferred payment in instalments, without interest, for the purchase of products or services at their physical shops or through *e-commerce*. By registering on the Scalapay portal, the Customer is able to identify the Merchants at which the Service can be used. The Customer may also find the indication of this Service among the

payment available from the Merchant's *e-commerce platform*.

Once the purchase has been made, the first instalment is immediately paid by the customer, while subsequent instalments are charged monthly. These debits are preceded by a special notice by SMS and *e-mail*.

At the same time, Scalapay ensures that the Merchant receives payment in full at the time of purchase, relieving the latter of any risk of fraud or non-payment. The service offered by Scalapay is completely free of charge – for customers who meet their payment deadlines – and does not charge any interest.

In operational terms, the activity described is currently developed as follows:

- the Merchant decides to make use of the Service by activating the Scalapay Gateway at physical or *e-commerce* points of sale;
- the customer wishing to benefit from payment in instalments registers at the Scalapay portal, associating a credit, debit or prepaid card;
- at the time of purchase of the goods from the Merchant, the first instalment amounting to 33% of the amount is immediately debited to the Customer, while the other two instalments are debited in the following two months;
- at the time of purchase, the Merchant receives immediate payment of the entire consideration, alternatively, from (1) Incremento SPV s.r.l., a *special purpose vehicle* that purchases the entire receivable from the Merchant and immediately receives the first instalment paid by the Customer, subject to the application of a commission; or from (2) another financial intermediary authorised to grant credit. A fee is also to be paid to Scalapay;
- in the following months, according to the scheduled deadlines, Incremento SPV s.r.l.

- or other intermediary involved receives payment of the other two instalments, charged to the Customer;
- the different payment flows described are intermediated by an authorised payment service provider (Stripe Technology Europe Ltd., an electronic money institution based in Ireland and authorised to operate in Italy, or another authorised entity).

In this context, Scalapay makes possible the efficient and orderly implementation of the activities of the various parties by means of the implementation, management and development of the Scalapay Gateway and the related IT components. Scalapay also carries out *marketing* activities for its Service to customers and merchants.

### **2.3. The delegation system**

In compliance with the law and according to the provisions of the Articles of Association, Scalapay has adopted a system of proxies and attributions of signature powers that constitute a support tool for an effective and efficient management of the Company's operations (**Annex 2 - Attributed Powers**).

The delegations of authority to the various parties are defined by considering (1) the position

covered and the responsibilities assigned, (2) the size and complexity of the activity being delegated, (3) the relative economic commitment assumed by the Company and the related degree of risk. Proxies are assigned in compliance with the law and the provisions of the Articles of Association.

The system of delegation of powers adopted by Scalapay provides for an adequate segregation of powers and clearly indicates the persons delegated, the powers assigned and their limitations, as well as the maximum spending limits.

Provisions are also in place to control the exercise of delegated powers, in particular by providing for periodic reports or accounts of the activities carried out by the delegated party to the delegating party, and sanctions in the event of violations of the delegated powers.

Delegations of authority are formalised in resolutions of the Board of Directors and, where applicable, in specific documents of the Company's internal regulations.

## **3. The Scalapay Model and the methodology followed**

### **3.1. The adoption of the Model by Scalapay**

Scalapay's adoption of the Model pursuant to Legislative Decree 231/2001 constitutes the safeguard for preventing the commission of the offences indicated in Decree 231/2001.

At the same time, this decision is an act of social responsibility towards all *stakeholders* (including, for example, investors, affiliated companies, employees, merchants, customers and suppliers), as well as the community.

In particular, the adoption and dissemination of the Model are intended, on the one hand, to make the potential perpetrator aware that the commission of a specific offence is firmly condemned by the Company and contrary to its interests, and, on the other hand, thanks to constant monitoring of the activity, to make it possible to prevent unlawful conduct and react promptly to prevent the commission of the offence or the realisation of the event.

Scalapay has, therefore, adopted the Model in order to comply with *best practice*, doctrine and existing case law on the subject.

Scalapay entrusted the task of carrying out the activities relating to the drafting of the Model to external consultants, who worked in constant liaison with the Company.

### **3.2. The functions and objectives of Model**

In order to achieve its purpose of preventing offences and realise its function of exemption in favour of the Company, the Model is required to

- a) identify the activities carried out by the corporate functions that may entail a risk of offence under Decree 231/2001;
- b) analysing potential risks in the light of the possible ways in which offences may be committed in relation to the internal and external operating context in which the Company operates;
- c) assess the existing system of preventive controls and adapt it to ensure that the risk of offences being committed is reduced to an 'acceptable level';
- d) define a system of rules setting out general lines of conduct, as well as specific organisational procedures aimed at regulating activities in the so-called sensitive sectors;
- e) ensure a system of authorisation and signature powers that guarantees a timely and transparent representation of the decision-making and implementation process;
- f) adopt a control system capable of promptly reporting the existence and emergence of general and/or particular critical situations;
- g) ensure adequate communication and training for personnel so that the Addressees are aware of the risks associated with the administrative liability of entities and of the measures adopted by the Company for this purpose;

- h) set up a Supervisory Board with specific competences with regard to the control of the effectiveness, adequacy and updating of the Model;
- i) define a system of sanctions for violating the provisions of the Code of Ethics and the procedures adopted by the Company and the individual companies and the protocols provided for by the Model.

Consequently, the adoption of the Model enables the Company to improve its internal control system, in broad and general terms, going far beyond the exemption function provided for in Decree 231/2001.

### 3.3. Methodology for drafting the Model

The methodology chosen for the adoption and updating of the Model, in terms of organisation, definition of operating methods and structuring in phases, was developed in line with existing *best practices* on the subject and taking into account, in particular, the provisions of the Confindustria Guidelines, as well as the 'Consolidated Principles for the drafting of models organisation and activity of the supervisory body and perspectives on the revision of Legislative Decree No. 231 of 8 June 2001' issued in February 2019 by the National Council of Chartered Accountants and Auditors (in coordination with the Italian Banking Association, the National Forensic Council and Confindustria; henceforth 'CNDCEC Principles').

The Model Update Project consisted of the following phases:

#### *Phase 1 - Risk Assessment*

- collection and analysis of relevant documentation;
- identification of the *Key Officers* to be interviewed, i.e. the individuals who perform the key roles in the Company according to their functions and responsibilities, as well as the possible relevant risks of their areas of competence;
- conducting interviews with previously identified *key officers*;
- identification of sensitive activities and related assessment of the potential risk of committing the offences referred to in Legislative Decree 231/2001 and preparation of the *risk assessment* document.

The assessment of the level of exposure to the risk of offences being committed (= 'total risk of the activity') was carried out according to the table below, considering jointly

- **activity incidence**: assessment of frequency and/or economic relevance of activity for the Company;
- **abstract risk of offence**: assessment of the possibility, in the abstract, of



unlawful conduct in the interest or to the advantage of the entity.

Total risk assessment of the activity			
incidence of activity			
low	medium	bass	bass
media	medium	medium	bass
high	high	high	medium
	high	medium	bass
	abstract risk of crime		

The assessment of the level of residual risk of commission of offences was carried out according to the table below, taking into account the total risk of the activity and the level of existing controls (= 'level of adopted controls').

Residual risk assessment of the activity			
total risk			
bass	bass	bass	medium
medium	bass	medium	high
high	medium	high	high
	high	medium	bass
	level of headmasters adopted		

#### *Phase 2 - Gap Analysis/Definition of Control Protocols*

- analysis of the sensitive activities detected and of the control environment with reference to a 'forward-looking' model, i.e. one that complies with the provisions of Legislative Decree 231/2001;
- Preparation of the *Gap Analysis* (summary of the differences between existing control protocols and the target model; identification of adaptation proposals and improvement actions).

In particular, the *Gap Analysis* document, which can be submitted in an integrated manner to the *Risk Assessment* document, is aimed at identifying and indicating *the control standards* necessary to enable the Company to establish an organisation aimed at avoiding the commission of offences. In particular, according to an approach that is proportionate and appropriate to the size, complexity and current situation of the Company, the safeguards or controls that it is more urgent or useful to provide for, following the adoption of the Model and to complete the safeguards to be

this planned.

The control *standards* are based on the following general principles that must be respected

within each identified sensitive activity:

- **definition of the process and segregation of duties:** identification of the activities carried out by the various functions and their allocation among those who execute, those who authorise and those who control, so that no one can autonomously manage the entire performance of a process. This segregation is ensured by the intervention within a sensitive process of several persons in order to guarantee the independence and objectivity of the activities;
- **Existence of established procedures** and operating practices: existence of appropriate procedures or operating practices indicating the conduct and operating methods for carrying out sensitive activities;
- **Ex-post traceability and verifiability of the activity by means of appropriate documentary or IT support:** identification of safeguards ensuring the

*ex post* verifiability of the process of decision-making, authorisation and performance of the sensitive activity, through the archiving of the relevant documentation;

- **powers and responsibilities:** reference to the delegation system adopted that defines the organisational responsibilities assigned within the Company's organisation: formalisation of powers of signature and representation consistent with the organisational and management responsibilities assigned and clearly defined and known within the Company.

#### *Step 3 - Drafting the Model and subsequent activities*

As a result of the analyses carried out, the Model was prepared, divided into the General Section and the Special Section, which also provides for some specific protocols to regulate the performance of certain activities at risk.

Following the preparation of the draft Model, the document is, where appropriate, shared with the competent or most directly involved functions and with the Supervisory Board. Finally, it is submitted to the Board of Directors for approval. The same draft stages, insofar as they are applicable, will be carried out on the occasion of subsequent updates of the Model.

### **3.4. The Organisation, Management and Control Model of Scalapay**

In accordance with Article 6(2) of Legislative Decree No. 231/2001 and in light of what has been illustrated so far, Scalapay has prepared a Model that takes into account the specific activity carried out and the organisational structures adopted, taking into account the system of *governance* and enhancing the system of controls already in place.

This Model, therefore, represents a coherent set of principles, procedures and provisions that (1) affect the internal functioning of the Company and the modalities

with which it relates to the outside world and (2) regulate the diligent management of the control system of sensitive activities, aimed at preventing or, in any case, reducing the risk of the offences referred to in Legislative Decree No. 231/2001 being committed.

The Model includes the following elements:

- in the General Section, a description of: (1) the reference regulatory framework; (2) the activity, organisational structures and *governance* system of the Company; (3) the methodology adopted for *risk assessment*, *gap analysis* and drafting the Model; (4) the identification and appointment of the Supervisory Board, with specification of its powers and duties; (5) the provision of one or more channels for reporting acts, conduct or events that may lead to a violation of the Model or which, more generally, are relevant for the purposes of Legislative Decree 231/2001; (6) the adoption of the disciplinary system and the related system of sanctions; (7) the training and information plan to be adopted to ensure awareness of the measures and provisions contained in the Model.Lgs. 231/2001; (6) the adoption of the disciplinary system and the relevant system of sanctions; (7) the training and information plan to be adopted in order to ensure awareness of the measures and provisions contained in the Model; (8) the criteria for updating and adjusting the Model;
- in the Special Part, (1) the identification of the macro-areas of activity identified on the basis of the interviews with the *Key Officers* and the preparation of the *risk assessment*; (2) an indication of the main sensitive activities carried out by the Company within the macro-area of reference; (2) an indication of the predicate offences considered abstractly configurable in light of the *risk assesstment* prepared by the Company; (3) a list of certain principles of conduct aimed at reducing the risk of offences; (4) the indication of control principles to govern the main activities sensitive areas set out in specific protocols.

### 3.5. Identification of sensitive activities and relevant offences

Following the *risk assessment* activity, the sensitive activities indicated and described in the Special Section of this Model were identified.

In view of the sensitive activities identified, the Company in abstract presents risk profiles with reference to most of the offences provided for in Decree 231/2001, albeit to different degrees and not for all the specific cases referred to in the individual articles of Legislative Decree 231/2001.

More specifically, Scalapay presents risks with regard to the following offences:

- offences in dealings with the Public Administration (*pursuant to* Articles 24 and 25 of Legislative Decree no. 231/2001);
- computer crimes and unlawful data processing (*pursuant to* Article 24-bis of

Legislative Decree 231/2001);

- organised crime offences (*pursuant to* Article 24-ter of Legislative Decree 231/2001);
- offences against industry and trade (*pursuant to* Article 25-bis.1 of Legislative Decree 231/2001);

- corporate offences (*pursuant to* Article 25-ter of Legislative Decree 231/2001);
- offences against the individual (*pursuant to* Article 25-quinquies of Legislative Decree 231/2001);
- offences committed in violation of the rules on the protection of health and safety at work (*pursuant to* Article 25-septies of Legislative Decree No. 231/2001);
- offences of receiving stolen goods, money laundering, use of money, goods or benefits of unlawful origin, and selflaundering (*pursuant to* Article 25-octies of Legislative Decree No. 231/2001);
- offences relating to non-cash means of payment (*ex Art.* 25-octies.1 Legislative Decree 231/2001);
- copyright infringement offences (*pursuant to* Article 25-novies of Legislative Decree no. 231/2001);
- the crime of inducement not to make statements or to make false statements to the Judicial Authorities (*pursuant to* Article 25-decies of Legislative Decree No. 231/2001);
- environmental offences (*pursuant to* Article 25-undecies of Legislative Decree 231/2001);
- the crime of employment of third-country nationals whose stay is irregular (*ex art.* 25- duodecies Legislative Decree 231/2001);
- tax offences (*pursuant to* Article 25-quinquiesdecies of Legislative Decree 231/2001);
- transnational offences (*pursuant to* Article 10 of Law No. 146 of 16 March 2006).

In addition to these, there is the risk of non-compliance with the prohibitory sanctions provided for in Decree 231/2001 (*pursuant to* Article 23 of Legislative Decree 231/2001).

With reference to the additional offences indicated in Decree 231/2001 and not reported in the Special Section (= offences related to terrorism and subversion of the democratic order *ex art.* 25-quater Lgs. 25-quaterdecies Lgs. D. 231/2001; offences of smuggling *ex art.* 25-sexiesdecies Lgs. D. 231/2001; offences against cultural heritage *ex art.* 25-septiesdecies and 25-duodevicies Lgs. D. 231/2001) the principles and indications contained in the Code of Ethics, in addition to the safeguards indicated in the Special Part where applicable, may be considered sufficient.

Lastly, the Company is not exposed to the risk of certain offences, since they are extraneous to its operations: female genital mutilation practices *pursuant to* Article 25-quater.1 of Legislative Decree 231/2001; market abuse offences *pursuant to* Article 25-sexies of Legislative Decree 231/2001.

### **3.6. Recipients**

The provisions of this Model are addressed to all those who work to achieve the

Company's purpose and objectives: (1) the directors and members of the corporate bodies; (2) any person in an apical position (by which is meant any person who holds, even de facto, functions of



representation, management, direction or control of the Company);(3) employees and external collaborators in any capacity whatsoever (permanent, fixed-term, part-time, temporary, trainees, resources seconded abroad) subject to the direction or supervision of the Company's top management; (4) to the extent applicable to them, external suppliers and consultants.

### 3.7. The Code Ethics

The principles and rules contained in this Model are consistent with those set out in Scalapay's Code of Ethics.

The Code of Ethics expresses the values that inspire Scalapay's activity, which are thus made known to the people who work or collaborate with Scalapay, Merchants, Customers and *stakeholders*. The adoption of this code also makes it possible to establish the ethical principles that must be observed by all those involved in Scalapay's business so that it is conducted in an orderly, law-abiding, efficient, constructive and satisfactory manner. The Code of Ethics also includes the rules of conduct to be observed in specific situations and in relations with persons inside and outside the Company.

The Code of Ethics is an integral part of the Organisational, Management and Control Model adopted by Scalapay pursuant to legislative decree 231/2001, as it encourages correct and law-abiding behaviour, suitable for preventing the commission of offences within the company. Moreover, the Code of Ethics performs a preceptive and complementary function with respect to what is not provided for in the Model.

The Code of Ethics is made known and available to all Addressees.

## 4. The Supervisory Board

### 4.1. Composition and appointment

In addition to adopting an effective and efficient Model for the prevention of offences, in order to be exonerated from liability resulting from the commission of offences by the persons qualified *under* Article 5 of Legislative Decree No. 231/2001, an entity is required to entrust the task of supervising the operation of and compliance with the Model and of updating it to a body endowed with autonomous powers of initiative and control, pursuant to Article 6(1)(b) of Legislative Decree No. 231/2001.

According to the Confindustria Guidelines and the CNDCEC Principles, the main requirements of the Supervisory Board can be identified as follows:

- **autonomy and independence:** the Supervisory Board fits in as a unit

*staff* position; in the highest hierarchical position reporting directly to the top management of the entity and lacking decision-making and operational powers with regard to corporate activities;

- **professionalism**: the members of the Supervisory Board must possess in the as a whole specific skills in the fields of law, economics, risk analysis and risk assessment techniques;
- continuity of action: the purpose of continuity of action is to ensure the monitoring the effective, actual and constant implementation of the Model adopted by the Company in accordance with the provisions of Legislative Decree 231/2001.

Decree 231/2001 does not provide specific indications as to the composition of the Supervisory Board. The latter may have a collegial composition, with three members, some of whom external, or a monocratic composition, with one external member.

The choice between one or the other solution must take into account the purposes pursued by Decree 231/2001 and, therefore, ensure the effectiveness of the controls. The composition of the Supervisory Board must therefore also be modulated on the basis of the size, type of activity and organisational complexity of the entity.

The Supervisory Board is appointed by the Board of Directors, after consulting the Board of Statutory Auditors (if appointed), by means of a Board resolution.

The remuneration for serving as a member of the Supervisory Board is established by the Board of Directors. The latter also assigns an annual *budget* so that the Supervisory Board can perform its duties and carry out its activities. Should the assigned *budget* be insufficient with respect to the activities to be performed, this is without prejudice to the right of the Supervisory Board to request additional resources from the Company.

The *budget* allows the Supervisory Board to operate autonomously and independently and with the appropriate tools to effectively perform the task assigned to it by this Model, in accordance with the provisions of Legislative Decree No. 231/2001.

The Company's Supervisory Board remains in office for three years from its appointment and may be re-elected. It shall cease to hold office upon expiry of the period established at the time of its appointment, although it shall continue to *perform* its functions *ad interim* until a new appointment of the Body. If during the term of office the Supervisory Board ceases to hold office, the Board of Directors shall replace it with its own resolution.

Renunciation of office by a member of the Supervisory Board has immediate effect.

## **4.2. Ineligibility, suspension and revocation**

The following may not act as members of the Supervisory Board and, if appointed, shall lapse

from the office those who:

- a) have kinship relationships up to the second degree of kinship or marriage (or de facto cohabitation situations comparable to marriage) with members of the management body and the Board of Statutory Auditors, as well as with senior persons of the Company;
- b) find themselves in conflicts of interest, even potential ones, with the Company such as to jeopardise the independence required by the role and tasks of the Supervisory Board;
- c) perform administrative functions with delegated powers or executive duties at the Company;
- d) are in the legal condition of being disqualified, incapacitated, bankrupt or sentenced to a punishment entailing disqualification, even temporary, from public office or incapacity to exercise executive office;
- e) are subject to personal preventive measures ordered by the judicial authorities, without prejudice to the effects of rehabilitation;
- f) have been irrevocably convicted, without prejudice to the effects of rehabilitation:
  - (1) for the commission of one of the offences referred to in Decree 231/2001; (2) to imprisonment for one of the offences provided for in Title XI of Book V of the Civil Code or for one of the offences provided for in the bankruptcy law; (3) to imprisonment for a term of two years or more for any non-culpable offence;
- g) have criminal convictions or other sanctions in foreign countries for offences corresponding to those referred to above.

For the purposes of the application of the provisions of this paragraph, a conviction shall also mean a sentence pronounced pursuant to Article 444 of the Code of Criminal Procedure, without prejudice to the effects of the judicial declaration of extinction of the offence pursuant to Article 445(2) of the Code of Criminal Procedure.

On the other hand, the following constitute grounds for suspension from the position of member of the Supervisory Board: (1) conviction with a non-definitive sentence for the offences indicated in letter g) among the grounds for ineligibility and disqualification; (2) being provisionally subject to one of the measures provided for in Article 10, paragraph 3, of Law no. 575 of 31 May 1965, as replaced by Article 3 of Law no. 575 of 19 March 1990,

No. 55, as amended and supplemented.

Lastly, the following constitute grounds for removal from the post of member of the Supervisory Board, by way of example:

- a) significant failures to comply with the mandate conferred, with regard to the tasks indicated in the Model;
- b) breach of confidentiality obligations;
- c) material breach of the obligations set out in the SB Regulation, where adopted;
- d) repeated absence from meetings of the body, even if not consecutive, without a justified reason;
- e) the occurrence of circumstances that seriously and justifiably impair the member's independence or autonomy of judgement;
- f) an irrevocable conviction of the Company pursuant to Decree No. 231/2001 or a sentence applying the penalty at the request of the parties, which has become final, where the documents show an "omitted or insufficient supervision" on the part of the Supervisory Board, pursuant to Article 6(1)(d) of Legislative Decree No. 231/2001;
- g) an irrevocable conviction, without prejudice to the effects of rehabilitation, or a final judgment applying the penalty at the request of the parties, except in the case of the extinction of the offence, issued against one of the members of the Supervisory Board for having committed one of the offences provided for in Decree 231/2001.

Should any of the above-mentioned grounds for revocation occur, the management body, having carried out the appropriate investigations and heard the person concerned and the other members of the Supervisory Board, after hearing the opinion of the Board of Statutory Auditors (if appointed), must adopt, by absolute majority, the measures it deems appropriate up to the declaration of disqualification, suspension or revocation of the member.

In the event that the Supervisory Board is also made up of employees of the Company, the dismissal of an employee who is a member of the Supervisory Board, for the entire duration of the assignment and for six months following the termination thereof, as well as by resignation, may only occur for just cause or justified reason pursuant to the law, and shall be, in the latter two cases, duly justified. The termination of the employment relationship with the Company of the internal person, for whatever reason, determines the simultaneous forfeiture of the office of member of the SB, unless otherwise resolved by the management body.

#### **4.3. Functions and powers of the Supervisory Body**

Notwithstanding the fact that the Board of Directors, as the ultimate manager of the

functioning and effectiveness of the Model, is called upon to supervise the adequacy of the work of the Supervisory Board, the activities carried out by the latter cannot be reviewed by any other function or structure of the Company.

The Supervisory Board of the Company is also, on the express mandate of the Company, proposed to receive, examine and evaluate the reports received through the internal whistleblowing channel prepared pursuant to Legislative Decree No. 24 of 10 March 2023, implementing EU Directive 2019/1937 on Whistleblowing.

For the performance of its activities, the Supervisory Board may adopt internal rules of operation in which it defines the operating methods to be observed in the performance of its activities.

The Supervisory Board has the powers of initiative and control necessary to ensure effective and efficient supervision of the operation of and compliance with the Model in accordance with Article 6 of Legislative Decree No. 231/2001. In particular, the Supervisory Board continuously verifies:

- the functioning of the Model and compliance with its requirements by all the Target audience;
- the real effectiveness and actual capacity of the Company's Model to prevent the commission of crimes and offences;
- the appropriateness of updating the Model, where the need to adapt it in relation to changed conditions of the Entity or new legislation is identified.

To this end, the Supervisory Board may carry out inspections and audits, access the deeds and documents of the Company, including confidential ones, request information or data, examine procedures, accounting data or any other data or information deemed useful.

The Supervisory Board may avail itself of the support of the functions of the Company for the performance of its activities. The Supervisory Board may also make use of external consultants with adequate expertise in the field for the performance of checks and investigations.

To ensure effective control over the functioning of and compliance with the Model, the Supervisory Board:

- activates an audit plan aimed at ascertaining the concrete implementation of the Model by all the Addressees;
- continuously verifies the need to update the mapping of sensitive activities and the Model, in the event of significant organisational changes or



- extension of the type of offences covered by Legislative Decree 231/2001;
- performs inspections and audits of specific operations or acts performed within the scope of the Company's activities that present possible significant risks;
  - promotes and monitors information and training initiatives aimed at spreading knowledge, understanding and awareness of the Model among the Addressees;
  - receives, examines, processes and stores relevant information received (including any reports) concerning compliance with the Model or other relevant circumstances;
  - coordinates and liaises with the control body (if appointed) and with the operational functions of the Company to better monitor the risk areas;
  - carries out internal investigations for the detection of alleged violations of the provisions of the Model;
  - reports violations of the rules contained in the Model or shortcomings detected during the audits carried out, so that the necessary adjustment measures may be adopted, involving the Board of Directors where necessary;
  - detects any behavioural deviations that may emerge from the analysis of information flows and from the reports to which the heads of the various functions are subject;
  - supervise the consistent application of the sanctions provided for in the disciplinary system in cases of violation of the Model, without prejudice to the competence of the body delegated for the application of sanctions.

The Supervisory Board may identify a resource, internal or external to the Company, to be responsible for drafting the minutes of the Supervisory Board's meetings, preparing the meetings and the related documentation, as well as any other task relating to the organisational profiles of the Supervisory Board's activities.

#### **4.4. Reporting by the Supervisory Board**

The Supervisory Board reports to the Board of Directors on the effectiveness of and compliance with the Model, on the emergence of any critical aspects, and on the need for amendments.

To this end, the Supervisory Board prepares:

- on an annual basis, an information report in favour of the Board of Directors of the Company in order to illustrate its activities; more specifically

details of: (1) the checks and controls carried out and their results; (2) the progress of any projects launched or actions decided to improve the controls adopted or to revise sensitive processes; (3) legislative innovations or organisational changes that have entailed or will require updates to the Model; (4) any disciplinary sanctions imposed by the competent bodies following violations of the Model; (5) any other information deemed significant; (6) a summary assessment of the adequacy of the Model with respect to the provisions of Legislative Decree 231/2001;

- if violations of the Model accompanied by an alleged commission of offences are ascertained, an immediate communication to the Board of Directors of the Company;
- any other information useful to ensure the proper implementation of the Model and the reporting of any actions necessary to ensure a more adequate system of controls;

The Supervisory Board ensures the proper archiving of the *reports, reports* and disclosures prepared.

#### **4.5. Information flows to the Supervisory Board** The Supervisory

Board must be informed by the persons required to comply with \_\_\_\_\_ of Model \_\_\_\_\_ in \_\_\_\_\_ about \_\_\_\_\_ a \_\_\_\_\_ events that \_\_\_\_\_ could generate liability for the Company pursuant to Decree 231/2001.

The Special Section defines the information flows due with reference to certain areas of activity. If deemed appropriate, the Supervisory Board supervises the preparation by the Company of a detailed procedure concerning information flows (periodical and occasional).

In general terms, the Supervisory Board receives the following information flows from the various corporate divisions:

- information identified in this Model, in particular in the Special Part, as well as any other information identified or requested by the Supervisory Board;
- significant changes in relation to the internal structure or organisational structure of the Company or changes in the areas of activity, as well as with regard to the system of delegated powers;
- information and control activities carried out, useful for the exercise of the activity of the Supervisory Board in terms of verifying compliance with, effectiveness and updating of this Model and from which facts, acts, events or omissions with critical profiles may emerge with respect to compliance with the rules

of Decree 231/2001;

- measures and communications from judicial police bodies, or from any other authority, without prejudice to the obligations of secrecy imposed by law, from which it can be inferred that investigations are being carried out, even against unknown persons, for offences to which Legislative Decree No. 231/2001 is applicable, if such investigations involve the Company or its personnel or bodies;
- requests for legal assistance made by directors or staff in the event of legal proceedings being initiated against them and in relation to offences under Legislative Decree No. 231/2001 or health and safety at work regulations;
- information on the actual implementation of the Model, with evidence of the disciplinary proceedings carried out and any sanctions imposed, or of the orders to dismiss such proceedings with the relevant reasons;
- periodic reporting on occupational health and safety and environmental issues;
- any information, document or event relevant in terms of risks concerning the administrative liability of entities and useful for the control activity carried out by the Supervisory Board.

Information, reports and any other useful documents are communicated to the Supervisory Board by *e-mail* to **odv231.scalapay@scalapay.com** or are presented at meetings of the body.

Any useful information may also be collected directly by the Supervisory Board in the course of its audits or periodic control activities in the manner deemed most appropriate and effective.

The Supervisory Board adopts the necessary organisational arrangements and tools to ensure the orderly filing of information and reports, as well as of the documents received, ensuring an adequate degree of confidentiality.

The Supervisory Board assesses the information and reports received, carries out the relevant in-depth investigations and proposes to the Board of Directors any measures to be taken, if necessary by listening to or discussing with the person who communicated the information or the contact person of the department concerned.

#### **4.6. Reporting violations (*whistleblowing*)**

On 30 March 2023, Legislative Decree No. 24 of 10 March 2023 of *'Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of the*

*Union law and laying down provisions on the protection of persons who report breaches of national laws'* (published in the Official Gazette No. 63 of 15 March 2023) updating, at national level, the rules on 'whistleblowing'.

By reinforcing the protection of whistleblowers, the provision aims to encourage the cooperation of employees in order to facilitate the communication and disclosure of information (including well-founded suspicions) concerning violations committed or likely to be committed, on the basis of concrete elements, in the organisation with which the whistleblower or the person making the complaint to the judicial or accounting authorities has a legal relationship, as well as elements concerning conduct aimed at concealing such violations.

To this end, the Company, having consulted with the most representative trade union representatives at national level and signatories to the National Collective Labour Agreement (CCNL) for commerce for employees of companies in the service sector applied by the Company, has set up an internal channel for making written reports through the Whistleblowing Platform ('**Platform**'), which can be accessed from the Company's website, as well as using the possibility of making reports by analogue means (i.e. by sending them by ordinary mail) and orally.

The report may be made anonymously or non-anonymously. In general, the platform is equipped with security measures to ensure, where necessary also by means of encryption tools, the confidentiality of the identity of the reporter, of the persons involved or otherwise mentioned in the report, as well as the content of the report and the relevant documentation.

Pursuant to Legislative Decree No. 24/2023 and taking into account the context in which the Company operates and its organisational and structural characteristics, the following may be reported:

- a) unlawful conduct pursuant to Legislative Decree No. 231 of 8 June 2001;
- b) violations of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231 of 8 June 2001, the Code of Ethics and/or the procedures of the Company's internal regulatory system;
- c) offences falling within the scope of European Union or national acts, or national acts implementing European Union acts relating to the following areas: public procurement; services, products and financial markets and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety and animal health and welfare; public health; consumer protection;

protection of privacy and protection of personal data and security of networks and information systems;

- d) acts or omissions detrimental to the financial interests of the European Union (e.g. fraud, corruption, other illegal activities related to Union expenditure);
- e) acts or omissions concerning the internal market, including violations of EU competition and State aid rules, as well as violations concerning the internal market related to acts in breach of corporate tax rules or mechanisms whose purpose is to obtain a tax advantage that frustrates the object or purpose of the applicable corporate tax law;
- f) acts or conduct that frustrate the object or purpose of EU provisions in the areas indicated in the preceding points (e.g. practices such as abuse of a dominant position);
- g) administrative, accounting and criminal offences not covered by points c) to f).

On the contrary, they cannot be reported:

- a) disputes, claims or requests linked to a personal interest of the whistleblower, i.e. relating exclusively to the whistleblower's individual labour relations in general, or to relations with hierarchically superior figures (e.g. labour disputes and pre-litigation stages, discrimination between colleagues, interpersonal conflicts between the whistleblower and another worker or with hierarchical superiors, in the absence of injury to the public interest or the integrity of the Company;
- b) reports of violations that are already specifically covered by European or national legislation, and which therefore already provide for and regulate specific reporting procedures (e.g.: financial services; terrorism; prevention of money laundering; environmental protection);
- c) alerts on breaches of national security, defence procurement or national security, unless these aspects are covered by EU secondary legislation;
- d) alerts based on information that the reporter knows to be false;
- e) reports concerning information already in the public domain.

Reports are received by the Appointed Person, identified in the person who acts as the Company's Supervisory Board (the '**Appointed Person**').

In the event of a conflict of interest (e.g. if the reporter is the same as the Appointee, or the reported person, or is otherwise a person involved in or affected by the report), the report should be addressed to

to the National Anticorruption Authority through the appropriate channels set up by the Authority.

The report must be made whenever there is a well-founded reason to believe that the information relating to the breach is true, and must therefore contain elements that are concrete, true and useful to enable the Person in Charge of Receiving it to carry out the appropriate checks and verifications as to the legitimacy of the facts and circumstances that are the subject of the report.

The Appointee performs, *inter alia*, the following activities:

- a) issues the reporting person with an acknowledgement of receipt of the report within 7 (seven) days from the date of receipt;
- b) makes a preliminary assessment of the report made, evaluating the reporting party's compliance with the procedure, the existence of the requirements of legality and completeness of the report as well as the seriousness of the facts reported and the urgency of the handling of the report;
- c) maintains interlocutions with the reporting person and may ask the latter, if necessary, to supplement its statements;
- d) in general, it may interface with other functions of the Company and persons outside the latter to request their cooperation, as well as agree, with the corporate structure in charge of the function concerned by the report, on any measures necessary for the removal of the control weaknesses detected;
- e) provides feedback on the report within 3 (three) months from the date of the acknowledgement of receipt and prepares, at the end of the investigation procedure, a final report illustrating the content of the report, the investigative activity performed and the relevant findings. This report shall be forwarded, alternatively or jointly, to the Managing Director or the Board of Directors.

The Company undertakes to implement all reasonable measures to avoid the risk of retaliation against whistleblowers and other protected persons (such as, by way of example but not limited to, dismissal, suspension, demotion or non-promotion, change in working conditions, adoption of sanctions of various kinds, unfavourable treatment, etc.). Any retaliation may be reported by whistleblowers to the ANAC and acts taken in breach of the prohibition on retaliation are null and void.

Furthermore, the Company guarantees the confidentiality of the reporter, the facilitator, the person involved and the persons mentioned in the report, as well as the

content of the report itself and of the relevant documentation. For this reason, it is forbidden to reveal the identity of the whistleblower without the whistleblower's prior consent. Personal data is processed in accordance with Regulation (EU) 2016/679 (GDPR), providing for: (i) the use of reports only to the extent necessary to follow up on them; (ii) the deletion of personal data not necessary to follow up the report; (iii) the appointment of the Appointee as the person authorised to process the data; (iv) the appointment of the Platform provider as the person responsible for processing personal data; (v) the drafting of a notice pursuant to the GDPR to be made available to the reporting parties. A detailed description of the Procedure for the functioning of the Platform, of the methods of reporting in analogue and oral form and of the sanctions imposed on those responsible for wrongdoing is provided in the Organisational Act entitled "Whistleblowing Regulation and Procedure for the Management of Reports" annexed to this Organisation, Management and Control Model pursuant to Legislative Decree 231/2001.

## **5. The System Disciplinary**

### **5.1. Foreword**

Pursuant to Article 6(2)(e) and Article 7(4)(b) of Legislative Decree No. 231/2001, organisational, management and control models are considered effective if they provide for a disciplinary system capable of sanctioning non-compliance with the preventive measures and safeguards indicated. Therefore, an adequate system of sanctions is an essential requirement for the Model and for its effectiveness in exempting the entity from administrative liability.

This disciplinary system must address both personnel and third parties working on behalf of the Company, providing for appropriate sanctions of a disciplinary nature for the former and remedies of a negotiated nature for the latter (e.g. termination of the contract or removal from the supplier list).

With particular regard to employees, the disciplinary system must comply with the limits connected to the sanctioning power imposed by Article 7, Law no. 300 of 20 May 1970 (the so-called "**Workers' Statute**") and by the National Collective Labour Agreement applicable in the sector in which the Company operates (CCNL Commercio) both as regards the sanctions that can be imposed and the forms of exercise of the sanctioning power.

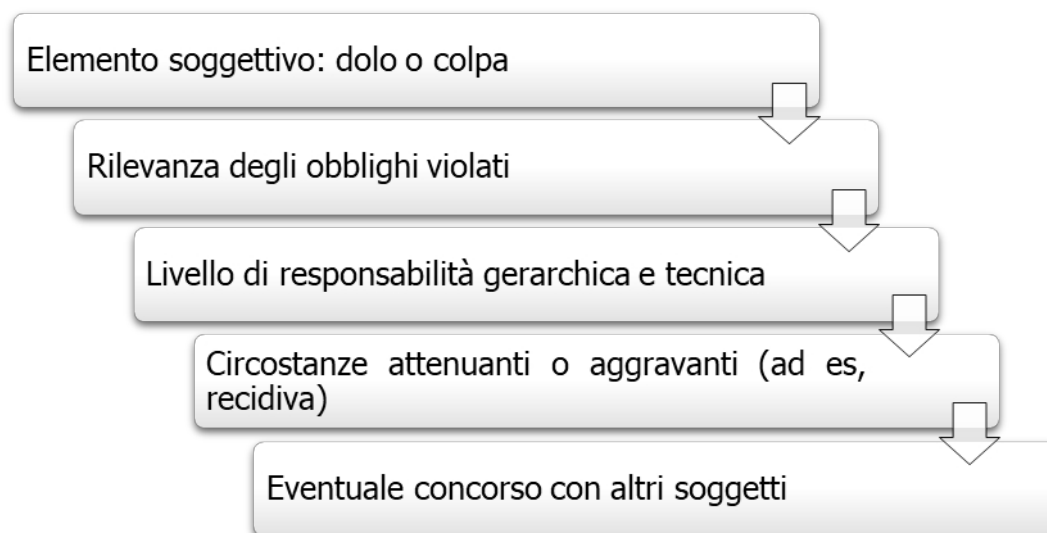


In any case, the application of disciplinary sanctions is irrespective of the initiation or outcome of any criminal proceedings, since the provisions of the Model constitute binding rules for the Addressees and their violation is, therefore, sanctioned irrespective of whether an offence has actually been committed or whether it is punishable.

Violations of the *Whistleblowing* Law result in the imposition of specific sanctions in cases where: (i) the Appointed Person has obstructed or attempted to obstruct the whistleblowing; (ii) there has been a breach of the obligation of confidentiality; (iii) retaliatory acts have been committed against the whistleblower (iv) the reporting channel has not been set up, procedures for handling reports have not been adopted or procedures have been adopted that are not compliant; (v) verification and analysis of the reports received have not been carried out; (vi) the reporting person has been found guilty by a judgment of first instance of the offences of defamation or slander.

## **5.2. General criteria for the imposition of sanctions**

In the event of proven non-compliance with Scalapay's Model, sanctions will be imposed according to a criterion of proportionality with respect to the seriousness of the violations and, in any case, in consideration of the elements set out below:



Without prejudice to the provisions of the Collective Bargaining Agreement for Trade and Commerce, the provisions of Article 7, Workers' Statute, apply. The ownership and exercise of disciplinary power or the exercise of contractual rights must be exercised in compliance with the system of delegations and powers in force.



If several infringements punishable by different penalties are committed in a single act, the most serious penalty shall be applied.

Any imposition of the disciplinary sanction, regardless of the institution of proceedings or the outcome of the criminal trial, shall be, as far as possible, inspired by the principles of timeliness.

The Disciplinary System applies to employees, managers and non-managers, as well as to collaborators and directors of the Company.

### **5.3. Measures against non-management employees**

With regard to non-managerial employees, the disciplinary system applied by the Company complies with the CCNL Commerce.

Violation of individual provisions and rules of conduct of the Model by employees constitutes a disciplinary offence.

By way of example, the following conduct constitutes a disciplinary offence:

- conduct integrating, directly or indirectly, the offences referred to in Legislative Decree 231/2001;
- non-compliance with the provisions contained in the Model and the Code of Ethics;
- failure to participate without a justified reason in the training provided on the subject of Legislative Decree 231/2001, the Model and the Code of Ethics;
- lack of or insufficient documentation of the activities carried out, so that traceability and verifiability are prevented or, in any case, hindered;
- violation or circumvention of the controls and control systems adopted by the Company, effected through the removal, destruction or alteration of supporting documentation;
- carrying out activities aimed at preventing the persons in charge and the Supervisory Board from controlling or accessing the requested information;
- non-compliance with the provisions on signatory powers and the delegation system;
- serious breaches of information obligations vis-à-vis the Supervisory Board;
- conduct constituting a breach of the measures for the protection of whistleblowers set out in section 4.6. of the General Section of the Model;
- conduct constituting wilful misconduct or gross negligence in making the reports referred to in Paragraph 4.6., General Section of the Model which, when the facts are proven, prove to be unfounded;
- commission of any retaliation against the whistleblower;
- commission by the *whistleblower* of the offences of defamation and slander ascertained in court.

In consideration of the seriousness of the violation and taking into account the possible recidivism, violations of the provisions contained in the Model and in the Code of Ethics by employees to whom the CCNL Commercio (National Collective Labour Agreement) is applied may be punished with the different sanctions provided for therein. More specifically, in the event of a verified violation of the Model, non-managerial employees may be subject to the following sanctions, which are exhaustive in nature:

- **verbal warning**: sanction provided for in cases of minor offences or non-compliance with the Model or the Code of Ethics;
- **written reprimand**: a sanction provided for in cases of infringements or non-compliance that are more serious than those entailing the application of a verbal reprimand or in the event of repeated infringements punishable individually by a verbal reprimand;
- **a fine not exceeding the amount of four hours' basic pay**: penalty provided for **(1)** in cases of repeated commission of offences which may lead to the application of a written warning or **(2) in the** event that more serious misconduct or non-compliance than that which leads to the application of a written warning is detected;
- **suspension from work and pay for a period not exceeding 10 days of actual work**: sanction imposed in cases of serious violations of the provisions of the Model or of the Code of Ethics, or in cases of recidivism in the commission of offences from which a fine may be imposed. Suspension from work and pay may be applied for a maximum of 10 days;
- **individual dismissal**: the sanction of individual dismissal may take place with or without notice. Individual dismissal with notice is a sanction provided for in cases of particularly serious violations, or in cases of recidivism in the commission of offences that may lead to suspension from work and pay. On the other hand, dismissal without notice may be decided in the event of misconduct so serious as to break the fiduciary relationship with the Company and therefore not allow the continuation, even temporary, of the employment relationship (e.g. commission of an offence giving rise to corporate liability).

In the course of disciplinary proceedings, precautionary measures (e.g. suspension) may also be ordered if the circumstances so require.

In accordance with Article 7, Law No. 300 of 20 May 1970, and the provisions of the CCNL Commerce, the provisions on disciplinary sanctions are brought to

knowledge of the workers by posting it in a place accessible to all.

The ascertainment of the aforementioned breaches, possibly upon report of the Supervisory Board, the management of disciplinary proceedings and the imposition of sanctions remain the responsibility of the Board of Directors and the Managing Director, in coordination with the Head of the Human Resources Division and the Supervisory Board.

#### **5.4. Measures against Managers**

For the purposes of this Disciplinary System, managerial employees are those persons who, within the Scalapay organisation, hold (even de facto) representative, administrative or management positions and who, therefore, are required to constantly supervise compliance with the Model by the resources subordinate to them. Specific *whistleblowing* sanctions may be imposed on such persons in the event of failure to set up whistleblowing channels, failure to adopt *whistleblowing* procedures in compliance with the regulations or failure to carry out verification and analysis of the reports received.

The following sanctions shall apply to Managers, which shall be imposed in accordance with the general principles set out in section 5.2:

- **written warning**: a sanction imposed **(1)** in cases of violations that, for the non-managerial employees, lead to the application of a verbal or written reprimand; **(2)** in cases of failure to supervise subordinate resources leading to a violation of the Model or the Code of Ethics punishable by a verbal or written reprimand or fine;
- **suspension from work and pay**: sanction imposed **(1)** in cases of violations which, for non-management employees, result in the application of a fine or suspension from work and pay;  
**(2)** in cases of failure to supervise subordinate resources leading to the violation of the Model or the Code of Ethics punishable by suspension from work and pay or dismissal with notice;
- **dismissal with notice**: sanction imposed **(1)** in cases of violations which, for non-managerial employees, lead to the application of individual dismissal with notice; **(2)** in cases of failure to supervise subordinate resources leading to violation of the Model or the Code of Ethics punishable by individual dismissal, with or without notice;
- **dismissal without notice**: sanction imposed **(1)** in cases of commission of offences giving rise to the liability of entities; **(2)** for failures so serious as to break the fiduciary relationship with the Company and

not to permit even a provisional continuation of the employment relationship.

### **5.5. Measures against non-employees**

Notwithstanding the provisions of Section 5.2., in the event that the violations referred to in Section 5.3. are committed by persons functionally connected with the Company by virtue of a self-employment relationship, Scalapay shall be entitled to terminate the contractual relationship.

A similar measure may be adopted if the self-employed worker is involved in legal proceedings for one of the offences provided for in Legislative Decree No. 231/2001.

This is without prejudice to the right of the Company to claim compensation for damages resulting from the violation of the Model.

### **5.6. Measures against third parties**

Any conduct by consultants, suppliers, Merchants or other third parties linked to the Company by a contractual relationship in breach of the provisions of Legislative Decree 231/2001 and of the Code of Ethics for the parts falling within their competence, may result in the application of penalties or termination of the contractual relationship, without prejudice to any claim for compensation if such conduct causes damage (including reputational damage) to the Company, even independently of the termination of the contractual relationship.

To this end, contracts are to include specific clauses requiring the undertaking to comply with the rules and regulations set out in the Code of Ethics and governing the consequences in the event of violation. With such clauses, third parties undertake to behave in such a way as to prevent the commission, even attempted commission, of the offences provided for in Legislative Decree No. 231/2001.

In relation to existing contracts, letters of commitment of the contractual counterparties to comply with these principles are to be provided.

### **5.7. Measures against directors**

The Company assesses with particular rigour violations of the Model and the Code of Ethics committed by those at the top of Scalapay's structure and representing it vis-à-vis third parties.

In the event of any violation of the applicable legislation, the Model and the Code of Ethics by members of the Chief Executive Officer or members of the Board of Directors, the Supervisory Board is obliged to inform the other members of the Board of Directors, who will take the appropriate steps in accordance with the law.

Specific whistleblowing sanctions may be imposed on such persons in the event of failure to set up whistleblowing channels, failure to adopt *whistleblowing* procedures in accordance with the law, or failure to carry out verification and analysis of reports received.

## **5.8. Measures against the Supervisory Board**

In the event of violations of the Model and the Code of Ethics committed by the members of the Supervisory Board, following an appropriate cross-examination with the party concerned, the Board of Directors shall take the appropriate measures, including revocation of the appointment. In any case, this is without prejudice to Scalapay's right to claim compensation for damages resulting from the violation of the Model.

Due to the task of handling *whistleblowing* reports, specific sanctions are provided for in cases where the verification and analysis of the reports received has not been carried out, as well as when the duty of confidentiality has been breached.

## **5.9. The procedure for applying disciplinary sanctions**

The type and extent of the disciplinary measure to be applied will be determined, following the process described below:

- reconstruction and analysis of the irregularity by the Human Resources Division, by means of an assessment in which the intentionality of the conduct or the degree of negligence, imprudence or inexperience is assessed with regard also to the foreseeability of the event. The impact on the Company and on any third parties involved is also considered;
- Preparation of the dispute for disciplinary charges, identified to the employee by the Human Resources Division in coordination with the Division concerned;
- analysis by the employee's reply with particular regard to the justifications expressed in relation to the contested facts;
- completion of the analysis through the verification of several additional profiles: (1) past performance and the presence of recidivist conduct; (2) the employee's duties; (3) further particular circumstances accompanying the disciplinary offence;
- proposal for adoption of the measure by the Human Resources Division and approval by the Managing Director or the Board of Directors.

The person ultimately responsible for the concrete application of the disciplinary measures described above is the Chief Executive Officer, who will establish the sanctions also taking into account any reports by the Supervisory Board, on the basis of the provisions of the individual laws and, in particular, Legislative Decree No. 231/2001 and Legislative Decree No. 81/2008.

In particular, there is a need for coordination and discussion with the Supervisory Board if the disciplinary sanction is related to a violation reported through the *whistleblowing* channel, as well as if it concerns acts of retaliation linked to such reports or persons who have made unfounded reports with malice or gross negligence.

Upon receiving notice of violations of the provisions and rules of conduct by members of the Board of Directors, the Supervisory Board shall promptly inform the Board of Auditors (where established) and the entire Board of Directors. The recipients of the information from the Supervisory Board may take the appropriate measures, including, for example, calling a shareholders' meeting, in order to adopt the most appropriate measures provided by law.

Upon receiving notice of violation of the provisions and rules of conduct by one or more Auditors, the Supervisory Board shall promptly inform the entire Board of Auditors and the Board of Directors. The recipients of the information from the Supervisory Board may take the appropriate measures, including, for example, convening the Shareholders' Meeting, in order to adopt the most appropriate measures provided by law.

## **6. Information e the training regarding the regulations of Decree 231/2001**

The correct information and adequate training of the Recipients concerning the administrative liability of entities, the related risks present in the Company's activities and the safeguards adopted for this purpose are fundamental requirements to ensure the effective implementation of the Model and its proper functioning. In order to ensure that the Model realises its effectiveness, Scalapay ensures proper dissemination of its contents and principles both to persons belonging to the internal structure, and to external parties that have relations with the Company that are relevant to the provisions of Legislative Decree 231/2001.

Communication and training activities are differentiated according to the recipients to whom they are addressed. This activity must be guided by principles of efficiency

(completeness, clarity, accessibility) and continuity in order to enable the various parties to be fully aware of the Model and the relevant internal provisions, the risks associated with the various areas of activity, and the principles of conduct that must be followed.

Company personnel are required to be familiar with the operating procedures governing the activities carried out by their function. It is also necessary to ensure that the Recipients can access and consult the documentation relating to the Model, the control protocols and the procedures that refer to it, to the extent of their competence.

The Company shall also adopt appropriate communication tools to update the Addressees on any amendments made to this Model and on any relevant procedural, regulatory or organisational changes.

In order to facilitate understanding of the Model and to ensure that the structure is fully aware of it, the Company carries out staff training activities, through the use of *e-learning* tools and the organisation of classroom courses. These activities are carried out in cooperation with the functions concerned and the human resources management division.

Participation in training programmes is mandatory for employees and others to whom it is addressed. The conduct of such training activities must be adequately documented and the relevant documentation appropriately filed.

## **7. Criteria for updating and adapting the Model**

At the proposal of or in coordination with the Supervisory Board, the Board of Directors decides on the updating of the Model and its adaptation in relation to amendments or additions that may become necessary or are deemed appropriate as a result of

- regulatory changes, such as the introduction of new relevant offences in the Lgs. 231/2001;
- changes in the internal structure of the Company and/or the way in which activities are carried out;
- major changes in *business* activities;
- reports of attempted or committed offences covered by the Model;
- news of new possible ways of committing the offences considered by the Model;

- results of verifications or checks carried out;
- significant violations of the provisions of the Model.

In any case, the Model will be subject to a periodic review process.

## **8. Attachments**

The Model is completed by the following annexes, which form an integral part of it:

- Annex 1 - Catalogue of offences;
- Annex 2 - Delegations granted;
- Annex 3 - Whistleblowing Regulation and Procedure for Handling Whistleblowing Reports.