DEXELANCE

ORGANISATION, MANAGEMENT AND CONTROL MODEL

(in implementation of Italian Legislative Decree no. 231/2001 as amended and supplemented)

Version 2.0 (updated March 2024)

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INTRODUCTION

Structure of the Model

This Model consists of a complex and organised series of documents which are to be considered as a single body.

In detail, the Model is composed as follows:

- **This text**: descriptive part of the **Organisation, Management and Control Model** (which contains the General Part and the Special Part as well)
- **Annex 1** - Text of Italian Legislative Decree 231/2001 and subsequent amendments and supplements
- **Annex 2** - List of predicate offences under Italian Legislative Decree 231/2001
- **Annex 3** - Company organisation chart
- **Annex 4** - 231 relevant risk assessment ("231 Risk Matrix")
- **Annex 5** - Penalty system
- **Annex 6** - Code of Ethics
- **Annex 7** - 231 offence prevention protocols
- **Annex 8** - Policy on information flows to the Supervisory Board.

Organisation in a "central" document and in a number of annexes addresses the need to facilitate more efficient updating (the various documents can be updated separately; each will be identified by an edition number that will enable a record of them to be maintained) and to safeguard the confidentiality of some of the documents.

These documents, together with any Procedures already in force in the Company, which are expressly referred to in this Model and which form an integral part thereof, implement the preventive measures aimed at combating the risk of predicate offences (for the sake of simplicity, the term "**231 System**" means all such rules, whether contained in the Model, Code of Ethics, Protocols, Procedures or in other documents.)

Italian Legislative Decree 231/2001

Italian Legislative Decree 231 of 8 June 2001 (the "**Decree**") introduced a new kind of liability into the Italian legal system: administrative liability of entity, companies, associations and legal persons for certain offences committed (or even attempted) by individuals acting in their interest or for their benefit.

According to the **Decree**, if an individual commits a particular offence in the interests, or for the benefit, of a company, that offence will not only result in criminal liability for the individual who committed it, but also in administrative liability for the company.
The law strictly indicates the offences that give rise to administrative liability for the entity when committed in the interest or for the benefit of the same entity (the "**Offences**").

Dexelance S.p.A. VAT registration number 09008930969 (hereinafter also the "Company" or "Dexelance") is a holding company, established on 10/03/2015, which coordinates the production and business activities of a group of subsidiaries operating, both in Italy and abroad, in the Interior Design sector.

The Company belongs to the category of legal entities liable to incur the administrative liability in question and has, therefore, sought to adopt an Organisation, Management and Control Model capable of preventing the **Offences** from being committed and which, in the event that they are committed, prevents, under the conditions set out in the **Decree**, administrative liability from being incurred.

As such, the Company intends to have an organisational model, an internal control system, and suitable rules of conduct able to prevent the offences listed in the Decree from being committed, by both

individuals (directors, employees or other collaborators of the Company), so-called "senior management", and by those under their supervision or direction.

1. PURPOSE OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

The Organisation, Management and Control Model:
- provides guidance on the contents of the Decree, which introduces into our legal system the liability of companies and entities for any offences committed, in their interest or advantage, by their own representatives or employees;
- outlines Dexelance's Organisation, Management and Control Model, which is intended to inform the contents of the law, to direct business activities in line with the Model, and to supervise the functioning and observance of the same Model.

In particular, it aims to:
- instil, in all those who operate in the name and on behalf of Dexelance in "sensitive" activities according to Italian Legislative Decree 231/2001, the awareness that they may, in the event of a violation of the legal provisions, incur an offence, punishable in itself and vis-à-vis the company (if the company has benefited from the offence being committed, or in any case if the offence was committed in the interest of the company);
- reiterate that any wrongful conduct is condemned by Dexelance as contrary to the legal provisions and principles that Dexelance intends to follow in the performance of its business mission;
- set out these principles and explain the organisation, management and control model in use;
- enable internal monitoring and control actions, aimed in particular at the business areas most exposed to Italian Legislative Decree 231/2001, so as to prevent and combat offences from being committed.

The Model formalises already existing safeguards, procedures and controls rather than the creation of a new organisation, management and control system. It is part of a broader and more organic system envisaged by the Company in compliance with applicable laws and regulations and in adherence with Corporate Governance best practices and the principles and rules of the Corporate Governance Code (specifically Article 7) drawn up by Borsa Italiana's Corporate Governance Committee.

The Model was prepared following the Confindustria Guidelines, approved on 7 March 2002 and last updated on 25 June 2021, for the creation of organisation, management and control models pursuant to Italian Legislative Decree No. 231 of 8 June 2001.

As the business environment is constantly evolving, the degree of exposure of the Company to the legal consequences referred to in Italian Legislative Decree 231 may also vary over time. As a result, risk assessment and mapping will be regularly monitored and updated. When making updates, consideration will be given to factors such as:

- the entry into force of any new rules and regulations affecting the Company's operations;
- any changes in external stakeholders and changes in the approach to business and markets, competition levers, and communication to the market;
- any changes to the internal organisation, management and control system.

The Supervisory Board shall periodically update the Model. This Board operates on the basis of the existing risk map, observes the actual situation (control environment etc.), measures the gaps between the former and the latter, and requests the updating of any potential risk assessments. The Supervisory Board shall inform and report to the Board of Directors on these monitoring and proposition activities, and on their progress and outcome, at least once a year.

2. ORGANISATIONAL STRUCTURE, MANAGEMENT MODEL AND CONTROL SYSTEM

2.1 Corporate structure

Dexelance is a holding company, controlled by a private investor fund, which controls a group of companies operating in the manufacturing and trading of luxury furniture and lighting. As of May 2023, the Company's shares are listed on the Euronext Milano stock exchange, a regulated market organised and managed by Borsa Italiana S.p.A.

Dexelance's mission is to identify high-potential industrial and commercial entities in the furniture and lighting sector ("target companies") and to participate in the share capital by acquiring all or a relative majority thereof. Once the acquisition has been completed, Dexelance's intention is to allow the acquired companies to benefit from new capital for growth, as well as from management and operational synergies, which occur naturally within the Group. Valuable intangible assets such as brand, market penetration capacity and commercial know-how are then pooled, along with centralised services and expertise provided directly by the holding company to support the organisations of individual subsidiaries (e.g. strategic marketing, financial and treasury services, digital innovation services).

Dexelance's business model aims to play a role of strategic direction and financial control of the performance of the subsidiaries, supervising the implementation of the strategy and vision, but leaving the respective operational management models of the individual subsidiaries independent. Individual subsidiaries, in fact, retain their internal organisational structures, which must ensure that the holding company receives the necessary reporting flows to be able to define a multi-annual strategic Group plan and consolidated financial statements.

In Dexelance's strategy, there is certainly an intention to observe "target companies" with strong international ambitions and an excellent export potential. The same model, as described above for management and development, is also implemented abroad where the holding company coordinates business activities on mature markets, or on markets with greater development potential, using synergies linked to the history and recognition of brands and, where existing, leveraging commercial presence and distribution networks of any subsidiaries.

2.2. The management model

The Company **has adopted a traditional form of administration and control. Therefore, the management of the company is attributed to the Board of Directors, the supervisory functions to the Board of Statutory Auditors, and the auditing of the accounts, to the Audit Firm appointed by the Shareholders' Meeting.**

The Board of Directors has currently identified among the Directors:

- an Honorary Chairman entitled to attend Shareholders' Meetings and meetings of the Company's Board of Directors;
- an Executive Chairman and Chief Executive Officer who is entrusted with the responsibility of the financial strategy and external growth policies through extraordinary corporate transactions (M&A) and capital growth, and who also represents the Company before third parties and in judicial settings, whether as a plaintiff or a defendant;
- a Managing Director who is entrusted with the direction of the commercial and operational strategy of the holding company and its subsidiaries.

In Dexelance's management model with regard to subsidiaries, one or more of the holding company's directors are also expected to sit on the Board of Directors of the subsidiaries without any executive powers. This is to fulfil the desire to leave the operational management of the companies in the hands of the historic entrepreneurs.

The Board of Statutory Auditors shall consist of three (3) members and two (2) alternates, appointed by the shareholders' general meeting, which shall also appoint a statutory auditor as Chair.
The Board of Statutory Auditors shall ensure compliance with the law and the Articles of Association, compliance with the principles of sound administration and, in particular, suitability of the organisational, administrative and accounting structure adopted by the Company and its proper functioning.

The statutory audit of the Company is carried out by an audit firm registered in the relevant register, which operates in accordance with legal requirements.

2.3 Internal control system

The organisational structure, the administrative bodies, and the governance procedures form the organisational framework of reference to which all the parties covered of this Model must refer in performance of their work.
The corporate governance bodies, control bodies and internal committees, together with a description of their responsibilities, are set out in the Report on Corporate Governance and Ownership Structures prepared annually pursuant to Article 123-*bis* of the Consolidated Law on Finance.

The Group also has an Internal Audit Office appointed by the Board of Directors, at the proposal of the director in charge of the internal control and risk management system, and subject to the favourable opinion of the Control and Risk and Related Party Transactions Committee and the consultation of the Board of Statutory Auditors.
In the management of administrative, accounting and financial reporting processes, the Company adopts specific control protocols, deriving, *inter alia*, from the verification procedures under the responsibility of the Executive in Charge, pursuant to Law 262/05.

3. UPDATING THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

3.1 The Organisation, Management and Control Model and all of its updates, amendments, supplements and variations are approved by the Board of Directors.

Within the limits of, and in compliance with, the statutory provisions, the Board of Directors may delegate to one or more of its members:

- the powers necessary to provide:
  - non-substantial amendments (i.e. without any potential impact on the suitability and preventive effectiveness of the Model);
  - substantive amendments involving a strengthening of the effectiveness of the Model, its protocols and any other business procedure that is relevant for the prevention of 231 offences;
- the powers necessary to implement the Model's implementation plan, where there is one;
- the powers necessary to implement the training and dissemination provided for in the Model or otherwise necessary or appropriate.

Any other decision relating to the Model or its implementation (in particular, any changes to the identification of the activities in the scope of which offences may be committed) is the exclusive competence of the Board of Directors, which may confer on one or more of its members the power to implement the resolutions of the Board.

Members of the Board on whom the above powers have been conferred shall promptly report to the Board of Directors on the exercise of those powers.
The Board of Directors may identify a representative for its relations with the Supervisory Board.

Any amendments, supplements, variations and updates to this Model shall also be adopted on a proposal from the Supervisory Board (or the Board of Statutory Auditors performing the roles and responsibilities of the Supervisory Board, if any).
The Supervisory Board may be required to give its non-binding opinion on the change to the Model.

The Model, and any procedures for sensitive processes indicated therein, must be amended in a timely manner when major changes occur in the regulatory system and corporate structure and/or business organisation, such that the Model's provisions need to be changed in order for it to maintain its effectiveness.
This Model should also be amended where significant breaches or circumventions of provisions are identified, highlighting the inadequacy of the Organisation, Management and Control Model adopted to ensure effective risk prevention.
Business department managers, each within the scope of their own competences, are required to periodically verify the efficiency and effectiveness of procedures and protocols aimed at preventing offences from being committed and, if there is a need to amend and update them, propose their amendment to the Board of Directors. If the Board of Directors grants a Chief Executive Officer the powers to amend and implement the Model referred to in the first sub-paragraph of this paragraph 2, or if the Board of Directors merely selects a representative from among its members for relations with the Supervisory Board, any amendments must be proposed to the Supervisory Board. In any case, the Supervisory Board (or the Board of Statutory Auditors acting as the Supervisory Board, if any) must be informed.
The Board (or the Board of Statutory Auditors with the function of the Supervisory Board, if any) may request the business department managers to communicate the results of the aforementioned periodic verifications.

4. CONTENTS OF THE DECREE AND THE LEGAL ENTITY'S LIABILITY

Italian Legislative Decree 231/2001 is a highly innovative measure for the law of our country, adapting Italian legislation on the liability of legal persons (and other entities even without legal personality) to some important international conventions and directives of the European Union, going beyond the traditional principle of *societas delinquere non potest* (i.e. a company cannot be held criminally liable).

With Italian Legislative Decree 231/2001 and its subsequent legislative supplements, the principle that legal persons are liable both directly and patrimonially, and not only for civil law purposes, for offences committed, in their interest or for their benefit, by those who work professionally within them or, in any case, have relationships with them, has become State law.

The administrative liability of the Entity pursuant to Italian Legislative Decree 231/2001 is not contingent on any offence whatsoever being committed, but solely on one or more of those offences specifically referred to in Italian Legislative Decree 231/2001 ("predicate offences") being committed (Annex 1).

The liability of the Entity, which was originally intended for offences against Public Administrations or against the assets of Public Administrations, has been extended to other types of offences by virtue of regulatory measures following Italian Legislative Decree 231/2001. The text of Italian Legislative Decree 231/2001 and subsequent amendments is contained in **Annex 1**.

The categories of offences provided to date by the Decree are:

- misappropriation of public funds, fraud against the State or a public institution or to obtain public funds, computer fraud to the detriment of the State or a public body (Art. 24 of Italian Legislative Decree 231/2001);

- computer crimes and the unlawful processing of data (Art. 24-*bis* of Italian Legislative Decree 231/2001);
- organised crime offences (Art. 24-*ter* of Italian Legislative Decree 231/2001);
- transnational offences (measures against illegal immigration etc.) — introduced by Community Law 2005 approved by Italian Law no. 29 of 25 January 2006);
- bribery, wrongful incitement to give or promise benefits and corruption (Art. 25 of Italian Legislative Decree 231/2001);
- counterfeiting money, public credit cards, stamp values and identification instruments or signs (Art. 25-*bis* of Italian Legislative Decree 231/2001);
- crimes against industry and trade (Art. 25-*bis*.1 of Italian Legislative Decree 231/2001);
- corporate offences (Art. 25-*ter* of Italian Legislative Decree 231/2001);
- crimes with terrorist purposes or subversion of the democratic order (Art. 25-*quarter* of Italian Legislative Decree 231/2001);
- female genital mutilation practices (Art. 25-*quater*.1 of Italian Legislative Decree 231/2001);
- crimes against the individual person (Art. 25-*quinquies* of Italian Legislative Decree 231/2001);
- market abuse (Art. 25-*sexies* of Italian Legislative Decree 231/2001);
- manslaughter or serious or very serious injuries committed with violation of the rules on the protection of health and safety at work (Art. 25-*septies* of Italian Legislative Decree 231/2001);
- receiving, laundering and using money, goods or benefits of an illegal origin, as well as self-laundering (Art. 25-*octies* of Italian Legislative Decree 231/2001);
- crimes relating to non-cash payment instruments (Art. 25-*octies*.1 of Italian Legislative Decree 231/2001);
- crimes relating to copyright infringement (Art. 25-*novies* of Italian Legislative Decree 231/2001);
- incitement not to submit declarations, or to submit false declarations, to the judicial authorities (Art. 25-*decies* of Italian Legislative Decree 231/2001);
- environmental crimes (Art. 25-*undecies* of Italian Legislative Decree 231/2001);
- employment of illegally staying third-country nationals (Art. 25-*duodecies* of Italian Legislative Decree 231/2001);
- racism and xenophobia (Art. 25-*terdecies* of Italian Legislative Decree 231/2001);
- tax offences (Art. 25-*quinquiesdecies* of Italian Legislative Decree 231/2001);
- customs offences (Art. 25-*sexiesdecies* of Italian Legislative Decree 231/2001);
- crimes against cultural heritage (Art. 25-*septiesdecies* of Italian Legislative Decree 231/2001).
- laundering of cultural goods and devastation (Article 25-*duodevicies*, entitled "Laundering of cultural goods and devastation and looting of cultural and landscape heritage", by including the following offences of the Criminal Code: laundering of cultural goods (Article 518-*sexies*), and devastation and looting of cultural and landscape heritage (Article 518-*terdecies*);
- rigging calls for tenders, the procedure for choosing a contracting party, and the fraudulent transfer of valuables, an amended Article 24.1, introducing the following offences of the Criminal Code: "Disturbing the freedom of calls for tenders" (Article 353) and "Rigging the procedure for choosing a contractor" (Article 353-*bis*); also, an amended Article 25-*octies*.1, introducing the offence of the Criminal Code "Fraudulent transfer of valuables" (Article 512-*bis*).

The complete list of predicate offences is also contained in **Annex 2** to facilitate the list's updating in response to future updates to Italian Legislative Decree 231/2001.

Italian Legislative Decree 231/2001, however, allows the Entity to be exempt from its administrative liability if, when an offence included in those referred to in the Decree is committed, it proves that it has no involvement in the criminal acts; this will result in a determination of liability solely on the part of the party who committed the offence.

The afore-mentioned non-involvement of the Entity in the criminal acts must be proven by demonstrating that it has adopted and effectively implemented a set of organisational and conduct rules (the "Organisation, Management and Control Model") suitable to prevent the offences in question from being committed.

The Model must meet the following requirements:
- identify activities in which there is a possibility of criminal offences being committed;
- provide for specific procedures for planning training and implementation of the Entity's decisions in relation to the offences to be prevented;
- identify ways of managing the financial resources that are appropriate to prevent the criminal offences from being committed;
- provide for information obligations in respect of the organisation responsible for monitoring the functioning of and compliance with the Model;
- introduce a disciplinary system to penalise non-compliance with the measures set out in the Model.

Where the offence provided for in the Decree has been committed by *individuals acting as representatives, directors or managers of the entity, or of an organisational unit of the entity with financial and functional autonomy, and by individuals who manage and control the same, or exercise de facto management and control of the same* ("**Senior Management**"), the Entity shall not be liable if it proves that:
- prior to the offence being committed, the management body adopted and effectively implemented appropriate organisational and management models to prevent offences of the kind that occurred;
- the task of monitoring the functioning of, and compliance with, the Model, and of updating it, has been entrusted to a body of the Entity with autonomous powers of initiative and control;
- individuals have committed the offence by fraudulently circumventing the Model;
- there has been no failure or insufficient supervision by the control body.

In the event that the offence was committed by individuals under the management or supervision of one of the above parties, the Entity shall be liable if commission of the offence was made possible by failure to comply with management and supervision obligations.
Such non-compliance shall, in any case, be ruled out if, prior to commission of the offence, the Entity adopted and effectively implemented a suitable Model to prevent offences of the kind that occurred.

As briefly addressed above, there are two different types of relationships that "link" the company, in whose interest or advantage an offence may be committed, and the perpetrator of the offence. Art. 5, paragraph 1, refers to the so-called "Senior Management" defined as "individuals representing, directing or managing the entity". These are typically directors, chief executive officers, sub-site managers, and division managers with financial and functional autonomy. Paragraph 2 of the same article refers instead to "individuals under the management or supervision of one of the individuals referred to in section a)".

In accordance with the varying position of the individuals potentially involved in the commission of the offences, the criteria for assigning responsibility to the company itself differs. Art. 6 of the Decree places the burden on the entity to prove that preventive measures have been taken only if the perpetrator of the offence is an individual occupying a so-called "senior management" position. Otherwise, based on interpretation of the section of the rule, it is considered that, in the event that the perpetrator is subject to other direction or supervision, the burden of proof lies with the Public Prosecutor.

In accordance with Article 39 of the Decree, the legal representation of the Company in the event of legal proceedings for charges of an offence under Italian Legislative Decree 231/2001 is assigned by resolution of the Shareholders' Meeting or the Board of Directors. The particular case in which the Company also sees its Legal Representative, as identified above, under investigation and/or accused of the offence fulfils the condition of incompatibility and conflict of interest, both procedural and substantive, as precisely contemplated by the aforementioned Article 39, on which there is abundant case law by the Criminal Court of Cassation.
In this scenario, the Company has already intended to regulate the possibility of having to identify a trial representative in this Model, thus managing in advance the aforementioned situation of incompatibility and, therefore, it identifies this figure within the Company in the following manner:

- either the Chairman and Chief Executive Officer or the Managing Director, depending on who will be investigated and/or charged in the proceedings, may take on the role of trial representatives and appoint a defence counsel to best defend the entity's interests in the specific Italian Legislative Decree 231-related proceedings;
- alternatively, if both of the above-mentioned positions are being investigated and/or accused, the ..... will take on this role.

5. METHOD FOR IDENTIFYING BUSINESS AREAS EXPOSED TO 231 RISKS

A working group composed of internal staff and external legal advisers was entrusted with the task of assisting company management in analysing the context, in identifying the business areas most exposed to the punitive consequences provided for by the Decree, and in determining the magnitude of the relevant risks.
In particular, Management and external legal advisers:

- examined the content and interpretation of the legislation, as well as the criminal offences provided for in the Decree;
- carried out a survey of the business areas where, in the absence of safeguards, the probability of committing the offences provided for in the Decree is greater;
- identified the principles and requirements of a suitable control system (see Chapter 6.1);
- acknowledged the existing organisational, procedural and administrative controls (e.g. internal organisation, set of powers, delegations and proxies, operational practices and written procedures) adopted at the time;
- assessed the suitability and completeness (with respect to the control principles) of existing organisational, procedural and administrative controls, where they exist;
- summarised the above in **Annex 4** – Significant 231 risk assessment ("231 Risk Matrix").

6. PARTIES COVERED BY THE MODEL

The Model's provisions apply, without exception, to the following parties (hereinafter referred to as "**Parties Covered**"):

- *Internal individuals* (hereinafter also "*Staff*"): Those who have a continuing, fixed-term or permanent relationship with the Company; including, but not limited to, corporate bodies, employees, collaborators (including parasubordinate workers), interns and trainees;
- *Third parties* (hereinafter also *"Third Parties"*): external professionals, partners, suppliers and consultants, administration companies and, in general, those who have relations with the Company and carry out activities in the name and/or on behalf of Dexelance or, in any case, carry out their activities for the Company, and are exposed to the risk of committing offences under Italian Legislative Decree 231/2001 in the interest or benefit of the Company.

7. RELATIONSHIP BETWEEN MODEL 231 AND THE CODE OF ETHICS

The conduct of the Parties Covered must comply with the rules of conduct set out in the Model, aimed at preventing offences from occurring.
In particular, Dexelance has drawn up a Code of Ethics (**Annex 6**), which identifies specific conduct that can be punished because it is considered likely to undermine, even potentially, the Model.

8. STRUCTURE OF THE ORGANISATION

An organisational structure suitable for the purposes of the Decree's provisions is characterised, in summary, by the following principles:
- clear and precise determination of tasks, responsibilities and hierarchical lines;
- conferral of powers of representation to the extent strictly necessary and, in any event, to the extent consistent and compatible with the tasks performed by the individual to whom they are assigned;
- spending powers allocated with spending thresholds and/or with joint signature;
- collective administrative body.

Taking into account the framework emerging from the context analysis, assessment of the control environment and identification of the risks, subjects and potential offences, the prevention systems and mechanisms provided by Dexelance have been identified and outlined. Their structure is stipulated in the following paragraphs.

a. Corporate bodies

The duties of corporate bodies are governed by the Articles of Association and applicable laws.
Management of the Company is entrusted to a Board of Directors which, pursuant to Art. 2381 of the Italian Civil Code, has delegated its responsibilities to two Directors, with the exception of matters reserved by law, or by the Articles of Association, to the Board of Directors. The relevant roles and powers set out and governed respectively in the Articles of Association and in the mandates formally assigned.

b. Definition of responsibilities, organisational units, powers

An organisational Model that responds to the preventive purpose of Italian Legislative Decree 231/01 must provide for a codification **of the organisation and business roles** in line with certain principles. It must:
- unequivocally represent the hierarchical relationships and explain the business areas/functions, specifying the relevant managers and clerks;
- be supplemented by a description of the main activities under the different departments, including activities that are sensitive from a 231 perspective, distinguishing between the roles of "manager" and "clerk".

More generally, the rules with which a proper business organisation must comply, with a view to preventing offences, are the following:
- assignment of business activities to individuals who have the necessary skills to carry them out properly;
- implementation—where possible—of the separation of authorisation, execution and control activities (within a business process, separate—and contrasting—roles should decide on and authorise an operation, carry out it, record it, control it, pay or collect the price of it).

The clear assignment of any activities to a specific individual or organisational unit enables the exclusion of legitimate intervention by parties other than those identified, and to precisely identify responsibilities in the event of any deviations from procedures/regulations.

It is the task of the Chief Executive Officers to keep the Company's organisational chart and any related documents up to date in order to ensure a clear formal definition of the tasks assigned to each unit of the Company's structure (**Annex 3**).

Moreover, an organisational Model that responds to the preventive purpose of Italian Legislative Decree 231/01 must underpin **the establishment of powers and proxies** with regard to certain general principles of risk prevention:

- no individual is to be given unlimited powers;
- powers and responsibilities are to be clearly defined and understood within the organisation;
- authorisation and signatory powers are to be consistent with the organisational responsibilities assigned;
- a clear and precise definition of tasks, related responsibilities and hierarchical lines are to be ensured;
- powers are to be delegated with delimitation in accordance with a functional boundary (limitation of powers in accordance with area of competence) and a horizontal boundary (limitation of powers in accordance with hierarchical level);
- the separation of authorisation, execution and control activities is to be ensured.

The framework of powers and proxies is an integral part of the 231 risk prevention system.
The Board's deliberations and any other documents relating to delegations and proxies granted are kept by the Chief Executive Officers and/or the office intended for this purpose, if this exists.

9. PREVENTION PRINCIPLES AND CONTROL STRUCTURE

a. Prevention principles

The components of the Organisational Model shall be based on the following principles:

- the existence of procedures and regulations that plan the operating procedures and specify conduct;
- clear accountability: any activity must refer to an individual, or organisational unit responsible for it so that responsibilities can be precisely identified in the event of deviations from procedures/regulations;
- where possible, separation of authorisation, execution and control activities;
- traceability of the process and controls: every operation or management activity must be documented so that, at any time, the responsibility of the operator can be identified (assessed, decided upon, authorised, carried out, detected in the books, checked);
- independent checks on transactions conducted: carried out either by individuals from the organisation but outside the process, or by individuals from outside the organisation;
- compliance with the delegation system and the signatory and authorisation powers of the company, which must be faithfully reflected in the operating procedures and verified by the control system;
- fair and transparent use of financial resources, which must be used within quantitatively and qualitatively determined limits (budgets, sales plans) and documented, authorised and unequivocally related to the issuer and receiver and the specific reason.

The principles have been properly combined and formulated in the company's control system in view of the circumstances in question, in order to make it effective and efficient in terms of risk prevention pursuant to 231/01.

b. Procedures

With this Model, and for each of the processes deemed to be at risk of 231 offences being committed, Dexelance defines specific protocols to implement any decisions and to control the processes

themselves. These protocols aim, on the one hand, to regulate the action, which is expressed in its various operational activities, and, on the other hand, to allow preventive and subsequent checks on the correctness of the operations carried out.

These contents have been included in **Annex 7** ("Protocol for the prevention of 231 offences") and form an integral part of this Model. In addition, additional procedures and rules of procedure, where they exist, are also referred to in **Annex 7** and to be considered an integral part of the Model.

In carrying out their duties, Dexelance staff shall be obliged to comply with the provisions of this document. This ensures the effective uniformity of behaviour within the Company, in compliance with the legal provisions governing the Company's activities.

c. Types of control

Within the Model, three types of control are defined, which are distinguished according to the party carrying them out:

- First-level controls: these are the control operations carried out within the department responsible for the proper execution of the activity in question. Without prejudice to the guideline of separation between supervisors and operators, this category typically includes the checks carried out by the manager/director of the function on the work of their staff.
- Second-level controls: these are the controls carried out, within normal business processes, by departments distinct from the one responsible for the activity being controlled. In the process flow, which describes an internal supplier-customer chain, 2nd-level controls are typically managed by the internal customer to verify that their supplier has performed correctly (incoming controls). The above-mentioned principle of "role separation" applies to these controls.
- Third-level controls: these are controls carried out by functions, either internal or external to the Company, that do not participate in the production process. This type of control includes, for example, audits by the Supervisory Board, audits by the bodies responsible for issuing certificates, audits by the Board of Statutory Auditors.

Furthermore, it is of paramount importance that the preventive control system be known by all parties of the organisation, and is such that it cannot be circumvented unless intentionally (i.e. not due to human error, negligence or incompetence). For this purpose, specific information/training arrangements must be provided.

10. CRIMINAL LIABILITY IN GROUPS OF UNDERTAKINGS

Since Dexelance is a holding company which, in turn, controls a group of operating companies, the issue of liability should be viewed as the broader and more complex issue of groups of companies; this may be accompanied by an increase in organisational complexity and by an increase in the difficulty of building prevention systems to combat offences.

Although Italian Legislative Decree 231/2001 does not expressly address the liability of the Entity belonging to a group of undertakings, case-law has on some occasions, with regard to the issue and the merits, ruled in particular on the identification and existence of conditions under which, by committing a criminal offence, other companies and, in particular, the parent company may be held accountable.

In this respect, the decisions of the Italian Supreme Court of Cassation have certainly made it clear that the entity's interest or advantage in committing the offence must be established in concrete terms. This essentially excludes corporate control from creating a security position at the top of the parent company that would hold it liable for failure to prevent any wrongdoing in the subsidiary's activities (Art. 40 paragraph 2 of the Italian Criminal Code).

Therefore, in order for the holding/parent company to be held liable for the offence committed in the subsidiary's activities, at least two basic conditions must be met:

- a predicate offence has been committed in the immediate and direct interest or benefit of the parent company, in addition to the subsidiary;
- natural persons, functionally linked to the parent company, have participated in committing the predicate offence by making a significant contribution to the cause of the same offence in terms of complicity, which must be proven in a concrete and specific manner. Such a contribution may, for example, be made in the following two circumstances:
  - the presence of directives issued unlawfully;
  - a correspondence between the senior management of the holding company and that of the subsidiary, which increases the risk of liability being spread within the group, since the companies could only be considered as separate entities formally.

Within the established legal and regulatory framework, the organisational activity to prevent predicate offences and the liability of entities should take into account certain indications.

It is necessary to ensure that each company in the group, as an individual entity covered by the provisions of Decree 231, carries out its own risk assessment and management activities, and the subsequent preparation and updating of the organisational Model.
This does not mean that this activity cannot be carried out on the basis of the indications and implementation procedures provided for by the holding company in accordance with the group's organisational and operational structure; however, care must always be taken not to interfere in such a way as to limit the autonomy of the subsidiaries in adopting the Model.
For example, the parent company may indicate a common and/or uniform structure of an ethical or value code, as well as common principles of the disciplinary system and implementing protocols, and may include in its Model any processes that are transversal in nature with respect to all companies in the group, as well as procedures governing situations and/or activities that are intended to be merged into a single outcome (e.g. consolidated financial statements).
On the contrary, each company in the group should appoint its own Supervisory Board, separate from that of the parent company, including the selection of its members, with a view not to create elements that could establish a duty of care as a source of negotiation for management of the holding company.

In conclusion, it may be said that, in corporate groups, it is appropriate for the parent company to outline, in general, specific rules for fairness and transparency in relations with subsidiaries through the definition of regulated and managed information flows. In this respect, the supervision of intra-group processes may also go as far as the independent certification of the control processes (design and operation) of the entities responsible for carrying out the most relevant support processes (e.g. administration, personnel management, ICT etc.) at group level.

11. SUPERVISORY BODY AND INFORMATION REQUIREMENTS

a. Composition and rules of operation

The task of continuously monitoring the effective functioning of, and compliance with, the Model, and of proposing the updating thereof, shall be entrusted to a company body with autonomy, professionalism and continuity in the performance of its functions.
For the purposes referred to in the preceding paragraph, Dexelance establishes a dedicated body called the "Supervisory Board" which will perform the roles provided for in Article 6, paragraph 1 section b) of Italian Legislative Decree 231/01 or, alternatively, pursuant to Article 6, paragraph 4-*bis* of Italian Legislative Decree 231/01, and assigns the above roles to the Board of Statutory Auditors, if any.

If Dexelance decides not to make use of the option provided for by the aforementioned Article 6, paragraph 4-*bis* of Italian Legislative Decree 231/01, the Board of Directors establishes a special body in accordance with the following rules:

- the composition may be monocratic or collective;
- members are chosen based on specific competencies (at least, compliance pursuant to Italian Legislative Decree 231/2001, legal powers, internal control);
- the Board of Directors shall appoint the Supervisory Board, by reasoned decision in respect of each member, chosen exclusively on the basis of the requirements of professionalism, integrity, competence, independence and functional autonomy;
- in the case of a collective Supervisory Board, the Board of Directors shall also indicate, from among the appointed members, the individual who will act as Chair; The appointment as Chair of the Supervisory Board shall be limited to external members;
- if, for whatever reason, any subordinate and para-subordinate employment relationship between the Company and the individual appointed as an internal member of the collective Supervisory Board, or as a sole member of the monocratic Supervisory Board, ceases, that individual will be automatically dismissed as a member of the Supervisory Board and must be replaced without delay.

The following rules shall apply to the Supervisory Board, or to the Board of Statutory Auditors carrying out the functions of the Supervisory Board:

- Remuneration and duration of appointment of the Supervisory Board shall be decided upon appointment of the same;
- Members of the Supervisory Board may be dismissed only for good reason and may be re-elected; the Supervisory Board may not remain in office in the same composition for more than nine (9) consecutive years; The dismissed or resigning member shall promptly be replaced and the alternate shall remain in office until the end of the term of the Supervisory Board in force at the time of their appointment;
- The Supervisory Board shall report directly to the Board of Directors, unless otherwise provided for;
- The Supervisory Board shall have independent powers of initiative and control within the Company to enable it to effectively carry out its roles provided for by law and by the Model, and any subsequent measures or procedures taken to implement them.
- In order to carry out its function objectively and independently, the Supervisory Board shall have autonomous spending powers based on an annual sum approved and made available by the Board of Directors upon proposal from the Supervisory Board. In the first meeting following the use of this budget, the Supervisory Board shall report such use to the Board of Directors.
- The Supervisory Board may use resources that exceed its spending powers in the event of exceptional and urgent situations, with the obligation to inform the Board of Directors in a timely manner.
- Members of the Supervisory Board, as well as any individuals that the Board relies on, in whatever capacity, shall be bound by the obligation of confidentiality with regard to all information of which they become aware in the course of their duties or activities.
- The Supervisory Board shall carry out its functions by ensuring and promoting rational and efficient cooperation with the existing control bodies and departments in the Company.
- The Supervisory Board shall not be responsible for, nor shall it be granted, even in lieu, managerial, decision-making, organisational or disciplinary powers relating to the performance of the Company's activities.
- The activities carried out by the Supervisory Board cannot be carried out by any other body or business structure.

b. Powers and roles

In pursuit of the purpose of supervising the effective implementation of the Model adopted by the Company, the Supervisory Board, or the Board of Statutory Auditors performing the roles and

responsibilities of the Supervisory Board, shall have the following powers of initiative and control, which it shall exercise in accordance with the law, and the individual rights of workers and individuals concerned:

- carry out periodic inspection activities, the frequency of which is, at least, pre-determined taking into account the various areas of intervention;
- have access to all information relating to the at-risk activities;
- may request information or the provision of documents, relevant to the activities at risk, from the Company's management, as well as from all employees carrying out or supervising at-risk activities;
- where necessary, it may request information or the production of documents, relevant to at-risk activities, from the directors, the Board of Statutory Auditors or the equivalent body;
- may request information or the provision of documents relevant to the at-risk activities from contractors, consultants and representatives outside the Company, and generally from all individuals required to comply with the Model. For this purpose, the Company proposes that it will obtain a contractual commitment from those individuals to comply with the request of the Supervisory Board;
- periodically receive information from risk managers;
- may call on external consultants for issues of particular complexity or requiring specific expertise;
- submits to the Board of Directors any non-compliance with the Model, so that the Company may evaluate the adoption of sanctions and the elimination of any shortcomings found. If the Board of Directors grants a Chief Executive Officer the powers to modify and implement the Model, or if the Board of Directors identifies a representative thereof for relations with the Supervisory Board, the non-compliance shall be submitted to that Director for consideration of the initiatives within the scope of their powers. In addition to such individuals, the Board may also report the non-compliance to the individual responsible for the department in which the non-compliance was detected;
- it shall periodically check the Model and propose that it be updated.

In order to ensure the effective and efficient performance of its roles and responsibilities, in addition to any general provisions laid down by the Board of Directors, that Board, or the Board of Statutory Auditors performing the roles and responsibilities of the Supervisory Board, shall establish specific operating rules and adopt its own rules of procedure in order to ensure maximum organisational and operational autonomy of the party concerned.

c. Guidelines for the Supervisory Board Regulations

The Regulations must ensure continuity and effectiveness of the Supervisory Board's actions; to that end, the Regulations must provide for:

- a minimum number of annual meetings and the scheduling of activities;
- an activity report to be submitted to the Board of Directors at least annually;
- procedures for drawing up the expenditure plan and emergency fund;
- how allocated resources are managed and accounts are processed;
- the management of any documentation relating to the activities carried out by the Supervisory Board and arrangements for archiving;
- measures to guarantee the effective autonomy of the Board even if there are internal company members;
- procedures for collecting, processing and archiving any communications, including anonymous ones, that indicate circumstances relevant to implementation of the Model or the administrative liability of the Company.

In addition, the Regulations should stipulate that:

- the Supervisory Board shall exercise its roles and responsibilities and powers in accordance with the procedures set out therein;
- the Regulation shall be drawn up by the Supervisory Board itself and approved unanimously by the same and then forwarded to the administrative body and to the Board of Statutory Auditors, or to the equivalent body (in the case of a Supervisory Board separate from the Board of Statutory Auditors).

d. Reporting to the Supervisory Board

Each Party Covered by the Model shall be obliged to report:

- any unlawful conduct pursuant to Italian Legislative Decree 231/01;
- any behaviour or events that may constitute a violation of the Model or that, more generally, are relevant for the purposes of Italian Legislative Decree 231/01.

In particular, the Parties Covered by the Model are required to report to the Supervisory Board any conduct at risk of offences pursuant to Italian Legislative Decree 231/01, relating to the processes within their competence of which they have become aware, as a result of the functions performed, either directly or through their own staff, which may include:

- the commission, or the reasonable danger of commission, of offences provided for by Italian Legislative Decree 231/2001;
- substantial failure to comply with the Company's standards of conduct/procedures/protocols and/or otherwise a violation of the Model.

Reports may be made:

- to an immediate line manager;
- also, for the purposes of applying whistleblowing legislation (Italian Law no. 179/2017), directly to the Supervisory Board in the following cases: (i) in the event of failure by the immediate line manager; (ii) where the employee does not feel free to approach their immediate line manager, as a result of the event being reported; (iii) in cases where there is or was no identifiable immediate line manager.

The Parties Covered by the Model are also obliged to provide the Supervisory Board with any information or documents required by it in the course of its roles and responsibilities.

If they are officially aware of any information, including information from judicial police bodies, concerning offences or crime with a business impact, department managers must report the same to the Supervisory Board.

Reports to the Supervisory Board must be made in writing using one of the following communication channels established in order to ensure confidentiality of the identity of the reporting agent:

Organismo di Vigilanza 231 (Supervisory Board) at Dexelance S.p.A., Corso Venezia n. 29 - 20121, Milan, Italy
odv@dexelance.com

Any reports to the Supervisory Board, which may also be made anonymously, must be substantiated and must be based on accurate and consistent facts allowing the Supervisory Board's investigation activities. If they are not sufficiently substantiated, the Board shall consider whether to take them into account.

With regard to the report of a violation or attempted violation each of the rules contained in the Model, Dexelance will ensure that nobody in the workplace can suffer retaliation, unlawful conditioning, malaise or discrimination, either direct or indirect, for reasons directly or indirectly linked to the report.

The company shall take appropriate measures to always ensure that confidentiality regarding the identity of the individual reporting the event and the event reported is guaranteed, including when managing the report and in compliance with privacy legislation. In fact, there is a specific policy contained in **Annex 8**.

Please note that the following also constitute a violation of the Model:

- any form of retaliation against anyone who has, in good faith, reported possible violations of the Model;
- any allegation, with wilful misconduct and gross negligence, of other employees violating the Model and/or unlawful conduct, with the knowledge that this breach and/or conduct does not

exist and/or is unfounded;
- violation of the measures to protect the confidentiality of the individual reporting the event.

Therefore, the above-mentioned infringements are punishable (see **Annex 5**).

In addition to the reports of violations of a general nature described above, the following information should be submitted to the Supervisory Board immediately:
- any measures and/or reports from judicial police bodies, or any other authority, suggesting that investigations are being carried out, including in respect of unknown persons, for "231" offences (including with regard to parent, subsidiary and associated companies);
- any requests for legal assistance by employees or directors in the event that proceedings are initiated for "231" offences (including in relation to parent, subsidiary and associated companies);
- any reports prepared by the individuals in charge of other business departments as part of their control activities and from which facts, acts, events or omissions with critical profiles with respect to "231" offences may emerge.

e. Disclosure by the Supervisory Board to the Board of Directors and the Board of Statutory Auditors

The Supervisory Board, or Board of Statutory Auditors (if any) performing the roles and responsibilities of the Supervisory Board, shall draw up a report on its activities at least annually and submit it to the Board of Directors and to the Board of Statutory Auditors or to the equivalent body (if the Supervisory Board is separate from the Board of Statutory Auditors).

Whenever necessary, the Supervisory Board may report to the Board of Directors and propose changes and/or additions to the organisational Model; if the Board of Directors grants a Chief Executive Officer the powers to amend and implement the Model referred to in the first sub-paragraph of the previous paragraph 2; or, the Board of Directors simply selects a representative of the Board of Directors for relations with the Supervisory Board, the Supervisory Board reports the above to that Director (or to the representative identified by the Board of Directors), notifying the Board of Directors in the next periodic report (in the event of reports of non-compliance with the Model, the Supervisory Board shall specify the procedures concerned and the type of non-compliance).
In addition to the individuals referred to above, the Board may also report the non-compliance to the individual in charge of the function in which the non-compliance was identified.

The periodic reports prepared by the Supervisory Board, or the Board of Statutory Auditors performing the roles and responsibilities of the Supervisory Board, shall also be drawn up in order to enable the Board of Directors to carry out the necessary assessments so as to make any updates to the Model and shall, at least, contain, deliver or report:
- any concerns that may arise with regard to the way in which the procedures set out in the Model, or implemented, or in the light of the Model, are implemented;
- a record of reports received from internal and external individuals with regard to the Model;
- any disciplinary procedures and/or sanctions applied by the company, with reference only to risk activities;
- an overall assessment of how the Model works with any guidance for supplements, corrections or amendments.

f. Relations between Supervisory Boards

In view of the holding nature of Dexelance, it is desirable that the Supervisory Board of the parent company, and those of its subsidiaries, develop reporting relationships, organised on the basis of time frames and content, to ensure that the relevant information is complete and timely for inspection by the Supervisory Boards.

In particular, such information flows should focus on: the definition of planned and implemented activities, the actions taken, the measures put in place in concrete terms, any concerns identified in the supervisory activity. They should be for information purposes, aiming to stimulate the Group's verification activities, for example, on areas of activity proving to be at risk.

By way of example, the sending to the Supervisory Board of the holding company by the Supervisory Boards of the group companies of:

- main planned audits;
- regular reports on the activities carried out;
- general annual scheduling of meetings of Supervisory Boards.

Additional channels of contact and information exchange between the Supervisory Boards of a group, which should always be used with due care, may be through:

- the organisation of joint meetings on an annual or half-yearly basis, for example, including the formulation of common guidelines on supervisory activities and any changes and additions to be made to organisational models;
- the creation of a repository to collect and update the organisational models of individual companies, as well as additional information documents of interest (e.g. analysis of new regulations; case-law).

Moreover, it is advisable to approach the relationship between the various Supervisory Boards from the perspective of equality, avoiding providing the holding company with inspection powers. They could, in fact, weaken the independence of the Supervisory Boards set up within the subsidiaries, making it more difficult to prove that they meet the requirements of Article 6, paragraph 1, section b). In particular, it is preferable to avoid that the Supervisory Boards of subsidiaries require that the Supervisory Boards of the holding company be shared with regard to the supervisory activity to be carried out or the measures to be taken within the subsidiary.

12. MODEL VIOLATION AND SIGNIFICANT UNLAWFUL CONDUCT WHISTLEBLOWING REPORTS

The Model's Parties Covered may report violations or suspected violations of:

1. the Group's Code of Ethics;
2. corporate policies and procedures;
3. the Model and all respective procedures and/or protocols;
4. applicable legal provisions and/or regulations, both locally and issued by the European Union;
5. other aspects related to the circumvention of the company's internal control system or conduct in conflict with the duty of loyalty and cooperation towards the Company.

Italian Legislative Decree 24/2023 (implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, also known as the "Whistleblowing Directive"), with the repealing provisions of Article 23, para. 1-b, and the transitional and coordinating provisions of Article 24, para. 5., repealed Article 6, paragraphs 2-*ter* and 2-*quater*, of Italian Legislative Decree 231/2001, and replaced Article 6, para. 2-*bis* of Italian Legislative Decree No. 231/2001, providing, for the Organisation, Management and Control Models adopted pursuant to paragraph 2, letter e) of Italian Legislative Decree No. 231/2001, internal reporting channels, the prohibition of retaliation and the disciplinary system pursuant precisely to Italian Legislative Decree 24/2023 itself.

In compliance with Italian Legislative Decree 24/2023, the Company has adopted the prescribed oral and written reporting channels (also in anonymous form), the general principles of which, the procedures for handling reports, the principle of prohibition of retaliation and the criteria for processing data in compliance with the national and European legislation in force, are set out in detail in the "Whistleblowing Procedure" specifically adopted by the Company. This procedure has been publicised

within and outside the Company by means of a specific notification to employees and the publication of this procedure in a special section of the Company's website.

13. COMMUNICATION AND TRAINING ON THE ORGANISATIONAL MODEL

In order to ensure the effectiveness of the Model, the aim of the Company is to guarantee that all parties who, in various ways, participate in so-called sensitive activities, are properly familiar with the Model, also depending on their different level of involvement in the sensitive processes themselves.

In particular, it is essential that the preventive control system be known to all the individuals in the organisation, primarily senior management and any individuals under their management or supervision. It is considered that, taking into account the capacity of the above-mentioned individuals, the level of risk of the area in which they operate, whether or not they are representing the Company, senior management, employees who are not part of the senior management, and para-subordinate collaborators, should receive at least the following information:

- theoretical foundations underpinning the administrative responsibility of the Entities (Reference doc.: this **Model 231**);
- desire of the Dexelance Board of Directors with regard to crime prevention and adoption of Model 231;
- summary of the risks detected and the specific offences for the fields of activity of the various individuals (Reference doc.: **Annex 4** – 231 significant risk assessment – 231 Risk Matrix);
- reference preventive protocols (Reference doc.: **Annex 7** – 231 offence prevention protocols);
- relevant rules of conduct (Reference doc.: **Annex 6** - Code of Ethics);
- penalties incurred by various parties for breaching the provisions of the Model (Reference doc.: **Annex 5** - Penalty system).

Overall, the activities identified for the correct and comprehensive communication of the Model, both internally and externally, are as follows:

- Internal communications upon adoption of the Model:
  - sending to all employees on payroll a communication informing them that the Company has an Organisation, Management and Control Model in accordance with Italian Legislative Decree no. 231/2001;
  - communication of the adoption of the Model at the first useful shareholders' general meeting;
  - training of department managers by senior managers and, "cascading", training of all other employees;
  - accessibility of the Model by all employees via an Intranet system or by any other means that ensures that all Parties Covered are aware of and/or understand it (for example, keeping a hard copy at the registered office and/or any operational site; posting on company boards).
- Ongoing internal communications:
  - training sessions for all staff in the event of updates to the Model;
  - providing new employees and collaborators with training sets through which their acquisition of knowledge and understanding of the mechanisms and logic of Italian Legislative Decree 231/2001 and the Company's Organisational Model can be ensured.
- External communications upon adoption of the Model:
  - publication of this Model 231 (at least the General Part) and the Code of Ethics on the Company's website;
  - communication of the adoption of the Model to the main existing business partners and suppliers of goods and services;
  - signature by the main business partners and suppliers of goods and services of a declaration attesting to knowledge of the provisions of Italian Legislative Decree no. 231/2001 and the requirements of Model 231 and of the Code of Ethics adopted by Dexelance, as well as a

declaration of commitment to comply with them, with suspension and/or legal termination of the existing contract in the event of a breach of the contract (known as the 231 Protection Clause).

14. PENALTY SYSTEM

This Model forms an integral part of the disciplinary rules governing employment in any capacity for Dexelance. Conduct by employees or collaborators that violates or circumvents the individual behavioural rules set out in the Model, or that hinders its operation, is defined for employees as disciplinary offences, punishable by the sanctions provided for in collective agreements, including dismissal.
For collaborators, consultants or any other third party who has relations with the Company other than that of an employee, violation of the rules of conduct established by the Model is punished with the civil remedies permitted by law (e.g. express termination clause).

The application of such sanctions shall be independent of the possible application of criminal sanctions against the perpetrators of the offences. Indeed, the rules of conduct imposed by the Model are assumed by Dexelance independently, regardless of the wrongdoing in which any deviant conduct may materialise.

For all other details, please refer to the appropriate **Annex 5.**

SPECIAL SECTIONS

OFFENCES PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/2001 IN DEXELANCE

PREMISE

In consideration of the business activity carried out by the Company and of the analysis of the corporate context as well as of the main processes potentially at risk of offences, only those predicate offences that may actually occur in the sensitive areas mapped in the "231 Risk Matrix" (Annex 4) and specified in the following Special Sections are considered relevant and, therefore, specifically examined in the Model.

IN

1. OFFENCES AGAINST PUBLIC ADMINISTRATIONS

1.1 Definition of Public Administration, Public Official and individuals in charge of a Public Service

The offended party of this type of offence is the Public Administration, in accordance with the extended meaning identified in case-law, which has provided some indicators defining the public character of an Entity, such as:

- the subjection to supervisory and advisory activities for social purposes and to powers of appointment and removal of directors by the State or other public bodies;
- the presence of an agreement and/or authorisation with the Public Administration;
- financial contribution by the State;
- the presence of public interest in the economic activity.

The practical application of these principles is often problematic. Taking into account the importance attributed by Italian Legislative Decree 231/2001, Dexelance opts for a broad interpretation of the concept of Public Administration, to the extent that it also includes parties that, although formally of a private nature, are distinguished by the public nature of the activity carried out, or by the significant presence of shareholdings by public entities.

In relation to the offences against Public Administrations taken into account by the Decree, the figures of Public Official and Public Service Officer are referred to.

Public Official (P.O.) is the individual who performs a public legislative, judicial or administrative role. With regard to the administrative role, emphasis must be placed on the type of activity carried out in practice — an activity that must be governed by rules of public law and characterised by training and the expression of the will of the P.A. through authoritative or certification powers.

The formal character of the individual concerned is irrelevant, as it is not only the individual who is called upon directly to carry out, either alone or in collaboration with others, the duties of the authority, but also the individual who is called upon to carry out activities which are not immediately directed toward the purpose of the office, but which are ancillary or subsidiary, because they are relevant to the implementation of those purposes. Moreover, activities which, although not characterised by the concrete exercise of certification power and authoritative power, constitute the most complete and typical implementation of the purposes of the Entity, so that they cannot be isolated from the entire context of the roles of the Entity itself, should be included in the concept of public office.

Public Service Officer (P.S.O.) is the individual who, for whatever reason, provides a public service. Public service must be understood as an activity governed in the same forms as public role, but characterised by the lack of the powers typical of public role, excluding the performance of simple tasks without decision-making power and the performance of purely material work.

In essence, the discriminating factor in determining whether or not a party is entrusted with the task of a public service is not the legal nature of the Entity, but the tasks entrusted to the party, which must consist of the care of public interests or of the fulfilment of needs in the public interest.

As such, the Model's target audience must exercise extreme care in dealing, at all levels, with the parties listed above and their managers, employees and collaborators.

1.2 Type of offence

This paragraph refers to the offences against the Public Administration listed in Art. 24 *"Misappropriation of public funds, fraud against the State or a public institution or to obtain public funds, computer fraud to the detriment of the State or a public body"* and Art. 25 *"Bribery, wrongful incitement to give or promise benefits and corruption"* of Italian Legislative Decree 231/2001.

The full list of predicate offences is set out in **Annex 2** – List of predicate offences.

For the purpose of effective disclosure and understanding, provided below is a brief description and, in some cases, an example of the main cases that cannot be excluded and are theoretically applicable to Dexelance.

Misappropriation to the detriment of the State or the European Union (Art. 316-*bis* of the Italian Criminal Code)
This type of criminal offence occurs if, after receiving funding, subsidies or contributions from the Italian State or other public institution or from the European Union, the sums obtained are not used for the purposes for which they were intended (the conduct, in fact, consists of diverting the sum obtained, even in part, without noting that the planned activity has taken place anyway).
Given that the time at which the offence was perpetrated coincides with the execution stage, the offence itself may also be related to funds already obtained in the past and not now being used for the purposes for which they were granted.

Undue receipt of payments to the detriment of the State or the European Union (Art. 316-*ter* Italian Criminal Code)
This type of criminal offence occurs in cases in which, by using or submitting false declarations or documents, or by omitting due information, donations, funding, subsidised loans or other similar donations granted or allocated by the State, other public bodies, or the European Union are obtained for oneself or for others without entitlement.
In this case, contrary to that stated with regard to the previous point (Art. 316-*bis* of the Italian Criminal Code), there is no mention of the use being made of the donations, as the offence takes place when the funds are obtained.
Finally, it should be pointed out that this type of offence is residual in relation to the case of fraud against the State, in the sense that it only arises in cases where the conduct does not integrate the particulars of that case.

Fraud against the State, other public institution or the European Union (Art. 640, paragraph 2, no. 1 of the Italian Criminal Code)
This type of criminal offence occurs if, in order to make an unlawful profit, artificial or deceptive acts are carried out which mislead and cause detriment to the State (or to another public institution or to the European Union).

Such an offence may occur, for example, if, in preparing documents or data for participation in tendering procedures, false information (for example, supported by falsified documentation) is provided to the Public Administration in order to obtain the award of the tender itself.

Aggravated fraud to obtain public funding (Art. 640-*bis* of the Italian Criminal Code)
This type of criminal offence occurs when fraud is carried out in order to obtain public funds unduly.
As fraud is involved, the case provided for in Article 640-*bis* of the Italian Criminal Code differs from that governed by Art. 316-*bis* of the Italian Criminal Code as a result of the requirements of "contrived or fraudulent acts" and misleading incitement. Therefore, as legal literature and case-law have clarified, in addition to the presentation of false data, this case requires, a *quid pluris* that would jeopardise or make controlling requests by the competent authorities more difficult.

Computer fraud against the State or other public institution (Art. 640-*ter* of the Italian Criminal Code)
This type of criminal offence occurs if, by altering the functioning of a computer or telematic system, or by manipulating the data contained therein, an unlawful profit is obtained causing detriment to the State or other public body.
In practice, for example, the offence in question could be committed if, once funding has been obtained, the computer system is breached in order to enter a higher amount of funding than the amount lawfully obtained.
In addition, computer fraud against the State or other public body, committed by theft or undue use of the digital identity of one or more individuals, is a predicate offence.

OFFENCES COMMITTED IN DEALINGS WITH PUBLIC OFFICIALS OR A PUBLIC SERVICE OFFICER

Bribery (Art. 317 of the Italian Criminal Code)
Such an offence arises if a Public Official or Public Service Officer, abuses their position and forces someone to procure money or other benefits for them to which they are not entitled.

This type of offence (residual within the scope of the cases referred to in Italian Legislative Decree 231/2001) may be recognised if an employee is involved in the offence of a Public Official or a Public Service Officer, who, taking advantage of this capacity, requests undue services from third parties (provided that such behaviour results, in some way, in a benefit to the Company or was carried out in the interest of the Company).

Undue incitement to give or promise benefits (Art. 319-*quater* Italian Criminal Code)
Unless the act is more serious, such a case may arise where the Public Official or Public Service Officer who, by abusing their role or powers, sometimes incites someone to unduly give or promise money or other benefits to them or to a third party to which they are not entitled.

Corruption by virtue of the performance of duties or through an act contrary to official duties (Art. 318, 319, 320, 321 of the Italian Criminal Code)
This type of criminal offence occurs where a public official unduly receives, either for themself or for others, money or other advantages, or accepts a promise, for the performance of their duties (giving rise to an advantage in favour of the tenderer), or for performing an act contrary to their official duties.
The activity of the public official may be expressed either as a non-discretionary act (for example, speeding up a case file, the evasion of which is their responsibility) or as an act contrary to their duties (for example, a public official accepts money to guarantee the award of a tender).
This predicate offence differs from bribery in that there is an agreement between the corrupting and corrupted parties intended to attain a reciprocal benefit (and the corrupting party is sanctioned pursuant to Art. 321 of the Italian Criminal Code), while in the case of bribery, the private individual is subject to the conduct of the Public Official or Public Service Officer.

Incitement to corruption (Art. 322 of the Italian Criminal Code)

This type of criminal offence occurs if, in the case of conduct aimed at corruption (as far as it is of interest for 231 purposes, by a member of senior management or a subordinate of the entity), the Public Official or Public Service Officer refuses the offer made unlawfully.

Corruption in judicial proceedings (Art. 319-*ter* of the Italian Criminal Code)
The offence punishes the conduct of *"Corruption for the performance of duties" and "Corruption for an act contrary to official duties"* if committed to favour or harm a party in civil, criminal or administrative proceedings.

If this act leads to the unjust sentence of an individual to imprisonment, the sentence is increased.

Art. 322-*bis* of the Italian Criminal Code extends the applicability of the offences of Public Officials and Public Service Officers against the Public Administration to include members of the International Criminal Court, EU bodies, and officials of the EU or foreign States; pursuant to **paragraph 2**, the corrupting party shall be responsible for the above-mentioned corruption or incitement to corruption vis-à-vis such individuals.

Influence peddling (Art. 346-*bis* of the Italian Criminal Code)

Art. 346-*bis* of the Italian Criminal Code (introduced by Italian Law 3/2019 [referred to as the "Bribe Destroyer Act"] and referred to today by Art. 25 of Italian Legislative Decree 231/2001) absorbs the repealed "influence peddling" and aims to target the conduct of intermediation of third parties in the corruption between corrupting and corrupted parties.

In fact, Art. 25 punishes, with sanctions of up to 200 penalty units, the conduct of:

"*Any individual, other than in cases of accomplices in the offences referred to in Articles 318, 319, 319-ter and in the offences of corruption referred to in Article 322-bis, by exploiting or boasting existing or alleged relationships with a public official or public service officer or one of the other entities referred to in Article 322-bis, unduly causes money or other benefits to be given or promised to them or to others, as the price of its wrongful arbitration toward, or remuneration for, a public official or public service officer or any of the other entities referred to in Article 322-bis in connection with the performance of their duties or powers, is punished with imprisonment of one year to four years and six months.*"

1.3 At-risk processes and potential unlawful conduct

The offences considered presuppose the existence of relations with Public Administrations, understood in the broadest sense and including Public Administrations of foreign States and Community bodies.

It should be noted that, in relation to corruption cases (both toward the P.A and between private individuals), it is intended:

1. to identify and supervise any unlawful conduct that may, in itself, constitute a criminal offence (during commercial contacts, during audits, when requesting authorisations etc.).
   The analyses took into account those activities/processes within which "remuneration in other benefits", which is itself a constituent element of corruption, could be created. These include but are not limited to:
   - gift/donation/sponsorship management,
   - assignment of goods and services/consultancy contracts (to those indicated by the corrupt party).

   In addition, "other benefits" means any and all tangible or intangible benefits, not just assets, that satisfy the request or desire of an individual, including, but not limited to, property and financial benefits, the lending of houses and buildings, entertainment, gifts, travel, the repayment of debts, the provision of bonds, guarantees, professional levels at work and other valuables.
2. to identify and supervise those processes instrumental to corruption in which provision can be established to be used as "cash compensation":

- active and passive billing processes (through irregular handling);
- reimbursement of expenses (fictitious or at an amount different to that of the expenses actually incurred).

The areas and business processes of Dexelance found to be more at risk on the basis of the inherent risk quantification matrix (Figure 2) than in the cases of offences against Public Administrations and any related possible unlawful conduct are as follows:

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT
LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES	• Incitement by Dexelance staff vis-à-vis any suspected or accused individual (including in related proceedings or related offences), not to make declarations, or to make false declarations, to the judicial authorities, whether by offering money or other benefits, or by threatening it, in the interests or for the benefit of Dexelance itself. Therefore, suspected or accused individuals (including in related proceedings or in a related offence) who could be incited by the Company to "not answer" or to falsely answer to the judicial authorities (judge, public prosecutor), i.e. any individual belonging to Dexelance, may be Parties Covered by the conduct. • Corruption, either directly or through a third party, of the judicial authorities or their auxiliaries, in order to avoid sanctions and/or adverse litigation outcomes.
GIFTS, ENTERTAINMENT EXPENSES, DONATIONS AND SPONSORSHIP	• Any Dexelance staff providing gifts, donations or sponsorship for the benefit of a public party or parties designated by the same, may constitute compensation for the performance or omission of an act of their office or otherwise for the performance of their duties or powers in the interest or benefit of the Company. • In addition, the process is sensitive as it may be useful for the provision of funds through fictitious donations and sponsorships, or for an amount greater than the actual expenses incurred. • Provision of benefits (through entertainment expenses) directly to a public party, for the purpose of corruption, that is, in return for the performance by a public official of their duties or for the performance of an act contrary to official duties (e.g. granting authorisations or measures favourable to the Company, successful conclusion of an inspection etc.). • Provision of funds necessary to commit bribery and corruption offences of a public official, through the fictitious reimbursement of expenses or for an amount greater than the actual expenses incurred. • Conduct related to the misuse of financial resources, in particular the management of cash funds not properly accounted for/recorded.
RELATIONSHIP WITH THE PA, CONCESSIONS, AUTHORISATIONS AND LICENSES	• An offer or promise of money (or other benefit) to a public official, or individual designated by the latter, to incite them to perform acts that may facilitate the granting of concessions/authorisations or other measures in favour of the Company, even if they are not in compliance with the laws in force and, in any case, unlawfully favourable for Dexelance. • An offer or promise of money (or other benefits) to a public official, or individual designated by the latter, to incite them to perform acts likely to facilitate the rapid granting of authorisation.

	• This conduct is also relevant where it results from incitement by the Public Official or Public Service Officer. • Dexelance staff may submit false or untrue declarations or documents (e.g. capital requirements etc.), or omit due information, in order to obtain authorisations or concessions from the Province, Municipality and other public bodies. • Offering money or other benefits to Public Officials or Public Service Officers or inspection bodies and/or supervisory authorities in order to influence their discretion, independence of judgement, or to incite them to secure any advantage or to avoid prejudicial measures for the company (e.g. the non-application of sanctions or findings of irregularities/non-compliance with the outcome of inspections aimed at regional accreditation, or compliance with occupational health and safety regulations at the company's offices and/or warehouses). • In respect of the exercise by a Public Official of their duties or of an act contrary to official duties (e.g. granting authorisations or measures favourable to the company, successful conclusion of an inspection etc.), employment of an individual reported by the corrupt Public Official. • Provision of cash payments (incentives, advances, premiums) to employees linked to the PA in order to receive unfair advantages from these benefits. • Participation in procedures for obtaining donations, contributions or funding from Italian or Community public bodies, as well as their actual use.

1.4 Prevention elements

The prevention elements specific to Model 231 consist of:

- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**);
- For each sensitive process:
  - the respective 231 preventive protocol (**Annex 7**)
  - the respective information flows to the Board of Statutory Auditors (**Annex 8**).

2. CORPORATE OFFENCES AND BRIBERY AMONG PRIVATE INDIVIDUALS

2.1 Type of offence

This paragraph refers to the offences provided for in Article 25-*ter* *"Corporate offences"* of Italian Legislative Decree 231/2001.

The full list of predicate offences is set out in **Annex 2 – List of predicate offences.**

For the purpose of effective disclosure and understanding, provided below is a brief description and, in some cases, an example of the main cases that cannot be excluded and are theoretically applicable to Dexelance.

False social communications (Art. 2621 and 2622 of the Italian Civil Code)
These are two types of offence, the typical conduct of which is the same and which differ in terms of the type of company within which the offence is committed (whether listed or not[1]).
The two cases arise through the exposure in financial statements, reports and other communications required by law (management reports, consolidated financial statements, extraordinary financial statements, assets of third parties), intended for shareholders members or the public, of material facts that are not true; or in the omission of material facts, the disclosure of which is required by law, on the economic, net asset or financial situation of the company or group to which it belongs in a manner that is effectively likely to mislead others.
The perpetrators of the offence are directors, chief executive officers, managers responsible for drawing up financial statements, statutory auditors and liquidators.
It should be noted that:
- the conduct must be aimed at achieving an unfair profit for oneself or for others;
- the information which is not true or omitted must be relevant and must be such as to represent the economic, financial or asset situation of the company or group to which it belongs in a significantly different way from the actual circumstances;
- liability shall also extend to cases where the information relates to assets owned or managed by the company on behalf of third parties.

Minor events (Art. 2621-*bis* of the Italian Civil Code)
The penalty is reduced if the events referred to in Art. 2621 of the Italian Civil Code can be classified as minor in view of the nature and size of the company, and the manner or effects of the conduct.
In particular, the same reduced penalty shall be applied to companies which do not exceed the limits set out in paragraph 2 of Article 1 of Italian Royal Decree no. 267 of 16 March 1942. In such a case, a charge for the offence may be filed by the company, its shareholders, creditors or other addressees of the corporate communication.

Prevented control (Art. 2625 of the Italian Civil Code)

[1]Art. 2622 of the Italian Civil Code is aimed at any issuers of financial instruments admitted to trading on a regulated market in Italy or in any other EU country. Within the meaning of Art. 2622, paragraph 2, the following are deemed equivalent: financial securities issuers for which an application for admission to trading has been submitted on a regulated market in Italy or in another EU country; financial securities issuers admitted to trading on an Italian Multilateral Trading Facility; companies controlling companies issuing financial instruments admitted to trading on a regulated market in Italy or any other EU country; companies that call on public savings or otherwise manage them.

The offence consists of obstructing or preventing the performance of control and/or audit activities—legally attributed to shareholders, corporate bodies or audit firms—through the concealment of documents or other suitable stratagems.
The perpetrators of the offence are exclusively the directors of the Company.
Since Italian Legislative Decree 231/2001 makes explicit reference to paragraph 2 of Art. 2625 of the Italian Civil Code, it should be noted that committing the offence may only give rise to the liability of the company if the impediment or simple obstacle, created by the directors for the verifications referred to in Art. 2625 of the Italian Civil Code, has caused damage to the shareholders.

Undue repayment of contributions (Art. 2626 of the Italian Civil Code)
The offence, provided for to protect the integrity and effectiveness of share capital, as a guarantee of the rights of creditors and third parties, occurs in the case of the repayment, more or less obvious, of contributions to shareholders, or in the release of the same from the obligation to carry them out, all of which is outside the scope of a legitimate reduction in share capital.
The perpetrators of the offence are the directors; the law, namely, did not intend to punish the shareholders who received the repayment or release, excluding the necessary complicity. However, the possibility of any participation remains, under which they will be liable for the offence, according to the general rules of complicity referred to in Art. 110 of the Italian Criminal Code, including shareholders who have been involved in instigation, determination or facilitation vis-à-vis the directors.

Unlawful distribution of profits and reserves (Art. 2627 of the Italian Civil Code)
The offence occurs in two scenarios:
- where profits, or advances on profits, are allocated which have not actually been earned or which are required by law to be set aside as reserves;
- where reserves, even if they are not made up of profits, which cannot be distributed by law, are distributed.
The offence shall cease to exist if the profits are repaid, or if the reserves are recovered, before the deadline for approval of the budget.
The perpetrators of the offence are directors. Moreover, even in this case, there is the possibility of potential complicity by shareholders who have instigated, determined or facilitated vis-à-vis directors.

Unlawful transactions with regard to company or parent company shares (Art. 2628 of the Italian Civil Code)
The offence occurs through the purchase or subscription, outside the circumstances permitted by law, of own shares or stock, or those of the parent company, in such a way as to damage the integrity of the share capital and reserves which cannot be distributed by law.
The offence shall cease to exist if the share capital or reserves are recovered before the deadline for the approval of the financial statements for the financial year in which the offence took place.

Transactions detrimental to creditors (Art. 2629 of the Italian Civil Code)
The offence is carried out through reductions in share capital, mergers with other companies, or demergers carried out in violation of legal provisions and causing harm to creditors (crime of result).
The offence shall cease to exist if the creditors harmed are reimbursed before the proceedings.
The perpetrators of the offence are directors.

Fictitious formation of capital (Art. 2632 of the Italian Civil Code)
The offence is committed where directors and contributing shareholders form or increase the share capital in a fictitious manner by carrying out at least one of the following:
- allocation of stocks or shares for less than their nominal value,
- mutual subscription of stocks or shares,
- significant overvaluation of the contributions of assets in kind or of loans,
- significant overvaluation of the company's assets in the event of transformation.
The perpetrators of the offence are directors and contributing shareholders.

It should be noted that, however, within the meaning of Art. 2343, paragraph 3, of the Italian Civil Code, the failure of directors and statutory auditors to control and possibly review the contributions in kind contained in the estimate report drawn up by the expert appointed by the courts is not considered to be an offence.

Illicit influence over shareholders' general meetings (Art. 2636 of the Italian Civil Code)
The offence occurs through the execution of simulated or fraudulent acts involving the formation of an artificial majority in the general meeting, with the aim of achieving, either for oneself or for others, an unfair profit.
The offence can be committed by anyone, and therefore also by individuals outside the company (only if it is committed by senior management or subordinates of the institution can it constitute a prerequisite for attributing responsibility to the institution itself).

Market manipulation (Art. 2637 of the Italian Civil Code)
The offence consists of disseminating false information or engaging in simulated transactions or other stratagems that are very likely to cause a significant price distortion of financial instruments that are not listed, or for which a request for admission to trading on a regulated market has not been made; i.e., it significantly affects the public's trust in the capital stability of banks or banking groups.
The offence can be committed by anyone, and therefore also by individuals outside the company.

Obstructing public supervisory authorities from exercising their functions (Art. 2638 of the Italian Civil Code)
The offence may be carried out in two different ways, both of which are designed to hinder the supervisory activity of the responsible public authorities:
- by notifying the supervisory authorities of facts relating to the economic, net asset or financial situation which are not true, or by concealing, either in whole or in part, events that should have been disclosed;
- through the simple obstruction of the exercise of supervisory functions, knowingly implemented, in any way.
In both of these ways, the perpetrators involved in the offence are directors, chief executive officers, statutory auditors and liquidators.

Corruption between private individuals (Art. 2635 of the Italian Civil Code)
Unless the act constitutes a more serious criminal offence, directors, chief executive officers, directors in charge of preparing company accounts, statutory auditors and liquidators of private companies or bodies who, including by way of an individual acting in response, solicit or receive, either for themselves or for others, money or other benefits to which they are not entitled, or agree to promise, perform or omit an act, in breach of their duties or loyalty obligations, shall be punished with imprisonment of one to three years. The same penalty shall apply if the act is committed by individuals within the organisational framework of the company or private body exercising managerial functions other than those of the individuals referred to in the previous period.
Imprisonment shall be imposed for up to one year and six months if the act is committed by an individual under the direction or supervision of one of the individuals referred to in the first paragraph.
Any individual, including through an intermediary, who offers or promises money or other benefits to the individuals referred to in the first and second paragraphs, to which they are not entitled, shall be punished by the sanctions provided for therein.

Incitement to corruption (Art. 2635-*bis* of the Italian Civil Code)
Any individual who offers or promises money or other benefits not due to directors, chief executive officers, executives in charge of the drafting of corporate accounting documents, statutory auditors and liquidators of private companies or entities, and any individuals employed in them in the performance of managerial duties, in order to carry out or omit an act in breach of their duties or obligations of loyalty, shall, if the offer or promise is not accepted, be subject to the penalty laid down in the first paragraph of Article 2635, reduced by one third.

The penalty referred to in the first paragraph shall apply to directors, chief executive officers, directors responsible for preparing the company's financial statements, statutory auditors and liquidators of companies or private entities, as well as to any individuals employed in them, in the performance of managerial duties, who solicit, either for themselves or for others, including through an intermediary, a promise or giving of money or other benefits, to perform or omit an act in breach of their duties or obligations of loyalty, if the request is not accepted.

False or omitted declarations for the issuance of the preliminary certificate (Art. 54 of Italian Legislative Decree No. 19/2023 implementing Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 regarding cross-border transformations, mergers and divisions).
Any person who generates wholly or partially false documents, alters true documents, makes false statements or omits relevant information, in order to make it appear that the conditions for the issuance of the preliminary certificate referred to in Article 29 of the aforementioned Legislative Decree have been fulfilled, shall be punished by 4 months to 3 years of imprisonment (para. 1) and the ancillary penalty of temporary disqualification from the executive offices of legal entities and companies.

2.2 At-risk processes and potential unlawful conduct

The areas and business processes of Dexelance that are sensitive to **corporate offences** (excluding bribery between private individuals, which can be found below) and the related possible unlawful conduct are as follows:

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT
INTER-COMPANY RELATIONS	• Through the process of consolidating the intra-group balance sheet, corporate crimes may arise. Unlawful conduct may include, but is not limited to: – presentation of non-existent financial statements designed to opportunistically change any gains or losses of the subsidiary/parent company; – reports of false invoicing with Group companies for the offsetting of intra-group receivables/payables on the balance sheet; – offences committed by an associate belonging to the Group (e.g. presentation of clearly inflated balance sheet data to compensate for the assignment of consolidation tax credit) for the benefit or interest of the subsidiary/parent company; • Assignment of costs/expenses, incurred to "compensate" for unlawful favours obtained by a P.O. to other companies in the Group.
EXTRAORDINARY OPERATIONS	• Violation of the provisions governing the proper conduct of operations for the reduction of share capital, merger and demerger of a company, supported by the desire (even as mere acceptance of the risk) to verify damage to creditors. • The purchase or subscription of stocks or shares in the company, or shares issued by the parent company, through the use of unavailable funds or reserves of the subsidiary, causing harm to the integrity of the share capital or reserves that are not distributable by law. Examples:

	– purchase of shares not fully paid up or purchase of treasury shares not respecting the limit of distributable profits and available reserves (buy back); – Leverage buy-out operations, such as the establishment of Newco intermediary companies for the sole purpose of circumventing the prohibitions on the subscription of own shares; – financial assistance for the subscription or purchase of treasury shares; – subscription of share capital through the use of unavailable funds; – subscription of shares of the parent company (holding company), using the reserves of the subsidiary, in order to favour the former but affecting the reserves of the latter. • Reductions in share capital or mergers with another company or demergers by Directors, causing damage to creditors.
CORPORATE AFFAIRS AND RELATIONS WITH STATUTORY AUDITORS AND INDEPENDENT AUDITORS	• Preventing or hindering, through the concealment of documents or other suitable stratagems, control or audit activities legally bestowed on shareholders or other corporate bodies, where this results in damage to shareholders, including in conjunction with others. For example, a Director may not comply with the Auditor's request for information on the application of specific legislation, causing damage to shareholders. • Undue repayment of contributions that may take place by pursuing two types of behaviour: – repayment of contributions to shareholders: pursued, for example, through the conclusion of a fictitious loan in return for the return of the asset to which the contribution was made, or through reselling the corporate asset provided at a derisory price for the benefit of the transferring shareholder; – release from the obligation to make contributions: for example, the directors enter in the balance sheet the payment of ten tenths of the share capital without actually doing so. • The liquidators' distribution, even partial, of the share due to each shareholder, without waiting for any opposition from creditors and knowing full well that the creditors had not previously been satisfied. • Alteration of the proper functioning of the corporate bodies in order to conceal administrative and accounting falsifications. For example, a Chief Executive Officer prepares specific false or otherwise altered documentation for the purpose of the majority decision of the shareholders' general meeting on a specific agenda, for the benefit of the Company. • The Chief Executive Officer of a listed company shall not deliberately declare to the Board of Directors the personal interest of themself or their family members in a particular operation submitted to the Board of Directors for examination. • Directors and employees of a company disseminate false information about the company itself (for example, financial and economic information or information about the management situation of that company), which, as such, is capable of causing a significant price change in the share of that company. Such conduct benefits the same employee and/or third parties through timely

	speculative transactions carried out by them when buying and selling that share. • The Chief Executive Officer prepares specific false or otherwise altered documentation for the purpose of the decision of the shareholders' general meeting on a specific item on the agenda. Such documentation is capable of influencing the majority of shareholders and serves the economic and financial interests of the Director or of third parties. It remains clear (also according to consolidated case-law) that the offence does not occur when—even in the absence of unlawful conduct by the Director—the majority would have been reached in any event.
COMPULSORY ACCOUNT AND RECORD KEEPING	• The offence arises when, in order to achieve an unfair profit for oneself or others, the financial statements, reports or other corporate communications intended for shareholders or the public, provided for by law, shall knowingly report material facts that are not true or shall omit material facts, the disclosure of which is required by law on the economic, net asset or financial situation of the company or group to which it belongs, in a manner that is realistically likely to mislead others (e.g. following agreements with customers to provide non-invoiced products, a lower value of goods in stock is shown on the balance sheet than is actually the case). • The presentation of material facts which do not correspond to the truth, or the omission of material facts, the disclosure of which is mandatory, on the economic, net asset or financial situation of the company or group, in a manner that is realistically likely to mislead others. Fraudulent conduct carried out through two means: – the presentation of material facts which do not correspond to the truth. The inclusion of non-existent assets on the balance sheet, or reporting inflated values on the basis of the relationship between the value of the assets shown on the balance sheet and the criterion for their estimation, is punishable; – the omission of material facts concerning the economic, net asset or financial situation of the company or group. Concealing facts that should be disclosed by law in the balance sheet, the profit and loss account and the notes to the financial statements is punishable Typical examples are: – the Chief Executive Officer ignores the indication from the Head of Administration or external advisor of the need for a provision for doubtful accounts and records an amount of receivables higher than due in order not to reveal a loss that would result in measures being taken with regard to share capital; – the Chief Executive Officer or external advisor decides to omit significant elements required by law in the notes to the financial statements; – the Directors, with the intention of receiving more liquidity, present financial statements containing untrue information to the bank, causing material damage to the lender who could have earmarked that money for other investment opportunities.

	• The distribution of legal reserves to guarantee the company's assets, or of reserves made up of "fictitious" profits actually composed of share capital values, in order to allocate greater profits to the shareholders.
CONSOLIDATED FINANCIAL STATEMENTS	• Directors of listed companies forward to CONSOB a draft budget with reports and annexes, reporting false information, or in any case incomplete and fragmentary information—even by means of generic, confusing and/or inaccurate wording—concerning certain important company transactions in order to avoid possible controls by CONSOB (e.g. in the case of the acquisition of "significant shareholdings" in other unlisted public limited companies). See also "Unlawful conduct" for section on "Inter-company relations".

With regard to paragraph 1.3 of the Special Section of "Offences against Public Administrations", it is specified that the offence of bribery between private individuals referred to in Art. 2635 of the Italian Civil Code specifically stipulates that:

- responsibility for the offence of bribery between private individuals lies with the directors, chief executive officers, accounting officers, statutory auditors and liquidators (or subordinates thereof) of private companies or entities, and with those who work in them in the performance of managerial duties, including by acting as an intermediary;
- it concerns not only the giving party but also the party offering, soliciting or receiving, either for themselves or for others, money or other benefits to which the senior management of companies, or those under their management or supervision, are not entitled.

Below are some significant aspects:

- corrupt behaviour does not need to harm the institution to which the corrupt individual belongs;
- perpetrators are also individuals outside the company, acting as an intermediary;
- conduct that can be sanctioned is not the performance of acts (following receipt of money/benefits or the promise thereof), but behaviour that has occurred prior to the receipt of money/benefits or merely the offer, promise, giving, receipt of money/other benefits, or acceptance of the promise of money/other benefits;
- private individuals who solicit, either for themselves or for others, money or other undue benefits, or who accept the promise thereof, in order to carry out or omit an act in breach of their duties or obligations of loyalty shall also be punished;
- any offer or promise of money/other benefits made to a private individual for the purpose of the latter performing an act, in breach of their duties or loyalty obligations, shall be punished even if the offer or promise is not accepted.

Article 2635-*bis* of the Italian Civil Code that introduces the offence of incitement to private corruption, in particular, punishes both active incitement committed by those who offer or promise money or other undue benefits, even if the offer or promise is not accepted, and passive incitement committed by the senior managers of the company who solicit, either for themselves or for others, including through an intermediary, the promise or giving of money or other benefits, even if the solicitation is not accepted.
In such cases, the case shall take place at a time prior to that when the offer, promise or solicitation is actually accepted.

Relevant activities should, therefore, be sought:

- any economic or personal relationship, either direct or indirect, with third party entities, including, for example, the sales and purchasing process, is considered to be at risk;

- relations with individuals belonging to companies or consortia, in respect of which the Company could obtain an advantage;
- processes instrumental to corruption.

Therefore, with regard to the offence of bribery between private individuals, the sensitive areas and processes are:

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT

INTER-COMPANY RELATIONS	• The management of inter-company relations can be used to create the financial provisions and/or other benefits necessary for committing corrupt offences.
	• Unlawful conduct may include, but is not limited to:
	  • reports of false invoicing with the parent/subsidiary company in order to provide money for the various types of corruption offences;
	  • improper payments to a private individual (pursuant to Art. 2635 of the Italian Civil Code) using existing financial resources within the Group;
	  • offences committed by a Group company (e.g. bribery of a private individual) for the benefit or interest of one of the Group companies;

EXTRAORDINARY OPERATIONS	• Payment of a sum of money or other benefits (such as an expensive gift or hospitality beyond the criteria of reasonableness and commercial courtesy):
	  – by the Chief Executive Officer of a company to the statutory auditor of a third-party listed company in order to glean sensitive information about the market in advance
	  – and thus, facilitate acquisition of the controlling interest by the company;
	  – by a business institution to the liquidator of a company in order to facilitate the acquisition of company assets in liquidation at less than market value or to settle a debt at less than real value;
	  – by the Chief Executive Officer of the parent company to the manager responsible for drawing up the subsidiary's financial statements, in order to provide a statement of the reliability of the financial statements that is not true in respect of an intra-group operation to the detriment of the subsidiary and for the benefit of the parent company.

CORPORATE AFFAIRS AND RELATIONS WITH STATUTORY AND INDEPENDENT AUDITORS	• The offer, promise or donation, including through an intermediary, by the director of a company to the Chair of the Board of Statutory Auditors of a competing company, of well-remunerated posts in exchange for obtaining confidential information.
RELATIONS WITH SUPPLIERS AND THIRD PARTIES	• External professionals or individuals may commit corruption offences on behalf of the Company. • Negotiation, conclusion and management of active contracts with companies, consortia, foundations, associations and other private entities, including those with no legal personality, engaged in professional and business activities.

	• Dexelance may promise, offer or appoint an individual designated by the corrupt private official to perform or omit acts in breach of their duties or loyalty obligations to the company, for the benefit of Dexelance. This shall also apply where the offer or promise is not accepted and is made by an intermediary.
	• Other sensitive conduct may include:
	  • merely fictitious appointment in order to set up hidden funds for bribery;
	  • recognition of higher compensation for suppliers or external collaborators of the company, in particular those who work in the PA, which is not adequately justified in relation to the type of work to be performed.

GIFTS, ENTERTAINMENT EXPENSES, DONATIONS AND SPONSORSHIP	• The offer, promise or donation of benefits (through entertainment expenses) to a private individual so that they perform or omit acts in breach of their duties or loyalty obligations to the company. This shall also apply where the offer or promise is not accepted and is made by an intermediary. • Provision of funds necessary to commit bribery and corruption offences, through the fictitious reimbursement of expenses or for an amount greater than the actual expenses incurred. • Conduct related to the misuse of financial resources, in particular the management of cash funds not properly accounted for/recorded. • Provision, offer or promise of gifts, donations or sponsorships for the benefit of a private individual or individuals designated by them to perform or omit acts in breach of their duties or loyalty obligations to the company. This shall also apply where the offer or promise is not accepted and is made by an intermediary. • In addition, the process is sensitive as it may be useful for the provision of funds through fictitious donations and sponsorships, or for an amount greater than the actual expenses incurred.

2.3 Prevention elements

The prevention elements specific to Model 231 consist of:

- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**), in particular:
  - CONDUCT IN THE FIELD OF TAXATION
  - CONDUCT IN CORPORATE MATTERS
  - RELATIONS WITH INSTITUTIONS, PUBLIC AUTHORITIES AND ENTITIES RELATED THERETO
  - CONDUCT REGARDING PRIVATE SECTOR BRIBERY
- For each sensitive process:
  - the respective 231 preventive protocol (**Annex 7**)
  - the respective information flows to the Board of Statutory Auditors (**Annex 8**).

3. OFFENCES OF MARKET ABUSE, Article 25-*sexies*

3.1 Types of offences

This paragraph refers to the offences provided for in Article 25-*sexies* "Abuse or unlawful communication of inside information and market manipulation" of Italian Legislative Decree 231/01.

The complete list of predicate offences can be found in **Annex 2 - List of predicate offences.**

For the purposes of an effective disclosure and understanding of these offences, a summary description of the offences that cannot be ruled out as being abstractly applicable to Dexelance is set out below.

Abuse or unlawful communication of inside information. Recommending or inducing others to commit insider trading (Article 184 of Italian Legislative Decree 58/1998, or the Consolidated Law on Finance)

1. A term of imprisonment ranging from two to twelve years and a fine ranging from EUR 20,000 to EUR 3,000,000 shall be imposed on any person who, being in possession of inside information by virtue of their membership of the administrative, management or supervisory bodies of the issuer, their holding in the capital of the issuer, or by virtue of their occupation, profession or position, including public one, or office: (a) buys, sells or engages in other transactions, directly or indirectly, for their own account or for the account of a third party, in financial instruments using this information; (b) discloses such information to others outside the normal exercise of their employment, profession, role or office or in a market survey carried out pursuant to Article 11 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014; (c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in point (a).
2. The same punishment as in paragraph 1 shall apply to any person who, being in possession of inside information, by reason of the preparation or execution of criminal activities commits any of the acts referred to in paragraph 1.
3. Apart from cases of complicity in the offences set forth in paragraphs 1 and 2, anyone who, being in possession of inside information for reasons other than those set forth in paragraphs 1 and 2 and knowing the privileged nature of such information, commits any of the acts set forth in paragraphs 1 and 2 shall be punished by a term of imprisonment ranging from one year and six months to ten years and with a fine of from twenty thousand to two million five hundred thousand euros.
4. In the cases referred to in paragraphs 1, 2 and 3, the penalty of a fine may be increased up to three times or up to the greater amount of ten times the proceeds or profit gained from the offence when, due to the seriousness of the offence, the personal qualities of the perpetrator or the amount of the proceeds or profit gained from the offence, the penalty appears inadequate even if applied to the maximum.
5. The provisions of this Article shall also apply where the acts referred to in paragraphs 1, 2 and 3 concern conduct or transactions, including bidding, involve auctions on an authorised auction platform, such as a regulated market for emission allowances or other related auctioned products, even where the auctioned products are not financial instruments under EU Commission Regulation (EU) No. 1031/2010 of 12 November 2010.

Market manipulation (Article 185 of Italian Legislative Decree 58/1998, or the Consolidated Law on Finance)

1. Anyone who spreads false news or carries out simulated transactions or other tricks capable of causing a significant alteration in the price of financial instruments shall be punished by imprisonment from one to six years and a fine ranging from twenty thousand to five million euros.
1-*bis*. A person may not be punished who has committed the act by means of orders to trade or transactions carried out for legitimate reasons and in accordance with accepted market practices, pursuant to Article 13 of Regulation (EU) No. 596/2014.

The judge may increase the fine up to three times or up to the greater amount of ten times the proceeds or profit made from the offence when, due to the relevant offensiveness of the act, the personal qualities of the perpetrator or the size of the proceeds or profit made from the offence, the penalty appears inadequate even if applied at the maximum.

Finally, **Article 187-*quinquies* of Italian Legislative Decree 58/1998** provides for the liability of the entity (of an administrative nature) for the administrative sanctions provided for in Articles 187- *bis* (insider trading) and 187-*ter* (market manipulation) imposed by CONSOB.

3.2 Processes at risk and possible unlawful conduct

Dexelance's sensitive areas and processes with respect to this type of offence with possible unlawful conduct, in addition to those already described above with respect to the category of corporate offences – which are referred to in full in this section – are those set out below:

SENSITIVE PROCESSES /ACTIVITIES	UNLAWFUL CONDUCT
MANAGEMENT OF INSIDE INFORMATION ("Inside information means information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments which, if made public, would be likely to have a significant effect on the prices of those financial instruments") [Article 7, paragraphs 1 to 4 of EU Reg. 596/2014 to which Article 4 of Italian Legislative Decree 107/2018, which repealed the previous Article 181 of the Consolidated Law on Finance on the point, referred].	A person in a senior position or a subordinate falling within one of the categories set out in Article 184(1) of the Consolidated Law on Finance (member of the administrative, management or supervisory bodies of the issuer, a shareholding in the issuer's capital, or exercise of an occupation, profession or role, including a public one, or office: • purchases, sells or carries out other transactions, directly or indirectly, on financial instruments issued by the Company; • uses inside information on the basis of one's position within the Company or for having business relations with the Company to trade, directly or indirectly, shares of the Company, or of other listed companies, to gain a personal advantage, as well as to favour third parties or the Company or other companies of the Group; • discloses inside information to third parties, except in cases where such disclosure is required or permitted; • recommends to others or induces others to buy, sell or perform other transactions on financial instruments issued by the Company; • disseminates false or misleading market information concerning the Company by means of communication media, including the internet, or by any other means before such information is disclosed to the public through the envisaged channels, and interacts with private counterparties (e.g. institutional investors, financial analysts, etc.) in relation to forecast data and Company objectives without holding the appropriate powers and/or a specific mandate; • carries out simulated, fraudulent or other

	contrived transactions that have the effect of altering and/or fixing, directly or indirectly, the purchase or sale prices of financial instruments at an abnormal or artificial level or causing other unfair trading conditions. Some examples of simulated transactions that can now be said to be typical are as follows: - buying and selling the same securities without changing their ownership ("wash sales"); - buying and selling transactions carried out simultaneously on the same securities so as to attract other buyers or sellers of the security in question, followed by the resale of the securities once the price level has risen ("painting the tape"); - placing buy and sell orders at the same time, with the same prices and quantities, by persons acting in concert ("improper matched orders"). • disseminating a valuation on a financial instrument (or indirectly on its issuer) after having previously taken a position on the financial instrument, benefiting from the impact of the disseminated valuation on the price of that instrument, without having disclosed to the public the existence of such a conflict of interest. • operating by creating unusual concentrations of transactions in concert with other parties on a particular financial instrument. The same transactions are relevant where they are carried out by persons in a position of senior or subordinate management who are not among those referred to in Article 184, para. 1 of the Consolidated Law on Finance, but who nevertheless come into possession of inside information during the preparation or execution of criminal activities (Article 184, para. 2 of the Consolidated Law on Finance).

3.3 Prevention elements

The prevention elements of Model 231 consist of:
- General ethical principles contained in the Code of Ethics (**Annex 6**) of legality, transparency, integrity and fairness as well as compliance with rules of conduct, in particular:
    - IN THE MATTER OF CORPORATE ADMINISTRATION
    - IN RELATIONS WITH INSTITUTIONS, THE PUBLIC ADMINISTRATION, AND BODIES IN WHICH THEY PARTICIPATE
    - IN RELATIONS WITH STATUTORY AND EXTERNAL AUDITORS
    - IN RELATIONS WITH FINANCIAL INSTITUTIONS
    - IN RELATIONS WITH RELATED PARTIES
- For the sensitive process:

- The 231 preventive protocols (**Annex 7**)
- The information flows to the Supervisory Board (**Annex 8**).

4. MONEY LAUNDERING AND SELF-LAUNDERING OFFENCES4.1 Type of offence

This paragraph refers to the offences provided for in Article 25-*octies* "*Receipt, laundering and use of money, goods or benefits of illegal origin, as well as self-laundering"* of Italian Legislative Decree 231/01.

The full list of predicate offences is set out in **Annex 2 – List of predicate offences.**

For the purpose of effective disclosure and understanding, provided below is a brief description and, in some cases, an example of the main cases that cannot be excluded and are theoretically applicable to Dexelance.

Receipt (Art. 648 of the Italian Criminal Code)
The offence is carried out through the purchasing (the effect of negotiating for free or for a consideration), receiving (any form of obtaining possession of the goods even if only temporarily or by mere willingness) or concealing (concealment of the goods after receiving them) money or goods resulting from any crime (in any case, outside the cases of conspiracy to commit the crime itself, e.g. theft), or by meddling in the purchase, receipt or concealment thereof.

Money laundering (Art. 648-*bis* of the Italian Criminal Code)
The offence is carried out through the substitution (conduct consisting of replacing money, goods or other benefits of illegal origin with different values) or transfer (conduct designed to launder money, goods or other benefits through negotiation) of money, goods or other benefits resulting from an intentional crime or the execution of other transactions in connection therewith, in such a way as to hinder the identification of their criminal origin.

Use of money, goods or benefits of illegal origin (Art. 648-*ter* of the Italian Criminal Code)
The offence is carried out through using funds of illicit origin in economic or financial activities. While "employ" is synonymous with "use anyway", i.e. "utilise for any purpose", the ultimate aim of the legislator is to prevent the disturbance of the economic system and competitive balance by using illicit capital available at lower costs than legitimate ones; in reality, "employ" is considered to mean "invest" (i.e. "utilise for profit").

Self-laundering (Art. 648-*ter*.1 of the Italian Criminal Code)
Any individual who, having committed or assisted in committing an intentional crime, employs, replaces or transfers, in economic, financial, entrepreneurial or speculative activities, money, goods or other benefits resulting from such a crime being committed, so as to make it more difficult to identify their criminal origin.

The particular structure of the offence of self-laundering makes the relationship between this offence and Italian Legislative Decree 231/2001 very peculiar.
If, in fact, from a criminal point of view, Art. 648-*ter* 1 of the Italian Criminal Code applies to anyone who invests the income from the intentional crime in question, from the perspective of institutions, the inclusion of the crime in the list of predicate offences referred to in Italian Legislative Decree no. 231/2001 paves the way for a series of offences, formally excluded from that decree.
Starting, in fact, from the assumption that self-laundering occurs if the following three conditions are met at the same time:

a. a supply of money, goods or other benefits have been created or there has been participation in creating the same by means of a first intentional crime;
b. said supply is used, through further and independent behaviour, in business, economic and financial activities;

c. there is a real obstruction to identifying the criminal origin of the aforementioned supply.

It follows that all intentional and profit-generating offences represent a potential danger to the Entity, from the moment that the commission thereof constitutes the first step to committing the further crime of self-laundering.

In particular, it cannot be ruled out that mere use of the sum saved may constitute the "employment" provided for in the case of self-laundering. The reference is to the use, for example, of tax savings resulting from the violation of tax rules constituting a criminal offence, or to the use of savings made by cutting safety costs in violation of the rules on the protection of health and safety at work.

It is quite clear, therefore, that prevention of the crime of self-laundering must, in the business sector, also be focused on the prevention of intentional crimes, which can generate an investable profit and/or savings.

Identification of offences that could constitute a predicate offence of self-laundering is (as already mentioned) the first step in identifying sensitive business processes.

In this regard, the following offences or categories of offences, which are themselves relevant for the purposes of liability under Italian Legislative Decree 231/2001, may constitute a predicate offence of self-laundering:

- corporate crimes;
- bribery and bribery between private individuals;
- misappropriation of funds, embezzlement, fraud against the State or a public institution, or for the purpose of obtaining public funds;
- environmental crimes;
- criminal association;
- transnational offences;
- tax offences.

In addition, the following are cases not already included in the 231 catalogue but which, if committed, could lead to the offence of self-laundering:

- crimes against public faith;
- bankruptcy offences;
- crimes against property.

In the case of tax offences (Italian Legislative Decree 74/2000) which, by their nature, normally produce an economic advantage, the possibility of committing the offence of self-laundering is particularly high, given the possible recurrence of the conduct envisaged by the new rule, namely the substitution, transfer or employment in economic and financial activities of money or benefits, in such a way as to make it more difficult to identify the criminal origin of the offence.

Tax offences, the commission of which constitutes a potential menace for the subsequent dispute of self-laundering, are therefore the following:

a. fraudulent declaration using invoices or other documents for non-existent transactions — Art. 2 of Italian Legislative Decree 74/2000;
b. fraudulent declaration by other means — Art. 3 of Italian Legislative Decree 74/2000;
c. false declaration — Art. 4 of Italian Legislative Decree 74/2000;
d. omission of declaration — Art. 5 of Italian Legislative Decree 74/2000;
e. issuance of invoices or other documents for non-existent transactions — Art. 8 of Italian Legislative Decree 74/2000;
f. concealment or destruction of accounting documents — Art. 10 of Italian Legislative Decree 74/2000;
g. non-payment of certified withholdings — Art. 10-*bis* of Italian Legislative Decree 74/2000;
h. non-payment of VAT — Art. 10-*ter* of Italian Legislative Decree 74/2000;
i. unlawful compensation — Art. 10-*quater* of Italian Legislative Decree 74/2000;
j. fraudulent evasion of tax payments — Art. 11 of Italian Legislative Decree 74/2000.

Please refer to the special section on tax offences for a comprehensive analysis and description of sensitive processes/activities and unlawful conduct, as well as the prevention elements specific to Model 231:

- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**)
- For each sensitive process:
    - the respective 231 protocol (**Annex 7**)

the respective information flows to the Board of Statutory Auditors (**Annex 7 and Annex 8**).

For the purpose of configuring the offence of self-laundering, offences committed against public faith, which could be committed by the Company as a private institution, are also included, namely:

a. material falsity committed by a private individual — Art. 482 of the Italian Criminal Code;
b. ideological falsity committed by a private individual in a public act— Art. 483 of the Italian Criminal Code;
c. falsity in private writing— Art. 485 of the Italian Criminal Code.

4.2 At-risk processes and potential unlawful conduct

The following are Dexelance's areas and business processes sensitive to money laundering offences and the relevant potential unlawful conduct.

It should be noted that, for the purposes of the offence of self-laundering, intentional offences which result in the Company obtaining illicit proceeds (e.g. corrupt actions described above, fraud, etc.) are identified; the consequent use by the Company of this unlawful benefit in economic, financial, business or speculative activities in such a way as to make it difficult to identify the criminal origin of the offence (for example, by means of transfers) may constitute the aforementioned offence.

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT
INTER-COMPANY RELATIONS	• The management of inter-company relations can be used for money laundering purposes through use of the intra-group financial system. • For the purposes of money laundering and self-laundering offences, the supply of goods and/or services between group companies may be sensitive. The predicate offence can be carried out, for example, by selling goods or services to foreign subsidiaries at a price higher than that considered to be the market price by subtracting the tax base in Italy; any tax savings generated within Dexelance may lead to the offence of self-laundering being challenged due to the use in economic, financial, business or speculative activities of a cash flow of illegal origin, so as to make it difficult to identify the criminal origin.
EXTRAORDINARY OPERATIONS	• For the purposes of money laundering and self-laundering offences, shareholder financing and capital increases may be sensitive, as they may involve transactions through which money from tax offences or other illegal sources is reintroduced into the company circuit, making it more difficult to identify the criminal origin.
FISCAL AND TAX COMPLIANCE	• For the purposes of the offence of self-laundering, all conduct that may give the Company an undue tax advantage (e.g. tax savings, undue refunds, non-vesting debts etc.) is relevant, such that the institution is exposed to a dispute regarding the commission of a criminal tax offence (e.g., a false declaration, a fraudulent declaration by using invoices or other documents for non-existent transactions). In such cases, the charge of the criminal tax offence may also lead to the charge of the

	offence of self-laundering for use by the Company of the illicit financial flow—tax savings—from commission of the criminal-tax offence. • Submitting false or untrue declarations or documents (e.g. capital requirements etc.) in order to obtain any benefit may lead to a self-laundering charge if the unlawfully generated benefit is used by the Company.
FINANCIAL AND TREASURY MANAGEMENT	• Use of the Company's financial system for money laundering purposes (e.g. issuing invoices to cover up the wrongdoing of others); • Substitution or transfer of money (e.g. receiving payments from clients) from illegal activities to prevent the identification of the illegal origin (money laundering); • The (active) invoicing of wholly or partly non-existent transactions may generate an illicit flow (the "price" for issuing the wholly or partly non-existent invoice) which, if put back into the business in a way that would actually hinder identification of the criminal origin, may lead to a charge of the offence of self-laundering. • In addition, the accounting of transfers of goods to companies resident in the Community territory, without having obtained documentation demonstrating that the goods have actually been delivered and that value added tax has to be borne, may also constitute a predicate offence of self-laundering. • Substitution or transfer of money (e.g. payments to suppliers) from illegal activities to prevent identification of the illegal origin (money laundering). • Recording all or part of non-existent costs may result in tax savings which, if it is of criminal relevance (e.g., false declaration, fraudulent declaration by using invoices or other documents for non-existent transactions), may lead to the charge of the offence of self-laundering for use in economic, financial, entrepreneurial or speculative activities, which have a benefit—tax savings—originating from the commission of an intentional crime, so as to make it practically impossible to identify the criminal origin thereof. • The process is sensitive as it can be used to establish extra-budgetary funds. • Investment of (or otherwise using for profit) money from crime; use, or the execution of other activities, in economic, financial, business or speculative activities, of money from intentional crime in such a way as to hinder the identification of the criminal origin thereof.

4.3 Prevention elements

The prevention elements specific to Model 231 consist of:

- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**), in particular:
    - ANTI-MONEY LAUNDERING CONDUCT
    - CONDUCT IN THE FIELD OF TAXATION
    - CONDUCT IN CORPORATE MATTERS
    - RELATIONS WITH INSTITUTIONS, PUBLIC AUTHORITIES AND ENTITIES RELATED THERETO
    - CONDUCT REGARDING PRIVATE SECTOR BRIBERY
    - CONDUCT IN THE FIELD OF HEALTH AND SAFETY
    - ENVIRONMENTAL CONDUCT CRITERIA
- For each sensitive process:
    - the respective 231 protocol (**Annex 7**)

- the respective information flows to the Board of Statutory Auditors (**Annex 8**).

5. INCITEMENT NOT TO MAKE DECLARATIONS, OR TO MAKE FALSE DECLARATIONS, TO THE JUDICIAL AUTHORITIES

5.1 Type of offence

This paragraph refers to the criminal offence referred to in Art. 25-*decies* *"Incitement not to make declarations, or to make false declarations to the judicial authorities"* of Italian Legislative Decree 231/2001.

Incitement not to make declarations, or to make false declarations, to the judicial authorities (Art. 377-*bis* of the Italian Criminal Code)
Unless the act does not constitute a more serious criminal offence, any individual who, either through violence or threat, or by offering or promising money or other benefits, incites the individual called upon not to make declarations or to make false declarations before the judicial authority which may be used in criminal proceedings, when they have the power not to answer, is punished with two to six years' imprisonment.

5.2 At-risk processes and potential unlawful conduct

Dexelance's business processes and areas sensitive to this criminal offence and the relevant potential unlawful conduct are as follows:

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT
LITIGATION AND RELATIONS WITH JUDICIAL AUTHORITIES	• Incitement by Dexelance staff vis-à-vis any suspected or accused individual (including in related proceedings or related offences), not to make declarations, or to make false declarations, to the judicial authorities, whether by offering money or other benefits, or by threatening it, in the interests or for the benefit of Dexelance itself. Therefore, suspected or accused individuals (including in related proceedings or in a related offence) who could be incited by the Company to "not answer" or to falsely answer to the judicial authorities (judge, public prosecutor), i.e. any individual belonging to Dexelance, may be Parties Covered by the conduct. • Corruption, either directly or through a third party, of the judicial authorities or their auxiliaries, in order to avoid sanctions and/or adverse litigation outcomes.

5.3 Prevention elements

The prevention elements specific to Model 231 consist of:
- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**), in particular:
    - RELATIONS WITH INSTITUTIONS, PUBLIC AUTHORITIES AND ENTITIES RELATED THERETO
    - RELATIONS WITH POLITICAL AND TRADE UNION ORGANISATIONS
- For each sensitive process:
    - the respective 231 protocol (**Annex 7**); further reference protocols are to be found in the provisions already defined in relation to the offence of corruption and, in particular, in relation to activities leading to the establishment of extra-budgetary funds (irregular management of asset and liability invoicing and expenses reimbursement).
    - the respective information flows to the Board of Statutory Auditors (**Annex 8**).

6. TAX OFFENCES

6.1 Type of offence

This paragraph refers to the tax offences referred to in Art. 25-*quinquiesdecies* of Italian Legislative Decree 231/2001, an article added by Italian Law no. 157/2019 and Italian Legislative Decree 75/2020.

The full list of predicate offences is stipulated in **Annex 2 – List of predicate offences.**

For the purpose of effective disclosure and understanding, provided below is a brief description and, in some cases, an example of the main cases that cannot be excluded and are theoretically applicable to Dexelance.

25-*quinquiesdecies*. Tax offences.
[I] In relation to the commission of crimes provided for in Italian Legislative Decree no. 74 of 10 March 2000, the following financial penalties shall apply to the institution:
a) for the offence of **using invoices or other documents for non-existent transactions** as referred to in Article 2, paragraph 1, the financial penalty of up to five hundred (500) penalty units;
a) for the offence of **using invoices or other documents for non-existent transactions** as referred to in Article 2, paragraph 2-*bis*, the financial penalty of up to four hundred (400) penalty units;
c) for the offence of a **fraudulent declaration by other means** provided for in Article 3, the fine of up to five hundred (500) penalty units;
d) for the offence of **issuing invoices or other documents for non-existent transactions** provided for in Article 8, paragraph 1, the financial penalty of up to five hundred (500) penalty units;
e) for the offence of **issuing invoices or other documents for non-existent transactions**, as provided for in Article 8, paragraph 2-*bis*, the financial penalty of up to four hundred (400) penalty units;
f) for the offence of **concealment or destruction of accounting documents** provided for in Article 10, the financial penalty of up to four hundred (400) penalty units;
g) for the offence of **fraudulent deduction from the payment of taxes** provided for in Article 11, the financial penalty of up to four hundred (400) penalty units;
1-*bis*. In relation to the commission of the offences provided for in Italian Legislative Decree no. 74 of 10 March 2000, **if committed under cross-border fraudulent schemes and with a view to evading value added tax for a total amount of not less than EUR 10 million**, the following financial penalties shall apply to the Entity:
a) for the offence of a **false declaration** provided for in Article 4, the financial penalty of up to three hundred (300) penalty units;
b) for the offence of **non-declaration** provided for in Article 5, the financial penalty of up to four hundred (400) penalty units;
c) for the offence of **unlawful compensation** provided for in Article 10-*quater*, the financial penalty of up to four hundred (400) penalty units.
[II] If, as a result of the commission of the offences referred to in paragraphs 1 and 1-*bis*, the institution has made a **substantial profit, the financial penalty shall be increased by one third.**
[III] In the cases provided for in paragraphs 1, 1-*bis* and 2, the **interdictory sanctions** referred to in Article 9, paragraph 2, sections c), d) and e) shall apply.

Fraudulent declaration using invoices or other documents for non-existent transactions (Art. 2, paragraphs 1 and 2-*bis* of Italian Legislative Decree no. 74/2000)
This type of offence occurs when, in order to evade income or value added taxes, an individual indicates fictitious liabilities in one of their tax declarations, using invoices or other documents for non-existent transactions.
For the purposes of applying this rule, an act shall be deemed to have been committed using invoices or other documents for non-existent transactions where such invoices or documents are entered in the compulsory accounting records or are held as evidence vis-à-vis the financial authorities.

Fraudulent declaration by other stratagems (Art. 3 of Italian Legislative Decree no. 74/2000)
This type of offence occurs when, outside the cases of application of the above-mentioned rule, in order to evade income or value added taxes, an individual, may also alternatively:

- carry out transactions simulated either objectively or subjectively;
- use false documents or other fraudulent means likely to impede the investigation and mislead the financial authorities;

indicate in one of the declarations relating to these taxes, also alternatively:

- assets less than the actual amount;
- fictitious liabilities;
- Fictitious payables and receivables;

when, together:

- the tax evaded is more than EUR 30,000 in respect of each the individual taxes;
- the total amount of the assets deducted from taxation, including the indication of fictitious liabilities,
  - is more than 5% of the total amount of the assets declared;
  - is more than EUR 1,500,000;
  - where the total amount of the fictitious credits and withholdings in deduction from the tax is more than 5% of the amount of the tax, or EUR 30,000, in any case.

For the purposes of applying this rule, an act shall be deemed to have been committed using false documents where such documents are entered in the compulsory accounting records or are held as evidence vis-à-vis the financial authorities.
However, for the purposes of the application of said offence, a mere breach of the obligations to invoice and record assets in the accounting records, or the mere indication in the invoices or records, of assets below the actual assets does not constitute fraudulent means.

False declaration (Art. 4 of Italian Legislative Decree no. 74/2000)
This type of offence occurs when, outside the hypotheses provided for in Articles 2 and 3 above, for the purpose of evading income or value added taxes, an individual shall indicate in one of their annual tax declarations assets of less than the actual amount or non-existent liabilities where, together:
a) the tax evaded is more than EUR 100,000 in respect of each of the individual taxes;
b) the total amount of the assets deducted from taxation, including by indicating non-existent liabilities, is more than 10% of the total amount of the assets declared, or, in any case, more than EUR 2,000,000.
The law specifies that, for the purposes of applying this rule, account is not taken of the incorrect classification or valuation of objectively existing assets or liabilities, in respect of which the criteria actually applied have, in any case, been indicated in the financial statements or in other documentation relevant for tax purposes, non-compliance with the criteria for determining the accrual period, non-pertinence, and non-deductibility of actual liabilities.
Nevertheless, the law further specifies that assessments which, taken as a whole, differ by less than 10% from the correct ones, do not give rise to punishable acts. The amounts included in that percentage shall not be taken into account when verifying that the punishability thresholds provided for in paragraph 1, sections a) and b) have been exceeded.
Given the overall structure of the offence in question, it should be considered that the Company can only assume liability for 231 cases committed within the framework of cross-border fraudulent schemes, and aimed at evading value added tax, for a total amount of not less than EUR 10,000,000.

Non-declaration (Art. 5 of Italian Legislative Decree no. 74/2000)
This type of offence occurs when, in order to evade income or value added taxes, an individual does not file, when obliged to do so, one of the declarations relating to those taxes, where the tax evaded exceeds, in relation to each of the individual taxes, EUR 50,000.
It shall also apply where an individual is obliged to submit a withholding tax declaration when the amount of withholding tax that has not been paid exceeds EUR 50,000.
However, the law specifies that, both in relation to tax or value-added declarations, and in relation to the withholding tax declaration, a declaration filed within 90 days of the expiry of the deadline, or a declaration

not signed or not completed on a printout that complies with the prescribed template, shall not be deemed to have not been filed.
Given the overall structure of the offence in question, it should be considered that the Company can only assume liability for 231 cases committed within the framework of cross-border fraudulent schemes, and aimed at evading value added tax, for a total amount of not less than EUR 10,000,000.

Issue of invoices or other documents for non-existent transactions (Art. 8, paragraphs 1 and 2-*bis* of Italian Legislative Decree no. 74/2000)
This type of offence occurs when, in order to enable third parties to evade income or value added taxes, an individual issues or releases invoices or other documents for non-existent transactions.
For the purposes of this rule, the issue or release of more than one invoice or document for non-existent transactions during the same tax period shall be considered as one criminal offence.

Concealment or destruction of accounting documents (Art. 10 of Italian Legislative Decree no. 74/2000)
This type of offence occurs when an individual, also alternatively:
- for the purpose of evading income or value added taxes,
- for the purpose of enabling third parties to evade income or value added taxes,
conceals or destroys, either in whole or in part, the accounting records or documents that it is mandatory to keep, so as not to enable the reconstruction of income or turnover.

Unlawful compensation (Art. 10-*quater* of Italian Legislative Decree no. 74/2000)
This type of offence occurs when an individual does not pay the sums due, using as compensation, in accordance with Article 17 of Italian Legislative Decree no. 241 of 9 July 1997, non-vesting debts, for an annual amount exceeding EUR 50,000.
This type of offence also occurs when an individual does not pay the sums due, using as compensation, in accordance with Article 17 of Italian Legislative Decree no. 241 of 9 July 1997, non-existent debts, for an annual amount exceeding EUR 50,000.
Given the overall structure of the offence in question, it should be considered that the Company can only assume liability for 231 cases committed within the framework of cross-border fraudulent schemes, and aimed at evading value added tax, for a total amount of not less than EUR 10,000,000.

Fraudulent tax withholding (Art. 11 of Italian Legislative Decree no. 74/2000)
This type of offence occurs when:
a) for the purpose of avoiding payment, an individual, also alternatively:
- with regard to income or value added taxes,
- with regard to interest or administrative sanctions in respect of these taxes, totalling more than EUR 50,000,
alienates under false pretences or commits other fraudulent acts on their own assets, or on the assets of others, liable to render the collection enforcement procedure ineffective, either in whole or in part;
b) in order to obtain for themself or for others a partial payment of the taxes and related incidental charges, an individual indicates in the documentation submitted for the purposes of the tax settlement procedure, also alternatively:
- assets for less than the actual amount,
- fictitious liabilities totalling more than EUR 50,000.

6.2 At-risk processes and potential unlawful conduct

The following are Dexelance's areas and business processes sensitive to tax offences and the relevant potential unlawful conduct.

SENSITIVE PROCESSES/ACTIVITIES	UNLAWFUL CONDUCT
EXTRAORDINARY OPERATIONS	• In the case of disposals or extraordinary transactions, failure to verify the identity of the counterparties, individuals involved, supporting documentation for the transaction, correspondence with reality.
COMPULSORY ACCOUNT AND RECORD KEEPING	• Identification of fictitious liabilities, assets less than the actual amount, non-existent liabilities, or fictitious payables and receivables in income or value added tax declarations. • Alteration, concealment, or destruction of documents required to be kept and of accounting records. • In the case of disposals of movable and immovable assets, failure to verify the identity of the counterparties, individuals involved, supporting documentation for the operation, correspondence with reality. • Exposure of material facts which do not correspond to the truth regarding the economic, net asset or financial situation of the Company.
CONSOLIDATED FINANCIAL STATEMENTS	• Identification, with reference to the balance sheets of subsidiaries, of fictitious liabilities, assets for less than the actual amount, non-existent liabilities, or fictitious payables and receivables in income or value added tax declarations. • Failure, on the part of the parent company, to promptly monitor and sanction any unlawful conduct in terms of tax payments by the subsidiary.
FISCAL AND TAX COMPLIANCE	• Failure to submit income or value added tax returns, even though required to do so. • Undue use to compensate for non-vesting or non-existent receivables. • Indication of fictitious passive items or assets of less than actual value in the documentation submitted for the purposes of the tax settlement

	procedure.
FINANCIAL AND TREASURY MANAGEMENT	Issuing false invoices or establishing accounting records for transactions that do not exist, whether on objective or subjective grounds. Accounting of false invoices or use of accounting documents for transactions that do not exist, whether on objective or subjective grounds, or other false documents. Alteration, concealment, or destruction of documents required to be kept and of accounting records. Fraudulent management of corporate current accounts also to evade, either in whole or in part, the payment of taxes.

6.3 Prevention elements

The prevention elements specific to Model 231 consist of:

- Obligations and prohibitions contained in the Code of Ethics (**Annex 6**), in particular:
    - ANTI-MONEY LAUNDERING CONDUCT
    - CONDUCT IN THE FIELD OF TAXATION
    - CONDUCT IN CORPORATE MATTERS
    - RELATIONS WITH INSTITUTIONS, PUBLIC AUTHORITIES AND ENTITIES RELATED THERETO
    - CONDUCT REGARDING PRIVATE SECTOR BRIBERY
- For each sensitive process:
    - the respective 231 protocol (**Annex 7**)
    - the respective information flows to the Board of Statutory Auditors (**Annex 8**).