

**ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL  
PURSUANT TO  
LEGISLATIVE DECREE No 231  
dated 8 June 2001**

**GENERAL SECTION**

Document adopted by the “Consiglio di Sorveglianza” with a resolution dated July 29th 2020  
Organisational, Management and Control Model pursuant to Legislative Decree no.231 dated June 8th 2001

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## 1. Legal framework

### 1.1. Legislative Decree no. 231 dated 8 June 2001

Legislative Decree no. 231 dated 8 June 2001, which introduced the “*Rules governing the administrative liability of legal entities, companies and associations, including unincorporated corporations*” (hereinafter, “Legislative Decree 231/2001” or the “Decree”), brought the Italian laws regulating the liability of legal entities in compliance with several international conventions previously signed by the Italian Government<sup>1</sup>.

The Decree introduced a system of administrative liability in the Italian legal system (substantially equivalent to criminal liability) on the part of entities (legal entities, companies, associations and unincorporated associations) in addition to the liability of the natural person who actually committed certain offences, and which aims to extend punishment of them to the entities on whose interest or benefit those offences were committed

This Decree does not apply to the Government, local public entities, non-economic public entities, and the entities that perform important constitutional functions,

Article 5 of the Decree establishes the liability of the entity for the offences that are mandatorily listed in the Decree and which are committed in its *interest* or to its *benefit* by:

- a) *persons who hold representative, administrative or executive positions at the entity or one of its financially and functionally autonomous organisational units or by persons who exercise de facto management and control authority over it, referred to as “top managers”;*
- b) *persons subject to management or supervision by one of the subjects listed in letter a), referred to as “employees”.*

The entity is not held liable if the perpetrator of the offence acted in his/her exclusive interest or in the interest of third parties.

Moreover, pursuant to Article 6, the entity is not liable for the offences committed when it proves that:

- before the act was committed, management adopted and effectively implemented adequate organisational and management models to prevent the occurrence of the kinds of offence that did actually occur;
- the entity assigned the task of supervising the functioning, compliance with and updates to the organisational and management models to a body vested with independent powers of initiative and control;

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<sup>1</sup> In particular, these were: the Brussels Convention dated 26 July 1995 on the protection of the European Communities' financial interests; the Brussels Convention dated 26 May 1997 on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union; the OECD Convention dated 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions.

- the perpetrator of the offence committed the crime by fraudulently avoiding the existing organisational and management models;
- the Organismo di Vigilanza (OdV) did not commit omissions or inadequately fulfill its monitoring duties.

In the case of offences committed by entities “subject to management by someone else (Article 5, paragraph 1, sub-paragraph b), the entity is liable if commission of the offence was made possible by the top managers’ failure to fulfil their management or supervisory duties. These obligations cannot be considered violated if the entity had adopted and effectively implemented an adequate model to prevent offences of the sort that occurred before the offence was committed (Article 7, paragraph 2).

Not all offences committed by the aforementioned individuals imply the administrative liability of the entity, insofar as only specific types of crimes are identified as relevant.

The offences that can lead to a responsibility of the entity (the so called “predicate offences”) are explicitly listed in Articles 24 and following of the Leg. D. 231/2001 or in special laws; the list is continuously updated by the legislator. The Appendix 1 of this Model contains a list of the so called “predicate offences” updated to February 2020.

#### 1.2. The penalties prescribed by the Decree

If the Foundation commits one of the offences referred to in the preceding paragraph, it may be subjected to penalties issued by the competent authorities.

As provided by Article 9 of the Decree, the administrative penalties allowed by lawmakers are broken down as follows:

- Monetary penalties (Articles 10, 11, 12 of Legislative Decree 231/2001)  
A monetary penalty can always be levied, and is applied by “units” after being determined by the judge according to a dual criterion, depending on:
  - the number of “units”, calculated in a range set by law according to the seriousness of the act and the conduct (both prior and subsequent) adopted by the entity;
  - the unit amount of a single quota, set according to the earnings and financial position of the entity itself.Article 12 of the Decree provides for some hypotheses of reduction of the pecuniary sanction.
- Debarment penalties (Article 9, paragraph 2 of Legislative Decree 231/2001)  
They may be levied only if they are mandatory and only for certain types of offences.  
The debarment penalties consist of:
  - debarment from operating the activity;
  - suspension or revocation of authorisations, licenses or concessions serving commission of the offence;
  - a ban on contracting with the Public Administration, except to obtain provision of a public service;
  - denial of facilities, financing, contributions or subsidies and possible revocation of those already granted;

- a ban on advertising goods and services.

The judge determines its type and duration on the basis of the same criteria for the determination of the pecuniary sanction referred to in art. 11 of the Decree.

- Publication of the judgement (Art. 18 of Legislative Decree 231/2001)  
This is a possible penalty and entails the imposition of a debarment penalty.
- Confiscation (Art. 19 of Legislative Decree 231/2001)  
Confiscation of the price or profit of the offence is a mandatory penalty resulting from a conviction.

### 1.3. The adoption and implementation of an Organisational, Management and Control Model pursuant to Legislative Decree 231/2001

Legislators allow for specific forms of exemption from the administrative liability of the entity in Articles 6 and 7 of the Decree.

In particular, Article 6, paragraph 1 requires that if the criminal acts are ascribable to top managers, the entity is not held liable if it proves that:

- a) before commission of the offence, the governance bodies effectively adopted the Organisational, Management and Control Model (also referred to herein as “Model” or “Organisational Model 231”) deemed adequate to prevent offences of the kind of that committed;
- b) it appointed an independent body with autonomous powers to monitor the functioning of and compliance with the Model and make updates to it (the “OdV”);
- c) subjects committed the offence fraudulently avoiding the measures prescribed in the Model;
- d) there was no omission of or insufficient supervision by the OdV.

The contents of the Model are determined by Article 6, which prescribes in paragraph 2 that the entity shall:

- a) identify the activities in relation to which the offences can be committed;
- b) prescribe specific protocols designed to plan the formation and implementation of decisions by the entity in relation to the offences to be prevented;
- c) determine adequate procedures for the management of financial resources to prevent offences;
- d) prescribe reporting obligations to the OdV;
- e) introduce an adequate disciplinary system to punish non-compliance with the measures indicated by the Model.

In the case of persons in a subordinate position, the adoption and effective implementation of the Model entails that the entity will be held liable only if the offence was made possible by non-compliance with its management and supervisory obligations (combined provisions of paragraphs

1 and 2 of Article 7).

Paragraphs 3 and 4 of Article 6 introduces two principles that, although they are affirmed in the framework of the rule cited hereinabove, appear to be relevant and decisive for the purposes of exempting the liability of the entity in both of the hypothetical offences envisaged in Article 5, sub-paragraphs a) and b).

In particular, it is mandated that:

- the Model shall prescribe adequate measures both to guarantee legally compliant operation of the activity and to discover risk situations promptly, considering the type of activity operated and the nature and dimensions of the organisation;
- effective implementation of the Model requires periodic audits and its modification when significant violations of statutory obligations are found or if significant changes in the organisation or regulatory changes occur. The existence of an adequate disciplinary system is also relevant (in fact, that condition was already prescribed in Article 6, paragraph 2, sub-paragraph e).

Therefore, from a formal standpoint, the adoption and effective implementation of a Model does not constitute an obligation but solely a right of the entities, which might decide not to comply with the provision of the Decree without incurring any penalty for this reason.

Nevertheless, the adoption and effective implementation of an adequate Model is a necessary condition for the entities to benefit from the exemption prescribed by lawmakers. Moreover, it is important to take into account the fact that the Model must not be construed as a static tool but must be considered, conversely, as a dynamic tool that allows the entity to eliminate, through its proper and targeted implementation over time, any deficiencies (e.g. defects in the internal control system) that could not be identified when it was created.

#### 1.4. Guiding principles used to draft the Model

The Organisational Model 231 of the Fondazione Human Technopole (also, “HT” or “Foundation”) is based on the commonly accepted Guidelines for compliance with the decree itself, with Guardia di Finanza (Italian Financial Police) Circular no. 83607/2012, with relevant case law and with the multi-year experience accumulated in the preparation and modification of organisational models over time.

The procedure adopted for preparation of the Model can be summarised in the following operational steps:

- Mapping of HT’s organisational areas at risk of crime:  
this activity consists of an analysis of the existing HT organisational situation and its processes/areas, with the aim of determining the areas vulnerable to commission of the potential offences envisaged in the Decree.  
The output of the activity is represented by a map of HT’s organisational areas and processes at risk.

- Analysis of the potential risks:

this activity describes the possible ways in which the offences can be committed in the various areas of the organisation as identified in the preceding paragraph, and must lead to an exhaustive representation of the ways in which the hypothetical offences can be realised in the internal and external operational context of the Foundation. It shall be emphasised that a precise analysis of the possibilities for complicity in the crime is of paramount importance in every risk assessment process.

The output of the activity is comprised by a map of the potential ways in which the offences can be committed in the identified areas at risk.

- Evaluation and subsequent modification/construction of the preventive controls system:

this activity focuses on evaluation of any existing system of preventive internal controls and, if necessary, its modification or its construction if the Foundation does not have one. The system of preventive controls will have to be such as to guarantee that the risks of committing offences, according to the procedures identified and documented in the preceding paragraph, are reduced to an “acceptable level”. This essentially involves designing what Legislative Decree 231/2001 defines as “*specific protocols to plan the formation and implementation of decisions by the Entity concerning the offences to be prevented*”.

The most important components of the preventive control system are:

- the Code of Ethics;
- the organisational system;
- manual and digitalised procedures;
- the system of power of attorneys;
- communications to staff and their training;
- integrated control systems.

Moreover, the control system shall be standardised according to the following principles:

- “every operation, transaction and action shall be verifiable, documented, consistent and appropriate”;
- “no one may independently manage an entire process” (Application of the principle of separation of functions);
- “the controls shall be documented”.

- Code of Ethics: described in detail in Chapter 5 hereunder.

- Disciplinary system and penalty mechanisms:

a qualifying aspect and essential element in construction of the Model is the presence of an adequate penalty system for violation of the rules in the Code of Ethics, and the procedures prescribed by the Model. In order to use the Model to exempt the Foundation from liability, the latter must ensure not only that the Model is adopted but also is effectively implemented by the top managers, by the persons subject to management and coordination by the top managers and by third parties.



- OdV:  
the appointment of an OdV, delegated to monitor the functioning and effectiveness of and compliance with the Model and to update it, is a condition for exempting the entity from liability.
- Duty of disclosure to the OdV by the functions of the Foundation at risk of crime

## 2. The organisational management and control model adopted by Fondazione Human Technopole

### 2.1. The activities of Fondazione Human Technopole

The Fondazione Human Technopole is a foundation established by Article 1, paragraph 116, of Law no. 232 dated 11 December 2016, and is financed by the State to perform general scientific research.

In particular, the purpose of the Fondazione Human Technopole is to impart greater stimulus to the development of human technologies and long life, by increasing public and private investment in those sectors of research focused on prevention and health, in accordance with the National Research Programme (“Programma Nazionale per la Ricerca” – PNR) and by developing an integrated, multidisciplinary approach to health, genomics, nutrition, and data and decision-making science, particularly with regard to the Human Technopole scientific and research project, *inter alia* in connection with the university and research institution system.

To achieve its institutional purposes, the Foundation:

- manages the loans envisaged in Article 1, paragraph 121, of Law no. 232 of 2016, and in Article 5, paragraph 2, of Decree Law no. 185 dated 25 November 2015, converted with amendments into Law no. 9 dated 22 January 2016;
- it operates through the creation of multi-year, non-profit programmes and projects to be developed, *inter alia* in collaboration with other authorities, research institutions, universities, and public and private organisations inside and outside Italy, through specific agreements and conventions.

The Foundation can perform any act and complete contractual transactions regarding real and personal property or of a financial nature considered to be necessary and/or useful for achieving its institutional objectives, and it can administer and manage the assets that it owns, leases or uses on a gratuitous basis or nevertheless possesses. As examples but not limited to these, the Foundation can:

- a) perform bank, financial, real and personal property transactions as well as request grants, contributions and loans;
- b) stipulate contracts and agreements with private parties, public entities and university institutes,

both in Italy as well as abroad, to carry out its activities;

- c) stipulate acts and contracts, including to finance approved transactions, among which, without the exclusion of others, the assumption of short or long term loans, the assumption on concession or gratuitous use or the purchase, of ownership or right to the surface area, of real property, and the stipulation of any kind of agreement, including those transcribed in public registries, with public or private entities that it considers opportune and useful to achieve the Foundation's objectives;
- d) carry out all of the activities necessary to collect funds and donations, in cash or in kind;
- e) receive donations of real property;
- f) participate in or contribute to the establishment of foundations, associations, consortiums or other forms of association, public or private, which are in any case aimed at pursuing the Foundation's objectives;
- g) establish or contribute to the establishment of companies, start-ups, including benefit start-ups, cooperatives and networks, as well as participate in the same type of company having objectives that are in synergy with its own;
- h) promote studies, research and analysis that are directly related to the Foundation's activities and objectives;
- i) promote initiatives in support of the enhancement of research results, including through patent protection of intellectual property.

By virtue of its public entity nature, the Foundation is subject to the obligation of making its own purchase in compliance with the public law provisions set out in the Italian Public Contracts Code (Legislative Decree no. 50/2016, as amended).

## 2.2. Reasons for adoption of the Organisational, Management and Control Model

The By-Laws of the Foundation, pursuant to Articles 2, paragraph 5 and 13, paragraph 2, letter d), refers to the Legislative Decree 231/2001 establishing that:

- a) The supervision of the functioning and compliance with the Organisation, Management and Control Model set forth in Article 6, paragraph 1, clause b) of Legislative Decree No. 231 of 8 June 2001 shall be entrusted to a body within the entity that has autonomous powers of initiative and control (Article 2, paragraph 5);
- b) The "Consiglio di Sorveglianza" appoints the "Organismo di Vigilanza" provided by Article 6 of Legislative Decree No. 231 of 2001.

Therefore, to give the absolute guarantee of legality, transparency and fairness in the management of its institutional activities, the Foundation has deemed it appropriate to adopt an Organisational, Management and Control Model in compliance with Legislative Decree 231/2001.

In fact, this initiative was taken with the conviction that adoption of the Model might constitute a valid tool for raising the awareness of all employees of the Foundation and all other subjects having a relation with it (Shareholders, Suppliers, Partners and Collaborators in various capacities), so that they act properly and consistently with the organisational objectives defined by the “Consiglio di Sorveglianza”/Management Board to prevent the risk that they commit the offences envisaged in the Decree in the performance of their own activities.

### 2.3. Subjects Recipients of the Organisational Model

This Model applies to everyone who acts within the Foundation’s scope and activity and, more specifically, if they perform the activities identified as potentially at risk of crime.

Therefore, the provisions contained in the Model apply to the President and to the members of the “Consiglio di Sorveglianza”, the Scientific Committee (and to the Scientific Advisory Board), the Management Committee and Director, the Board of Auditors (“Collegio dei revisori”), the Commission for Strategic assessment, the OdV, senior management, all employees, collaborators and affiliates.

Compliance with the Model is also mandated to all the subjects collaborating, with different contracts, to the Foundation for the development of the statutory activities, other than all third-party subjects which have a relation with the Foundation without being employees (i.e. consultants, suppliers) also through the inclusion of ad hoc contractual clauses that oblige external collaborators, consultants and entities signing collaboration contracts with the Foundation, to the principles contained in the Code of Ethics and the protocols of the Model specifically pertaining to the activity performed, with the risk – if they do not – of the right of withdrawal from the contract or its termination, without prejudice to any actions for compensation.

### 2.4. Aims of the Model

The Model prepared by the Foundation is based on a structured and organic system of procedures and control activities that:

- a) identify the areas and processes at real risk in the Foundation's activity (i.e. those activities in which the possibility that offences be committed is higher);
- b) define an internal regulatory system designed to plan the formation and implementation of decisions by the Foundation in relation to the risks/offences to be prevented through:
  - a Code of Ethics, which affirms the ethical commitments and responsibilities in performance of the organisational affairs and activities carried out by the employees, directors and various collaborators of the aforementioned Foundation;
  - a system of powers of attorney and delegations of authority that ensure a clear and transparent representation of the decision-making and implementation process (please see paragraph 3.4. for further information);

- c) define an organisational structure consistent with Foundation objectives that is capable of guiding and controlling the fairness of behaviour, assuring the clear and organic assignment of duties, implementing a proper separation of functions, assuring that the desired arrangements of the organisational structure are actually implemented;
- d) identify the financial resource management and control processes in the activities at risk;
- e) assign the OdV the task of monitoring the functioning of and compliance with the Model and propose updates to it.

Therefore, the Model proposes the following objectives:

- preparation of a structured and organic prevention and control system designed to reduce the risk of commission of offences connected with Foundation activity, particularly in regard to the reduction of any illegal conduct;
- instil awareness in everyone who operates in the name and on behalf of the Foundation in the “areas/activities at risk” that if they violate the provisions contained in the Model, they might commit an offence subject to criminal and administrative penalties that can be imposed on them and that could have consequences also on the entity;
- inform everyone who operates for any reason in the name, on behalf or otherwise in the interest of the Foundation that violation of the provisions contained in the Model will entail the imposition of appropriate penalties, or termination of the contractual relationship and possible claim for compensation of damage;
- confirm that the Foundation does not tolerate illegal conduct of any sort and regardless of any purpose thereof, insofar as such conduct (even in the case where the Foundation was apparently in the position to benefit therefrom) is contrary to the ethical principles which the Foundation itself intends to follow.

## 2.5. The approach taken to prepare the Organisational Model of the Fondazione Human Technopole

The Foundation has launched the project to analyse and audit its own organisational system used to prepare the Model in compliance with the guidance contained in Legislative Decree 231/01.

The Project is divided into phases as summarised below:

### 1. Preliminary analysis of HT's documents

Analysis of the organisational structure and activities operated by the Foundation, inter alia considering the key base documentation (framework laws and regulations, articles of association, organisation chart, powers of attorney and delegations of authority, current system of power of attorneys and the one under approval, documentation of health, safety and environmental management, contract forms used, etc.).

### 2. Mapping of areas at risk and potential ways in which crimes can be committed

Mapping of the areas and activities at risk of commission of offences pursuant to Legislative Decree 231/01, i.e. all HT's processes and activities that might result in commission of the offences envisaged by the law.

The mapping was carried out through a cycle of meetings with Department Heads and top management of the Foundation.

The analyses performed during that phase have been formalised in a specific document named "Mapping of areas at risk 231 – synthesis".

All of the areas/activities identified as being potentially at risk of commission of offences pursuant to Legislative Decree 231/01 were analysed to assess the presence of appropriate process controls that could mitigate the measured risks (please see the cells named "Areas at risk" within the document named "Mapping of areas at risk - synthesis" and the cells named "Vulnerable activities (areas)" of each department's risk assessment files).

### 3. Assessment of the control system

- All the areas/activities identified as potentially at risk of crime 231 have been submitted to analysis to evaluate the presence of the necessary process controls which shall mitigate relevant risks.
- The analyses performed during that phase have been formalised in a specific document, an Excel file named "SCI Evaluation" contained in each department's risk assessment files.

### 4. Gap Analysis

A comparative analysis between the existing controls protecting the areas/activities at risk of crime and the related benchmark control elements was performed on the basis of best practices for internal controls.

The analyses performed during that phase have been formalised in a specific document, an Excel file named "Actions/Measures to be implemented" contained in each department's risk assessment files.

### 5. Formalisation of the organisational management and control model

The Organisational Model pursuant to Legislative Decree 231/2001 was drafted in the form of an articulated set of parts and operating rules, adapted to HT's reality and consistent with the reference Guidelines.

### 6. Approval of the Model

The analysis documents constituting the Model were submitted to top management for their formal approval.

The Model was approved by a resolution of the Management Committee dated 16 July 2020 and submitted to the "Consiglio di Sorveglianza" for its approval pursuant to Articles 16, par. 1, lett. c) and 13, par. 3, lett. e) of the By-laws. The "Consiglio di Sorveglianza" approved it with a resolution dated 29 July 2020.

## 7. Staff Training and Information

It has been programmed an activity of training and information to the subjects recipients of the Model, in order to explain the Organisational, Management and Control Model pursuant to Legislative Decree 231/01 adopted by the Foundation.

### 2.6. Constitutive elements of the Foundation's Model

The Model is comprised of a **General Section**, a **Special Section**, and a **Code of Ethics**.

The **General Section** of the Model includes the following elements:

- **Chapters 1 and 2:** the legal premises and activities performed by the Foundation for the preparation and adoption of the Model and its subsequent updates.
- **Chapter 3:** the description of the organisation and the System of Internal Controls of the Foundation
- **Chapter 4:** the functions and duties of the OdV , as well as the information flows that the OdV must receive from the various managers of the Foundation, or forward to the “Consiglio di Sorveglianza”.
- **Chapter 5:** a reference to the Code of Ethics adopted by the Foundation.
- **Chapter 6:** the description of the key principles on which the disciplinary system adopted by the Foundation are defined for the purpose of repressing non-compliance with the rules contained in the Model and those contained in the Code of Ethics.
- **Chapter 7:** the description of the principal processes implemented by the Foundation to ensure the preparation and release of the Model to the Persons Subject to the Organisational Model.

The General Section is also accompanied by documents that complete and specify the organisational, management and control framework, such as:

- the By-Laws of the OdV (Appendix 3);
- the Disciplinary System (Appendix 4).

The **Special Section** contains several sections/protocols, one for each area/process considered to be at risk of the offences envisaged in Legislative Decree 231/2001 of relevance to the Foundation.

Each section/protocol of the Special Section document addresses:

- the “sensitive” activities referring to the examined area/process at risk;
- the hypothetical offences (list of families of offences affected by Legislative Decree 231/01 and the ways in which the individual offences can be committed);

- the Foundation's areas (e.g. departments, etc.) that operate within the scope of an area "at risk of crime";
- the control criteria and the operational controls implemented by the Foundation (general controls and process controls);
- the principles of conduct to be followed in order to reduce the risk of commission of crimes (specific protocols related to the examined area at risk);
- the flows to the OdV.

The **Code of Ethics** states the principles of professional conduct of the Foundation and the rules of conduct that, pursuant to Italian law, can prevent the commission of crimes as envisaged in Legislative Decree 231/2001 and the commission of acts conflicting with the values promoted by the Foundation, *inter alia* in light of the values expressed in the Code of Ethics.

Finally, an integral part of the Organisational Model 231 of the Foundation includes the following documents produced during the preparation of the Model:

- **Mapping of areas at risk and potential ways in which crimes can be committed:** documentation created to illustrate: i) the map of Foundation areas at risk; ii) the types of offences that could hypothetically be committed in the areas at risk; iii) the documented map of potential ways in which crimes can be committed in the identified areas at risk.
- **Gap Analysis and Action Plan:** evaluation of the existing preventive controls system, with modifications as necessary, or with its creation if none found.

## 2.7. Adoption of and updates of the Model

As provided by Article 6, paragraph 1, sub-paragraph a of the Decree, the "Consiglio di Sorveglianza" is assigned responsibility for adoption of the Model and any changes to it.

The "Consiglio di Sorveglianza" adopts resolutions relating to updates of the Model, autonomously or upon the proposal of the Management Committee, even when the updates relate to amendments and/or additions deemed necessary in consequence of:

- major violations of the rules set out in the Model;
- changes in the internal organisation of the Foundation and/or its business operating procedures;
- statutory changes;
- results of controls;
- finding that serious criminal offences were committed, including those committed before approval of the Model.

Once they are approved, the modifications and instructions for their immediate application are notified to the OdV, which will then implement them operationally without delay and ensure proper communication of their contents both inside and outside the Foundation.



The OdV has, in any case, specific attributions and powers regarding the custody, development and promotion of the continuous update of the Model. To this aim, the OdV makes observations and proposals, relating to the organisation and control system, to the relevant departments of the Foundation or, in case of high importance, to the “Consiglio di Sorveglianza”.

If no updates are made to it, the Model will be subject to periodic revisions on a biennial basis, to be performed by order of the “Consiglio di Sorveglianza”.

### 3. Organisation and internal control system

#### 3.1. Governance system

The governance of the Foundation is assigned to the following officers and bodies:

- President

The Foundation's President is the legal representative of the Foundation, presides over the “Consiglio di Sorveglianza”, has strategic policymaking powers, manages the institutional and public relations of the Foundation, and promotes training and educational activities on the economic and social impact of the scientific research conducted by the Foundation.

- “Consiglio di Sorveglianza”

The “Consiglio di Sorveglianza” ensures the excellence of the Foundation and compliance with the rules governing appointment of the members of the Foundation bodies and audits the use of resources. It performs general policymaking and control over the Foundation.

In particular, the “Consiglio di Sorveglianza”:

- appoints the Director;
- appoints the Management Committee;
- appoints the Scientific Committee;
- appoints the OdV prescribed by Article 6 of Legislative Decree 231 of 2001;
- supervises, *inter alia* drawing on the support of the committees referred to in Article 12, paragraph 8 hereinabove, the general coordination of internal control functions (internal audit; compliance; risk management);
- manages the scientific evaluation process of the activities supported by the Foundation, through the Strategic Evaluation Committee (Article 22 of the Articles of Association);
- periodically reviews the occurrence of conflicts of interest among the officers of the Foundation;
- monitors the general performance of the Foundation and compliance with its Articles of Association;
- performs periodic reviews of the compatibility of the positions held by the Foundation officers with their other activities and duties.

Moreover, on proposal by the Management Committee, the “Consiglio di Sorveglianza”:

- approves the strategic and/or operational policy document;
- after consulting with the Scientific Committee, approves the multi-year scientific activity programme plan;



- approves the annual financial statements, the multi-year budget and the economic plan;
- approves non-recurring expenses;
- approves the rules governing the functioning of the Foundation;
- resolves on amendments to the Articles of Association, to be approved with the procedures envisaged in Article 24;
- approves the annual report prescribed in Article 2, paragraph 2;
- approves the document containing the needs, hiring procedures and management of Foundation employees;
- adopts the resolutions concerning the transactions listed in paragraph 2.1.

The “Consiglio di Sorveglianza” is composed of thirteen members, including the President, who are appointed in various capacities by the qualified entities<sup>2</sup>.

▪ Director:

The Director is selected from a field of internationally renowned scientists, possessing a prestigious academic curriculum vitae and proven ability to manage large-scale multidisciplinary scientific organisations. He is appointed for a four-year term by the “Consiglio di Sorveglianza” following an international competitive procedure, managed by a Search Committee set up for that purpose by the “Consiglio di Sorveglianza”.

The Foundation Director is responsible for implementing the multi-year strategic plan approved by the “Consiglio di Sorveglianza”.

▪ Management Committee

The Management Committee is the governance body with exclusive purview over the activities necessary to guarantee the orderly operation of the Foundation and fulfilment of its purpose. Accordingly, the Committee:

- appoints Directors of the research centres following an international competitive procedure;
- appoints the staff recruitment committees after obtaining the binding opinion of the Scientific Committee;
- submits the resolutions (envisaged in Article 13, paragraph 3 of the Articles of Association) to the “Consiglio di Sorveglianza”.

The Management Committee is composed of five members, including the Foundation Director. The “Consiglio di Sorveglianza” is responsible for appointing its members.

The members of the Management Committee serve for a four-year term and may be confirmed only once.

▪ Scientific Committee

As the advisory body of the Foundation, the Scientific Committee:

- expresses opinions on the protocols of the scientific research activities and scientific activity programme plan to be submitted to the “Consiglio di Sorveglianza”;

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<sup>2</sup> Ref. Article 12 of the By-Laws.

- evaluates the correlation between scientific activities and multi-year plans and evaluates the allocation of resources.

The Scientific Committee is composed of fifteen members and is appointed by the “Consiglio di Sorveglianza”.

During the start-up phase, HT will carry out the recruitment of the Heads of Research Centres and other researchers, whose activity will not start before 2020 and will gradually grow over the following years, without reaching full capacity until the implementation phase of the laboratories. The “Consiglio di Sorveglianza”, to ensure efficiency, the efficacy and cost-effectiveness of the Foundation's action, decided not to proceed with the appointment of a Scientific Committee according to the modalities and forms established by the By-Laws and the Regulation, since its high operating costs did not appear consistent with the effective activity that the latter would have carried out, therefore deciding instead to proceed with the appointment of a Scientific Advisory Board.

- The Scientific Advisory Board (hereinafter “SAB”)

The Scientific Advisory Board is established with a resolution of the “Consiglio di Sorveglianza” dated 26 July 2019 to implement temporarily, and in any case not after 1 January 2022, the functions of the Scientific Committee until its constitution, according to the “Regulation for the appointment and the functioning of the HT’s SAB”.

The SAB is composed of a minimum of two members and its nominated by the “Consiglio di Sorveglianza”.

- Board of Auditors (“Collegio dei revisori”)

The Board of Auditors (“Collegio dei revisori”) is composed of three standing members and three alternate members entered in the register of statutory auditors. They are appointed by decree of the Prime Minister on proposal by the Ministry of Economy and Finance after being nominated by the Founders.

The Board of Auditors (“Collegio dei revisori”) monitors the legal compliance of Foundation administration and bookkeeping, prepares its reports on the year-end financial statements, reports on them to the Management Committee, conducts cash audits and prepares the reports for the provisional position paper of the following year

- Commission for Strategic Assessment

The Commission for Strategic Assessment is aimed at evaluating the results of the Foundation and prepares every three years a report with specific reference to effective publications, filled patents and the social impact of the Foundation on the healthcare system.

The Commission for Strategic Assessment is initially proposed to be composed of five members selected by the European Research Council and nominated by the “Consiglio di Sorveglianza”.

### 3.2. Internal organisational structure

In order to identify the roles and responsibilities of the staff involved within its organisational structure, the Foundation has identified:

- the members of the “President’s Office”;
- the members of the “Director’s Office”;
- the research lines;
- the Operational and Support Departments (Operations: Legal Affairs, Human Resources, Campus development and Facilities Management, Procurement, Finance and Information Technology).

The detailed organisational structure of the Foundation is formalised through an organisational chart, approved by the “Consiglio di Sorveglianza” and attached to this document (Annex 2).

### 3.3. Organisational structure in the field of health and safety at work

The “Consiglio di Sorveglianza” has decided to define the organisational structure in the field of health and safety in the workplace, in order to achieve a wider integration between the management of the Foundation's activities and the supervision of safety, identifying the figure of the Director as the Employer of the Foundation.

In this regard, within the defined organisational structure, the following subjects operate:

- the Employer;
- the person in charge of the prevention and protection service (hereinafter, “RSPP<sup>3</sup>”);
- the person in charge of the prevention and protection service (hereinafter “ASPP<sup>4</sup>”);
- the competent doctor;
- the workers' safety representative (hereinafter also referred to as “RLS<sup>5</sup>”);
- 1 emergency worker;
- 3 first aid workers;
- BLSD<sup>6</sup> employees.

### 3.4. System of proxies and powers of attorney

The system of proxies and powers of attorney of the Foundation is governed by the “Consiglio di Sorveglianza”, which at the end of 2018 conferred powers to the President and the Director, upon

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<sup>3</sup> RSPP: “Responsabile del Servizio Prevenzione e Protezione” / Head of the Prevention and Protection Service;

<sup>4</sup> ASPP: “Addetto al Servizio Prevenzione e Protezione” / Prevention and Protection Service Officer;

<sup>5</sup> RLS: “Rappresentante dei Lavoratori per la Sicurezza” / Workers' Safety Representative;

<sup>6</sup> BLSD: “Basic Life Support Defibrillator”.

proposal of the Management Committee, with the power of sub-delegation.

Delegations of powers are always assigned transparently; the level of autonomy assigned to the various holders of powers is set in a manner consistent with the hierarchical level of the individual recipients and within the limits of what is necessary to perform the tasks and duties assigned.

### 3.5. Operational and IT procedures

For the management of its processes, the Foundation has developed a set of procedures, both operational and IT.

In particular, the procedures adopted by the Foundation define the first level controls implemented by the operating structures to ensure the correctness, effectiveness and efficiency of its activities. The main management processes in the administrative area are supported by IT applications and operating procedures that identify and determine the *modus operandi* for the staff in charge.

### 3.6. Internal Control System

To ensure the correctness, effectiveness and efficiency of its activities, the Foundation, in addition to guaranteeing the first level controls formalised in the operating procedures, has decided to implement an Internal Control System structured on different levels, as described below:

#### ➤ **Internal Audit Function (currently being implemented):**

- carries out Risk Assessment aimed at identifying the main operational and performance risks and assessing the adequacy of the control system to prevent them;
- checks the control system of the operating procedures formalised by the competent structures for the management of the processes for which they are responsible in collaboration with the Compliance Function (currently being implemented);
- verifies the adequacy and effectiveness of the Compliance Function;
- plans and carries out, in collaboration with the Compliance Function, specific verification activities provided for in the "Internal audit and compliance plan" approved for the year of reference and reporting activities;
- supports the organisational structures in mapping internal processes in collaboration with the Compliance Function;
- coordinates the Foundation's organisational projects carried out internally or by external consultants, which have an impact on the internal control system;
- carries out activities related to the management of the Safety and Environment management process.

#### ➤ **Compliance Function (in progress):**

- manages the fulfilments connected with the application of conflict of interest procedures;

- examines the Foundation's regulations with respect to the requirements of applicable legislation in force and identifies any areas for improvement;
- offers support in identifying and managing the risk of non-compliance with regulations, i.e. significant financial losses or damage to reputation as a result of violations of mandatory rules (of law or regulations) or self-regulation;
- plans and carries out, in collaboration with the auditing manager, the specific verification activities provided for in the "Audit and Compliance Plan" approved for the year in question;
- offers support, in collaboration with the Head of Internal Audit, to the verification activities carried out by the Board of Auditors ("Collegio dei revisori");
- reports to the relevant governance bodies on the verification activities carried out during the period.
  - **Management Control:** activity carried out within the Finance Department, is responsible for:
    - preparing the budget and the multi-year economic and financial plan;
    - preparing reports and periodic reports;
    - monitoring deviations between forecast documents and financial statements.

#### 4. Organismo di Vigilanza (OdV)

Among the requirements that the entity must fulfil to be exempted from the liability resulting from the commission of the offences listed in Article 6, paragraph 1, sub-paragraph b), of the Decree mentioned above is the establishment and updating of an OdV, vested with independent powers of initiative and control, with the task of supervising the functioning of and compliance with the Model.

The "Consiglio di Sorveglianza" of the Foundation approved the "By-Laws of the OdV", which constitutes an integral part of the Model itself, and which regulates matters of primary interest concerning the Body mentioned above, including:

- the number of members and composition of the OdV;
- the nominating and appointment procedures and term of office;
- the causes for ineligibility and dissolution of the OdV and for the ineligibility and forfeiture of seats on the OdV by individual members;
- the premises and procedure for revocation of the mandate of the OdV and of its individual members;
- the duties and powers of the OdV;
- the resources assigned to the OdV;

- the information flows of the OdV to Foundation bodies and to the OdV;
- the ethical standards that govern the activity of the OdV.

While referring to the approved document for more precise details, a brief overview of the aspects outlined above is presented as follows.

#### 4.1. Structure and composition of the OdV

In accordance with the reference Guidelines, the Foundation has opted for an OdV consisting of a three-member board.

The OdV shall meet the following prerequisites:

- Autonomy and independence

These prerequisites are fundamental for the OdV not to be directly involved in the operating activities that constitute the object of its control activity. Therefore, the hierarchical independence of the OdV shall be guaranteed. The OdV is positioned as a staff unit at the highest possible hierarchical position.

- Professionalism

The members of the OdV possess the technical and legal knowledge necessary to perform their assigned duties. These characteristics together with the members' independence guarantee their objectivity.

- Continuity of action

The OdV maintains a constant presence to guarantee effective and continuous application of the Model.

The "Consiglio di Sorveglianza" of the Foundation selects the most appropriate individuals to be assigned the task of implementing the provisions of the Decree and thus of performing the functions of the OdV.

#### 4.2. Functions and powers of the OdV

In general, the OdV is assigned the task of monitoring:

- the effectiveness of the Model, i.e. compliance with its provisions by the Subjects Recipient to the Organisational Model according to the different types of offences covered by the Decree;
- the real effectiveness and adequacy of the Model, i.e. its capacity to prevent commission of the offences envisaged in the Decree in relation to the structure of the Foundation;
- the fulfilment over time of the prerequisite soundness and adequacy of the Model;
- the updates to the Model, when modifications become necessary due to changed conditions at the Foundation. This activity is normally performed at two distinct and interconnected times:

- submission of proposals for modification of the Model to the Foundation bodies/functions that can effectively implement them;
- follow-up, i.e. verification that the proposed solutions are implemented by the bodies/functions.

The OdV is assigned the following tasks at a more operationally focused level:

- activating the control procedures, keeping in mind that operational management personnel still have primary responsibility for controlling activities, including those connected with the activity areas at risk;
- performing surveys of Foundation activity for updated mapping of the activity areas at risk;
- performing periodic audits (with the support of the heads of the various functions or of the process) targeting specific transactions or acts performed in the activity areas at risk;
- promoting appropriate measures to disseminate knowledge and understanding of the Model and prepare the internal organisational documentation needed for the functioning of the Model itself, containing instructions, clarifications or updates;
- gathering, elaborating and saving relevant information about compliance with the Model, and updating the list of information that shall be compulsorily sent to the OdV itself or kept available for it;
- coordinating with the other functions of the Foundation (*inter alia* through meetings) to improve monitoring of the activity areas at risk. Therefore, the OdV is kept constantly informed about developments in the activities of the areas at risk mentioned above and has free access to all relevant documents of the Foundation. The Director must also report to the OdV any situation of the activity that might expose the Foundation to the risk of crime;
- controlling the actual existence, proper keeping and effectiveness of the required documentation in compliance with what is required for the different types of offences. In particular, the OdV must be informed about the most significant activities and it must be provided with updated information for the documentation so that controls may be performed;
- performing internal investigations to ascertain presumed violations of the rules prescribed in the Model;
- verifying that the measures prescribed for the various types of offences (execution of procedures, adoption of standard clauses, etc.) are adequate and fulfil the compliance obligations imposed in the Decree, while providing for an update to those measures in the contrary case;
- coordinating with the Heads of other Departments of the Foundation in the different aspects concerning implementation of the Model (i.e. the definition of the standard clauses, training of personnel, disciplinary measures).



#### 4.3. OdV Regulation

To complement what is prescribed in the document entitled “By-Laws of OdV”, approved by the “Consiglio di Sorveglianza”, the OdV shall draft its own internal regulation once it has been appointed. That regulation shall govern the concrete aspects and procedures for performing its own work, including its organisational and operating system.

More specifically, the following matters must be covered by that regulation:

- a) the type of audit and supervisory activities performed by the OdV;
- b) the specific information flows to the OdV that can be used to perform the supervisory activity;
- c) the functioning and internal organisation of the OdV (i.e. call of meetings and means to take decisions by the OdV, compilation of meeting minutes, etc.).

#### 4.4. General information flows and whistleblowing reports to the OdV

Article 6, paragraph 2, sub-paragraph (d) of the Decree specifies that one of the “needs that shall be addressed” by an adequate organisational model is the explicit provision by the latter of “reporting obligations to the body delegated to monitor the functioning of and compliance with” the Model itself.

These reporting obligations evidently represent an essential tool to facilitate the performance of supervision over the implementation, compliance and adequacy of the Model and, when offences have been committed, *ex-post* determination of the causes that made commission of the offence possible.

The members of the corporate bodies, senior managers, employees and collaborators of the Foundation and, regardless, all persons required to comply with the Model shall fulfil these reporting obligations.

These persons shall promptly report to the OdV what is specifically prescribed by it.

The OdV shall be provided not only with the documentation in relation to the activity of the Foundation as prescribed by the Model pursuant to its own procedures but also all other information of any kind originating with others and concerning implementation of the Model in the activity areas at risk and compliance with the provisions of the Code of Ethics.

Accordingly, any whistleblowing reports concerning the commission of offences envisaged by the Decree in relation to the activity of the Foundation shall be collected, as well as those relating a conduct inconsistent with the rules of conduct adopted and/or prescribed by the Code of Ethics.

The obligations to report any conduct in conflict with the provisions of the Model fall within the scope of the worker's broader duty of diligence and fidelity obligation pursuant to Articles 2104 and 2105 of the Italian Civil Code. Failure by the worker to fulfil his/her reporting obligation may lead to the disciplinary measures.

The whistleblowing reports may be submitted in writing and can concern any violation or suspected violation of the Model and the provisions of the Code of Ethics. The OdV takes appropriate action to protect the whistleblowers against any form of reprisal, discrimination or punishment, while also



guaranteeing the confidentiality of the whistleblower's identity, without prejudice to statutory obligations and protection of the rights of the Foundation or the individuals who were accused in bad faith.

Anonymous whistleblowing reports can be considered only if they are adequately documented.

At least, information about the following shall be sent to the OdV:

- measures or information from criminal investigation departments, or from any other Authority, from which it is inferred that investigations are underway, *inter alia* against unknown individuals, for the offences envisaged in the Decree;
- reports prepared by the heads of the functions during the controls they performed and which may reveal facts, acts, events or omissions raising problems with the provisions of the Decree, and the requests for legal assistance sent by the senior managers or employees if a court proceeding begins for the offences envisaged in the Decree;
- communications concerning the levied penalties (including the measures taken against employees);
- the information concerning effective implementation of the Model at all organisational levels, highlighting the disciplinary measures and any penalties imposed, or of cases dismissed without the imposition of penalties together with the reasons for that decision;
- any change or addition to the system of delegations of authority and powers of attorney;
- any possible issuance, modification or addition to the operating procedures of relevance to the Decree;
- periodic reports on accidents and injuries, including approved preventive or corrective measures and associated timelines for execution resulting from the performed investigations;
- periodic results of the control activity performed by the Foundation functions that operate in the scope of sensitive activities, to implement the Model (summary reports on the activity performed, monitoring activity, final tallies, etc.);
- anomalies encountered in the available information (a fact that is insignificant when considered alone might assume a different significance in the event of repetition or extension of the scope of occurrence).

The OdV periodically proposes to the “Consiglio di Sorveglianza” any changes to the list above.

The OdV may provide more details and expand the list of information flows to it while also designating the person in charge of the flow, its frequency and the transmission procedure.

The “Consiglio di Sorveglianza” will approve this list and assure that it is provided to each person in charge of the flow.

#### 4.5. Law no. 179/207 on whistleblowing

Law no. 179 dated 30 November 2017, concerning “*Provisions for the protection of whistleblowers of offences or irregularities that they become aware of in connection with a public or private work relationship*” (“Whistleblowing Law”) entered into force on 29 December 2017.

“Whistleblowing” means a report to the OdV by a Foundation employee who, during his/her work, discovers a possible act of fraud, a hazard or another serious risk that might harm co-workers and the reputation of the Foundation, and which constitutes a violation of the Model. This tool allows the implementation of a system to report real facts and/or acts that do not follow the hierarchical line of authority in the organisation and allows employees to report violations of laws by other subjects in the entity without the fear of reprisal.

The reasoning behind adoption of the law mentioned above – and, more specifically, the reform of Legislative Decree 231/2001 – was to identify tools for protection of the workers who report criminal offences or irregularities of which they become aware in the course of their own work activities.

Referring specifically to the criminal liability of (private) entities, Article 2 of the Whistleblowing Law added three new paragraphs to Article 6 of Legislative Decree 231 of 8 June 2001, after paragraph 2, as illustrated hereinunder:

- 2-bis. The models listed at let. a) of par. 1 foresee:
  - a. one or more channels that enable the subjects mentioned in Article 5, paragraph 1, let. a) and b)<sup>7</sup> to submit, in protection of the entity's integrity, detailed reports of illegal acts covered by this decree and based on precise and consistent elements of fact, or of violations of the organisational and management Model of the entity, that they learn about in the course of performing their functions. These channels shall guarantee the confidentiality of the whistleblower's identity during management of the whistleblowing report;
  - b. at least one alternative whistleblowing channel that can guarantee the confidentiality of the whistleblower's identity by using digital procedures;
  - c. the ban on direct or indirect reprisals or discrimination against the whistleblower for reasons that are directly or indirectly tied to the whistleblowing report;
  - d. in the disciplinary system adopted pursuant to par. 2, lett. e), penalties against anyone who violates the whistleblower's protective measures, and against anyone who fraudulently or negligently files whistleblowing reports that turn out to be unfounded.

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<sup>7</sup> Art. 5 of the Decree: The entity is liable for offences committed in its interest or to its advantage: a) by persons who hold positions of representation, administration or management of the entity or one of its organisational units with financial and functional autonomy as well as by persons who exercise, also de facto, the management and control of the same; b) by persons subject to the management or supervision of one of the persons referred to in letter a).

- 2-ter. The adoption of discriminatory measures against subjects who make the whistleblowing reports envisaged in paragraph 2-bis may be reported not only by the whistleblower but also by the labour union chosen by it to the National Labour Inspectorate, which may take measures falling under its jurisdiction.
- 2-quater. Retaliatory or discriminatory termination of the whistleblower is null and void. A change in work duties is also null and void pursuant to Article 2103 of the Italian Civil Code, just as is any other retaliatory or discriminatory measure taken against the whistleblower. In the event of disputes connected with the imposition of disciplinary penalties or demotions, terminations, transfers, or imposition of another organisational measure on the whistleblower that directly or indirectly has negative effects on his/her working conditions after submission of the whistleblowing report, the employer bears the burden of proving that those measures were based on reasons unrelated to the whistleblowing report itself.

Consequently, the OdV is vested with significant additional duties as compared with its previous mandate, and specifically:

- monitoring the proper use of reporting channels by the whistleblowers, since the amended version of Article 6 prescribes punishment (not only of the person who committed reprisals or discrimination against the whistleblower) but also the person who “fraudulently or negligently files whistleblowing reports that turn out to be unfounded”;
- monitoring compliance with the ban on direct or indirect reprisals or discrimination against the whistleblower for reasons that are directly or indirectly tied to the whistleblowing report, which the new rules complement with a modified scheme of penalties in the rules contained in Article 6, paragraph 2, lett. e) of Legislative Decree 231/2001;
- ensuring that management implements training activity for company employees and collaborators to illustrate to them the principal features of the new rules, the penalty scheme established in protection of the whistleblowers and the proper use of reporting channels and the whistleblowing system, as described in this Model.

It is possible to send reports concerning “detailed information about unlawful acts covered by Law 179/2017 and based on precise and consistent elements of fact, or of violations of the organisational and management model of the entity, that they learn about in the course of performing their functions” to the following dedicated e-mail address: odv@fht.org, received by the OdV.

#### 4.6. Reporting by the OdV to the “Consiglio di Sorveglianza”

The OdV files written reports to the “Consiglio di Sorveglianza” once every six months or on explicit request concerning: (i) the adequacy and implementation of the Model; (ii) the exercise of its own functions and, in particular, compliance with the Model itself.

The OdV meets with the Management Committee and the Board of Auditors (“Collegio dei revisori”)

at least once annually.

The OdV may be called at any time by the “Consiglio di Sorveglianza” or it may submit a request to be convened by the “Consiglio di Sorveglianza” to report on the functioning of the Model or specific situations.

For a more detailed description of the process, reference is made to the appended “By-Laws of the OdV” (Appendix 4);

## 5. Model and Code of Ethics

As prescribed by the applicable Guidelines, the adoption of a Code of Ethics designed to prevent offences pursuant to Legislative Decree 231/2001 constitutes an essential element of the preventive control system.

The Code of Ethics is a tool adopted independently by the Foundation as the expression of the principles of the “*professional code of conduct*” that the Foundation itself accepts as its own and which requires all of its employees and collaborators to accept as their own.

The following paragraphs of this Chapter summarise the contents of the Code of Ethics adopted by the Foundation, although reference is made to the whole document, which constitutes an integral part of the Organisational Model 231, for the complete principles.

### 5.1. Purpose, Recipients and Structure of the Code of Ethics

The Foundation’s Code of Ethics represents the first pillar of its internal control system, stating the general ethical principles and rules of conduct which the Foundation recognises as having a positive ethical value and with which all Recipients of the Code shall comply.

The Recipients of the Code are:

- the Governance Bodies of the Foundation;
- the employees, collaborators and consultants;
- the third parties who have other types of contractual relationships with the Foundation or that otherwise cooperate in any way to pursue its institutional purpose.

The Recipients of the Code shall comply with and, to the extent of their responsibility, enforce compliance with the principles contained in the Model and in the Code of Conduct, which is part of the Model.

The Code of Ethics is composed of four chapters.

The first chapter contains an introduction that illustrates the purposes of the document, the legal framework, the persons subject to it and the principles for its dissemination and training. The second chapter lists and describes the general ethical principles, the third chapter describes the principles of conduct (in external relationships, in relationships with the Public Administration and supervising

Ministries, and in relationships with internal entities, and finally with the Community), the fourth chapter describes the actions prescribed by the Foundation to assure proper implementation of the Code.

## 5.2. The general ethical principles governing the activity of the Foundation

The Code of Ethics identifies the general ethical principles governing the activity of the Foundation.

In fact, the Foundation found it necessary to prepare an exhaustive and clear formulation of the principles to which it ascribes positive, primary and absolute ethical value.

More specifically, the fundamental ethical principles adopted by the Foundation concern the values and areas of activity listed as follows:

- the principle of legality;
- compliance with the Foundation's procedures;
- compliance with the delegations of authority and the mandate;
- principle of fairness;
- principle of transparency;
- principle of privacy;
- principle of diligence;
- protection of the integrity and development of human resources;
- principle of impartiality and non-discrimination;
- principle of opposition to racism and xenophobia;
- principles applying to the performance of scientific activity;
- relationships with supervising ministries, public supervisory authorities, control bodies and public institutions in general;
- careful management of the financial resources, preparation of the financial statements and other corporate communications;
- anti-corruption and anti-money laundering compliance;
- repudiation of terrorism and subversion of the democratic system;
- repudiation of criminal organisations;
- proper use of the information system and copyright protection;
- protection of corporate assets;
- health, safety, and environmental protection;
- principle of tax compliance;

- internal controls.

### 5.3 The principles of conduct governing the activity of the Foundation in its external and internal relations

The Code of Ethics identifies the specific principles of conduct to be implemented in relations with internal parties and with parties outside the Foundation.

The principles of conduct to be followed in relations with third parties must be implemented vis-à-vis the following persons and entities:

- Suppliers;
- Public Administrations, and particularly the supervising Ministries;
- Collaborators and consultants;
- other interlocutors.

The principles of conduct for internal relations shall be applied to the “Consiglio di Sorveglianza”, the Management Committee, the Scientific Committee (and the Scientific Advisory Board), the Board of Auditors (“Collegio dei revisori”), the Committee for Strategic Evaluation, Senior Managers, Employees and Collaborators.

## 6. The disciplinary system of Fondazione Human Technopole

### 6.1. General Principles

Pursuant to Article 6, par. 2, lett. e), and Article 7, par. 4, lett. b), of the Decree, effective implementation of the Model as a whole requires that the Foundation adopts an adequate multidisciplinary system to repress non-compliance with the rules contained in the Model and those prescribed in the Code of Ethics.

Therefore, the Foundation has adopted a Disciplinary System that is primarily designed to punish violation of the principles, rules and measures prescribed in the Model, pursuant to the rules prescribed by national collective bargaining agreements, and with the applicable provisions of law or regulations.

The imposition of disciplinary penalties for violation of the rules contained in the Code of Ethics and the procedures and/or requirements indicated in the Model disregards any establishment and outcome of a criminal proceeding for commission of one of the offences envisaged by the Decree, as amended.

Disciplinary penalties that are proportionate to and adequate for the seriousness of the violations shall apply to every infraction of the precepts and provisions of the Model. These penalties shall be determined according to the following general criteria:

- the subjective element of the behaviour (intentionality of the behaviour, degree of negligence);
- relevance of the violated obligations;
- responsibilities associated with the work position held;
- consequences and potential damage for the Foundation and for natural persons;
- existence of any aggravating circumstances, including repeat offence;
- any participation by other persons.

## 6.2. The Structure of the Disciplinary System

The Disciplinary System of the Foundation is summarised as follows, although reference is made to the whole document, which is an integral part of the Model, for the complete version of the rules.

In accordance with the provisions of the Decree, the Foundation has implemented a Disciplinary System that is not only delivered via telecommunication systems or on digital media and published on the Foundation intranet, but is also posted in a place accessible to everyone, to guarantee full awareness by all Recipients of the Code.

The Disciplinary System is composed of the following Sections:

Section A: this lists the subjects liable to imposition of the prescribed penalties, broken down into the following categories:

- a. Top Managers;
- b. Employees;
- c. Third Parties (consultants, suppliers, partners, collaborators, etc.).

Section B: this lists the possible violations, broken down into four different categories, which are ranked according to an ascending order of seriousness, in accordance with the disciplinary penalties applicable on the basis of the relevant Collective Bargaining Agreement, as applicable.

More specifically, the following conduct is particularly relevant:

1. failure to comply with the Model, if this involves violations committed in relation to the “sensitive” activities included in the “*instrumental*” areas identified in the Special Section in reference to the risks of offences against the Public Administration, provided that none of the conditions envisaged at numbers 3 and 4 hereunder shall apply;
2. failure to comply with the Model, if this involves violations committed in relation to the “sensitive” activities included in the areas “at risk of crime” identified in the Special Section and again provided that none of the conditions envisaged at numbers 3 and 4 hereunder applies;



3. failure to comply with the Model, if this involves a violation consisting in the mere fact (objective element) of one of the offences envisaged in Legislative Decree 231/2001;

4. failure to comply with the Model, if this involves a violation aimed at commission of one of the offences envisaged in Legislative Decree 231/2001, or there otherwise exists the danger that the liability of the Foundation be charged pursuant to Legislative Decree 231/2001.

Moreover, occupational health and safety violations are specifically highlighted, with these too being listed in ascending order of seriousness:

5. failure to comply with the Model, if the violation causes a material hazard to the physical health of one or more individuals, including the perpetrator of the offence, and provided that none of the conditions envisaged at numbers 6, 7 and 8 hereunder shall apply;

6. failure to comply with the Model, if the violation causes a physical injury in one or more individuals, including the perpetrator of the offence, and provided that none of the conditions envisaged at numbers 7 and 8 hereunder shall apply;

7. failure to comply with the Model, if the violation causes a “serious” injury as envisaged in Article 583, paragraph 1, of the Italian Criminal Code, in one or more individuals, including the perpetrator of the offence, and provided that none of the conditions envisaged at number 8 hereunder apply;

8. failure to comply with the Model, if the violation causes “grievous bodily harm” as envisaged in Article 583, paragraph 1, of the Italian Criminal Code, or the death of one or more individuals, including the perpetrator of the offence.

Finally, the violations concerning a report of illegal activity subject to the provisions of Legislative Decree 231/2001 or a violation of the Model are defined as follows:

9. direct or indirect acts of retaliation or discrimination against the person who made the whistleblowing report of an illegal act subject to the provisions of Legislative Decree 231/2001, or a violation of the Model, for a reason directly or indirectly tied to the whistleblowing report itself. The disciplinary penalties envisaged in the following paragraphs will be imposed in that case, according to the seriousness of the conduct;

10. violation of the obligations of confidentiality of the whistleblower's identity. The disciplinary penalties prescribed in the following paragraphs will be applied in that case, according to the seriousness of the conduct;

11. whistleblowing reports that turn out to be unfounded, if committed with fraud or gross negligence. In that case, the penalties prescribed in the following paragraphs will be applied, according to the seriousness of the conduct.

Section C: lists, with regard to each of the relevant acts, the penalties that can be hypothetically imposed for each category of persons required to comply with the Model. Specific contractual penalties are envisaged particularly in regard to the Third-Party Persons Recipients to the Code (i.e.



warning, penalty, termination) on the basis of a specific clause included in the agreement or in the letter of engagement, as illustrated in more detail in the Disciplinary System referred to.

In any case, the principles of proportionality and adequacy in relation to the charged violation and the following circumstances must be considered for the purpose of imposing penalties:

- a. the subjective element of the behaviour (intentionality of the behaviour, degree of negligence);
- b. relevance of the violated obligations;
- c. responsibilities associated with the work position held;
- d. consequences and potential damage for the Foundation and for natural persons;
- e. existence of any aggravating circumstances, including repeat offence;
- f. any participation by other persons.

The following elements are also considered for the eventuality of aggravation of the penalty:

- the eventual commission of several violations in connection with the same behaviour, in which case the aggravation will be made according to the penalty prescribed for the most serious violation;
- the eventuality that several parties contributed to commission of the violation;
- the eventuality that its perpetrator is a repeat offender.

Section D: regulates the procedure for imposition and application of the penalty for each category of persons subject to the Disciplinary System, indicating the following for each category:

- the phase when the interested party is charged with the violation;
- the determination phase and subsequent application of the penalty.

The provisions of the Disciplinary System do not preclude the right of the Persons Subject to the Code to exercise all their rights, including the right to challenge or appeal against the disciplinary measure or summon an Arbitration Panel, which is allowed to them by law or regulation, collective bargaining or applicable Foundation's regulations.

## **7. Employee training and dissemination of the model**

### **7.1. Employee training**

The Foundation promotes familiarity by all employees with the Model and its updates. Consequently, the employees are required to know their contents, comply with them and contribute to their implementation.

The training of employees for implementation of the Model is managed by the Human Resources Department in close cooperation with the OdV and is broken down into the following levels:

1. Members of the “Consiglio di Sorveglianza”, Members of the Management Committee, Senior Managers and Department Heads: initial training session periodically extended to all the new members of the management bodies, the new Senior Managers and the new Department Heads; annual updates; occasional updates (e.g. in the case of regulatory changes).
2. Other personnel: initial training session that is periodically extended to the new hires; annual update; occasional updates (e.g. in the case of regulatory changes).

### 7.2. Disclosure to third parties

HT promotes familiarity and compliance with the Model even among the third parties with which it might have contact in performing its own activities (i.e. customers, suppliers, securities dealers, consultants, collaborators in various capacities, etc.).

Therefore, the contracts of the aforementioned subjects shall contain clauses imposing the acceptance of the Organisational Model 231 and the Code of Ethics.

### 7.3. Dissemination of the Model

The Foundation promotes the widest possible dissemination of the principles and provisions of the Model both inside and outside its organisation.

The Model is formally transmitted to all top managers and staff of the Foundation through publication on the Foundation network, with an associated notice of publication sent via e-mail to all interested parties.

Moreover, this General Section and the Code of Ethics are published on the institutional website.

A documental record of the communication procedures of the Model will be kept in the archives of the “Consiglio di Sorveglianza” archives.

The OdV promotes and monitors all additional training and education activities that might be deemed necessary or appropriate, inter alia through the preparation of specific plans approved by the “Consiglio di Sorveglianza” and implemented by the Foundation.

## Appendix 1: Relevant types of offences for the application of Legislative Decree 231/01

## Appendix 2: Organisation Chart (01.06.2020)

Appendix 3: By-Laws of the OdV (“Organismo di Vigilanza”)

Appendix 4: Disciplinary System