



**Organisation, Management and Control Model
under Legislative Decree 231/2001**

Indaco Venture Partners SGR S.p.A.

**Document adopted by the Board of Directors
by resolution of 22/09/2021**

1. THE LEGAL FRAMEWORK	4
1.1. <i>General aspects</i>	4
1.2. <i>The offences</i>	4
1.3. <i>Sanctions System</i>	5
1.4. <i>Financial penalties</i>	6
1.5. <i>Disqualification penalties</i>	6
1.6. <i>Confiscation and publication of the judgement</i>	7
1.7. <i>Attempted offences</i>	7
1.8.	7
2. ORGANISATION AND MANAGEMENT MODELS	8
3. THE INDACO SGR MODEL	9
3.1. <i>Elements of the company's governance model and organisational system</i>	9
3.2. <i>The choice of Indaco Sgr</i>	10
3.3. <i>The structure of the 231 Model</i>	11
3.4. <i>The Organisational System</i>	11
3.5. <i>The corporate management system</i>	12
3.6. <i>Sensitive activities (under Art. 6, par. 2 letter a)</i>	12
3.7. <i>The formation and implementation of the decision-making process (under Art. 6 par. 2 letter b)</i>	13
3.8. <i>The methods of management of financial resources (Art. 6 para. 2 letter c)</i>	13
4. THE SUPERVISORY BOARD	14
4.1. <i>Grounds for ineligibility or disqualification</i>	14
4.2. <i>Obligations of information vis-à-vis the supervisory boards (Art. 6, para. 2 point D)</i>	14
5. THE DISCIPLINARY SYSTEM (ART. 6, PARA. 2 LETTER E)	16
5.1. <i>Clerical staff</i>	16
5.2. <i>Managers and Executives</i>	16
5.3. <i>Para-subordinate and self-employed workers</i>	17
6. TRAINING, DISSEMINATION, REVIEW AND UPDATING OF THE 231 MODEL	18

Introductory statement

This document describes the organisation and management model pursuant to Legislative Decree No. 231 of 8 June 2001 adopted by Indaco Venture Partners SGR and aimed at preventing the commission of the offences provided for in the aforementioned decree.

In this document, an adequate description is given of the definitions used in the text, the relevant national legislation, the definition of the organisation and management model adopted by the Company pursuant to Article 6 of Legislative Decree no. 231/2001 and the organisational system with which the Company is equipped, the obligations of information of the corporate structure towards the Supervisory Board, the disciplinary system applied in the event of violation of this document, the general and specific safeguards to prevent the possible commission of offences, and the manner of disseminating, reviewing and updating this 231 Model.

Definitions

In this document, the following terms shall mean:

Sensitive activity	a process/activity in which there is a risk of commission of the Offences (as defined below) provided for in Legislative Decree 231/2001; these are processes, the phases, sub-phases or activities of which could in principle provide the conditions, occasions or means for the commission of the offences covered by the Decree, including with the participation of other Entities (as defined below).
Authorities	Courts, local, national and foreign Institutions and Public Administrations, the Consob [Italian Securities and Exchange Commission], the Covip [Italian Pension Fund Supervisory Authority]; the Bank of Italy, the Italian Competition Authority, the Italian Stock Exchange, the Italian Data Protection Authority and other Italian and foreign Supervisory Authorities.
CCNL Recipients	The applicable National Collective Labour Agreement.
Legislative Decree 231/2001 or Decree	Senior managers and subordinates as defined below. Legislative Decree no. 231 of 8 June 2001, <i>on the regulation of the administrative liability of legal entities, companies and associations, including those without legal personality, pursuant to Article 11 of Law No. 300 of 29 September 2000, as amended and supplemented.</i>
Entity	organisation with legal personality, companies and associations even without legal personality.
231 Model	The Organisation, Management and Control Model under Art. 6, par. 1, letter a) of Legislative Decree 231/2001.
Governing Body	see Senior managers as defined below.
Supervisory Board	the body having the requirements set out in Art. 6, par. 1, letter b) of Legislative Decree 231/2001, endowed with autonomous supervisory and control powers and entrusted with the responsibility of supervising the operation of and compliance with the 231 Model, and of providing for its updating.
Special Part	The second part of this document, which illustrates the measures and safeguards aimed at preventing the risk of commission of offences relevant for the purposes of the administrative liability of entities, alongside with the provisions of the Code of Ethics.
Indaco S.p.A. or the Company or the AMC [Asset Management Company] Protocol	Indaco Venture Partners Sgr S.p.A.
Senior managers	Set of company procedures governing a specific process. persons in positions of representation, administration or management of the Entity or of one of its organisational units with financial and functional autonomy, as well as persons who exercise, even de facto, the management and control of the company (Article 5(1)(a) of Legislative Decree 231/2001). These

	persons have been identified as the members of the Board of Directors
Subordinates	persons subject to the direction or supervision of the Senior Managers (Article 5(1)(b) of Legislative Decree no. 231/2001).
Disciplinary system	set of sanction applicable, inter alia, in the event of violation of the 231 Model.
Offences	the offences, to which the provisions of Legislative Decree 231/2001 apply.

1. The legal framework

1.1. General aspects

Legislative Decree 231/2001, issued under the delegation of powers granted by Art. 11 of Law No. 300 of 29 September 2000, sought to bring Italian legislation on the liability of entities into line with the provisions of certain international conventions ratified by our country.

In particular, by Legislative Decree 231/2001, a form of administrative liability was also introduced in Italy for entities, such as companies, associations and consortia, in the case of commission or attempted commission of certain offences, expressly referred to in the Decree itself, by:

- natural persons in positions of representation, administration or management of such entities, or of organisational units thereof with financial and functional autonomy, as well as natural persons who exercise, also de facto, the management and control of those entities;
- natural persons subject to direction or supervision by any of the persons indicate above.

The liability of the Entity is additional to and independent of that of the natural person who materially committed the offence: such liability exists, in fact, even when the offender has not been identified or cannot be prosecuted, or when the offence is extinguished for a reason other than amnesty.

The administrative liability under the Decree involves, in fighting the offences expressly provided for therein, the Entities that have benefited from the commission of the offence or in whose interest the predicate offences referred to in the Decree have been committed.

On the other hand, the company is not liable if the mentioned persons have acted exclusively in their own interest or in the interest of third parties (Art. 5, par. 2, Legislative Decree 231/2001).

The administrative liability of entities is independent of the criminal liability of the natural person who committed the offence.

1.2. The offences

Section III of Legislative Decree 231/2001 refers to the Offences, which give rise to the administrative liability of entities, and specifies the penalties applicable to them. At the date of approval of this document, the categories of Offences referred to are the following:

- Crimes against the Public Administration¹;
- Computer crimes and unlawful processing of data;
- Organised crime offences;

¹ Law no. 190 of 6 November 2012 added to Art. 25 of Legislative Decree 231/2001 a par. 3, which refers to the new Art. 319-quater of the Italian Criminal Code, entitled "Inducement to give or promise benefits". Law no. 3 of 31 January 2019, on "Measures for combating offences against the public administration, as well as on statute of limitation of offences and on the transparency of political parties and movements" has added the offence of "Trafficking in unlawful influence" to Art. 25, Leg. Decree 231/2001. Legislative Decree No. 75 of 14 July 2020 in 'Implementation of Directive (EU) 2017/1371 on the fight against fraud affecting the Union's financial interests by means of criminal law' added the offences 'Fraud in public supply' and 'Fraud against the European Agricultural Guarantee and Rural Development Fund' to Art. 24, Leg. Decree 231/2001; the same Legislative Decree also added the offences of 'Embezzlement', 'Embezzlement by profiting from the error of others' and 'Abuse of office' to Art. 25 of Leg. Decree 231/2001.

- Forgery of money, public credit cards, revenue stamps and instruments or identifying marks²;
- Crimes against industry and trade;
- Corporate offences³;
- Crimes for purposes of terrorism or subversion of the democratic order;
- Crimes against individual personality;
- Crimes and administrative offences of market manipulation and insider dealing;
- Transnational offences;
- Occupational health and safety offences⁴;
- Receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering⁵;
- Copyright infringement offences;
- Inducement not to make statements or to make false statements in court;
- Environmental offences⁶;
- Employment of third-country nationals whose stay is irregular⁷;
- Crimes of racism and xenophobia;
- Fraud in sporting competitions, unlawful gaming or betting and gambling by means of prohibited devices
- Tax offences⁸
- Smuggling⁹

The details of the provisions of Legislative Decree 231/01 with regard to the predicate offences and the analytical description of the offences themselves are contained in the Key to the Offences, which is an integral part of this 231 Model.

1.3. Sanctions System

The penalties to which the company could be subjected for the commission or attempted commission of the specific offences mentioned above are:

- Financial penalties;
- Disqualification penalties;
- Confiscation of the price or profit of the offence;
- Publication of the judgement.

² Article added by Decree-Law no. 350 of 25 September 2001, art. 6, Decree-Law converted with amendments by Law no. 409 of 23/11/2001; amended by Law no. 99 of 23/07/09.

³ Law no. 190 of 6 November 2012 has added, to Art. 25 ter of Leg. Decree 231/2001, the letter s-bis), which refers to the new offence of private-to-private corruption in the cases under the new paragraph 3 of Art. 2635 of the It. Civil Code.

⁴ Article added by L. 123 of 3 August 2007, art. 9; amended by Leg. Decree no. 106 of 3 August 2009.

⁵ Law no. 186 of 15 December 2014.

⁶ Art. 25 undecies, entitled "Environmental offences", was introduced by art. 2, Legislative Decree no. 121 of 7 July 2011 "Implementation of Directive 2008/99/EC on the protection of the environment through criminal law, as well as Directive 2009/123/EC amending Directive 2005/35/EC on ship-source pollution and on the introduction of penalties for infringements", published in the Official Gazette No. 177 of 1.08.2011 and in force since 16 August 2011.

⁷ Art. 25 duodecies, entitled "Employment of illegally-staying third-country nationals", was inserted in Leg. Decree 231/2001 by Legislative Decree no. 109 of 9 August 2012 in "Implementation of Directive 2009/52 on sanctions against employers of illegally-staying foreign workers and regularisation procedures 2012", published in the Official Gazette No. 172 of 25.07.2012.

⁸ Art. 25 quinquiesdecies, entitled "Tax offences" was introduced in Leg. Decree 231/2001 by Law no. 157 of 19 December 2019 and amended with new offences by Legislative Decree no. 75 of 14 July 2020 in "Implementation of Directive (EU) 2017/1371, on the fight against fraud to the Union's financial interests by means of criminal law".

⁹ Art. 25 sexesdecies, entitled "Smuggling" was inserted in Leg. Decree 231/2001 by Legislative decree no. 75 of 14 July 2020 in "Implementation of Directive (EU) 2017/1371, on the fight against fraud to the Union's financial interests by means of criminal law".

1.4. *Financial penalties*

Financial penalties are applied, for all offences, in a number of units not lower than 100 and not exceeding 1000; the amount of a unit ranges from a minimum value of EUR 258 to a maximum of EUR 1,549 and is set by the judge by taking into account:

- the seriousness of the offence;
- the degree of liability of the entity;
- the steps taken by the entity to remove or mitigate the consequences of the offence or to prevent other offences from being committed;
- the economic and financial situation of the entity.

Although the possibility of reduced payment is excluded, the Decree regulates cases of reduction of the fine: (i) by one half, if the financial damage caused is of particular tenuity or if the offender has committed the offence mainly in his own interest or in the interest of third parties and the Company has not obtained any benefit, or the benefit obtained was negligible; (ii) from one third to one half if, before the declaration of opening of the hearing, the Company fully compensates for the damage and eliminates the harmful or dangerous consequences of the offence (or, at least, has taken steps to do so), or adopts a Model capable of preventing the commission of further offences of the kind committed; (iii) from one half to two thirds, if both the conditions set out in the preceding points are met.

The financial penalty provided for the most serious offence, increased by up to threefold, shall apply if the Company is liable in relation to a plurality of offences committed with a single action or omission or committed in the performance of the same activity and before a judgement, even if not final, has been passed for any one of them.

1.5. *Disqualification penalties*

Disqualification penalties (also applicable as a precautionary measure), lasting no less than three months and no more than two years (with the specification that, pursuant to Art. 14, paragraph 1, Legislative Decree No. 231/2001, 'Disqualifications affect the specific activity to which the entity's offence relates'), consist of:

- ban on performing the activity;
- prohibition to contract with the public administration;
- suspension or revocation of those authorisations, licences or concessions that were used to commit the offence;
- exclusion from facilities, financing, contributions and subsidies, and/or revocation of those already granted;
- ban on advertising goods or services.

These penalties are applied in the most serious cases exhaustively indicated by the rule and only if at least one of the following conditions is met:

- a) the entity has derived a significant profit from the offence and the offence was committed (i) by persons in a senior position, or (ii) by persons subject to the direction and supervision of others when the commission of the offence was determined or facilitated by serious organisational deficiencies;
- b) In case of repeated offences.

The type and duration of prohibitory sanctions are established by the Judge, taking into account the seriousness of the offence, the degree of liability of the entity and the steps taken by the entity to eliminate or mitigate the consequences of the offence and to prevent the commission of further offences.

It should be recalled that non-compliance with prohibitory sanctions constitutes an autonomous offence provided for by the Decree as a source of possible administrative liability of the entity.

It should also be noted that the Decree also provides that, instead of imposing the sanction, the Judge may order, for identified reasons of collective interest, relating, in particular, to the preservation of jobs, the continuation of the entity's activity by a court-appointed administrator.

In addition to the aforementioned sanctions, the Decree provides that the confiscation of the price or profit of the offence is always ordered, possibly by means of seizure of money or other benefits of an equivalent value, as well as the publication of the conviction in the presence of a disqualification.

Anyone who, while carrying out the activity of the Entity to which a sanction or precautionary disqualification measure has been applied, violates the obligations or prohibitions inherent in such sanctions or measures, is subject to imprisonment of from six months to three years.

1.6. *Confiscation and publication of the judgement*

Following the application of a disqualification, the Judge may order the publication of the sentence, at the Company's expense, in one or more newspapers or by means of posting in the municipality where the Company has its head office. In the sentence, the Judge always orders the confiscation of the price or profit of the offence, or of sums of money, goods or other utilities of equivalent value, except for the part that can be returned to the injured party.

Administrative sanctions shall be prescribed within the terms provided for from the date on which the offence was committed, while non-compliance with them may lead to imprisonment from six months to three years for the material author of the violation as well as the application of a fine and further disqualification measures against the Company.

1.7. *Attempted offences*

In cases of attempts to commit crimes under Lg. Decree 231/2001 relevant for the purposes of the administrative liability of the Entity, financial penalties (in terms of amount) and disqualifications (in terms of duration) are reduced by one third up to one half and no penalty shall be inflicted if the Entity spontaneously prevents the offence from being committed or from producing its effects (Art. 26, Leg. Decree 231/2001). The exclusion of the sanctions is justified by the interruption of all and any identification between the Entity and the persons acting in its name and on its behalf. This is a special case of the so-called "active withdrawal", under art. 56(4) of the Italian Criminal Code.

1.8. *Offences committed abroad*

According to Art. 4, Leg. Decree 231/2001, the Entity may be liable in Italy for offences covered by Leg. Decree 231/2001 and committed abroad. The Explanatory Report to Leg. Decree 231/2001 emphasises the need not to leave a criminal situation exempt from sanctions that could lead to easy circumvention of the entire regulatory framework in question.

The conditions to hold the Entity liable for offences committed abroad are:

- the offence must have been committed abroad by a person who is functionally linked to the Entity, within the meaning of Art. 5(1), Leg. Decree 231/2001;
- the Entity must have its head office in the territory of the Italian State;
- the Entity shall only be liable in the cases and under the conditions set forth in Arts. 7, 8, 9, 10 of the It. Criminal Code (in cases where the law provides that the offender - a natural person - is punished at the request of the Minister for Justice, proceedings are brought against the Entity only if the request is also made against the Entity itself);
- the State of the place where the act was committed does not proceed against the Entity, notwithstanding the existence of the conditions set out in the aforementioned articles of the criminal code.

2. Organisation and Management Models

Leg. Decree 231/2001 provides for certain forms of exemption from the administrative liability of Entities. In particular, Article 6 of Leg. Decree 231/2001 states that in the event of an offence committed by a senior manager, the Entity is not liable if it proves that:

- the Governing Body adopted and effectively implemented, prior to the commission of the offence, organisational, management and control models capable of preventing offences of the kind committed;
- the task of supervising the functioning of and compliance with the organisational model and ensuring that it is updated has been entrusted to a supervisory body of the company endowed with autonomous powers of initiative and control;
- the authors of the offence have acted by fraudulently circumventing the organisation, management and control models;
- there was no lack or inadequacy of the supervision by the body in charge.

Therefore, in the event of an offence committed by senior persons, there is a presumption of liability for the Entity due to the fact that such persons express and represent the policy and, therefore, the will of the Entity. This presumption, however, can be overcome if the Entity can prove the existence of the above-mentioned four conditions set out in Article 6 of Legislative Decree 231/2001.

In such a case, although there is personal liability on the part of the senior manager, the Entity is not liable under Legislative Decree 231/2001.

Leg. Decree 231/2001 attributes an exempting value to organisation, management and control models to the extent that the latter are suitable for preventing the offences referred to in the aforementioned Decree and, at the same time, are effectively implemented by the Board of Directors and General Management.

Likewise, under Art. 7, Leg. Decree 231/2001 the Entity is subject to administrative liability for the Offences of Subordinates, if their commission was made possible by failure to comply with management or supervisory obligations. In any case, non-compliance with such management or supervisory obligations is excluded if the Entity proves that it has adopted and effectively implemented, prior to the commission of the offence, an Organisation, Management and Control Model capable of preventing offences of the kind committed.

Accordingly, in the case referred to in the mentioned Art. 7 of Leg. Decree 231/2001, the adoption of the 231 Model by the Entity constitutes a presumption in its favour, thus entailing the reversal of the burden of proof on the prosecution, which must therefore prove the failure to adopt and effectively implement the 231 Model.

In order to effectively prevent the offences, the 231 Model must meet the following requirements:

- identify the activities, within which there is a possibility that the offences provided for in the Decree may be committed;
- provide for specific protocols aimed at planning the formation and implementation of the company's decisions in relation to the offences to be prevented;
- identify ways of managing financial resources suitable for preventing the commission of such Offences;
- provide for information obligations vis-à-vis the supervisory body in charge of overseeing the functioning of and compliance with Model 231;
- introduce an internal disciplinary system suitable for sanctioning non-compliance with the measures indicated in Model 231.

3. The Indaco SGR Model

In the light of the above considerations, the AMC has prepared a Model which, on the basis of its experience and the indications deriving from the relevant case law, aims at constituting an adequate safeguard against the possibility of offences being committed, in line with the system of governance and ethical values by which the Company has always been inspired.

The Model consists of:

- a) part one (General Section), which defines the general principles that the Company sets as a reference for the management of its activities and which are, therefore, valid for the company as a whole and not only for the performance of risky activities. The following parts are summarised or annexed to this section and form an integral part of it:
 - o The contents of Leg. Decree 231/2001: list of predicate offences;
 - o The AMC governance structure and organisational system
 - o the choices followed by the AMC for the design of the model and the Risk mapping methods
 - o the Supervisory Board and its functioning;
 - o the disciplinary system;
 - o training.
- b) a second part (Special Section) that describes, with reference to the specific types of processes/offences, the mapping of sensitive activities, the assessment of preventive control measures, as well as the relevant specific protocols.

It aims to:

- identify the individual offences that can actually and potentially be committed within the company, and the relevant prevention measures.
 - establish the regulatory sources with which the Recipients must comply;
 - Identify the principles, to which everyone's conduct must comply;
- c) the Key to the Offences.

This document, in the version approved from time to time by the Company's Board of Directors, is filed in the Company's records and published on the company *intranet* so that it can be made available to all Recipients to enable, pursuant to the provisions of Legislative Decree no. 231/2001, knowledge of and compliance with its contents, as well as any subsequent updates.

3.1. *Elements of the company's governance model and organisational system*

- d) Indaco Ventures Partners SGR S.p.A was authorised by the Bank of Italy on 22 December 2017 to provide asset management services pursuant to Art. 34, Leg. Decree 58 of 24 February 1998 and has been registered with no. 162 in the Register of AIF under art. 35 of Leg. decree 58 of 24 February 1998 since 22 December 2017.
- e) The Company's purpose is the activity of asset and risk management under Art. 33, Leg. Decree 58 of 24 February 1998, carried out through the promotion, establishment, organisation and management on an exclusive basis of Alternative Investment Funds ("AIFs") reserved for qualified investors.
- f) The Company's registered office and operational headquarters are in Milan, Galleria San Babila 4b.
- g) In order to ensure the achievement of its corporate objectives, the AMC has prepared specific organisational documents in which it defines its organisational structure, and which are updated and published in internal regulations. These documents are available to the AMC staff.

The Company is a 'sub-threshold' AIFM under the current regulations. The organisation of the AMC hinges on a hierarchical structure with corporate functions subordinate to or on staff with the Board of Directors.

The AMC's Board of Directors ('Board') is placed at the top of the AMC's organisational structure; the Board currently consists of nine members, three of whom are Independent Directors. Meetings of the Board of Directors are held at least once every two months, and in any case whenever necessary in relation to important issues concerning the management of the AIFs or the Company.

The Board appoints a Chief Executive Officer ('CEO'). In general, the CEO is given articulated powers with reference to the management of the AMC, on the one hand, and the management of the Funds, on the other. The CEO coordinates and supervises all company structures with the exception of control structures and participates in all stages of the investment and divestment process.

The Board of Auditors monitors the proper functioning of the company's activities in order to detect management irregularities and violations of the rules governing the provision of collective asset management services.

In the performance of its duties, the Board of Statutory Auditors may make use of all operational units with control functions within the Company.

The Single Control Function (Internal Auditing Function, Compliance Function, Anti-Money Laundering Function and Risk Management Function) is placed in a position of autonomy, including hierarchical, with respect to the Company's operational functions and reports on its activities to the Board of Directors and the Board of Auditors.

The Company's organisational structure, policies and procedures are analytically described in the Company Procedures Manual.

3.2. *The choice of Indaco Sgr*

The adoption and effective implementation of Model 231 constitute, pursuant to Art. 6(1)(a) of the Decree, acts within the competence of and issued by the Governing Body.

The Company - aware of the need to ensure fairness and transparency in the conduct of business and corporate activities, to protect its own position and image and the work of its Subordinates - has deemed it consistent with its corporate policies to launch a project this year, aimed at analysing the activities in which the commission of one of the Offences described by the Decree is potentially more likely, and to define and implement a 231 Model.

In this context, the Board of Directors of the Company, by resolution of 12 November 2019, adopted this Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001.

With reference to the requirements identified in the Decree and further detailed by the various Trade Associations in their Guidelines, the principles that the Board of Directors decided to adopt for the preparation of Model 231 are listed below:

- a formalised organisational system with specific reference to the attribution of functions, responsibilities and hierarchical reporting lines, in which senior figures and their decision-making autonomy are identified;
- a separation and juxtaposition of functions, manual and computerised checkpoints, matching of signatures and supervision of the body's activities;
- a system of formalised authorisation and signatory powers consistent with the functions and internal responsibilities of the Entity held by senior managers;
- adoption of a Code of Ethics;
- analysis and identification of sensitive corporate processes, i.e., those activities that may constitute an occasion for the commission of the Offences referred to in the Decree, and therefore to be subject to analysis and monitoring;
- identification of specific and concrete protocols (in place) with reference to sensitive processes and corporate activities and definition of any implementations aimed at ensuring compliance with the provisions of the Decree;

- obligation on the part of the Entity's internal functions, and in particular those identified as being most at risk or senior, to provide information to the Supervisory Board, either on a structured basis (periodic reporting in implementation of the 231 Model itself), or on an occasional basis to report anomalies or irregularities found within the information available (in the latter case, the obligation is extended to all Subordinates without following hierarchical lines);
- definition of the information flows from/to the Supervisory Body;
- definition of training and awareness-raising methods for Subordinates;
- introduction of an adequate system of sanctions for violations of the rules and procedures laid down in the 231 Model;
- definition of the information to be provided to those third parties, with whom the Company comes into contact.

The task of overseeing the updating of the 231 Model, in relation to new Offences or adaptation requirements that may prove necessary, is entrusted by the Board of Directors to the Supervisory Board, in accordance with the provisions of art. 6(1)(b) of the Decree.

The Board is responsible for implementing the 231 Model.

3.3. *The structure of the 231 Model*

The following are the essential elements of the Company's 231 Model:

- the organisational system understood as the set of responsibilities, processes and operational practices governing the performance of the Company's operational, control and governance activities. The Recipients of these provisions shall therefore comply, in the performance of their respective activities, with:
 - the laws and regulations applicable to the various cases;
 - the provisions of the Articles of Association;
 - the provisions of the Code of Ethics;
 - the resolutions of the Board;
 - internal regulations, essentially represented by the Manual of Company Procedures.
- the Supervisory Board, understood as the body of the Entity entrusted with the responsibility of supervising the operation of and compliance with the 231 Model, having the requirements set out in Art. 6(1)(b) of Leg. Decree 231/2001, and of providing for the Model updating.

3.4. *The Organisational System*

We are convinced that the adoption and effective implementation of this 231 Model will not only allow the Company to benefit from the exemption provided for in Legislative Decree 231/2001, but improve, within the limits provided for therein, its corporate governance, also limiting the risk of non-compliant conduct or conduct that could have economic or reputational consequences.

The purpose of the 231 Model is to set up a structured and organic system of procedures and control activities (preventive and/or ex post) for the prevention and conscious management of the risk of commission of Offences, through the identification of sensitive processes and their consequent proceduralisation. These activities make it possible to:

- determine, in all those who work in the name and on behalf of the Company in the areas of activity at risk, the awareness that the violation on their part of the provisions set out therein may result in a conduct that is punishable at disciplinary level and, should it amount to an offence under Legislative Decree no. 231/2001, possibly subject to criminal and administrative penalties not only against them but also against the Company;
- reiterate that any unlawful conduct is strongly condemned by the Company since (even if the Company were apparently in a position to take advantage of it) it is in any case contrary not only to the provisions of the law, but also to the ethical-social principles set out in the Code of Ethics, to which the Company adheres in the performance of its corporate mission;

- enable the Company, by monitoring sensitive processes and activities, to intervene promptly to prevent or counter the commission of Offences.

3.5. *The corporate management system*

The Company has defined and documented its organisational system and its operating mechanisms, which are constantly updated to meet the strategic and organisational needs of the company and to adapt to the requirements of organisational structures and administrative procedures required by law and industry regulations.

The following are the main documentary references that govern the internal organisation:

- The Articles of Association, i.e., the fundamental document on which the corporate governance system is based: they define the company's purpose, registered office, corporate object, share capital, as well as the duties and responsibilities of senior management.
- The corporate organisational documentation (Procedures Manual), which describes the organisational structure and corporate work processes, tasks and responsibilities of organisational units.

The body of company rules and regulations is consistent and functional not only for the purposes for which it was developed, but also for the prevention of the offences covered by the decree. These regulations are available on the company's intranet and are regularly updated.

In particular, with reference to the requirements of Art. 6(2) of Leg. Decree 231/2001, the compliance of the organisational system with the requirements of points (a), (b) and (c) of that standard has been verified.

Moreover, the control system involves, with different roles and at different levels, the Board of Directors, the Board of Statutory Auditors, the internal control functions, the management and all personnel, and represents an indispensable attribute of the Company's daily activities.

3.6. *Sensitive activities (under Art. 6, par. 2 letter a)*

On the basis of the activities currently performed and the Offences included in the scope of the Decree, in accordance with Art. 6(2)(a) of Leg. Decree 231/01, the Company has identified sensitive activities, i.e., those activities that are concretely exposed to the risk of one of the offences expressly referred to in Legislative Decree 231/01 being committed.

To identify the risky activities, the Company has carried out an analysis of the processes managed for the purpose of detecting the activities in which there is the possibility of committing the Offences referred to in the Decree.

This analysis was carried out by conducting interviews and direct surveys with the Company's management and operational staff and led to the creation of a matrix representing the possible 'Process/Activity - Predicate Offence' intersections.

During the above meetings, the following took place:

- identification of sensitive activities: i.e., activities that are affected by potential offences;
- analysis of potential risks: this was done by identifying the possible ways in which Offences could be committed in the various areas of the Company. The analysis is also preparatory to a proper evaluation/design of further, possible, preventive measures.
- assessment of the system of safeguards currently in place: the activities described above are completed with an assessment of the existing system of preventive controls and countermeasures, aimed at limiting or eliminating risks and identifying areas for potential improvement.

On the basis of the analysis, the following categories of offence were found to be applicable:

- Crimes against the Public Administration
- Computer crimes and unlawful processing of data
- Corporate offences
- Crimes against individual personality
- Crimes and administrative offences of market manipulation and insider dealing
- Occupational health and safety offences
- Receiving stolen goods, money laundering and use of money, goods or benefits of unlawful origin, as well as self-laundering
- Copyright infringement offences
- Inducement not to make statements or to make false statements in court
- Employment of illegally-staying third-country nationals
- Tax offences.

3.7. *The formation and implementation of the decision-making process (Art. 6 par. 2 letter b)*

The various stages of the decision-making process are documented and verifiable, powers and delegations are established by the Board of Directors and made known to the organisational structures involved.

in the course of the analysis carried out for the purposes of Leg. Decree 231/2001, the reference corporate rules or applicable practices have been expressly identified for each sensitive activity, and their suitability has been assessed with respect to their capacity to prevent unlawful conduct.

In particular, the company's activities and decisions are subject to a series of controls carried out not only by the line functions, but also by the single control function (i.e., internal audit, risk management, compliance and anti-money laundering) within the Company, according to the applicable supervisory regulations and, lastly, by the Board of Statutory Auditors and the Auditing Company.

3.8. *The methods of management of financial resources (Art. 6 para. 2 letter c)*

The Company has regulated the way resources are to be managed. In the first place, spending powers are vested in the Board of Directors, which has also conferred, by means of specific resolutions, specific powers on the Chief Executive Officer and the Heads of corporate functions, as more specifically set out in the corporate document entitled 'Granting of sub-delegations'.

The system for granting sub-delegations is subdivided into general sub-delegations (Fund Managers, Head of Administration and Finance, Head of Corporate Secretary Office and Organisation, Fund Managers) and sub-delegations for debiting of accounts held with the custodian bank in the name of the funds managed by the AMC (sums debited for investment transactions in execution of resolutions of the Board of Directors, the Executive Committee and/or the Chief Executive Officer, charges relating to ancillary investment costs (due diligence, legal costs, etc.) in execution of resolutions of the Board, the Executive Committee and/or the Chief Executive Officer, Charges for distributions to Investors in execution of resolutions of the Board of Directors, the Executive Committee and/or the Managing Director, Sundry charges due under the Fund Regulations (audit or custodian fees, manager fees).

All powers exercised by the delegated bodies are accounted for at the first board meeting, with appropriate reports being prepared.

Resolutions involving situations of conflict of interest are excluded from the exercise of delegated powers and remain the sole responsibility of the Board.

The main powers exercised by the delegated bodies shall be reported to the Board on a regular basis, with appropriate reports being prepared at least every six months.

4. The Supervisory Board

In implementation of the provisions of the Decree, Indaco Sgr's Board of Directors resolved to set up a Supervisory Board with the responsibility of monitoring the operation of and compliance with Model 231, identifying any corrective measures and proposing updates to the Board of Directors.

Taking into account the limited size and risks of the company, the possibility provided for by the Decree to adopt a 'monocratic' Body, and the need to guarantee the necessary requirements of independence, professionalism and autonomy of the Body, Indaco decided to entrust the task of Supervisory Body to an external professional with adequate expertise in 231 matters.

The Supervisory Board is required to:

- promote, in coordination with the competent corporate functions, appropriate initiatives for the dissemination of knowledge and understanding of the principles of the 231 Model, defining specific information/training and internal communication programmes;
- periodically report to the Board of Directors and the Board of Auditors on the status of implementation of the 231 Model;
- define and communicate, after informing the Board of Directors, the information flows to be sent to the corporate structures, with an indication of the organisational unit responsible for sending them, the frequency and method of communication;
- define and communicate to all corporate structures the procedures for reporting any unlawful conduct or conduct in breach of the 231 Model;
- ascertain and report to the Board of Directors, for the appropriate measures, any violations of the 231 Model that may give rise to liability.

4.1. *Grounds for ineligibility or disqualification*

No one can be appointed to member of the Board and, if appointed, is revoked if:

- they have been sentenced - even by a non-final judgement - for one of the offences provided for in Legislative Decree 231/2001 or have been sentenced by a judgement - even if not final; 1) to imprisonment for one of the offences provided for in Title XI of Book V of the Civil Code and in Royal Decree 267 of 16 March 1942; 2) to imprisonment for a term of not less than one year for a crime against the public administration, public faith, property, public order, the public economy or a crime relating to tax matters; 3) to imprisonment for a term of not less than two years for any crime committed with criminal intent;
- they have been disqualified, incapacitated or declared bankrupt;
- they are a relative, spouse or relative-in-law of the directors, auditors or employees of the Company up to and including the second degree.

Members of the Supervisory Board are obliged to immediately inform the Board of Directors in case of occurrence of even one of the above-mentioned situations, as they entail forfeiture of the office.

Termination of the employment relationship, if any, constitutes grounds for disqualification.

4.2. *Obligations of information vis-à-vis the supervisory boards (Art. 6, para. 2 point D)*

The Supervisory Board is responsible for overseeing the operation of and compliance with the 231 model and ensuring that it is updated.

For such purpose., the Supervisory Board:

- has access to all corporate document and information relevant to the performance of its duties;

Organisation, Management and Control Model under Leg. Decree 231/2001

- makes use, upon request to the Board of Directors, of third parties of proven expertise in cases where this is necessary for the performance of verification and control activities or for updating the 231 Model;
- may request employees and collaborators to promptly provide the information, data and/or news necessary to identify aspects related to the various corporate activities relevant to the Model and to verify its effective implementation;
- receives regular information flows defined and communicated to the corporate structure, any communications by employees of the commencement of legal proceedings against them for offences under the Decree, reports prepared within the framework of control activities by internal functions and/or external parties from which facts, acts, events or omissions may emerge with profiles of criticality with respect to the provisions of Decree 231.

In order to allow the Recipients of this Model 231 to report any information concerning the commission or attempted commission of offences, as well as violations of the rules laid down in the Model 231 itself, appropriate channels of communication to the Supervisory Board are guaranteed.

Reports must be forwarded directly to the Supervisory Board, by written communication to: Supervisory Board, e-mail: odv231@indacosgr.com

In order to guarantee the confidentiality of the identity of the whistle-blower, reports to the Supervisory Board may also be made anonymously, provided that they are adequately substantiated and detailed, by letter addressed to: Supervisory Board 231 Galleria San Babila 4/B, 20122 Milan.

In this case, the Supervisory Board will assess its relevance and credibility before starting the appropriate investigations.

Bona fide whistle-blowers are guaranteed against any form of retaliation, discrimination or penalisation, and in all cases the confidentiality of the whistle-blower's identity will be ensured, without prejudice to legal obligations and the protection of the rights of the company or of persons wrongly or maliciously accused.

In addition to the reports of violations of a general nature described above, the Supervisory Board must also be informed of disciplinary proceedings brought in relation to reports of violations of the Model and of the sanctions imposed (including measures taken against employees), or of the measures dismissing such proceedings with the relevant reasons.

5. The disciplinary system (Art. 6, para. 2 letter e)

An essential element for the functioning of the 231 Model is the introduction of a disciplinary system capable of sanctioning any conduct in conflict with the measures laid down in the 231 Model. In this regard, in fact, Art. 6(2)(e) of Leg. Decree 231/2001 provides that organisation, management and control models must *introduce a disciplinary system suitable for sanctioning non-compliance with the measures indicated in the model*.

Compliance with the provisions and rules of conduct set forth in Model 231 constitutes fulfilment by Subordinates of their obligations under Art. 2104(2) of the Civil Code, obligations of which the content of Model 231 is a substantial and integral part.

Violation of the measures indicated in the 231 Model constitutes a breach of contract that may be subject to disciplinary sanctions pursuant to Art. 7¹⁰ of the Workers' Statute (Law no. 300 of 20 May 1970), and determines the application of the sanctions provided for by the applicable CCNL.

Failure to comply with the measures laid down in the 231 Model is assessed from a disciplinary point of view in a different manner depending on whether it concerns persons subject to management or supervision (Article 5(1)(b)) or senior managers (Article 5(1)(a)).

The adequacy of the disciplinary system to the requirements of the Decree is monitored by the Supervisory Board.

5.1. Clerical staff

The penalty system introduced under Art. 6(2) of the Decree is based on the principles of immediate and prompt notification of any breach, the granting of time limits for the exercise of the right of defence before the sanction is imposed, the proportionality of the sanction applied in relation to the seriousness of the breach committed and the degree of intentionality of the action or omission.

In particular, the sanctions that can be imposed on workers are those provided for in the CCNL and the disciplinary code adopted by the Company.

5.2. Managers and Executives

The Company shall insert in the individual letters of contract of new hires a special clause providing for the sanctions applicable to conduct in conflict with the rules set out in Legislative Decree No. 231/2001 and with the 231 Model.

In particular, in the event of violation of the internal procedures of the rules and principles laid down in the 231 Model, or of the adoption, in the performance of activities in areas at risk, of a conduct that does not comply

¹⁰ Art. 7. Disciplinary sanctions

1. The disciplinary rules concerning sanctions, the offences in relation to which each of them may be applied and the procedures for challenging them must be brought to the workers' attention by posting them in a place accessible to all. They must apply what is laid down in the relevant agreements and labour contracts where they exist.
2. The employer may not take any disciplinary action against the employee without first notifying him or her of the charge and hearing his/her defence.
3. The employee may be assisted by a representative of the trade union association to which he/she belongs or which he/she mandates.
4. Without prejudice to the provisions of Law No. 604 of 15 July 1966, disciplinary sanctions involving a definitive change in the employment relationship may not be imposed; furthermore, a fine may not be imposed for more than four hours of basic pay and suspension from duty and pay for more than ten days.
5. In any case, disciplinary measures that are more serious than a verbal reprimand may not be applied until five days have elapsed since the written notification of the event giving rise to it.
6. Without prejudice to similar procedures provided for by collective labour agreements and without prejudice to the right to take legal action, an employee who has been subjected to a disciplinary sanction may, within the following 20 days, also through the association in which he/she is a member or to which he/she confers a mandate, institute, through the provincial labour and maximum employment office, a conciliation and arbitration board, composed of a representative of each of the parties and a third member chosen by mutual agreement or, in the absence of agreement, appointed by the director of the labour office. The disciplinary sanction shall be suspended until the decision of the board.
7. If the employer fails, within ten days of the invitation addressed to him by the employment office, to appoint its representative on the board referred to in the preceding paragraph, the disciplinary sanction shall have no effect. If the employer takes the matter to court, the disciplinary sanction remains suspended until the judgment is finalised.
8. Disciplinary sanctions may not be taken into account for any purpose two years after their application.

with the prescriptions of the 231 Model, the most appropriate measures will be applied against those responsible, in accordance with the provisions of the CCNL for Company employees.

5.3. *Para-subordinate and self-employed workers*

For self-employed and para-subordinate collaborators, the Company shall adopt the same clause in each new contract as for employees of the Company.

For the Board Members and the Statutory Auditors and the General Manager, the Company requires, upon taking office, a commitment to comply with and implement the 231 Model; in the event of a breach of the 231 Model, the Supervisory Board shall inform the Board of Directors and the Board of Statutory Auditors for the adoption of appropriate measures.

6. Training, dissemination, review and updating of the 231 Model

The 231 Model is brought to the attention of all Recipients by means of appropriate communication and training measures in order to ensure maximum dissemination of the inspiring principles and rules of conduct.

The 231 Model is periodically reviewed by the Supervisory Board, in order to verify its effectiveness, adequacy, and maintenance over time of the requirements of effectiveness and functionality, and to ensure that it is updated.

In the performance of its tasks, the Supervisory Board avails itself of the competent corporate structures.

The Supervisory Board periodically reports to the Board of Directors on the state of application and any need for updating, suggests additions and/or amendments to the 231 Model where appropriate, as better described in the Supervisory Board Regulation, to which reference should be made.

The 231 Model is updated at least once a year unless:

- new Offences are introduced in Leg. Decree 231, which are relevant for the Company's activities;
- the Company carries out new sensitive activities or implements significant organisational changes;
- there is evidence of deficiencies in the 231 Model that require timely adjustment.