

PROCEDURE FOR HANDLING FINES RECEIVED BY FBK

Adopted with Resolution no. 01/2024 of the Secretary General dated January 12, 2024.

1. The Heads of the Organizational arms shall immediately notify the Secretary General of any administrative sanction served on them.
2. Any decision regarding the payment of administrative sanctions shall rest solely with the Secretary General, in accordance with the following points.
3. For fines of less than 50 euros (including interest and excluding notification fees) that are not expected to reoccur, the Secretary General will:
 - Formally question the Head of the Organizational Arm responsible for the activity for which the fine has been issued, so that he/she puts in place actions to avoid further fines;
 - Direct the Administration Service to proceed with the payment of the fine within the due date.
4. For fines exceeding 50 euros (including interest and excluding notification fees), the Secretary General will:
 - Formally question the Head of the Organizational Arm responsible for the activity for which the fine has been issued;
 - Request justifications from the person(s) in charge of performing the activity involved in the fine;
 - Request information from the person(s) in charge of performing the activity involved in the fine in order to acquire the elements and so that they can prepare their defense, unless they do not intend to proceed voluntarily to pay within the terms.
 - Involve the internal competent bodies for each case (SB, RSPP, RPCT, DPO) so that they can carry out all appropriate verification, on their own or jointly, when applicable.

In particular, the internal bodies involved for each specific case will proceed to:

- Verify the existence of adequate safeguards for preventing the risk of repeated violations; assess in-depth investigations, including on a sample basis, as long as they are significant; verify the adequate acquaintance with the conduct safeguards by the Organizational Arm Heads and by the employees in charge of the functions in the performance of which the violation originated;
 - Report the results of the investigation to the Secretary General;
 - Suggest to the Secretary General the adoption of additional procedures or improved initiatives for the prevention of the same event.
- Inform the Board of Directors in the case of matters that require special investigation or expose the Foundation to significant risk, meaning also those cases of administrative sanctions of limited unitary value but that can potentially be repeated for a significant number of cases.
 - Direct the Administration Service to proceed with the payment of the fine within the due date.

This is without prejudice to the right of appeal where legal and expediency requirements are met.

5. Taking into account the specific regulations, rules, procedures and internal powers of attorney, the Secretary General - or the Board of Directors, where involved - will identify the person(s) responsible for the violation and, in case of payment, will request from them the reimbursement of all or part of the amount, if any, paid by the Foundation.

In evaluating the request for reimbursement, the following should be taken into account:

- willful misconduct (implying personal liability);
 - mismanagement on the part of the person responsible if the error was avoidable with good management;
 - the unintentionality of the error made;
 - precedent and risk for other positions as well, if it is an event that potentially affects many cases.
6. The Secretary General, or the internal bodies involved for each specific occurrence, will involve the head of the People Innovation for Research Service to assess the need for disciplinary procedures to be started.
 7. The Secretary General is responsible for deciding whether to have specific procedures or arrangements implemented on the basis of the investigations conducted.
 8. FBK will in no way proceed to the payment of fines received in the case of violations related to specific regulations, procedures and rules, which provide for the individual responsibility of persons as a result of licenses, authorizations or other. In these cases, the Heads of the Organizational Arms who received requests for payment, shall notify the Secretary General of the request received and directly involve, where necessary, the Legal Department, DPO, RPCT or SB to carry out all in-depth investigations and to defend the Foundation, where directly involved. Examples include:
 - Traffic violations occurred while driving FBK vehicles: in this case, having the authorized FBK staff driving the vehicle been identified, they will be invited to pay, and to produce a copy of the payment receipt;
 - The intentional violation of copyright intended for personal reasons with FBK's instrumentation or by IP FBK: in this case, having the person responsible been identified, FBK shall provide all the information to the proceeding party through the Legal Department;
 - The transfer to unqualified third parties of credit card credentials issued to certain individuals by FBK (cases of phishing, smishing, etc.): in these cases FBK will refer the matter to the appropriate arbitration body (Financial or Banking Arbitrator). To the extent that gross negligence of the subject is confirmed in the judgment, the subject shall reimburse FBK.
 9. The Secretary General shall - based on the occurrences notified by the Heads of the Organizational Arms - maintain an updated register, subdivided by year and by type of violation, of violations and fines received, of any investigation conducted, of the person who paid the fine, specifically highlighting the payments made by the Foundation.