



ORGANIZATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO D.LGS. 231/2001

Approved by the Board of Directors on 20/10/2022

PAREXEL INTERNATIONAL S.p.A.
ORGANIZATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO D.LGS. 231/2001

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1. Recitals

Parexel International S.r.l. (hereinafter “Parexel” or the “Company”) has adopted this Organization, Management and Control Model pursuant to D.Lgs. 231/2001 with the Board of Directors' Resolution of 20/10/2022.

All recipients of the Model, as identified in the General Section, are required to comply with the principles and codes of conduct indicated below, as well as to adopt, each in relation to the function they exercise, conducts that comply with any other regulations and/or procedures that regulate in any way the activities falling within the scope of the Decree.

2. DEFINITIONS

- **Sensitive activities:** Parexel activities/processes within which there is a risk, even potential, of commission of the offenses contemplated in the Decree.
- **Instrumental activities:** Parexel activities/processes that are potentially instrumental to the commission of offenses contemplated in the Decree due to responsibilities.
- **Consultants:** subjects who possess professional requirements and provide their intellectual expertise to or on behalf of Parexel.
- **D.Lgs. 231/2001 or Decree:** Legislative Decree no. 231 of 8 June 2001 and subsequent amendments or supplements.
- **Employees:** subjects who have a subordinate or consultant employment contract with Parexel.
- **RAD:** Risk Assessment Document.
- **Company or Parexel:** Parexel International S.r.l.
- **Public service representative:** a person who “provides a public service in any capacity”, with ‘public service’ meaning an activity regulated in the same way as a public function, but characterized by the absence of the powers typically held by the public function (Art. 358 of the Italian Criminal Code).
- **Confindustria guidelines:** document of Confindustria, approved on 7 March 2002 and updated in March 2008 and then again in March 2014, for the drafting of the Organization, Management and Control Model pursuant to the Decree.
- **Model:** Organization, Management and Control Model pursuant to D.Lgs. 231/2001.
- **Company Bodies:** the Administrative Bodies and the Board of Statutory Auditors of the Company.
- **Supervisory Board or SB:** A body foreseen by Art. 6 of the Decree, responsible for verifying the operation of and compliance with the Model.
- **P.A.:** the Public Authority, Public Official or Public Service Representative.
- **Partners or Independent Contractors:** the contractual counterparties of Parexel, which are natural or legal persons, with whom the Company may forge any form of contractually regulated partnership.
- **This document:** The Organization, Management and Control Model of the Company.
- **Public Official:** those who “exercise a public legislative, judicial or administrative function” (Art. 357 of the Italian Criminal Code).

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- **Offenses or Predicate offenses:** these are the offenses to which the provisions foreseen by D.Lgs. 231/2001 apply, even following its subsequent amendments or supplements.
 - **Senior subjects:** persons who take on the functions of representation, administration or management of a Company or a unit that has financial and functional autonomy, and persons who manage or control the Company, even in a de facto role.
 - **Subordinate subjects:** persons under the management or supervision of the subjects referred to in the point above.
 - **Company Management:** Board of Directors.

3. CONTENTS OF THE MODEL

This document is composed of two Sections, one General Section and one Special Section.

The General Section includes a preliminary examination of the regulations contained in D.Lgs. 231/2001 and, subsequently, describes:

- the activities, mission and control system of the Company;
- the process of adoption of the Model by the Company;
- the offenses relevant to the Company;
- the recipients of the Model;
- the Supervisory Board of the Company;
- the sanctions system following violations;
- the obligations of dissemination of the Model and training of personnel, if employed, partners and consultants;

The Special Section describes:

- the general principles of conduct;
- the offenses applicable to the Company;
- sensitive activities for the Company pursuant to the Decree;
- general prevention protocols;
- specific prevention protocols, for each offense, to safeguard sensitive activities.

In addition to the information expressly set forth below, the following form an integral part of this document:

- Organizational Structure Chart of the Company;
- Code of Conduct, which defines the principles and standards of conduct of the Company;
- Supervisory Board Regulation, which regulates how the SB operates;
- Offense Risk Map;
- Offense/Function Table;
- Table of Offenses, which summarizes the predicate offenses set forth in the Decree;
- Supplier Contractual Clause, which foresees the termination of contracts in the event of a violation of the Model adopted by the Company;
- Procedures, which contain the operational provisions of the company aimed at preventing the commission of offenses;
- List of Information Flows to the Supervisory Board to allow verification by the SB.
- Whistleblowing procedure

To this end, the document takes into account the contents of the Articles of Association, the principles of management and administration of the Company and its organizational structure and makes particular reference thereto in consideration of the specific company scope.

It also takes into account that the legal and administrative company activities are outsourced as well as the set of internal procedural standards and control systems in place.

4. GENERAL SECTION

4.1. LEGISLATIVE DECREE 231/2001

4.1.1. The regime of administrative liability falling on legal persons

With the introduction of D.Lgs. 231/2001, the Italian Legislator adapted Italian legislation to some international conventions on the liability of legal persons, in particular, the Brussels Conventions (dated 26 July 1995 and 26 May 1997, respectively) on the protection of the financial interests of the European Community and the fight against corruption in which officials of the European Community or Member States are involved, as well as the OECD Convention of 17 December 1997, relating to the fight against the corruption of foreign public officials in economic and international operations.

The foundational element of the aforementioned Conventions is the attribution of liability to businesses in relation to unlawful activities undertaken by its management, pursuant to a principle already recognized in the United States and in Great Britain since the last century. Specifically, in England, since the 1940s, the connection between natural and legal persons for unlawful conduct undertaken in favor of legal persons has been included in criminal legislation.

The same principle then became the cornerstone of the American Federal Sentencing Guidelines in 1991, which outlined in the United States the profile of criminal liability of companies, identifying the collective recipients of the legislation, setting the criteria for the connection between the Entity and the individual offender, defining the notion of “interest” or “benefit” for the legal person as a result of the offense and establishing sanctions to be imposed on the Entity.

As a result of this regulation and by virtue of the principle of the connection of natural persons and legal persons for the alleged commission of unlawful acts, a Model of Internal Organization (the “Compliance Program”) and Conduct (“Code of Conduct” or “Code of Ethics”) has long been adopted in Anglo-Saxon common law systems, by the legal person, to be followed in the organization of the company.

As mentioned above, D.Lgs. 231/2001 introduced for the first time the administrative liability of entities in national legislation. This is a liability that, although defined as “administrative” by the legislator and although it entails sanctions of this nature, it presents the typical characteristics of criminal liability, given that it prevalently results from the commission of offenses and is confirmed through criminal proceedings.

In particular, the Entities may be considered liable whenever the unlawful conduct strictly listed in the Decree occurs, in their interest or for their benefit by:

- a) natural persons who take on functions of representation, administration or management of the entity or a unit that has financial and functional autonomy, and persons who manage or control the Company, even in a de facto role (“Senior subjects”);
- b) persons subject to the management or supervision of any of the above (so-called “subordinate subjects”).

With respect to the notion of “interest”, this is confirmed whenever the unlawful act is undertaken with the sole intent of providing a benefit to the company; likewise, administrative liability lies with the company when the offender, despite not acting to provide any benefit to the entity, has still provided an indirect advantage to the legal person, whether or not this is economic in nature. Otherwise, the exclusive benefit of the offender excludes the liability of the Entity.

The administrative liability of Entities does not exclude but, rather, adds to the liability of the individual offender.

The administrative sanctions that can be imposed on entities if they are found to be liable are:

- **a fine.** This applies when the entity is found to be liable through a quota system. In the event that the entity is liable for multiple offenses committed with a single act or omission or otherwise committed during the performance of the same activity and before a ruling has been made, even if not definitive, the most severe sanction increased up to three times shall apply;
- **interdictory sanctions.** These apply for all types of offenses covered by the Decree and for cases of greater severity. They may also be applied on a precautionary basis and result in debarment from doing business, in the suspension and revocation of authorizations, licenses or concessions related to the commission of the offense, in the prohibition of dealing with the public authorities (except to obtain the provision of a public service), in the exclusion of benefits, funding, contributions or subsidies and in the eventual revocation of those granted or in the prohibition of advertising goods or services;
- **confiscation** (of the price or profit of the offense). This is always ordered with a conviction, except for the portion of the price or profit of the offense that can be returned to the damaged party;
- **the publication of the ruling.** This can be ordered when an interdictory sanction is applied to the entity.

4.1.2. Offenses contemplated by the Decree and by subsequent amendments

The Entity may be called to respond only for the offenses identified in the Decree and is not punishable for any other type of wrongdoing committed during the performance of its activities. The Decree, in its original version and in subsequent amendments, as well as the Laws that explicitly refer to the regulation, indicates in section III what are known as predicate offenses, which are unlawful acts which can give rise to the Entity's liability.

These offenses include type of offenses that are quite different from one another, some of which are typical of business activity, and others being typical of the activities of criminal organizations. Over time, the number and categories of predicate offenses have significantly expanded following subsequent legislative supplements and, at the date of approval of this document, the predicate offenses belong to the categories indicated below:

- offenses committed in relations with the Public Authorities (Articles 24 and 25);
- IT offenses and unlawful data processing (Article 24 bis);
- organized crime offenses (Article 24 ter);
- forgery of money, public credit cards, stamp duties and identification instruments or marks (Article 25 bis);
- offenses against industry and trade (Article 25 bis.1);
- corporate offenses (Article 25 ter);
- offenses related to terrorism or subversion of democratic order (Article 25 quater);
- female genital mutilation practices (Article 25 quater.1);
- offenses against the individual (Article 25 quinquies);
- market abuses (Article 25 sexies);
- culpable homicide or grievous or very grievous bodily harm, committed in breach of the occupational health and safety protection standards (Article 25 septies);
- receipt, laundering or use of money, goods or benefits of unlawful origin and self-laundering (Article 25 octies);
- Offenses regarding means of payment other than cash (Article 25 octies.1);
- copyright offenses (Article 25 novies);
- inducement to not make statements or to make false statements to the legal authorities (Article 25 decies);
- environmental offenses (Article 25 undecies);

- employment of citizens from foreign countries whose residency status is unlawful (Article 25 duodecies).
- racism and xenophobia (Article 25 terdecies);
- fraud in sports competitions, abusive exercise of gaming or betting and gambling using prohibited devices (Article 25 quaterdecies);
- Tax offenses (Article 25 quinquedecies);
- contraband (Article 25 sexiesdecies);
- regulations on the quality and transparency of the supply chain of virgin olive oils, (Art. 12, Law 9/2013).
- transnational offenses (Article 10, Law no. 146/2006).

4.1.3. Exemption from liability: the Organization, Management and Control Model

The Decree expressly foresees, in Articles 6 and 7, the exemption from administrative liability for offenses committed for its own benefit and/or interest if the entity implemented effective and valid Organization, Management and Control Models suitable to prevent the same unlawful acts referred to by the that legislation.

In the event that the predicate offense is committed by Senior subjects, liability is excluded if the entity proves that:

- a) the managing body had adopted and effectively implemented, before the commission of the offense, suitable organization, management and control models for the prevention of the offenses of the kind that were committed;
- b) the task of supervising the operation and compliance with the models as well as the update thereof was entrusted to a body of the Entity holding independent powers of initiative and control;
- c) the persons who committed the offense acted by fraudulently avoiding the aforementioned organizational and management models;
- d) there was no omitted or insufficient supervision by the competent body, as per letter b).
- e) In the event that the predicate offense was committed by subjects under other management, the entity is liable if the offense commission was made possible by a failure to comply with the obligations of management or supervision;
- f) in any case, non-compliance of the obligations of management or supervision is excluded if, before the commission of the offense, the entity adopted and effectively implemented an organization, management and control model suitable to prevent offenses of the kind that occurred.

The simple adoption of the Model by the governing body is, therefore, not sufficient to provide an exemption from liability of the entity, because it is necessary for the Model to also be effective and efficient.

A Model is effective if it meets the following requirements (Art. 6, paragraph 2 of the Decree):

- identifies the activities in which offenses can be committed (so-called “risk mapping”);
- establishes specific protocols directed at planning the formation and implementation of the entity’s decisions regarding the offenses to be prevented;
- identifies suitable methods for managing financial resources to prevent the commission of offenses;
- establishes informational obligations to the body responsible for overseeing the operation and observance of the Models.

A Model is efficient if it foresees (Art. 7 paragraph 4 of the Decree):

- A periodic overview and eventual modification of the same when significant violations of provisions are observed or when changes in the organization or activity occur;
- the introduction of a suitable internal disciplinary system to impose sanctions for failure to comply with the measures indicated in the Model.

The Decree establishes that the Model shall undergo periodic review and updates, both when significant violations of provisions are discovered, or significant changes in the organization or activity of the Company occur.

In conclusion, the Model, although varying and adapted to the nature, size and specific activities of the Entity, can be configured as a set of principles, instruments and rules of conduct that regulate the organization, management and control system of the company.

4.1.4. Attempted offenses

Art. 26 of D.Lgs. 231/01 establishes that in cases of the attempted commission of offenses, the fines (in terms of amount) and interdictory sanctions (in terms of time) are reduced from one third to half.

The definition of an attempted offense is provided by Art. 56, paragraph 1, of the Italian Criminal Code by which “those who commit acts that have the unequivocal intention of committing an offense if the act is not committed or the event does not materialize”.

Sanctions are excluded if the entity voluntarily prevents the act from being committed or the event from materializing.

4.1.5. Offenses committed abroad

Pursuant to Article 4 of the Decree, the Entity may be liable in Italy for predicate offenses committed abroad. However, the Decree subjects this possibility to the following conditions:

- the Judicial Authority of the country where the offense was committed does not launch legal proceedings;
- the Company has its head office within Italian territory;
- the offense is committed abroad by a person functionally related to the Company;
- there are the general conditions of prosecutability contemplated in Articles 7, 8, 9 and 10 of the Italian Criminal Code in order to prosecute an offense committed abroad in Italy;

4.1.6. Modifying events of the entity

The Decree regulates the degree of liability of the Entity in the case of modifying events; namely, the transformation, merger, demerger and sale of the company. The underlying principle states that it is the Entity only that is liable, with its own assets or with its own mutual fund, to pay the fine. The rule therefore excludes, regardless of the legal nature of the Collective Entity, that the shareholders or associates are personally liable with their assets.

The principles of civil law on the liability of an Entity that has undergone a transformation due to debts of the original Entity are applied, as a general criterion, to the fines imposed on the Entity. The interdictory sanctions remain, instead, the responsibility of the Entity in which the branch of the activity in which the offense was committed remains, or into which it has merged.

In the case of transformation of the Entity, liability for the offenses committed before the date in which the transformation took place remains unaffected.

The new Entity will, therefore, be the recipient of any sanctions, which can be attributed to the original Entity, for acts committed before its transformation.

In the case of a merger, the Entity that results from said merger, including through incorporation, is liable for the offenses for which the entities participating in the merger were liable. If the merger took place before the end of the proceedings verifying the Entity's liability, the judge must take into account the economic conditions of the original Entity and not those of the Entity resulting from the merger.

In the event of the sale or transfer of the company in which the offense was committed, without prejudice to the right to the prior receipt of payment of the selling Entity, the transferee is jointly obliged with the selling Entity to pay the fine, within the limits of the value of the company sold and within the limits of the fines that result from the mandatory accounting books or of which the transferee was, in any event, aware. In any case, the interdictory sanctions apply to the Entities in which the branch of activities in which the offense was committed remains or has been transferred, even partially.

4.1.7.Sources of the Model

Pursuant to the provisions expressly set forth in the Decree (Art. 6, paragraph 3), the Organization, Management and Control Models may be adopted on the basis of Codes of Conduct drawn up by the Associations representative of the Entities and communicated to the Ministry of Justice. In particular, on 7 March 2002, Confindustria issued its own Guidelines, in order to "offer concrete help to businesses and associations in drafting models and identifying a Supervisory Board". The same document was then revisited in order to take into account the introduction of the offenses subsequently referred to by the Decree and to specify the indications provided with respect to the Supervisory Board responsible for the control of the effective application of the Model. These Guidelines, expressly approved in their first version by the Ministry of Justice on 28 June 2004, suggest, amongst other aspects, that the following activities should be undertaken in the process of adopting the Model:

- the identification of "at-risk" activities, in order to verify in which areas of the company the commission of the offenses referred to in the Decree is possible;
- the preparation of a suitable control system, aimed at preventing risks through the adoption of specific protocols. In this regard, the major components of the control system suggested by Confindustria are:
 - o Code of Conduct;
 - o organizational system;
 - o manual and electronic procedures;
 - o authorizing and signatory powers;
 - o management control systems;
 - o communication to personnel, if hired, and training.

In particular, the components of the control system must be informed of the following principles:

- o verifiability, documentability, consistency and congruity of each operation;
- o application of the principle of separation of functions;
- o documentation of controls;

- o provision of an adequate sanctions system for the violation of the procedures foreseen in the Model;
- o identification of the requisites of the Supervisory Board, i.e., autonomy and independence, professionalism and continuity of action;
- o informational obligations to the body responsible for overseeing the operation and observance of the Models;
- o introduction of a suitable disciplinary system to impose sanctions for failure to comply with the measures indicated in the models.

The Parexel Organization, Management and Control Model has been drafted also taking into account the Guidelines put forward by Confindustria and referred to above, in addition to specifically considering the legal and doctrinal interpretations currently available in terms of administrative liability of Companies for unlawful activities deriving from offenses committed by natural persons acting for and on their behalf.

In accordance with the principles of Corporate Governance defined by the Group, the Company, even before the Decree enters into force, has placed particular emphasis on the design and subsequent implementation of an adequate internal control system, consistent with national and international best practices, of which the main components are described below.

4.2. PAREXEL AND THE MAIN ELEMENTS OF THE CONTROL SYSTEM

4.2.1. Brief description of the company

Parexel was established on 19 December 1994 and has been registered since 19 February 1996 in the ordinary section of the Milan Monza Brianza Lodi business register under number 07925720968.

The corporate purpose includes:

1. the development, research and trial, on behalf of itself or on behalf of pharmaceutical companies, of medicinal products;
2. the conduct of its activities in the pharmaceutical, biotechnology and medical field, including, without limitation, clinical trial activities, and other related activities;
3. the purchase and sale, direct or indirect, of pharmaceutical licenses and trademarks.

The company may also provide technical support services, related to the manufacturing process, to companies operating in the healthcare, pharmaceutical, biopharmaceutical field, of medical components, for example:

- study and planning of a project;
- development of the protocols to be followed and verification of compliance with the rules set forth in the protocol and national and international legislation;
- assessments of the level of fulfillment achieved in compliance with national and international regulations and planning to achieve full compliance with these regulations;
- study of the environment and machinery with which the manufacturing process will be performed.

The company may also perform the following both in Italy and abroad, in a manner not predominantly and exclusively complementary to the above activity, when the administrative body deems it necessary or useful for the achievement of the corporate purpose and, in any case, not to the public:

- conduct all commercial, moveable and immovable asset operations;
- constitute new companies, subscribe to shares or percentages and assume, in general, directly or indirectly, profit sharing interests or shares in other companies or enterprises that are already constituted or are being constituted, with a purpose that is similar, alike or complementary to its own;

- acquire assets through the stipulation of leasing agreements (financial lease) and the stipulation of contracts for the assignment of receivables;
- give guarantees, including collateral, also for obligations acquired by third parties, including subsidiaries or affiliates.

All of this excludes the activities that current legislation prohibits within companies and those prohibited by current regulations on credit and collection of savings from the public; the company must exercise its activity in compliance with D.Lgs. no. 385 of 1.9.1993 .

All activities, which are qualified as financial by law, will not be performed by the company for the public.

All activities mentioned herein must be performed within the limits and in compliance with the legislation on confidential activities.

4.2.2.The Corporate Governance System

Parexel values corporate governance as a set of rules, policies, and procedures through which the company is governed and managed, in order to ensure a balance between the expectations of the shareholders (and more generally the stakeholders) and the role and actions taken by governance bodies.

The term “corporate governance” refers to different areas of business life; the Parexel governance system is based, in particular, on the following parts, which are related one to the other:

- the organizational structure and delegation mechanisms;
- the rules (governance guidelines and Code of Conduct), operating practices and processes (formalized in policies and procedures) through which the company is managed and governed;
- monitoring activities, performed by subjects internal and external to the company, aimed at ensuring compliance with the rules.

4.2.3.Organizational structure and delegation mechanisms

The Company will promptly update its organizational structure chart (ANNEX A “ORGANIZATIONAL STRUCTURE CHART”) with respect to any change in its organizational structure, with particular attention to the transmission of the updated documents to all relevant business functions.

Delegations to act and powers of attorney to spend are granted by the Board of Directors.

4.2.4.Governance of the Company

The Company’s governance model has the objective of formalizing the value system it intends to promote by creating a suitable and exemplary organizational structure.

The Company has adopted the “traditional” system of administration and governance through its Articles of Association.

Parexel’s structure includes the following Corporate Bodies:

- the Shareholders' Assembly, a body with exclusively deliberative functions, whose duties are legally restricted to the most important decisions of corporate life, with the exclusion of managerial duties;
- the Board of Directors, which is appointed to provide strategic supervision and management of the company;

- the Chairperson of the Board of Directors;
- Special Attorneys-in-Fact, with the powers of representation of the company;
- the Single Statutory Auditor;
- the Audit Company;
- the Supervisory Board;

4.2.4.1. Shareholders' Assembly

If the decisions concern the matters indicated in Article 10 of the Articles of Association letters d), e), f) and in all other cases expressly provided for by law or by these Articles of Association, or when one or more directors or a number of shareholders representing at least one third of the share capital require it (with written request that must be received at the company offices even after the activation of the methods of written consultation or express consent in writing, but in any case before the decision is made), the decisions of the shareholders must be made by means of a shareholders' meeting resolution.

The shareholders' meeting is convened, in addition to the cases established by law or by these Articles of Association, also when the administrative body or the Chairperson of the Board of Directors deems it appropriate.

The meeting is convened at the company's registered office, or even in a different place in Italy, in member states of the European Union, in the United States of America, Canada or Switzerland, indicated in the notice of convocation.

The convocation is sent from the Chairperson of the Board of Directors, from one of the directors or from a shareholder, with notice sent at least eight days prior, or if sent later, received at least five days prior to the scheduled meeting, by registered letter, telegram, telex or e-mail or other suitable means of communication to guarantee proof of delivery and receipt, sent to the shareholders at their home address as per their specific registration in the shareholders' register or to a different address communicated to the company as applicable.

The notice of convocation must indicate the day, place, time of the meeting and the list of topics to be discussed.

The notice of convocation may also set the day, place, and time for any second convocation, to be held within 30 (thirty) days of the date set for the first convocation.

The notice of convocation may be signed by a person delegated by the administrative body or by the Chairperson of the Board of Directors.

The assembly is validly constituted in the first convocation with the presence of the same number of shareholders as those who represent at least half of the share capital and deliberates with the favorable vote of the same number of shareholders as those who represent at least the majority of the share capital represented in the meeting, except in the cases foreseen in letters d) and e) of Art. 10 of the Articles of Association, which require the presence of the same number of shareholders as those who represent at least the majority of the share capital and deliberate with the favorable vote of the same number of shareholders as those who represent at least the majority of the share capital. In the second convocation, the assembly deliberates with an absolute majority of those present, regardless of the part of the share capital who were present at the meeting. The assembly, however, may validly deliberate even in the absence of the formalities of this article, if the entire share capital is present or represented, all the directors and auditors, if appointed, are present or informed, and no one objects to the discussion of the items on the agenda.

In the event of a full assembly, the declaration of directors and auditors stating that they have been informed of the meeting and do not oppose the discussion of the relative subjects must be filed in the company records.

The meeting is chaired, depending on the structure of the administrative body, by the Chairperson of the Board of Directors or by the sole director. In the event of an absence, impediment or renunciation of these figures, the meeting will be chaired by a person - not necessarily a shareholder - elected with the favorable vote of the majority of those present with voting rights.

The Chairperson verifies the regularity of the constitution of the assembly, verifies the identity and legitimacy of those present, regulates the conduct of the meeting and confirms the results of the votes. The Chairperson may request the assistance of a secretary, even if not a shareholder, designated by the participants, in order to record the minutes of the meeting. Each shareholder has a voting right proportional to his/her share. Shareholders who, on the date of the meeting, are registered in the voluntary shareholders' register are entitled to participate in the meeting. It is also permitted that ordinary and extraordinary meetings be held with the intervention of shareholders located in places that are connected by audio and/or video, provided that the collegial method and the principles of good faith and equal treatment of the shareholders remotely connected are respected. In particular, it is necessary that: a) the chairperson of the meeting is permitted, including through their chair's office, to verify the identity and legitimacy of participants, regulate the conduct of the meeting and pronounce the results of the vote; b) the recording secretary is permitted to adequately perceive the events being recorded; c) participants are permitted to participate in the discussion and concurrent voting on the subjects on the agenda; and e) the company indicates in the notice of convocation (except in the case of a full participation meeting) the places where the voting parties can attend.

Each shareholder with the right to participate in a meeting may also be represented by a proxy, which must be filed by the company. Delegation with effect for multiple meetings is also permitted, regardless of the agenda.

The resolutions of the meeting must consist of the minutes signed by the Chairperson and the Secretary. The minutes must summarize, upon request, the statements of the shareholders. The minutes, even if drafted as a public deed, must be transcribed, without delay, in the resolution register of the shareholders referred to in the [text cut-off]

4.2.4.2. Board of Directors

This management body holds all the powers for the ordinary and extraordinary administration of the company and for the fulfillment of the corporate purpose, excluding the powers that the law or Articles of Association expressly reserve for shareholders.

Decisions regarding a merger decision in the cases foreseen by Articles 2505 and 2505-bis of the Italian Civil Code are adopted by the management body, instead of the Shareholders' Assembly.

The Board of Directors may delegate part of its powers pursuant to and within the limits of Art. 2381 of the Italian Civil Code to an executive committee composed of some of its members or to one or more of its members, even separately. The delegated directors may conduct all acts of ordinary and extraordinary management that will result from the delegation conferred by the Board of Directors, with the limitations and procedures indicated in said delegation.

The management body may appoint directors, attorneys-in-fact and agents in kind for certain acts or categories of acts, determining their powers.

The general representation of the company is the responsibility of the management body. In particular, in the case of an appointment of the Board of Directors, the company's representation is the responsibility of the Chairperson of the Board of Directors and, if appointed, the individual delegated directors within the limits of the powers conferred on them.

The company's representation is also the responsibility of the directors and attorneys-in-fact within the limits of the powers conferred on them in the deed of appointment.

4.2.4.3. Chairperson of the Board of Directors

The Chairperson of the Board of Directors plays a key role in facilitating the internal dialectics of the Board and between corporate bodies and in ensuring the balance of powers, consistent with the duties of organization of the work of the Board and the circulation of information, which are attributed to it by the Articles of Association and the Italian Civil Code.

The Chairperson of the Board of Directors is also the interlocutor of internal governance bodies.

With its written consent of 3 June 2019, the Chairperson of the Board of Directors was granted the following powers, to be exercised with a single signature:

1. Correspondence

Signing the correspondence of the company and any other document that requires the signature of the company in relation to business included in the powers delegated thereto.

2. Relations with public authorities and other public institutions

2.1 representing the company before the public authorities, chambers of commerce, quasi-governmental and social security bodies, trade unions and employers' associations;

2.2 signing applications, appeals and deeds falling within the powers conferred thereto;

2.3 establishing and collecting security deposits in the ministries, public debt offices, Italian development bank, financial bureaus, customs offices, municipalities, provinces, regions, and any other public office or institution.

3. Employment contracts and organization of sales

3.1 Hiring, suspending or terminating employment, applying disciplinary sanctions to managers, employees and workers, establishing and modifying their respective duties and remuneration;

3.2 appointing and revoking representatives, custodians, agents or sales agent, establishing and modifying the relevant powers and remuneration;

3.3 stipulating collective bargaining contracts and business agreements.

4. Leases, moveable and immovable property

4.1 stipulating, modifying and terminating lease agreements, including free leases, of property, vehicles, aircraft, watercraft and other moveable assets, including financial leases;

4.2 stipulating registrations, cancellations, waivers, renewals and postponements of liens, including legal, on property, vehicles, aircraft and watercraft; requesting annotations and registration of liens with exemption from liability of the responsible party for the filing of the relative records.

5. Sales

5.1 Buying and selling, including on an ongoing or periodic basis, and exchanging, importing and exporting any type of products and services related to the company's business, setting prices, terms and conditions, signing the relevant contracts and deeds, and making the relevant declarations, including exercising the right of withdrawal and termination, and granting, if any, discounts or deferments;

5.2 buying, trading in or divesting immovable assets of any kind, determining the relative prices, terms and conditions;

- 5.3 buying moveable and immovable assets at public auctions, formulating offers, including for a person to be appointed;
- 5.4 buying, exchanging, divesting or committing to other companies, firms, facilities and shareholdings in other companies, establishing the relevant prices, terms and conditions;
- 5.5 acquiring, exchanging, assigning or committing to other motor vehicle, aircraft and watercraft companies, conducting all the necessary procedures at the relevant public registry and any other competent office;
- 5.6 purchasing and assigning, also by license, or committing to other companies' trademarks, patents for industrial inventions, designs and models, industrial property rights in general, conducting the relative procedures at the competent administrative offices;
- 5.7 signing supply agreements of all types of services.

6. Imports and exports

Signing consular invoices, certificates of origin and any other documents generally suitable for attesting to the origin, value and characteristics of products imported or exported by the company; signing currency statements, invoices for exported goods, bank approvals, declarations on the accuracy of the value of the items to be imported and/or exported, and generally any other documents necessary or useful for import/export activity.

7. Collections and receipts

- 7.1 Collecting any sums due to the company, issuing the relevant receipts of deposits and settlement payments, as the case may be; issuing credit notes to customers and suppliers;
- 7.2 collecting from post offices, railways, ground, sea or air transportation companies, registered or insured letters, packages, shipment, boxes and other objects, issuing a release receipt.

8. Banking and Finance Operations

- 8.1 opening the company's current accounts with any bank or other credit institution, including the Bank of Italy, savings banks and general banks;
- 8.2 making payments to the company's bank accounts, processing bank checks, promissory notes, drafts and other negotiable instruments to the order or carrier, but only for the purposes of the respective deposit on the company's bank accounts;
- 8.3 drafting contracts for the banking deposit of money and securities, opening credit lines, banking advances, banking discounts, amounts carried forward, banking trusts, mortgages and financing, negotiating and determining the relevant terms and conditions;
- 8.4 performing all operations related to the safe-deposit boxes constituted, to be constituted or to be extinguished at credit institutions, giving them a waiver of liability in this regard;
- 8.5 performing withdrawals from the company's bank accounts, including overdrafts within the limits of the credit limits granted to the company;
- 8.6 issuing bank checks, issuing money orders, drawing or accepting promissory notes, drafts, requesting bank checks;
- 8.7 performing all procedures and signing all documents and contracts for the insurance and financing of receivables, including in foreign currency, deriving from export transactions;
- 8.8 opening or extinguishing post office accounts, performing all transactions within them, including withdrawals and issuance of post office promissory notes;
- 8.9 giving, modifying and extinguishing guarantees, including moveable and immovable property, including to third parties.

9. Insurance

- 9.1 Contracting private or mandatory insurance contracts, signing the relevant policies;
- 9.2 Modifying the insurance contracts, withdrawing from them, and agreeing, in the event of a claim, the indemnity due by the insurer, issuing receipts for the amount collected.

10. Public contracts, tenders and licenses

- 10.1 Entering into public contracts; competing for in bids and tenders by private companies or public governmental, regional or local institutions or any other public administration agency, in Italy and abroad;
- 10.2 Constituting and withdrawing security and deposits from each authority, presenting, modifying or withdrawing bids and conducting all related operations and formalities;
- 10.3 Drafting active or passive license agreements for the use of patents, trademarks or technology in general, or for the provision of technical assistance.

11. Taxes and Duties

- 11.1 Representing the company in relations with any governmental or local tax office, in Italy and abroad, with the power to appoint and revoke special powers of attorney and to delegate qualified professionals;
- 11.2 assisting audits and inspections of a fiscal nature of the Finance Department and/or any other tax authority and sign the relevant records thereof, sign declarations relating to direct or indirect taxes, forms and questionnaires; accepting or rejecting investigations; reaching agreements and definitions, challenging roles, filing requests, claims, complaints, briefs and documents before any office or tax commission, collecting reimbursements and interest, issuing receipts and, generally, carrying out all procedures related to any type of tax, duties, contributions and charges, both direct and indirect.

12. Legal Proceedings

- 12.1 Representing the company in court before any judiciary in Italy or abroad, including the supreme court of cassation, the constitutional court, the court of audit, the national council, in any judicial state and instance;
- 12.2 issuing and revoking warrants to attorneys and technical consultants;
- 12.3 accepting, referring, reporting and giving oaths, also of a decisional nature;
- 12.4 requesting conservative or judicial repossessions and seizures, of debtors and third parties; making declarations pursuant to Article 547 of the Civil Procedure Code, being responsible for the implementation of rulings;
- 12.5 representing the company in insolvency procedures, compulsory administrative liquidation, agreement with creditors and receivership of third-party debtors; collecting sums paid as deposits or as settlements, issuing receipts; proposing requests and appeals and vote in such procedures;
- 12.6 representing the company before the labor judiciary in all courts and instances of judgment, as well as in out-of-court settings, in unions, arbitrations and any other court that is competent in labor disputes, with all the broadest powers, including those to appoint and revoke attorneys and experts; reconciling and settling disputes, ensuring the implementation of the rulings and doing everything necessary or useful for the full and best definition and transaction of such disputes, also with specific reference to Articles 410, 411, 412 and 420 of the Civil Procedure Code in the text of Law No. 533 of 11 August 1973, and subsequent amendments.

13. Transactions and Arbitration

Transacting or settling any judicial or out-of-court litigation, settlements in arbitrations, including irregular and equity arbitrations, and appointing and revoking arbitrators, referring disputes or assessments to arbitrators and appointing experts.

14. Representing the company in meetings of other companies, representing the company in ordinary and extraordinary shareholders meetings of other companies, exercising the relative voting right.

15. resolutions of the Board of Directors

Implementing, or having someone implement the resolutions of the company's Board of Directors.

16. powers of sub delegation

Appointing general and/or special attorneys-in-fact for the performance of certain acts within the scope of the powers conferred thereto.

4.2.4.4. Special Attorneys-in-Fact

The company, as per the deed of 07/10/2003, ref. no. 193421/18435, has conferred special powers of attorney to the GMBA Manager, to exercise the following powers:

- represent the company in relations with third parties, conduct all acts, operations and duties relating to the power conferred, except for all extraordinary management operations and, in particular, for the stipulation of contracts concerning the purchase or sale of shares or stakes of the company, loans contracts for third parties, and contracts concerning the sale of immovables;
- sign and receive outgoing correspondence, issue notes and invoices;
- hire and dismiss staff, including managers;
- sign contracts in relation to the company's purpose, i.e., contracts concerning the development, research and clinical trial of medicinal products, on its own behalf or on behalf of pharmaceutical industries;
- buy, sell and trade in moveable assets in kind;
- purchase, sell and trade in vehicles, signing all necessary documents and releasing the competent custodians of public car registries from obligations and liabilities;
- conduct any bank transaction within the credit limits granted, including passive transactions and those on the state and non-state securities, and therefore: open and close current accounts, have control of them up to the available amounts; cash checks and negotiable instruments to the order, lease safety-deposit boxes and have control of their contents;
- endorse discounts and the cashing of promissory notes and drafts;
- bounce and confirm payments and other negotiable instruments to the order;
- open and close post office accounts and operate using them;
- make payments, grant extensions and discounts;
- collect credits and cash sums and anything else owed to the company by anyone, including postal or expedited money orders;
- issue receipts for the amounts cashed;
- represent the company and carry out any act and operation before the public and private authorities and, in particular, at the public debt offices, the Bank of Italy and agent banks, the state treasury, Italian development bank, regional revenue directorates, and at the revenue agencies, all levels of tax commissions, the Italian exchange office, the social security offices, the work offices, customs, transportation companies, also signing complaints, requests, appeals and statements;

With the power of attorney dated 11 December 2015 authenticated by the notary Sara Reyes of the state of Massachusetts and filed in the records of notary Anna Napoli of Milan on 23 December 2015 under index no. 15428/6139, the HR manager was conferred the following powers to be exercised with a single signature:

1. represent the company, in Italy and abroad, before the public authorities (at national, regional and local level), including without limitation: Ministry of Labor, Chambers of Commerce, quasi-governmental and social security bodies, territorial labor directorates, labor inspectorates, Agencies and Authorities, etc.; in all matters relating to working relationships, hygiene and safety at work, work-related injuries and occupational illnesses, as well as pension (compulsory and complementary pension), with the power to conclude transactions with representatives of the above authorities and to sign petitions, requests and declarations relating to the above;
2. represent the company before trade union associations and employers and conduct all the necessary acts for the obligations required by law and/or collective bargaining with labor unions, with the express exclusion of the power to sign collective bargaining agreements and/or corporate agreements

4.2.4.5. Single Statutory Auditor

The Board of Statutory Auditors consists of a Single Auditor.

The Supervisory Board oversees compliance with the law and the rules of operation of the Company in relation to compliance with the principles of proper administration and, in particular, on the adequacy of the organizational, administrative and accounting structure adopted by the company and its concrete [text cut-off]

4.2.4.6. Accounts Audits - Audit Company

Account audits can be performed by an audit company registered in the Ministry of Justice register. The duty of performing accounts audits is granted, upon proposal of the Board of Statutory Auditors, by the Shareholders' Assembly pursuant to Art. 2409 quater of the Italian Civil Code.

In compliance with Civil Law (Art. 2409 ter - 2409 septies of the Italian Civil Code), the company in charge of accounts audits:

- verifies, during the fiscal year and on a quarterly basis, the regular maintenance of the company's accounts and the correct recording of management operations in the accounting records;
- verifies whether the financial statements and, where drafted, the consolidated financial statements correspond to the results of the accounting records and the investigations conducted and whether they comply with the rules governing them;
- expresses a judgment on the financial statements with a specific report.

4.2.4.7. Supervisory Board

The Supervisory Board is the body within the Entity foreseen by Article 6 of D.Lgs. 231/2001.

The Supervisory Board has the duty of monitoring:

- effectiveness and adequacy of the Model in relation to the company structure and the effective capacity to prevent the commission of offenses;
- compliance with the requirements of the Model by the Corporate Bodies, Employees and other Recipients, in this last case, also through the competent corporate functions;

- the opportunity to update the Model, where there is a need to adapt it in relation to changing business conditions and/or legislation.

The members of the Supervisory Board are appointed by the Board of Directors and hold office for three years, in accordance with current regulations. Although the amendment introduced in Article 6 of D.Lgs. 231/2001 by the so-called Stability Law for 2012 introduced the possibility of assigning the supervisory function, pursuant to Article 6 of the Decree, to the Board of Statutory Auditors, the Board of Directors has decided to adopt this organizational duty and the relative investments, as more specialized audits and responsibilities, and ultimately, greater efficacy and efficiency of the offense risk prevention process can be guaranteed. For further details and information, please refer to the specific chapter of this document and the Supervisory Board Regulation attached hereto (Annex C "SUPERVISORY BOARD REGULATION").

4.2.5.Characteristics of the 231 Model

The Model was drafted in accordance with two principles so that it could be considered anti-fragile and stigmergic.

Antifragility is the characteristic of addressing the unknown, implementing strategies that enable us to respond to unexpected events with the precise intent of turning them into opportunities. The concept of antifragility goes beyond "elastic resilience" and "robustness," since a resilient thing bears shock, but it remains the same as before, while something that is antifragile becomes something better.

Through the mechanism of antifragility, it is possible to build a systematic and broad-ranging guide to non-predictive decision-making processes in uncertain conditions. In fact, the systems designed on the basis of a forecast of future events prove to be ineffective every time one encounters a situation that differs, even slightly, from what was originally expected, and therefore proves to be inadequate. Not all systems, however, are equally fragile. Biological systems - such as plants, animals, humans, or entire ecosystems - may benefit from limited amounts of stress, as they give rise to adaptive skills and self-improvement. Antifragility thus establishes the boundary between what is complex and living, which is how a 231 Model subject to daily events should be, and what is not living.

The speed of change and the consequences of such change spread very quickly in a chain of causes and consequences, and after a few steps, it becomes difficult to even detect what the initial event was. These disturbances, if not adequately dealt with, multiply and can result in unpredictable events. Antifragility, therefore, indicates the ability of certain systems to benefit, learn, modify, and improve through the occurrence of unforeseen events.

Since it is not possible to predict the future, it is necessary to analyze the current situation and introduce mechanisms into the system to make them adapt positively in the case of deviation from the hypothesized chain of events.

Stigmergy refers to an individual's activity that, by changing the environment with one's own action, interacts with others by influencing and causing other actions. The term stigmergy comes from the Greek words *stigma*, (mark or footprint), and *ergon*, which means work or the result of an action. Stigmergy can therefore be referred to as "inducement to work."

This mechanism underlies the coordination of many subjects without the direction of a coordinator and has been studied in nature - particularly among social insects such as ants and termites -, in the coordination of robots and in some human activities such as software development.

The aspect that is most relevant to the implementation of this Model is the individual's ability to respond to any action taken by one of his/her members by reacting in a way that is consistent with what is desired.

The pillars of the Model are therefore:

- in-depth knowledge of the management, employees and partners of the contents of the Decree through a thorough and continuous training plan;
- compliance with the Code of Conduct, which inspires individual conduct;
- collaboration with the Supervisory Board to continuously monitor business activities.

These characteristics integrate and support the instruments of organization, management and control, which are used to verify the correspondence of the principles of conduct and the procedures already adopted with the purposes set forth in the Decree.

4.2.6. Methods of Implementation of the 231 Model

The Company has performed a careful analysis of its instruments and procedures adopted for the purposes set forth in the Decree and, where necessary, has foreseen appropriate adaptation.

The Decree, in fact, expressly establishes, in the relative Art. 6, paragraph 2, letter a), that the Entity's Model identifies the company activities in which the offenses referred to in the same Decree can potentially be committed. Therefore, an analysis of the company activities and relative organizational structures was conducted for the specific purpose of identifying the areas of company activities at risk in which the offenses foreseen by the Decree may be committed, examples of possible ways they can be committed, and the processes in which their commission, as a principle, could create the conditions and/or for which instruments could be provided for the commission of those offenses (instrumental/functional processes).

The assessment of the degree of risk to which the Company is exposed was performed during company activity mapping, with respect to each sensitive activity and instrumental/functional process, on the basis of quantitative and qualitative considerations that have been taken into account, including, without limitation, some factors such as frequency of occurrence of the event or activity, the severity of the sanctions potentially associated with the commission of one of the offenses as well as the reputational damage resulting from the possible conduct of the at risk activities.

Once again in consideration of Parexel's characteristic activities, the relevant offenses (paragraph 4.3.6) and non-relevant offenses (paragraph 4.3.7) for Parexel have been identified separately.

The identification of the areas of activities at risk of the commission of offenses established in the Decree was also conducted through interviews with corporate subjects, such as those who hold the broadest and most in-depth knowledge of the operation of each individual sector of the company's activities. The results of the mapping activity described above were collected in a fact sheet detailing the concrete risk profiles for the commission of the offenses referred to in the Decree, in the context of the Company's activities (Annex D "OFFENSE RISK MAP").

The risks emerging from the risk assessment activity have been summarized in a specific document that forms an integral part of the Model (Annex E "OFFENSE/FUNCTION TABLE").

Sensitive activities, in fact, must be regulated in a consistent and appropriate manner through a system of procedures and other regulatory instruments of the company, so that the operational methods of conducting the activities, the related controls and the responsibilities of the person who undertook the activities can be identified at all times.

The Company's organizational system must also comply with the fundamental requirements of:

- explicit formalization of the rules of conduct;
- clear, formal and knowledgeable description and identification of the activities, tasks and powers assigned to each directorate and the different qualifications and professional roles;
- precise description of control activities and their traceability;
- adequate segregation of operational and control roles.

In particular, the following principles of internal control must be pursued:

Rules of conduct

- Existence of a Code of Conduct that describes the general rules of conduct governing the activities performed.

Definition of roles and responsibilities

- Internal regulations must outline the roles and responsibilities of organizational units at all levels, describing in a consistent manner the activities of each facility;
- the regulations must be made available and must be known within the organization.

Separation of duties

- within each relevant business process, the functions or parties responsible for the decision and its implementation must be separated from those who register and control it;
- there must be no subjective identity between those who make or implement the decisions, those who process accounting evidence of the transactions made, and those who are required to conduct the checks required by law and the procedures contemplated by the system of internal control.

Control and traceability activities

- Operational controls and their characteristics (responsibility, evidence, periodicity) must be formalized as part of procedures or other internal regulations;
- they must be properly formalized and include the date of completion, the documents relevant to the performance of the sensitive activities.
- for acknowledgment of the document, they must contain the legible signature of the completing party/supervisor; they must be filed in places suitable for storage, in order to protect the confidentiality of the data contained therein and to avoid damage, deterioration and loss;
- the formation of the documents and the relative levels of authorization, the development of the operations, materials and registration must be traceable, with evidence of their rationale and reasons, to guarantee the transparency of the choices made;
- the party responsible for the activity must produce and maintain appropriate monitoring reports that contain evidence of the checks performed and any abnormalities;
- computer systems must be adopted whenever possible to ensure the correct and truthful allocation of each operation, or a segment thereof, to the person responsible for it and to the persons participating in it. The system shall include the inability to edit records;
- the documents concerning the Company's activities, and in particular the electronic documents containing sensitive activities, are stored and filed, by the competent directorate, in a manner that does not allow it to be subsequently edited, except with specific evidence to justify it;
- access to documents already filed must always be justified and permitted only by authorized persons, or their delegates, according to internal rules, the Single Auditor or an equivalent body or other internal supervisory bodies, the Audit Company and the Supervisory Board.

4.2.7. Quality and Certifications

Parexel is committed to providing services in compliance with its Quality Management System (QMS). Parexel complies with applicable legal and regulatory requirements and best practices for the global work/services it provides.

Key requirements include, without exception, Good Clinical Practices (GCP) as defined by the International Council for Harmonization (ICH), the U.S. Food and Drug Administration (FDA) and the European Union Clinical Trials Directive (2001/20/EC), (hereinafter, "European Union Clinical Trial Regulation 536/2014"), Good Manufacturing Practice (GMP), Good Pharmacovigilance Practice (GvP), Good Distribution Practice (GDP) and Good Documentation Practices (GDocP) guidelines/regulations.

The QMS provides a framework in which the company's senior leadership is driven by a culture of quality that constantly strives to manufacture high quality products and services, preventing and correcting non-compliance with the expected client specifications, standards and expectations, and making quality a process in which all partners are involved.

The QMS is formalized in the Corporate Quality Manual (CQM 001) and refers to the following documents:

- Enhancing Quality and Efficiency in Clinical Development Through a Clinical QMS Conceptual Framework (TransCelerate Biopharma Incorporated 8/31/2015)
- General Data Protection Regulation (GDPR)
- Good Clinical Practices (GCP) as defined by:
 - United States FDA
 - ICH E6
 - European Union Clinical Trial Regulation (536/2014)
- Good Manufacturing Practice
- Good Pharmacovigilance Practice
- Good Distribution Practice
- Good Documentation Practices
- International Organization for Standardization
- ICH Q9 Quality Risk Management
- ISO 22301 Societal Security – Business Continuity Management Systems – Requirements
- ISO 31000 Risk Management
- ISO 9001
- International Federation of Pharmaceutical Manufacturers and Associations (IFPMA)
- European Federation of Pharmaceutical Industries and Associations (EFPIA)
- Patients Active in Research in Improvements and Dialogues for an Improved Generation of Medicines (PARADIGM) Code of Conduct

The company has also not obtained any UNI EN ISO 27001 Information Security certification.

4.2.8. Code of Conduct

The Company intends to operate in an ethical manner directed at performing activities, pursuing its corporate purpose, and growing the Company in accordance with current laws. To this end, it has adopted a Code of Conduct (Annex B "CODE OF CONDUCT") aimed at defining a set of fundamental ethical principles on which to base one's conduct and with which the Corporate Bodies, Employees, in any role and level, and Independent Contractors must comply in performing the duties and functions entrusted to them.

There are several counterparties for which Parexel requires the commitment of all stakeholders to ensure that the Company's activities are performed in compliance with the law, with honesty, integrity,

fairness and good faith, in compliance with the legitimate interests of customers, employees and the community in which the Company operates.

Therefore, it should be reiterated to all those working in the Company or working to pursue its objectives that it is important to observe and have others observe the Code of Conduct and its principles within their own functions and responsibilities.

In no way may the belief that we are acting for the good of the Company justify undertaking any action that contrasts with the Code of Conduct and its principles.

Compliance with the rules of the Code of Conduct must be considered an essential part of the contractual obligations of the Directors, the Auditor, the employees, at any title and level, and the external partners of the Company pursuant to and in accordance with the law.

4.3. ADOPTION OF THE MODEL BY THE COMPANY

4.3.1. Objectives of the Model

In light of the provisions of D.Lgs. 231/2001, the Company has initiated a process aimed at analyzing, summarizing and strengthening all the already existing corporate governance instruments and making any adjustments suggested by Italian legislation.

For these reasons, and even in the absence of real “signs of risk,” it has been decided to implement the Organization, Management and Control Model that the Company has been without up until now.

Through the adoption of this Model, Parexel has decided to:

- comply with legislation on the administrative liability of the entities, even if the Decree has not made this mandatory;
- verify and enhance the instruments already in place, designed to prevent unlawful conduct that is relevant pursuant to the Decree;
- inform all Parexel personnel, if hired, as well as independent contractors, consultants, suppliers and partners, of the scope of the legislation and the appropriate sanctions that may fall on Parexel in the event of the commission of the offenses and unlawful acts relevant pursuant to the Decree as well as the ethical principles and rules of conduct adopted by Parexel and to impose on them the observance of the ethical values upon which Parexel is based;
- make known to all Parexel personnel, if hired, as well as independent contractors, consultants, suppliers and partners, that it does not condone any conduct contrary to legal provisions, regulations, supervisory rules, internal company rules and the principles of valid and correct management of the company activities that Parexel observes;
- inform all Parexel personnel, if hired, of the need for specific compliance with the provisions contained in the Model, the violation of which is punished with appropriate disciplinary sanctions;
- inform the independent contractors, consultants, suppliers and partners of Parexel of the serious administrative sanctions applicable to the Company in the case of the commission of the offenses referred to in the Decree;
- make every effort to prevent the occurrence of unlawful acts in the performance of company activities through the ongoing monitoring of areas at risk, systematic training activities of personnel, if hired, on the proper performance of their duties, and prompt intervention to prevent and combat the commission of offenses.

4.3.2. Operating Procedures followed for implementation of the Model

The following describes the steps involved in identifying the areas at risk and detection of the Parexel's current system of instruments and controls to prevent offenses, based on which this document has been drafted.

4.3.2.1. Activity Mapping and identification of risk profiles

The first step involved identifying the offenses applicable to the company's activities, as well as the activities and risk profiles that exist in Parexel. To this end, based on the analysis of the company documentation collected (policies and procedures, organizational charts, delegations and powers of attorney, etc.) and meetings with Parexel Attorneys-in-Fact, made aware of the contents and scope of D.Lgs. 231/2001, we identified the main activities performed within the scope of individual functions.

Amongst these individual functions, areas have been identified as potentially at risk of commission of offenses that are relevant and/or instrumental pursuant to the Decree, and we consider as such, respectively, the activities that, when performed, could directly lead to the commission of one of the offenses contemplated by the Decree and the activities/processes in which, in principle, the conditions, occasions or means for the commission of the offenses in question could arise.

According to this classification, the individual offenses deemed applicable, collected and schematized in the offense mapping table are those that have been identified first.

The final results of this activity were then formalized in the Offense Risk Map, which has defined the activities that are relevant to the Decree, for which each Parexel Directorate is responsible and, for each of these activities, the potential risk profile and the reason for the existence of this risk profile, as well as the Prevention Protocols necessary to limit the identified risk.

This document was submitted to senior management for approval to give them responsibility and raise awareness about the risks inherent to the activities for which they are responsible, as well as the importance of implementing the Model.

4.3.2.2. Detection of Internal Control System and Gap Analysis

For each of the areas potentially at risk of commission of the offenses relevant and/or instrumental pursuant to the Decree, we proceeded to evaluate the control procedures already in existence, in order to promptly identify any deficiencies to be remedied and actions for improvement to be implemented.

In this way, we aimed to focus the Model on the specific operational areas and organizational structures of the Company, with reference to the concrete risks of offenses they hold.

Particular attention has been given to those areas of activity that have appeared most sensitive to the commission of predicate offenses. Parexel has, however, considered all risk areas to be equally relevant and worthy of suitable safeguards, for the purposes of the Decree.

4.3.2.3. Development of the Model

Analysis of protocols, procedures and powers. The adequacy of the delegation and power of attorney system was evaluated, verifying any needs for adaptation.

Based on the activities for assessment of the internal control system, the adequacy of the existing policies and procedures was assessed, and the possible need to adjust them was verified, in order to guarantee, in particular:

- the functional division of operational and control activities;

- the possibility to document the operations at risk and the controls in place to prevent the commission of offenses;
- the distribution and allocation of the authorization and decision-making powers and the responsibilities of each facility, based on the principles of transparency, clarity and verifiability of operations;
- the consistency of the powers assigned to each Manager as per their power of attorney in relation to the role and the organizational and management responsibilities assigned to him/her.

Analysis and implementation of the sanctions system. The Decree, under Art. 6, paragraph II, letter e), expressly establishes the responsibility of “introducing a suitable disciplinary system to sanction the failure to comply with the measures indicated by the Model”. Please refer to the specific chapter of this document for more details.

4.3.3. Drafting of the Code of Conduct

The Parexel Group has adopted and annually reviews its own Code of Conduct (“Code of Conduct”). The document in force was analyzed and considered adequate in relation to the specific requirements expressed by the Decree and, therefore, included in the 231 Model as Annex B “CODE OF CONDUCT”.

4.3.4. Establishment of the Supervisory Board

The exemption from administrative liability also foresees the mandatory establishment of a Body within the Entity, which holds autonomous powers of initiative and control, to guarantee the update of the Model.

For details in this regard, please refer to the appropriate annex (Annex C “SB REGULATION”).

4.3.5. Update of the Model

The Decree expressly foresees the need to update the Organization, Management and Control Model, in order to make it constantly “tailored” to the specific needs of the Entity and its concrete operation. The adaptation and/or update of the Model will be performed mainly at the same time as:

- regulatory innovations;
- findings made during verifications on the efficacy of the Model, which may also be inferred from experiences concerning other companies, and/or violations of the Model;
- changes in the organizational structure of the entity, including those resulting from extraordinary financial transactions or changes in corporate strategy resulting from new fields of activities undertaken.

Notably, the update of the Model and, therefore, its integration and/or modification, lies with the same governing body to which the legislator has assigned the responsibility of adopting the Model itself, upon proposal by the Supervisory Board.

In particular, the Supervisory Board, in coordination with the managers of Directorates that may be involved at that time, must perform:

- a) verifications on individual records. To this end, it will periodically verify the deeds and agreements relating to those processes at risk, according to the procedures identified by the same;

- b) verification of protocols/procedures. To this end, it will periodically verify the efficacy and implementation of the protocols of this Organizational Model;
- c) verifications of the level of knowledge of the Organizational Model, including through the analysis of queries or reports received;
- d) periodic update of the Risk Assessment aimed at reviewing the mapping of potentially at risk activities, particularly where there are changes to the company's organization or business, as well as in the case of supplements or modifications to D.Lgs. 231/2001.

4.3.6. Offenses relevant to Parexel

The Parexel Model was drafted taking into account the structure and specific risks deriving from the activities concretely performed by the Company and the nature and size of its organization.

In view of these parameters, the Company has considered all the categories of predicate offenses to be relevant:

- offenses committed in relations with the Public Authorities (Articles 24 and 25);
- IT offenses and unlawful data processing (Article 24 bis);
- organized crime offenses (Article 24 ter);
- corporate offenses (Article 25 ter);
- offenses against the individual (Article 25 quinquies);
- culpable homicide or grievous or very grievous bodily harm, committed in breach of the occupational health and safety protection standards (Article 25 septies);
- receipt, laundering or use of money, goods or benefits of unlawful origin and self-laundering (Article 25 octies);
- Offenses regarding means of payment other than cash (Article 25 octies.1);
- copyright offenses (Article 25 novies);
- inducement to not make statements or to make false statements to the legal authorities (Article 25 decies);
- environmental offenses (Article 25 undecies);
- employment of citizens from foreign countries whose residency status is unlawful (Article 25 duodecies);
- Tax offenses (Article 25 quinquesdecies);

4.3.7. Offenses not relevant to Parexel

In consideration of the company's business and its organization, the following offenses were considered not relevant:

- forgery of money, public credit cards, stamp duties and identification instruments or marks (Article 25-bis);
- offenses against industry and trade (Article 25-bis.1);
- offenses related to terrorism or subversion of democratic order (Article 25 quater);
- female genital mutilation practices (Article 25 quater.1);
- market abuses (Article 25 sexies);

- offenses relating to racism and xenophobia (Article 25 terdecies);
- fraud in sports competitions, abusive exercise of gaming or betting and gambling using prohibited devices (Article 25 quaterdecies);
- Contraband (Article 25 sexesdecies);
- transnational offenses (Article 10, Law no. 146/2006).
- Regulations on the quality and transparency of the supply chain of virgin olive oils, (Article 12, Law 9/2013).

In the Special Section below, this document identifies the Company activities that are classed as sensitive based on the related risk of commission of the categories of offenses listed above and contemplates, for each of the sensitive activities, some principles and protocols of prevention.

The Company undertakes to continually evaluate the relevance, pursuant to the Model, of any other offenses that may be contemplated in the Decree in the future.

4.4. RECIPIENTS OF THE MODEL

4.4.1. Recipients

This Model is addressed to all Parexel personnel, if hired and, in particular, to those who performed the activities identified to be at risk. The provisions of this Model must therefore be complied with both by the employee, if hired, a manager performing the functions of representation, administration, management and control, as well as by any workers who are subject in any capacity to the management or supervision of the same managers, and outsourcers (hereinafter “Recipients”).

4.4.2. Other subjects who are required to comply with the Company's internal rules and ethical values

Parexel requires, through the provision of specific contractual clauses (Annex G “CONTRACTUAL CLAUSES”), that all Partners in any capacity, Consultants or Suppliers to comply with the requirements set forth in the Decree and the ethical principles adopted, through the documented acknowledgment of the Parexel Code of Conduct.

With respect to any Partners connected with the Company in joint ventures or other contractual relationships, including those of a financial nature, Parexel requires compliance with the provisions of the Decree and the ethical principles of the Company through specific contractual clauses and verifies whether the values of conduct on which the partner’s activities are based is consistent with those set forth in the Code of Conduct and the Parexel Model.

4.5. SUPERVISORY BOARD

4.5.1. Supervisory Board (SB) Requisites

Art. 6., lett. b) of D.Lgs. 231/2001 subjects the exemption from the administrative liability of the entity to the establishment of an internal body within the entity that holds autonomous powers of initiative and control, which oversees the functioning and compliance with the Model and ensures that it is constantly up-to-date.

In compliance with this provision and in order to render the protocols set forth in this Model effective and up-to-date, Parexel has established a Supervisory Board, which meets all the requisites necessary to ensure its correct and successful operation.

From this section of the Decree, as well as from the aforementioned Guidelines issued by Confindustria, it has been found that the Supervisory Board (hereinafter also “SB” or “Board”) must possess characteristics that can ensure an effective and efficient implementation of the Organization, Management and Control Model. In particular, this “Board” must necessarily have the characteristics of autonomy and independence, professionalism and continuity of action.

With regard to the first characteristics (autonomy and independence), it is necessary that its members are not directly involved in management activities that are subject to the control of the same Body. This hierarchical independence must also be guaranteed through hierarchical independence and the inclusion of the SB as a unit of personnel reporting directly to the Board of Directors, to which it will need to direct its reporting activity.

In addition, in identifying the members of the SB, the necessary research is required to establish those who can guarantee - both objectively and subjectively - their full autonomy both in performing the activities of the Board and in the decisions to be made.

In relation to the characteristic of professionalism, the SB must be able to fulfill its inspection duties in relation to the effective application of the Model and, at the same time, possess the necessary qualities to guarantee the dynamic nature of the same Model, by suggesting updates to be directed to senior management.

Lastly, with regard to continuity of action, the SB must constantly monitor compliance with the Model, verify its efficacy and validity, ensure it is constantly kept up-to-date and function as an ongoing contact point for the Company.

With regard to the composition of the SB, in theory, various solutions are plausible, due to the size and operation of the Entity: therefore, both hypotheses of defining bodies specifically created in the Entity and the assignment of duties of the SB to already existing bodies are considered viable. Likewise, and always due to the specific qualities of the legal person, bodies with a board composition and those with single leadership can be chosen.

In consideration of the specific qualities of the company, it is advisable to have a Supervisory Board with a majority of external parties, including the Chairperson at least, who possess the expertise necessary for the best execution of the duty assigned.

4.5.2. Composition, operation and internal regulation of the Supervisory Board

Any matter related to the operation, regulation and composition of the SB has been documented by the Company within the SB Regulation, in compliance with current legislation and according to the indications listed above.

Therefore, with respect to the Board’s detailed regulations, please refer to the Supervisory Board Regulation (ANNEX D., “SB REGULATION”) which governs:

- Composition
- Duties and functions
- Information flows
- Meeting procedures and reporting obligations
- Recording of sessions
- Term in role
- Possibility of appointing consultants
- Renunciation and revocation of mandate

- Dissolution of the Supervisory Board
- Reasons for ineligibility
- Remuneration
- Modifications, supplements and advertising
- Confidentiality

4.6. WHISTLEBLOWING

The approval of Law 179/2017 has meant that 231 Models shall foresee, amongst others:

- one or more channels that allow those who represent or manage the entity in any capacity, to present, in order to protect the integrity of the organization, specific reports of unlawful conduct, which are relevant and founded on accurate and concordant facts, or violations of the Entity's organizational and management model, of which they become aware due to the functions performed. These channels guarantee the confidentiality of the reporter's identity in the handling of the report;
- at least one suitable alternative reporting channel to guarantee, with electronic procedures, the confidentiality of the identity of the reporter;
- adequate measures to protect the identity of the reporter and to maintain the confidentiality of the information in any context after the report, to the extent that anonymity and confidentiality are enforceable by law;

The Parexel 231 Model has been supplemented with the Whistleblowing Procedure (Annex L) under corporate procedure CP 817 "The Speak up Program", suitable for governing the reporting system.

The following measures have also been taken to guarantee the full and effective implementation of the procedure:

- specific training of the senior subjects, as well as their subordinates;
- integration of the disciplinary system set forth in the Model, with the inclusion of sanctions against those who violate the protective measures of the reporter, as well as those who file reports with willful misconduct or gross negligence that prove to be unfounded.

Pursuant to Art. 6, paragraph 2-bis of the Decree, the following reporting channels are made available to the recipients of the Model in order to report unlawful conduct based on accurate and concordant facts:

post: Organismo Di Vigilanza di Parexel S.p.A.
Via Filippo Turati, 28 – 20121 Milano;

email address: odv.231@parexel.com

In addition to the aforementioned information channels, Parexel has established a dedicated confidential instrument for reporting any unlawful conduct that may arise during the course of the Company's activities. In particular, the Recipients of the Model may file their reports in accordance with the provisions of the Whistleblowing Procedure.

The information received in this manner will be evaluated with the utmost confidentiality and, if relevance pursuant to the Decree is confirmed, the company will be informed avoiding any parties involved.

Reporters are safeguarded from all forms of retaliation, discrimination, penalization, and confidentiality of their identity, notwithstanding the legal obligations and protection of the rights of Parexel and the persons accused in bad faith.

Please also note that, pursuant to Art. 6, paragraph 2-bis, letter d), of D.Lgs. 231/01, in addition to the provisions of the following point 4.7 “The sanctions system”, further sanctions are foreseen “against those who violate the measures of protection of the reporter, as well as those who file reports with willful misconduct or gross negligence that prove to be unfounded”.

4.7. THE SANCTIONS SYSTEM

4.7.1. Introduction

As more fully specified in the sections above, the violation or circumvention of the Model and/or the Protocols contained therein expose, or may expose, natural persons to criminal liability and the Company to serious administrative liability that may even compromise its existence.

The establishment of a specific sanction and disciplinary system is a necessary element required by law and by Jurisprudence, in order to guarantee the efficacy and validity of Organization, Management and Control Models, pursuant to D.Lgs. 231/2001, which must be applied in the event in which employees, if hired, or other Recipients violate a Prevention Protocol foreseen by the Model.

Given the seriousness of the consequences for the Company in the event of misconduct by employees or other Recipients, any failure to comply with the Model constitutes a violation of the duties of diligence and loyalty and, in the most serious cases, damages the relationship of trust established with the Company.

Violations of the Organization Model and the Code will be subject to the sanctions set forth below, regardless of any criminal liability and the outcome of the relative proceedings.

For the part relating to employees, the provisions of the Model shall apply in the event that the company hires employees.

4.7.2. Purpose

This document formalizes and constitutes the Sanctions and Disciplinary System foreseen by the Model to guarantee compliance with the Model and its Protocols and to protect the Company from unlawful and unfair practices. The purpose of the Sanctions and Disciplinary System is to discourage improper and/or unlawful practices by the Company's employees and the other Recipients, punishing actions that lead to the violation of the Model and the Protocols set forth therein, as well as the Company's Code of Conduct.

The Sanctions and Disciplinary System is also activated in the event of a violation of certain company procedures that, although not constituting alleged offenses pursuant to D.Lgs. 231/01, are to be considered relevant to the technical-organizational, legal, economic or reputational repercussions of the Company. In particular, they fall under the scope of application of the Sanction and Disciplinary System and regulate the operating procedures connected to the legislation of reference for the sector of activities in which the Company operates, as well as the procedures governing the production and administrative processes of the Company.

4.7.3. Scope of application

The Sanctions and Disciplinary System, in relation to employees, predominantly falls within the scope of the more general obligations - foreseen by Articles 2104, 2105, 2106 and 2118 and 2119 of the

Italian Civil Code - of diligence, discipline and loyalty of the employee as well as the powers of the employer to prepare and implement adequate disciplinary instruments, as supplemented by the National Collective Bargaining Contracts and Workers' Charter.

The Sanctions and Disciplinary System, if applied to the subjects referred to in Art. 2095 of the Italian Civil Code, must establish sanctions commensurate to the severity of the offense committed and must comply with the provisions contained in the Workers' Charter and in the current National Collective Bargaining Contracts.

Therefore, the subjects who are potentially the recipients of disciplinary measures are primarily Senior Management and Employees under the management of others. To be considered among the subjects mentioned above are those subjects indicated by Articles 2094 and 2095 of the Italian Civil Code - subordinate employees - and, where not set forth otherwise by imperative legal provisions, all "stakeholders" of the Company, previously referred to as "other Recipients", including, without limitation: members of the Board of Directors, the Single Auditor, members of the Supervisory Board, members of any other corporate bodies, agency workers, "coordinated and continuing collaborators", project based" collaborators, temporary workers, interns, agents, consultants, suppliers, outsourcers, each within the limits foreseen by the specific nature of their contractual relationship and in compliance with this Sanction System, as applicable.

Please be reminded that this Sanctions and Disciplinary System must be understood to refer to the aspects relevant to the Decree and does not replace the more general Sanctions and Disciplinary System concerning the relationship between employer and employee, as governed by public and private labor laws.

4.7.4. Responsibilities of application

The Company, represented by the Board of Directors, is responsible for the formalization, review and application of this Sanctions and Disciplinary System.

Furthermore, within the framework of the Model, the Supervisory Board will be invested with supervisory duties on the correct application of the Model, with specific supervisory functions regarding those infractions that may affect the functionality of the Model.

The Supervisory Board may promote the review of this Sanctions and Disciplinary System.

All recipients of the Code, whether employees or other Recipients, are required to promptly report to their Internal Contact, or directly to the Supervisory Board, any violation of the Code or the Organization, Management and Control Model and any conduct that does not appear to comply with the rules of good conduct by providing all information in their possession.

All reports must be:

- made without undue delay;
- made in writing;
- accompanied, if possible, by a copy of the documentation relating to the violation.

The Internal Contact, if he/she believes that there are sufficient grounds to consider the report immediately well-founded, sends it to the Supervisory Board.

In this regard, in accordance with the Workers' Charter, the Supervisory Board shall be notified of any application of sanctions and may provide its assessments of the event without limitation, in relation to terms or decisions, for the business function responsible for the decision and application of the sanction.

Furthermore, the Sanctions and Disciplinary System may also be activated following a report of the Supervisory Board to the functions responsible for the investigation procedures and application of sanctions.

4.7.5. Application of the Sanctions and Disciplinary System Guidelines

A condition necessary to guarantee the effectiveness of the Model and to enable efficient action by the Supervisory Board is the establishment of a system of sanctions commensurate to the violation of the Prevention Protocols and/or additional rules of the Model or the Code of Conduct, as well as the company's operating procedures regulating the operation of the Company's most relevant processes.

The Sanctions and Disciplinary System foresees sanctions for each Recipient, in consideration of the different type of relationships. The System, as well as the Model, applies to all Personnel, contractors and third parties working on behalf of the Company, foreseeing adequate disciplinary sanctions in certain cases and contractual/negotiation sanctions in others.

As mentioned above, the application of the Disciplinary System and the relative sanctions is independent from the existence and outcome of the criminal proceedings initiated by the Judicial Authorities in the event that the conduct to be punished also constitutes an offense relevant to the D.Lgs. 231/2001.

In order to set out in advance the criteria for correlation of the shortcomings of the different Recipients and the measures adopted, the Board of Directors classifies the actions as:

1. Conduct that would result in a failure to perform the written and verbal provisions of the Company, including, without limitation the:
 - a. violation of the Code of Conduct;
 - b. violation of internal written or verbal procedures, regulations, instructions;
 - c. negligent violation, circumvention or deactivation of one or more Protocols;
2. conduct that would result in a serious violation of workplace discipline and/or diligence that would fundamentally diminish the Company's trust in the Recipient, such as the conduct referred to in point 1 above, unequivocally directed at the commission of an Offense or representing the Company in a damaging way before others, as well as repeated violations of company operating procedures;
3. conduct that causes serious moral or material harm to the Company to the extent that it does not allow the continuation of the relationship, even temporarily, such as the adoption of conduct that constitute one or more Offenses or constitute unlawful acts that form Predicate Offenses, or conduct referred to in points 1. and 2. above committed with willful misconduct.

4.7.6. Operating procedures

This chapter describes the operating procedures for the application of the Sanctions and Disciplinary System according to the different types of Recipients and the different sanctions.

4.7.6.1. Sanctions for employees belonging to the category of Employees or Middle Management referred to in Art. 2095 of the Italian Civil Code

With respect to Non-Management Employees, the limits of sanctioning power imposed by Article 7 of Law No. 300/1970 (the "Workers' Charter") and by the National Collective Bargaining Contracts must be respected, both with regard to the applicable sanctions (which are, in principle, "typified" in relation to the connection with specific disciplinary misconduct), and with regard to the form of exercising said power.

The Company believes that the Sanctions and Disciplinary System currently applied within it, in line with the provisions of the current National Collective Bargaining Contracts, holds the necessary requirements of efficacy and deterrence.

Failure to comply with and/or a breach of the general principles of the Model, the Code of Conduct and the Prevention Protocols, by Non-Management Employees of the Company, therefore constitutes a violation of the obligations arising from the employment relationship and disciplinary misconduct.

With reference to the applicable sanctions, please note that they will be adopted and applied in full compliance with the procedures established by the National Collective Bargaining legislation applicable to the employment relationship. Specifically, the sanctions and disciplinary process will be regulated in accordance with the provisions of this procedure.

Without prejudice to the principle of connection between the applicable disciplinary measures and the offenses in relation to which they can be applied, the principle of proportionality between infraction and sanction must necessarily be respected in the application of the disciplinary sanction.

In particular, for non-management employees, the sanctions will be applied by virtue of the National Collective Bargaining Contract and in accordance with the methods regulated below (verbal reprimand, written reprimand, fine, suspension and termination) under the following terms.

A. Verbal Reprimand

- Minor non-compliance with the rules of conduct of the Company Code of Conduct and the Prevention Protocols established in the Model;
- Minor non-compliance with the Company Procedures and/or the Internal Control System;
- Tolerance of minor instances of non-compliance or irregularities committed by its own subordinates or by other staff members pursuant to the Model, of the Protocols, the Internal Control System and the Company Procedures.

A “minor non-compliance” occurs where conduct is not characterized by willful misconduct or gross negligence and poses no risk of sanctions or harm to the Company.

B. Written Reprimand

- Negligent failure to observe the rules of conduct of the Company Code of Conduct and the Prevention Protocols established in the Model;
- Negligent failure to observe the Company Procedures and/or the Internal Control System;
- Tolerance of a negligent failure to observe, committed by their own subordinates or by other staff members pursuant to the Model, the Prevention Protocols, the Internal Control System and the Company Procedures;

A “negligent failure to observe” occurs where conduct is not characterized by willful misconduct or has not generated potential risks of sanctions or harm to the Company.

C. Fine not exceeding four hours of paid work

- Repetition of misconduct punishable with written warning;
- Failure to comply with the rules of conduct set forth in the Code of Conduct and the Model for the Activities at risk of the commission of an offense;
- Failure to report or tolerance of irregularities committed by their subordinates or other personnel pursuant to the Model;
- Failure to comply with requests for information or display of documents by the Supervisory Board, unless justified.

- D. Suspension from service and pay not exceeding 10 days
- Misconduct punishable by the previous sanctions, when due to objective circumstances, specific consequences or repetition, hold greater weight;
 - Repeated or serious non-compliance with the rules of conduct of the Company Code of Conduct and the Prevention Protocols foreseen by the Model;
 - Repeated or severe failure to observe the Company Procedures and/or the Internal Control System;
 - Failure to report or tolerance of serious failures to observe, committed by their own subordinates or by other staff members pursuant to the Model, of the Prevention Protocols, the Internal Control System and the Company Procedures;
 - Repeated failure to comply with requests for information or display of documents by the Supervisory Board, unless justified.

- E. Suspension from service with maintenance of pay for employees subject to criminal proceedings pursuant to D.Lgs. 231/2001

Without prejudice to the provisions of the National Collective Bargaining Contracts respectively applicable and the amendment thereof, with regard to employees undergoing preliminary investigations or subject to criminal proceedings for an offense, the Company may, at any stage of the criminal proceedings, arrange for the suspension from service of the subjects in question for precautionary reasons.

A suspension from service must be communicated in writing to the employee in question and may be continued by the Company for the time deemed necessary, but not beyond the time at which the ruling of the criminal judge has become final.

An employee suspended from service retains for the relative period their right to full pay and the same period is considered active service for all other effects foreseen by the National Collective Bargaining Contracts.

- F. Just cause termination

Significant violation (willful misconduct or gross negligence) of the rules of conduct foreseen by the Model, the Code of Conduct, the relative Protocols and the Company Procedures, sufficient to cause serious harm or material damage to the Company and such that cannot allow the continuation of the relationship, not even temporarily, such as the adoption of conduct that constitutes one or more Offenses or unlawful acts that represent predicate Offenses; e.g.:

- a) willful violation of company rules issued pursuant to D.Lgs. 231/2001 of a severity that, either due to the intention of the act or due to criminal or monetary repercussions or due to repetition or due to its particular nature, the trust on which the employment relationship is based is lost, and that in any case shall not allow the continuation of the relationship, even temporarily;
- b) willful commission of non-required acts or omission pursuant to the Model or the relative Protocols, which caused, at the end of a judicial process, the conviction of the Company with financial and/or interdictory penalties for having committed the offenses set forth in D.Lgs. 231/2001;
- c) willful violation of Company Procedures and/or the Internal Control System of a severity that, either due to the intention of the act or due to technical-organizational, legal, economic or reputational repercussions or due to repetition or due to its particular

nature, the trust on which the employment relationship is based is lost, and that in any case shall not allow the continuation of the relationship, even temporarily;

In the event that a disciplinary proceeding is initiated, the Supervisory Board shall be informed and may provide its non-binding assessments of the event, in relation to terms or decisions, for the company's function responsible for the decision and eventual application of the sanction.

4.7.6.2. Sanctions for employees belonging to the category of Managers referred to in Art. 2095 of the Italian Civil Code

In the event of a violation by management of the general principles of the Model, the rules of conduct imposed by the Code of Conduct and other prevention protocols, as well as company procedures, the Company will take appropriate measures against the managers based on the significance and severity of the violations committed, also in consideration of the particular obligation of trust at the foundation of the employment relationship between the Company and the employee in a management position.

In cases where violations are characterized by gross negligence, existing where Protocols aimed at preventing the Offenses have not been complied with, or where there has been conduct that could lead to a serious violation of workplace discipline and/or diligence that would radically lessen the Company's trust with the manager, the Company may terminate the employment contract early, or apply another sanction deemed suitable in relation to the severity of the act.

In the event that the violations are characterized by willful misconduct, for example in the event of circumvention of the Protocols, the Company will terminate the employment contract early without notice pursuant to Article 2119 of the Italian Civil Code and the National Collective Bargaining Contract.. This is because the act itself will be considered to have been performed against the Company's will in the interest or benefit of the manager and/or third parties.

In the event that a disciplinary proceeding is initiated, the Supervisory Board shall be informed and may provide its non-binding assessments of the event, in relation to terms or decisions, for the company's function responsible for the decision and eventual application of the sanction.

4.7.6.3. Sanctions for Directors and Single Auditors

In the event of an offense or a violation of the Code of Conduct, the Model and/or the relative prevention protocols by the Directors or Auditors of the Company, the Supervisory Board shall inform the Board of Directors and the Single Auditor, who shall take the appropriate steps. In cases of serious violations of the Board or the Auditor, the act may be considered just cause for the revocation of the Board or the Auditor. The commission of Offenses or violations of the Code of Conduct, the Model and/or the relative prevention protocols performed willfully shall be considered a serious violation. If applicable, the Company will take steps to receive compensation for damages. In the event that a disciplinary proceeding is initiated, the Supervisory Board shall be informed and may provide its non-binding assessments of the event, in relation to terms or decisions, for the company's function responsible for the decision and eventual application of the sanction.

Any disciplinary proceedings filed against the Board or the Auditor must be reported during the Shareholders' Meeting.

4.7.6.4. Sanctions for Supervisory Board members

In the event of the commission of offenses or a violation of the Code of Conduct, the Model and/or the relative Prevention Protocols by the members of the Supervisory Board, within the scope of SB

functions, the Board of Directors, after consulting with the Single Auditor, shall take the appropriate actions based on the severity of the act in question.

In cases of serious violations not justified and/or not ratified by the Board of Directors, the act may be considered just cause for revoking the appointment, subject to the application of the disciplinary sanctions established by the contracts in place (work, supply, etc.). The commission of offenses or violations of the Code of Conduct, the Model and/or the relative Prevention Protocols performed willfully is considered a serious violation. If applicable, the Company will take steps to receive compensation for damages.

In the event that a disciplinary proceeding is filed against members of the Supervisory Board, the remaining members not involved shall be informed and shall provide their non-binding assessments of the event, in relation to terms or decisions, for the company's function responsible for the decision and eventual application of the sanction.

Any disciplinary proceedings filed against the Members of the Supervisory Board must be reported during the Shareholders' Meeting.

4.7.6.5. Measures against suppliers and other third parties

Where possible, a condition necessary to validly enter into agreements of any kind with the Company, and in particular supply agreements, of both goods and services, and consultancy, is the undertaking of the third-party contractor to comply with the Code of Conduct and/or the applicable Protocols in relation to the services covered by the agreement.

These agreements must foresee, where possible, termination clauses, or rights of withdrawal for the Company without any penalty to the Company, in the event of the commission of Offenses, or in the event of a violation of the rules of the Code of Conduct, the Model and/or the relative Protocols.

In any case, the commission of unlawful acts or conduct that violates the Code of Conduct or the Company's Protocols will be considered a just cause for termination of the agreement pursuant to Articles 1453 et seq. of the Italian Civil Code.

If proceedings are filed to evaluate the commission of unlawful acts or conduct that violates the Code of Conduct or the Company's Protocols, the Supervisory Board shall be informed and may provide its non-binding assessments of the event, in relation to terms or decisions, for the final company decision-making function.

In any case, the Company reserves the right to launch criminal proceedings and to claim compensation for damages if such conduct results in damages of any nature to the Company, such as in the case of application thereto, by the Judicial Authority, of the measures foreseen by D.Lgs. 231/2001.

4.7.7. Distribution

In accordance with Article 7 of the Workers' Charter, this Disciplinary System must be made known to Personnel through its display at the Company's premises. Furthermore, together with the Code of Conduct, this Sanctions and Disciplinary System will be disseminated during appropriate informational sessions directed at all Recipients.

4.7.8. Reporting

Recipients are required to report any violations of this procedure to the Supervisory Board.

4.8. DISSEMINATION OF THE MODEL

4.8.1. Introduction

For the purpose of the effective implementation of the Organizational Model, it is Parexel's objective to ensure that all Recipients of the same Model have accurate knowledge and disclosure of the rules of conduct contained therein. All Parexel staff, if hired, as well as senior subjects, consultants, suppliers and partners and independent contractors are required to have full knowledge of both the objectives of fairness and transparency that are being pursued with the Organizational Model and the procedures by which Parexel intends to pursue them.

The particular objective is represented by the need to guarantee the effective knowledge of the provisions of the Model and the reasons underlying its effective implementation in relation to subjects whose activities have been found to be at risk. These determinations are directed towards the current subjects of Parexel as well as the subjects yet to be.

The Supervisory Board shall be responsible, together with the Managers of the Functions/Directorates involved at that time, for providing the content of the courses, their diversification, the methods of delivery, their repetition, checks on the mandatory nature of participation and the measures to be taken against those who do not attend without justified reason.

4.8.2. Initial communication

The adoption of this Model is communicated to all personnel employed at the company at the time of its adoption. In particular, its communication is made by:

- sending a letter to all personnel regarding the content of the Decree, the importance of the effective implementation of the Model, the methods of information/training provided by Parexel;
- dissemination of the Model also through:
 - i. delivery of a copy of the Model during the training sessions;
 - ii. the company intranet.

New hires are given an information pack, consisting of the Code of Conduct, the Organizational Model and the Decree which will ensure they have the knowledge that is considered to be of paramount importance. In particular, personnel recruitment letters must contain a declaration in which the new hires acknowledge the provisions of the Decree in question and the information sheet given to them by Parexel.

4.8.3. Training

The training activities aimed at spreading knowledge of the legislation under the Decree will take into account, in the contents and methods of providing the training, the qualification of the recipients, the level of risk of the area in which they operate and whether or not they have functions of representation of Parexel.

Parexel believes that the training of personnel regarding its corporate governance system is a key role. Parexel is determined to perform the intense dissemination of its corporate culture among its personnel, with a particular emphasis on the need to apply the ethical principles adopted and the internal rules, established with the broadest respect of transparent and correct corporate management.

As a result of the foregoing, with reference to the training of personnel in relation to this Model, interventions are foreseen aimed at the broader dissemination of the provisions contained therein and

the consequent raising of awareness of all Personnel, if hired, in relation to its effective implementation.

As a result of this, the level of training and information of any given Company staff member will have a different degree of insight, with particular attention paid to those employees working in areas at risk of offense. The training is, therefore, differentiated according to the qualification of the Recipients and the level of risk of the area in which they operate. Specifically, Parexel provides courses that outline, through modules:

- the regulatory context;
- the Organization, Management and Control Model adopted by Parexel;
- the Supervisory Board and the management of the Model over time.

Participation in the training processes described above is mandatory and must be appropriately documented and communicated to the Supervisory Board, including with the support of the relevant business functions.

For new hires in risk areas, specific training will be provided, subject to agreement with the relevant line manager.

The Model will also be disseminated among members of the Board of Directors.

4.8.4. Information to independent contractors, suppliers and partners

Independent contractors, suppliers and partners must be informed of the content of the Code of Conduct and of the need for Parexel that they comply with the provisions of the Decree.

4.8.5. Contractual Relationships with third parties

The supply of goods or services, with particular reference to goods and services that may relate to sensitive activities, must be governed by a written agreement.

The agreement between the parties must include the following clauses:

- the obligation of the supplier to confirm the truthfulness and completeness of the documentation produced and the information communicated to the Company by virtue of the legal obligations attributed thereto;
- the commitment by the supplier to comply, during the term of the Agreement, with the fundamental principles of the Code of Conduct and the Model, as well as the provisions of D.Lgs. 231/2001, and to operate in accordance with these, with an indication that the violation of this obligation constitutes grounds for the termination of the agreement;
- the obligation to comply with any queries, requests for data or information from the Company's SB.

Failure to comply with any of the conditions set forth in the points above must be duly justified and communicated in writing to the Supervisory Board of each of the parties involved.

5. SPECIAL SECTION

5.1. INTRODUCTION

In order to adapt its Organizational Model to the specifications required by D.Lgs. 231/2001 Parexel has adopted this Special Section, which forms an integral part of the Organization, Management and Control Model.

All recipients of the Model, as identified in the General Section, are required to comply with the principles and codes of conduct indicated below, as well as to adopt, each in relation to the function they exercise, conducts that comply with any other regulations and/or procedures that regulate in any way the activities falling within the scope of the Decree.

5.2. PURPOSE OF THE SPECIAL SECTION

The Special Section aims to prevent the commission of offenses under D.Lgs. 231/01 that generate, alongside the liability of perpetrating subjects, the administrative liability of the Company.

The Special Section aims to:

- identify the areas where the risk of the occurrence of the offenses foreseen by the Decree is greater, and indicate the subjects involved in the processes at risk;
- define the methods of risk management and outline the general control mechanisms;
- recall and specify the general principles of conduct of the Model (i.e., summary, integration and/or specification of the rules of conduct of the relevant Code of Conduct; obligations and prohibitions; system of relevant internal powers of attorney and delegations; etc.);
- implement the organizational and control principles set forth in D.Lgs. 231/01 and the Organization, Management and Control Model adopted by the Company;
- provide specific procedural and behavioral principles and rules for the prevention of offenses;
- make explicit the Company's firm condemnation of all conduct that constitutes the offenses or violation of the applicable prevention rules, while foreseeing at the same time the application of sanctions;
- subject areas at risk of offenses to a constant system of monitoring and control, aiming at preventing the commission of offenses or the occurrence of risk situations to intervene immediately in case of occurrence of such conditions;
- identify the specific obligations for "senior" subjects;
- manage outsourced services;
- provide the Company's Management and the Supervisory Board and the managers of the functions of the organization with the operational instruments to exercise the management and control activities required by the Model.

In particular, the Special Section allows us to identify the specific control tasks attributable to the Supervisory Board, which, given the complexity and the technicalities that characterize the subject in question, may also entrust them to external consultants, or use the appropriate company facilities.

5.3. RECIPIENTS OF THE SPECIAL SECTION

Recipients of the Special Section are considered all persons working in the Company identified as a result of the duties entrusted by the Company Management or based on the role they hold in the organizational chart and the Company structure, including Contractors, Consultants, Partners, Outsourcers and other subjects collaborating with the Company.

All recipients are expressly required to be aware of and comply with applicable legislation, the contents of the Model and the Special Section, as well as the current operating procedures and work instructions.

5.4. CATEGORIES OF OFFENSES

The Entity may be called to respond only for the offenses identified in the Decree and is not punishable for any other type of wrongdoing committed during the performance of its activities. The Decree, in its original version and in subsequent amendments, as well as the Laws that explicitly refer to the regulation, indicates under Articles 24 and 25 the so-called predicate offenses, which are unlawful acts from which the liability of the Entity can arise.

These offenses include type of offenses that are very different from one another, some of which are typical of business activity, and others being typical of criminal organizations.

Over time, the number and categories of predicate offenses have significantly expanded following subsequent legislative integrations. In fact, the following extensions were introduced:

- Decree Law no. 350 of 25 September 2001, which introduced Article 25-bis “Falsities in monies, public credit cards and stamp duty”;
- Legislative Decree No. 61 of 11 April 2002, which introduced Article 25-ter “Corporate Offenses”;
- Law no. 7 of 14 January 2003, which introduced Article 25-quater “Offenses related to terrorism or subversion of democratic order”;
- Law no. 228 of 11 August 2003, which introduced Article 25-quinquies “Offenses against individual persons”;
- Law no. 62 of 18 April 2005, which introduced Article 25-sexies “Market Abuse”;
- Law no. 7 of 9 January 2006, which introduced Article 25-quater.1 “Practice of female genital mutilation”;
- Law no. 146 of 16 March 2006, which establishes the liability of organizations for transnational offenses;
- Law no. 123 of 3 August 2007, which introduced Article 25-septies, subsequently replaced by Legislative Decree no. 81 of 9 April 2008, “Culpable homicide or grievous or very grievous bodily harm, committed in breach of the occupational health and safety protection standards”;
- Legislative Decree no. 231 of 21 November 2007, which introduced Article 25-octies “Receipt, laundering and use of money, goods or benefits of unlawful origin”;
- Law no. 48 of 18 March 2008, which introduced Article 24- bis “IT offenses and unlawful data processing”;
- Law no. 94 of 15 July 2009, which introduced Article 24-ter “Organized crime offenses”;
- Law no. 99 of 23 July 2009 amending Article 25-bis to “Falsity offenses in offenses, public credit cards, stamp duty and instruments or signs of recognition” and introduced Article 25 bis.1 “Industry and Trade Offenses” and Article 25-novies “Offenses for breach of copyright”;
- Law no. 116 of 3 August 2009, which introduced Art. 25-novies “Induction to withhold declarations or make false declarations to the Judicial Authorities”;
- Legislative Decree no. 121 of 7 July 2011 (implementing Directive 2008/99/EC on the criminal protection of the environment, as well as Directive 2009/123/EC, which amended Directive 2005/35/EC, relating to pollution caused by ships and the introduction of sanctions for violations) which introduced Art. 25-undecies, with the subsequent liability of Entities also in relation to certain environmental offenses, including damage to habitats (Art. 733-bis, of the Italian Criminal Code), the opening or discharge of industrial wastewater (D.Lgs. no. 152/2006,

Art. 137), the management of unauthorized waste and illegal trafficking of waste (D.Lgs. no. 152/2006, Art. 256 and Articles 259 and 260), the pollution of the soil, the subsoil, bodies of water or ground waters exceeding the threshold of risk concentrations (D.Lgs. no. 152/2006, Art. 257), and also the production, consumption, importation, exportation, detention and marketing of detrimental substances of the stratosphere ozone (Law No. 549/1993, Art. 3) as well as the discharge of pollutants caused by vessels (D.Lgs. no. 202/2007 implementing Directive 2005/35/EC on pollution caused by ships and consequent sanctions);

- Decree Law no. 109 of 16 July 2012, for the implementation of the European Directive 2009/52/EC which introduces minimum rules relating to sanctions and provisions against employers who employ citizens of foreign countries whose residency status in the territory of a Member State is unlawful. The Decree has inserted Art. 25-duodecies in D.Lgs. 231/2001, therefore, the offense of “employment of citizens of foreign countries whose residency status is unlawful” was introduced in the category of predicate offenses for administrative liability of Entities referred to in Art. 22, paragraph 12-bis, of D.Lgs. no. 286 of 25 July 1998 ;
- Law 190/2012 “Provisions for the prevention and repression of corruption and illegality”, which came into force on 28 November 2012, which made supplements to the catalog of predicate offenses for the administrative liability of the Entities established by Articles 25 and 25 ter of D.Lgs. 231/2001 as specified below: Article 25 (Malfeasance in office, undue inducement to give or promise a benefit), paragraph 3 includes the reference to Article 319 quater of the criminal code. Article 25 ter (Corporate Offenses), paragraph 1 has been supplemented with letter s-bis that refers to the offense of corruption among the private parties foreseen by paragraph three of Art. 2635 of the Italian Civil Code;
- Law 9/2013, Art 12, “Rules on the quality and transparency of the supply of virgin olive oils, as applicable to entities operating within the supply of olive oil” for the offenses referred to in articles 440, 442, 444, 473, 474, 515, 516, 517 and 517-quater of the Italian Criminal Code.
- Decree Law no. 93 of 14 August 2013, containing urgent provisions on safety and for the fight against gender-based violence, as well as civil protection and external administration of the Provinces. In detail, during the conversion into law, paragraph 2 of Art. 9 was removed, which had made some significant changes to Art. 24-bis of D.Lgs. no. 231/2001 on “IT offenses and unlawful data processing”;
- Legislative Decree no. 39 of 4 March 2014, effective since 6 April 2014, which added the Grooming of Minors (Art. 609 undecies of the Italian Criminal Code) to the predicate offense. The rule has introduced some significant changes and aggravating circumstances for the categories of offenses placed as a safeguard for the healthy development and sexuality of minors, which find its place, alongside other offenses against individuals, within Art. 25-quinquies of D.Lgs. 231/2001.
- Law no. 62 of 17 April 2014, effective as of 18 April 2014, which has amended Art. 416 ter of the Italian Criminal Code “Political and Mafia Electoral Favors Exchange” intervening both on the side of the criminal conduct, broadening it considerably, and on the side of the punishment, reducing it in a proportionate and reasonable manner. In fact, in the first case, it broadened the range of punishable acts by including the acceptance of a promise of votes in exchange for the promise or the disbursement also of other benefits, in addition to money; in the second case, it reduced the sanctionary framework compared to Art. 416 bis of the Italian Criminal Code due to the varying and less serious disvalue of the criminal conduct.
- Law no. 186 of 15 December 2014, effective as of 1 January 2015, regarding the emergence and return of foreign assets and self-laundering. The new provisions introduced voluntary disclosure, which is a voluntary collaboration procedure for reporting financial and equity assets that are constituted or held outside of national territory and for other tax violations.

The other novel aspect, which directly impacted the list of offenses assumed for the purposes of D.Lgs. 231/01, concerned the inclusion in the criminal code of the offense of self-laundering foreseen by [Art.] 648 ter 1.

- Law no. 68 of 22 May 2015, which introduced Title VI bis of the Italian Criminal Code, entitled “Offenses against the environment”, which contains the new Environmental Offenses ranging from 352 bis to 352 terdecies; the offenses referred to in Articles 352 bis, quater, quinquies, sexies and octies of the Italian Criminal Code, in force since 29 May 2015, have been inserted in the list of predicate offenses;
- Law no. 69 of 27 May 2015, which amended the Corporate Offenses referred to in Articles 2621 of the Italian Civil Code, 2621 bis of the Italian Civil Code, 2622 of the Italian Civil Code; the Law, containing “Provisions regarding offenses against the public authorities, mafia associations and falsifications in accounts” has increased the penalties for the offenses of bribery, embezzlement, improper inducement to give or receive benefits and has also increased the penalty for mafia associations, even foreign, by providing reduced sentences for those who collaborate with the authorities. The law - which also modified no. 190/2012 (Provisions for the prevention and repression of corruption and illegality in public authorities) - and reintroduced the penalty of imprisonment for the offense of falsification of accounts, for which automatic prosecution is envisaged except in the case of small companies that are not subject to bankruptcy regulations and for which prosecution is activated upon the filing of a complaint.
- Legislative Decree no. 125 of 21 June 2016, in force since 27 July 2016 in implementation of Directive 2014/62/EU on protection through the criminal law of the Euro and other currencies against falsification, which replaces the framework decision 2000/383/GAI, in force since 27 July 2016.
- Law no. 199 of 29 October 2016, published in Official Journal no. 257 of 3 November 2016, which modified the offense of unlawful intermediation and exploitation of the work foreseen by Art. 603-bis of the Italian Criminal Code, introduced in the Criminal Code with Law 148/2011. The same Law has included the offense in the list of predicate offenses relating to D.Lgs. 231/01.
- Law no. 161 of 17 October 2017, effective from 19 November, which in Art. 30, para. 4, inserted paragraphs 1-bis, 1-ter and 1-quater to Art. 25-duodecies of D.Lgs. 231/01.
- European Law 2017, definitively approved on 8 November 2017 and published in the Official Journal no. 277 of 27 November 2017, which, in Art. 5, paragraph 2, introduced in D.Lgs. 231/01 the Art. 25-terdecies “Racism and xenophobia” which sanctions the entity in case of commission of the offenses referred to in Art. 3, paragraph 3-bis, of Law no. 654 of 13 October 1975 .
- Law no. 39/2019, which in Art. 5 foresees the inclusion in D.Lgs. no. 231/2001 of Art. 25-quaterdecies, entitled “Fraud in sports competitions, abusive exercise of gaming or betting and gambling using prohibited devices”.
- Law no. 157 of 19 December 2019, which converted into law, with amendments, the Decree-Law no. 124 of 26 October 2019, containing urgent provisions on tax matters and for needs that cannot be deferred, introducing in D.Lgs. 231/2001 the Art. 25-quinquesdecies entitled “Tax Offenses”
- Legislative Decree no. 75 of 14 July 2020, implementation of the EU Directive 2017/1371, relating to the fight against fraud that damages the financial interests of the Union through criminal law (Art. 25 sexiesdecies)

- Legislative Decree no. 136 of 3 September 2020, implementation of the Directive (EU) 2018/851 on waste and modification of the directive on packaging and packaging waste.
- Legislative Decree no. 184/2021 of 29 November 2021 implementing the EU Directive 2019/713, relating to the fight against fraud and falsification of means of payment other than cash.

At the date of approval of this document, the predicate offenses, in summary, belong to the categories defined below:

- offenses committed in relations with the Public Authorities (Articles 24 and 25);
- IT offenses and unlawful data processing (Article 24 bis);
- organized crime offenses (Article 24 ter);
- forgery of money, public credit cards, stamp duties and identification instruments or marks (Article 25 bis);
- offenses against industry and trade (Article 25 bis.1);
- corporate offenses (Article 25 ter);
- offenses related to terrorism or subversion of democratic order (Article 25 quater);
- female genital mutilation practices (Article 25 quater.1);
- offenses against the individual (Article 25 quinquies);
- market abuses (Article 25 sexies);
- culpable homicide or grievous or very grievous bodily harm, committed in breach of the occupational health and safety protection standards (Article 25 septies);
- receipt, laundering or use of money, goods or benefits of unlawful origin and self-laundering (Article 25 octies);
- offenses regarding means of payment other than cash (Article 25 octies.1);
- copyright offenses (Article 25 novies);
- inducement to not make statements or to make false statements to the legal authorities (Article 25 decies);
- environmental offenses (Article 25 undecies);
- employment of citizens from foreign countries whose residency status is unlawful (Article 25 duodecies);
- racism and xenophobia (Article 25 terdecies);
- fraud in sports competitions, abusive exercise of gaming or betting and gambling using prohibited devices (Article 25 quaterdecies);
- tax offenses (Article 25 quinquedecies);
- contraband (Article 25 sexiesdecies);
- transnational offenses (Article 10, Law no. 146/2006);
- regulations on the quality and transparency of the supply chain of virgin olive oils (Article 12, Law 9/2013).

The overview of offenses foreseen by D.Lgs. 231/2001 and subsequent amendments and supplements are shown in the Table of Offenses. (Annex F “TABLE OF OFFENSES”).

5.5. RISK MAPPING

The areas where the risk of the occurrence of the offenses established by the Decree is greatest have been identified through a process of analysis of the activities conducted by individual company functions, identifying the cases in which an offense can potentially be committed.

The identification of the risk areas and company areas most exposed to the penalties foreseen by the Decree is summarized in the “Risk Map”.

For areas considered at risk, the Company has drafted Prevention Protocols and control and monitoring measures, amongst which training, Prevention Protocols and the Code of Conduct assume a primary role.

The responsibility for implementing the control system is delegated by the Board of Directors to the relevant operational functions as applicable in accordance with the provisions of the Model.

In particular, the Company has:

- provided more detail on the contents and interpretation of legislation, as well as the offenses set forth in the Decree;
- performed reconnaissance of the company areas where, in the event of absence of protections, the probability of the commission of offenses foreseen by Decree 231/01 is greater;
- prepared a specific map of the areas of potential “231 risk”;
- evaluated the suitability of organizational, procedural and administrative bodies (company bodies and internal organization, powers of attorney, delegations of responsibilities and of spending powers, procedures and principles of conduct);
- identified the principles and requirements of the control system;
- evaluated the “231 risk”, based on the offense, likelihood of occurrence and its weight and impact.

5.5.1. Purpose

The objective of the Risk Mapping activities was to identify and evaluate the risks of commission of the predicate offenses foreseen by D.Lgs. 231/01.

5.5.2. Approach

The Risk Assessment was conducted in multiple phases:

1. Identification and assessment of risks inherent to the performance of specific activities of each business function.
2. Analysis and assessment of the control system and consequent definition of residual risk.
3. Identification of any gaps in control

5.5.3. Risk Assessment Methodology

The risk assessment was conducted by multiplying the impacts of an event's occurrence by the probability of occurrence of that event according to the formula:

$$\text{Risk} = \text{Impact} \times \text{Likelihood}$$

Impact

In order to assess the impact, reference was made to the average sanction in quotas established for each category of offense foreseen by D.Lgs. 231/2001:

- LOW: average of expected quotas < 300
- MEDIUM: average of expected quotas => 300 <= 900
- HIGH: average of expected quotas > 900

Likelihood

To assess the likelihood, a professional assessment based on the likelihood of occurrence of the offense was made, considering the company's activity and history:

- LOW: Activity performed rarely
- MEDIUM: Activity performed occasionally
- HIGH: Activity performed routinely

5.5.4. Inherent Risk

Multiplying Likelihood by Impact results in what is known as "inherent risk", i.e., risk related to the assessed activity.

The following table graphically illustrates the different degrees of risk that can be achieved through the different combinations of Impact and Likelihood:

Likelihood	High			
	Medium			
	Low			
		Low	Medium	High
		Impact		

The inherent risk identified was assessed based on the controls currently implemented by the organization in order to identify the residual risk.

5.5.5.The Control System

The control system can reduce the likelihood of an event occurring, decreasing the overall risk. These measures consist of safeguards, procedural systems, governance mechanisms and the management of roles/responsibilities/power, delegation systems, and information flows that may include:

- Company Organizational Structure Charts;
- Job titles (role description) and descriptions of minimum requirements (skills);
- System of powers and delegations;
- Use of IT applications;
- Profiling and access systems and IT procedures;
- Procedure for the awarding of service and work supply;
- Management of supplier register;
- Procedure for drafting budgets;

The controls are divided into:

- **Procedures**, which derive from the system of SOPs formalized by the company, as well as from the set of operating practices, customs and behaviors, even if not formalized;
- **Powers of attorney, delegations and responsibilities**, which lie in the system of delegations, powers of attorney and powers that are contained in the Articles of Association, in the powers of attorney filed with the chamber of commerce and in the responsibilities defined in the job descriptions;
- **Oversight and approval**, performed by senior management, the Chairperson of the Board of Directors, the Board of Directors, the Shareholders' Assembly, which oversees, and in certain cases authorize, operations potentially at risk.

5.5.6.Residual risk

Residual risk is the result from the multiplication of the likelihood of occurrence of a risk, following the implementation of controls, by its impact. In fact, while it is possible to reduce the likelihood of occurrence with appropriate controls, the resulting impact cannot be modified.

The Overall Residual Risk Rating Scale is based on three levels of rating, in relation to the likelihood and impact that the occurrence of a risk would have on the company.

The result of the work performed is shown in the Risk Map (Annex E “RISK MAP”)

5.6. PREVENTION PROTOCOLS

The Prevention Protocols (Annex H “PREVENTION PROTOCOLS”) are the indication of principles, rules and operating procedures to which the business functions must comply in order to adhere to the regulatory obligations placed on the Company in view of the ultimate objective of contributing to the prevention of offenses.

They, in accordance with the Code of Conduct, report in a pre-ordered manner the prohibitions and obligations with which the company functions must comply in areas at risk and from which it is permitted to deviate only in exceptional cases that are adequately justified and documented.

Implementation of the principles of conduct requires, in addition to specific business procedures on the matter, that all functions, in the performance of the identified sensitive activities and based on the assigned tasks, clearly define the roles and responsibilities of the functions responsible for managing the relationships in relation to the sensitive activity.

It is expressly prohibited for Recipients to engage in conduct that could supplement, even potentially and also by way of cooperation, the offenses referred to in D.Lgs. no. 231/2001. In particular, it is forbidden to engage in any conduct that, in violation of the above protocols, procedures, obligations and responsibilities, may cause the commission of offenses.

5.7. INFORMATION FLOWS TO THE SUPERVISORY BOARD

In order to facilitate the supervisory activity on the operation of the Organization, Management and Control Model adopted pursuant to D.Lgs. 231/2001, all company bodies are obliged to report to the SB in the manner described in the Prevention Protocols (Annex I "INFORMATIONAL FLOWS").

6. ANNEXES

Annexes to the Organization, Management and Control Model of Parexel:

- Annex A – Organizational Structure Chart
- Annex B – Code of Conduct
- Annex C - Supervisory Board Regulation
- Annex D – Offense Risk Map
- Annex E – Offense/Function Table
- Annex F - Table of Offenses
- Annex G – Contractual Clause
- Annex H – Prevention Protocols
- Annex I - Information Flows
- Annex L - Whistleblowing