



Conflict of Interest Management Policy



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1. Introduction

ICTS ITALIA S.R.L. A SOCIO UNICO is aware that the occurrence of situations of conflict of interest, in addition to being in contrast with the rules of law and the principles laid down in the Code of Ethics, is detrimental to the image and integrity of the company and in violation of the principles of transparency and fairness in business management.

In general, it is a fundamental requirement of an enterprise's governance system to adopt of rules directed at:

- prevent conflicts of interest and identify potential sources of such conflicts;
- ensure that those involved in implementing the company's strategies and policies understand where conflicts of interest might arise and how they should be addressed.

Conflict of interest is the condition that can occur when a decision-making or other responsibility is entrusted to a person who has personal or professional interests that potentially conflict with the impartiality required by that responsibility. A conflict of interest exists not only when there is a real and established conflict, but in all cases where the conflict situation is even merely potential.

The concept of "interest" must be understood as the advantage or profit, direct (for the benefit of) or indirect (for the benefit of third parties), patrimonial but also political, social, etc., that a person believes he or she may derive from the conclusion or non-conclusion of a certain transaction, or from the conclusion of one among several hypothetical transactions.

2. When there is a potential conflict

A conflict-of-interest situation exists in all those cases in which the interest in the transaction or performance of actions derives from the option of exclusive or overriding personal advantage, such as when:

- one can realize an own gain or receive an own advantage from the performance of a transaction;
- one can realize an own gain or receive an own advantage in the result of the service rendered to customers, as differentiated from that of the customers themselves;
- there is a financial gain or avoidance of financial loss to the potential detriment of clients;
- **there is** a financial or other advantage in favor of the interests of clients other than those to whom the service is provided;
- one may receive an inducement, in the form of money, goods or services, other than commissions or fees normally received.

3. Some examples of potential conflict of interest

By way of non-exhaustive example, some cases of conflict of interest are listed below. The actual relevance, which will be to be assessed in real terms, implies the obligation to comply with the organizational measures for the management of conflicts of interest, provided in this Policy:

- participation in Partner Companies, customers, suppliers, held directly or through subsidiaries, trust companies or intermediaries, at least 10% of the capital or voting rights;
- participation in partner companies, customers, suppliers that, while remaining below the above limit still gives the option to exercise significant influence even if not dominant;
- the acquisition of information on account of one's job or position, which may create a conflict with one's own interests or the interests of one's family members;



- The presence of family members or relatives employed in management positions at Partner Companies, customers, suppliers;
- Family relationships with representatives of the P.A. who exercise supervisory and control functions and whose exercise of powers is decisive for the execution of the activities of ICTS ITALIA S.R.L. A SOCIO UNICO (Police, Judiciary, Revenue Agency, Government/Regional/Local Authorities, GDPR Supervisory Authority, etc.);
- the existence of a Supplier's or Customer's interest of an economic or financial nature, personal and direct, their own or their family's interest in activities of ICTS ITALIA S.R.L. A SOCIO UNICO;
- the performance of even past work activities (one's own or that of one's family members) with clients, suppliers or competitors;
- the presence of assignments of a person with management or supervisory and control roles in the corporate, administrative and executive bodies of another entity involved in the activities of ICTS ITALIA S.R.L. A SOCIO UNICO and/or in the implementation and execution of contracts;
- any situation in which a person involved in the execution of a procurement or selection process could be perceived as a threat to his or her impartiality and independence in the context of the procurement or selection process.

4. Organizational measures for managing conflicts of interest

In order to prevent and manage conflict situations, ICTS ITALIA S.R.L. A SOCIO UNICO adopts the control and measures described below:

- Declaration of potential conflict of interest situations by the Managing Director, attorney(s) and employees;
- Tracking of declarations on potential conflict of interest situations;
- General obligation to abstain (where possible) from engaging in transactions in situations of actual conflict of interest or where it is perceived as a threat to its impartiality and independence;
- Review of the suitability and compatibility for the position of individuals performing administrative, managerial, supervisory and control functions;
- Separation of business functions from supervisory and control functions;
- Confidentiality of information provisions that stipulate the prohibition or monitoring of the disclosure of information by Persons involved in activities involving a risk of conflict of interest;
- Physical separation of the computer, consultation and storage areas of the documentation produced in the performance of its activities, from the Subjects involved in potential conflict situations;
- Definition of specific qualification criteria for suppliers;
- Implementation of appropriate channels for reporting/disclosing conflicts of interest in the event that the Employee considers them the most appropriate way to bring a problem to the attention of top management. Internal regulations on Whistleblowing report the procedures available to Personnel to report problems or suspicions of possible violations of laws, rules or regulations or adopted policies, standards or procedures.

Date 01 July 2022

Signature

A handwritten signature in black ink, appearing to be 'A. M.', is written over the 'Signature' label.