

INTERNAL CONTROL SYSTEM (ICS)

Kinarus Therapeutics Holding AG

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1. Introduction

The Internal Control System (ICS) covers relevant processes in the areas of Company Management, HR, and Finance. Relevant processes are described in a flow chart. This includes the responsible Kinarus employee and the related documents. Each step has been assessed for involved risks and the extent of possible damage to the company in case of occurrence. All Clinical Development Management processes are covered through S.O.P. Since June 2022 Kinarus Therapeutics Holding AG, Kinarus AG's parent company, has been listed on SIX Swiss Exchange. This requires the Company to comply with new reporting obligations of SIX.

1.1. Update

To guarantee accuracy the risk control matrixes are being reviewed once a year. This can be part of the budgeting process or during year end closing process.

The various supporting documents help to minimize risks and support the person in charge when checking the various process steps. e.g. Templates, Entry Checklist, Salary List.

1.2. Explanation Risk Control Matrix

The field «Rating» (Probability) shows the expectation in percentage of how frequently a certain risk occurs. The following increments have been applied:

- 100% = occurs every time
- 50% = occurs every second time
- 20% = occurs every fifth time
- 10% = occurs every tenth time
- 5% = occurs every twentieth time
- 2% = occurs every fiftieth time
- 1% = occurs every hundred time

The extent shows how severe a certain damage would be for the company if a risk occurs. They have been graded as follows:

- Very high = can ruin the company
- High = causes severe financial damage to the company and could require dropping some projects or require immediate refunding
- Medium = the financial damage can be compensated through savings actions
- Low = only leads to a limited financial impact
- Very low = practically no financial impact on the company

The control measurements can be divided as follows:

- Preventive Controls:
Preventive Controls are forced controls which show errors immediately when they happen. They should prevent from errors happening.

- **Detective Controls:**
Detective Controls serve to detect and correct errors.
- **Automatic Controls:**
Automatic Controls are integrated in the processes. They could be: an error checking numbers or an automated data comparison.
- **Manual Controls**
Manual controls are approvals, critical reviews, reconciliations or physical controls.

2. Process Overview

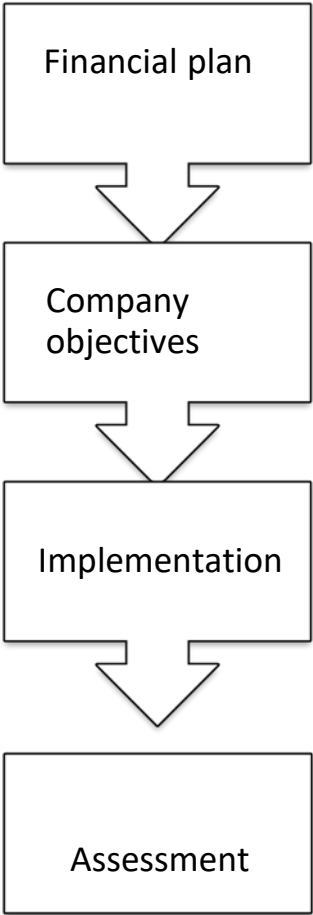
Responsible Function	Process
CEO	Company Objectives and Reporting
CEO / Project manager	Recruitment and Introduction
CFO / External accounting firm	Financial Planning and Budgeting
CFO / External accounting firm	Payables Accounting
CFO / External accounting firm	Payroll
CFO / external accounting firm	Closing and Reporting
CEO / external accounting firm	Contract Management

3. CEO

3.1. Company Objectives and Reporting

3.1.1. Target Process

Objective: Define realistic company objectives and accurate reporting. Company objectives are implemented through relevant department heads and CEO and the Management.

Process	Description	Responsibility	Tools / Documents
 <p>Financial plan</p>	<p>The financial plan is established based on most recent information on progress of different programs and funding environment.</p>	<p>CEO/CFO</p>	<p>Financial plan</p>
<p>Company objectives</p>	<p>On the bases of the financial plan the company objectives are agreed.</p>	<p>Board of Directors</p>	<p>Financial plan Company Strategy</p>
<p>Implementation</p>	<p>Management team members work towards achieving the agreed objectives.</p>	<p>Management</p>	<p>Objectives</p>
<p>Assessment</p>	<p>The progress is assessed and discussed. The financial plan is amended accordingly.</p>	<p>Management</p>	

3.1.2. Risk Control Matrix Company Objectives and Reporting

Process:		Financial Planning / Budgeting				Remarks				
Process objective:	Financial planning in line with approved strategy, establish realistic budgets to be approved by end of Q4									
Process owner:	CFO									
Deputy process owner:	CEO									
Sub-processes	Risk analysis		Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Type (manual/automatic, preventive / detective)	Conclusion
Financial Plan										
	1	Change of external circumstances (e.g. delayed recruitment of patients, expected clinical benefit not achieved)	50%	very high	Continuous monitoring of development / progress		monthly	CEO	m,d	ok
Budgetinput										
	2	Unforeseen corporate costs, not included in the budget	5%	medium	By way of "4 eye principle" and the discussion within the management this risk shall be reduced		Quarterly	CFO	m,d	ok
	3	Budget input is too high / too low	20%	medium	The consolidated budget will be reviewed by the entire management		After preparation of the first draft	CEO	m,p	ok
Budget										
	4	Error when consolidating the department input	5%	low	By way of "4 eye principle" and the discussion within the management this risk shall be reduced		During budget review	CFO	m,p	ok

4. HR

4.1. Recruitment and Onboarding

4.1.1. Target Process

Objective: Recruitment of high performing, goal and team-oriented employees. Employee should quickly settle in and work independently through a planned and well supervised introduction.

Process	Description	Responsibility	Supporting Tools/ Documents
<pre> graph TD A[Headcount planning/budget] --> B[Vacancy] B --> C[Selection/Interview] C --> D[Employment contract/preparation] D --> E[Onboarding] </pre>	<p>The headcount plan is adjusted when needed based on the planned studies and upcoming workload.</p>	<p>Line Manager Management Team</p>	<p>Budget</p>
	<p>Vacancies are advertised externally, or internal information resources are exploited</p>	<p>CEO/Project Manager</p>	<p>Job description</p>
	<p>During the interview both professional experience and soft skills are evaluated. The final hiring decision is made by the line manager and the CEO.</p>	<p>Line Manager CEO</p>	<p>Selection/Interview Process Pre-screening Interview Questions</p>
	<p>All onboarding administrative activities are carried out using the Personalstammdatenblatt.</p>	<p>CEO / External accounting firm</p>	<p>Personalstammdatenblatt</p>
	<p>During the onboarding introduction meetings with Line Manager and key colleagues are scheduled.</p>	<p>CEO Line Manager</p>	

4.1.2. Risk Control Matrix Recruitment and Onboarding

Process:		Recruitment and Onboarding				Remarks	
Process objective:		Recruitment of high performing, goal and team-oriented employees. Employees should quickly settle in and work independently through a planned and well supervised introduction					
Process owner:		CEO					
Deputy process owner:		Employee Line Manager					
		Risk analysis		Control Measures			
Sub-processes	Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Conclusion
Headcount planning / budget							
	1 Wrong budgeting	5%	very high	Budget is based on the planned studies. If the plan changes the headcount budget also changes	monthly	CFO	ok
Vacancy							
	2 Job posting is posted too early	1%	low	Check if employee has received notice before posting and/or new position has been approved	with every job posting	CEO	ok
	3 Wrong job profile is published	1%	medium	Control by the four-eyes principle (CEO and Line Manager)	with every job posting	CEO	ok
Selection							
	4 Mistake in the pre-selection	5%	medium	Go through applications carefully, establish clear selection criteria	with every job posting	CEO	ok
	5 Job interview not fully completed	1%	medium	The interview has to be conducted on the basis of interview guidelines	with every job posting	CEO	ok
Employment contract / preparation							
	6 Mistakes/gaps in the employment contract	1%	medium	Contract to be checked and signed according to the four-eyes principle (CEO and line manager).	with every job posting	CEO	ok
	7 Registration to pension fund, social security or work permit application is forgotten	1%	high	Personalstammbogenblatt	with every job posting	External accounting firm	ok
Onboarding							
	8 Employee doesn't receive an introduction	1%	medium	Introduction meeting	on the first employment week	CEO	ok

3. Information about Children:					
	1. Child	2. Child	3. Child		
Name:					
First name:					
Date of birth:					
Job ¹ :					
<small>¹ schoolboy, learner, student etc.</small>					
Place of residence:					
4. Information about the other parent (if no identical with person under caption 2.)					
Applies to the following children:					
Name:		First name:			
Street / No.:		Post code / city:			
Country:		Phone (private):			
Date of birth:		AHV-No.:			
Place of origin (for swiss only):		Country of birth (foreign national):			
Citizenship:		Civil status:			
Occupation:	<input type="checkbox"/> yes <input type="checkbox"/> no	Child benefit:	<input type="checkbox"/> yes <input type="checkbox"/> no		
If yes, in which country:		Operating rate in %:			
Employer:		Freelance:	<input type="checkbox"/> yes <input type="checkbox"/> no		
Seite 4 von 4					
Employee (Name / first name):	Mustermann	Max			
5. Other data					
Contact person in case of an emergency:		Phone:			
Specific details:					
Date:		Signature of employee:			
Inserts (at copie):					
<input type="checkbox"/>	ID-Card or pass				
<input type="checkbox"/>	AHV-identifikation				
<input type="checkbox"/>	Alien: work permit / stay permit				
<input type="checkbox"/>	German border crossers: Ansässigkeitsbescheinigung for the german finance office				
<input type="checkbox"/>	Family register				
Durch die Personaladministration auszufüllen					
Kostenstelle:		AHV-Ausweis bestellen:	<input type="checkbox"/> yes <input type="checkbox"/> no		
Quellensteuerpflichtig:	<input type="checkbox"/> yes <input type="checkbox"/> no	Anmeldung Kinder-/Ausbildungszulagen:	<input type="checkbox"/> yes <input type="checkbox"/> no		

4.2. Exit

4.2.1. Target Process

Objective: The exit process should be as smooth as possible. The employee should be supervised until the end in order to ensure a good handover and to leave with the employer in a good relationship.

Process	Description	Responsibility	Supporting Tools/ Documents
<pre> graph TD A[Termination] --> B[Determine the departure date / departure process] B --> C[Prepare work certificate/ reference letter] C --> D[Departure Meeting] D --> E[Administrative Exit Procedures] </pre>	<p>Termination by one of the contracting parties or at expiration of the contractual relationship.</p>	CEO	Resignation Letter or Termination Agreement.
	<p>Handover of activities should be completed by the departure date. IT and office equipment to be returned on the last working day.</p>	CEO/Line-Manager	
	<p>The basis for the creation of the job reference is the quality of work done by the employee.</p>	CEO Line-Manager	
	<p>The CEO and the Line Manager should organize a meeting with the leaving employee to discuss open items.</p>	CEO Line Manager	
	<p>Processing exit</p>	CEO	

5. CFO

5.1. Financial Planning and Budgeting

5.1.1. Target Process

Objective: Financial planning in line with approved strategy, establish realistic budgets, budgets to be approved regularly.

Process	Description	Responsibility	Tools / Documents
<pre> graph TD A[Financial plan] --> B[Budget input] B --> C[Budget] </pre>	<p>The financial plan to be prepared in line with the agreed strategy between Management and BOD.</p>	Management	Financial plan
	<p>According to the planned preclinical and clinical studies, CEO and department heads prepare R&D cost estimates. CFO prepares estimates of Payroll and G&A costs.</p>	CEO, department heads, CFO,	
	<p>Budget positions to be consolidated and reviewed by Management.</p>	CFO	Budget

5.1.2. Risk Control Matrix Financial Planning and Budgeting

Process:		Financial Planning / Budgeting				Remarks			
Process objective:		Financial planning in line with approved strategy, establish realistic budgets to be approved by end of Q4							
Process owner:		CFO							
Deputy process owner:		CEO							
		Risk analysis		Control Measures					
Sub-processes		Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Type (manual/automatic, preventive / detective)	Conclusion
Financial Plan									
1		Change of external circumstances (e.g. delayed recruitment of patients, expected clinical benefit not achieved)	50%	very high	Continuous monitoring of development / progress	monthly	CEO	m,d	ok
Budget input									
2		Unforeseen corporate costs, not included in the budget	5%	medium	By way of "4 eye principle" and the discussion within the management this risk shall be reduced	Quarterly	CFO	m,d	ok
3		Budget input is too high / too low	20%	medium	The consolidated budget will be reviewed by the entire management	After preparation of the first draft	CFO	m,p	ok
Budget									
4		Error when consolidating the department input	5%	low	By way of "4 eye principle" and the discussion within the management this risk shall be reduced	During budget review	CFO	m,p	ok

5.2. Payables Accounting

5.2.1. Target Process

Flow Chart: Payables Accounting

Objective: Only invoices with business purpose to be paid, invoices to be paid within agreed payment terms and correctly accounted for.

Process	Description	Responsibility	Tools / Documents
<pre> graph TD A[Invoice receipt] --> B[Invoice verification and approval] B --> C[Posting to payables] C --> D[Prepare payment and final approval] </pre>	<p>Invoice forwarded to responsible person. via a dedicated email where all suppliers send their invoices.</p>	Financial Controller	Invoice email
	<p>Responsible person checks approves and codes invoice which is stored into Box by the Financial Controller.</p>	Financial Controller	Invoice Contracts Box
	<p>External accountant posts invoices in the accounting system.</p>	External accountant	Invoice / Abacus
	<p>Online banking payments system and payments processes.</p>	External accountant prepares weekly payments runs. Two Kinarus Signatories approve payments in e-banking	e-Banking xlm format payments files

5.2.2. Risk Control Matrix Payables Accounting

Process:		Payables Accounting				Remarks			
Process objective:		Only invoices with business purposes to be paid within agreed payment terms							
Process owner:		CFO							
Deputy process owner:		Office Manager							
		Risk analysis		Control Measures					
Sub-processes		Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Type (manual/automatic / preventive / detective)	Conclusion
Invoice receipt									
1	Invoices get lost up on receipt		1%	low	by weekly posting to SharePoint this risk is reduced	weekly	Responsible person	m,p	ok
Invoice verification									
2	Invoices are posted too late, which leads to late payment		20%	low	The weekly posting process to share point reduced the risk	weekly	Responsible person	m,d	ok
3	Invoices are wrong		5%	low	each invoice is reviewed; contracted deliverables are being compared with invoice positions	each invoice	Responsible person	m,d	ok
Transfer to "invoice to be paid" in share point									
4	Responsible person not authorized to approve invoice		1%	low	By way of "4 eye principle" each invoice is checked twice large amounts are generally checked more detailed	each invoice	CFO	m,d	ok
Input invoice to payables and release payment									
5	Invoice payment is wrong		1%	low	by way of "4 eye principle" each invoice is checked before payment, high amounts are generally checked more detailed	each payment	CFO	m,p	ok

5.3. Payroll

5.3.1. Target Process

Objective: The employees receive the salary payment correct and in time. The declaration and payments with the authorities and social security are correct.

Process	Description	Responsibility	Tools / Documents
<p>Monthly Payroll Changes</p>	Inform external accounting firm about changes. Summarize changes and review them using the four-eyes principle.	CEO CFO Financial Controller External Accountant	Declaration of new employees / changes reported by employee or employer
<p>Salary payment</p>	Salaries are paid through e-banking by the 25 th of each month after review and approval by two Kinarus signatories.	Financial Controller External Accountant	Payroll list/ Deviation Report
<p>Salary Declaration / Statements</p>	Salary statements / declarations are provided to the employees and authorities.	External Accountant	Accounting System / Share Point Payroll folder
<p>Payroll System</p>	Salary accounting system is reconciled by end of each month/quarter.	External Accountant	Payroll list and Accounting System
<p>Reporting</p>	Number of employees and FTE's to be reported quarterly to management	CEO	Employees List

5.3.2. Risk Control Matrix Payroll

Process:		Payroll					Remarks	
Process objective:		The employee receives the salary payment correct and in time. The declaration and payment with the authorities and social security are correct.						
Process owner:		CFO						
Deputy process owner:		CEO						
Sub-processes	Risk analysis			Control Measures				
	Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Type (manual/automatic, preventive / detective)	Conclusion
Monthly Payroll Changes								
1	Payroll changes are not, not correctly or too late recorded	5%	low	The four-eyes principle (CEO & CFO) is intended to minimize the risk. A correction could be made in the following month	before salary payment	CFO	m,p	ok
2	Master data is not up to date	1%	low	Employee are encouraged to report changes to the HR office immediately to be reflected on the salary statements. HR should annually review the master data.	annually	CFO, external accounting firm	m,p	ok
Salary payment								
3	Salaries are not correctly paid	1%	medium	The four-eyes principle is intended to minimize the risk. The data from the payroll accounting is checked before transferring to the payment system.	before salary payment	CFO	m,p	ok
4	The hourly payments to advisors / consultants are not processed, are not correctly paid or are otherwise incorrect, or are not reported to the social security system	1%	low	Hourly payments to advisors/consultants have to be reviewed and communicated to CEO by line managers by the 20th of the month. Correct social security payments must be documented with AHV statements (exception for self-employed people with their own company).	before salary payment	CFO	m,p	ok
5	Salary deductions are incomplete or incorrectly invoiced	1%	low	Deductions are made automatically through the accounting system.	before salary payment	CFO	m,p	ok
Salary Declaration / Statements								
6	Salary statements data is incomplete or incorrect	1%	low	Data have to be controlled by HR and CFO	annually	CFO	m,p	ok
Payroll System								
7	The salaries are not booked, are booked with the wrong amount or in the wrong time period	5%	low	The payroll is done by the system and is then checked by the accountant.	monthly	CFO	m,d	ok
Reporting								
8	Report contains incorrect numbers	1%	low	The four-eyes principle (External accountant & CFO) is intended to minimize the risk.	monthly	CFO	m,p	ok

5.4. Closing and Reporting

5.4.1. Target Process

Objective: the quarterly reporting guarantees that the management is aware of the actual spending and cash situation.

Process	Description	Responsibility	Tools / Documents
<p>Quarterly Closing</p>	The monthly closing is prepared by the end of the following month. All accounts to be reconciled.	External Accountant	Accounting system Bank statements
<p>Quarterly Meeting</p>	Financial Report to be discussed quarterly.	CEO CFO	Financial reporting
<p>Reports to SIX</p>	Monthly report conditional capital Adhoc releases	CEO CFO Controller IR Consultant	SIX Connexor Reporting EQS
<p>Consolidated Financial Statements</p>	Half Year and Annual Financial Consolidated Statements prepared during the second month of the following the closing.	External Accountant CFO Controller	Excel
<p>Audit</p>	Preparation of the supporting documents for audit firm	External Accountant Financial Controller CFO	Annual accounts Accounting System

5.4.2. Risk Control Matrix Closing and Reporting

Process:		Closing & Reporting				Remarks			
Process objective:		The quarterly reporting guarantees that the management is aware of the actual spendings and the cash situation							
Process owner:		CFO							
Deputy process owner:		Office Manager							
Sub-processes	Risk analysis		Control Measures				Conclusion		
	Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible		Type (manual/automatic, preventive / detective)	
Monthly Financials									
1	The financial report includes wrong or not accurate data	5%	low	By way of monthly review with external accountants this risk should be minimized	monthly	CFO	m,d	ok	
2	Not all expenses are accounted for or accrued in the respective period	5%	low	By way of monthly review with external accountants this risk should be minimized	monthly	CFO	m,d	ok	
Quarterly (Shareholder Report)									
3	The quarterly report includes wrong or not accurate data	1%	low	By way of "4 eye principle" this risk should be avoided	quarterly	CEO	m,p	ok	
Year End Closing									
4	Various ledgers have different amounts recorded	5%	low	Various ledgers are regularly reconciled	monthly	External Accountant	m,d	ok	
5	Financial Report shows different amounts than the general ledger	1%	low	The financial report and the general ledger are reconciled regularly	quarterly	CFO	m,d	ok	
6	Notes are wrong or incomplete	5%	low	The notes are reviewed with a check list	yearly	Manager External Accountant	m,p	ok	
7	Year end data is changed by not authorized people	5%	low	Year end adjustments can only be made through the accounting system, to which only few people have access	yearly	External Accountant	m,p	ok	
Audit / Declaration									
8	VAT declaration is wrong or incomplete	1%	medium	By way of "4 eye principle" this risk should be avoided	quarterly	Manager External Accountant	m,p	ok	
9	During a audit severe mistakes are detected	1%	very high	By way of "6 eye principle" (Accountant, Manager external Accountant, CFO) this risk should be avoided	yearly	CFO Manager external Accountant	m,p	ok	

6. Contract Management

6.1. Contract Management

6.1.1. Target Process

Objective: New contracts are critically reviewed. Service quality of existing contracts is supervised.

Process	Description	Responsibility	Tools / Documents
<pre> graph TD A[Request External Services] --> B[Contract Review and approval] B --> C[Service Control] C --> D[Change Management] D --> E[Contract Cancellation] </pre> <p>Request External Services</p>	External services are requested.	Employee in charge	Contract templates
Contract Review and approval	Major contracts are reviewed by management and / or legal counsel. Contracts are signed jointly by two persons with signature power according to commercial register.	Employee in charge, Legal Counsel, Authorized employees	Commercial register
Service Control	Supervision of provided services.	Employee in charge	Contract Service Reports Invoices
Change Management	If needed contracts have to be amended / changed.	Employee in charge, Legal Counsel, Authorized employees	Contract amendment
Contract Cancellation	In case of contract cancellation the notice period must be respected. Contracts are always cancelled in writing.	Employee in charge	Contract

6.1.2. Risk Control Matrix Contract Management

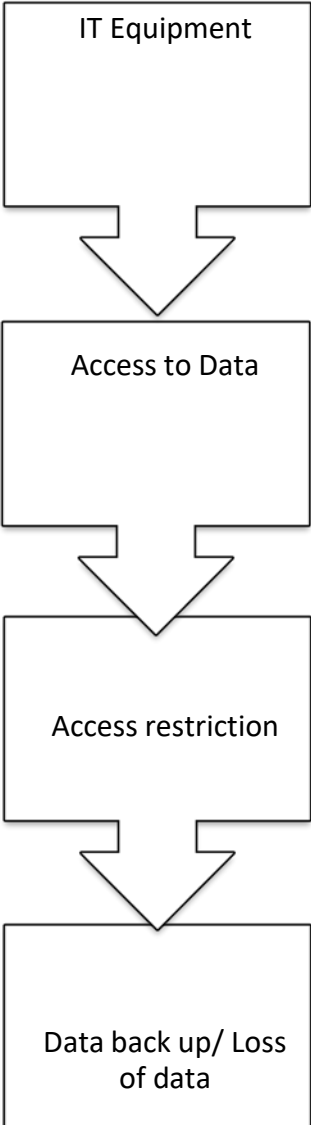
Process:		Contract Management					Remarks		
Process objective:		New contracts are critically reviewed. Delivery of existing contracts is supervised.							
Process owner:		CEO							
Deputy process owner:		Office Manager / Project Manager							
Sub-processes		Risk analysis							
		Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible	Type (manual/automatic / preventive / detective)	Conclusion
Request External Services									
1		External services are not business related	5%	low	Joint signature of contracts always required + review of invoices before payment	During payables process	CEO	m,d	ok
2		Wrong Services and inadequate conditions are contracted	5%	medium	Orders are submitted according to budget / forecasts / legal review for major contracts	During payables process	CEO & CFO	m,d	ok
Contract signature									
3		Contractor / Service provider goes bankrupt	1%	very high	For major contracts payment creditworthiness to be checked.	for new contracts	Responsible employee	m,p	ok
4		Description of service / order not clear	5%	medium	By way of "4 eye principle" contracts / order to be carefully checked	for new contracts	Responsible employee	m,p	ok
Service level control									
5		Provided services not properly checked	1%	high	By way of "4 eye principle" contracts with major providers are regularly assessed	quarterly	Responsible employee	m,d	ok
Contract amendments									
6		Amendments are made by not authorized employees	1%	very high	Joint signature of contracts always required + review of invoices before payment	During payables process	CEO & CFO/Line Manager	m,d	ok
7		Amendments are not documented in writing	1%	high	Major invoices to be confirmed by line manager	During payables process	CEO & CFO/Line Manager	m,d	ok
Contract cancellation									
8		Cancellation is not accepted by provider	1%	very high	By way of "4 eye principle" termination clauses are reviewed / involve external legal counsel if needed.	For each cancellation	CEO & CFO/Line Manager	m,p	ok

7. IT

7.1. IT Management

7.1.1. Target Process

Objective: Guarantee a safe, secure and uninterrupted work performance through IT systems

Process	Description	Responsibility	Tools / Documents
 <p>IT Equipment</p>	<p>All employees have the appropriate IT equipment and can get their work done.</p>	<p>External IT Consultant Office Manager</p>	<p>IT equipment inventory</p>
<p>Access to Data</p>	<p>Data are continuously accessible by the employees according to their function/ data access rights.</p>	<p>External IT Consultant Office Manager</p>	<p>Box Portal Internal network Drive</p>
<p>Access restriction</p>	<p>Access to files and folders is restricted based on the employees/ external providers function.</p>	<p>External IT Consultant Office Manager</p>	<p>Box Portal Internal network drive</p>
<p>Data back up/ Loss of data</p>	<p>Files, folders and emails are backed up to avoid the risk of losing company key information/ data. The user must not store data outside of the Cloud because these data are not backed up.</p>	<p>External IT Consultant Users</p>	<p>Back Up Process and Recovery Procedure</p>

7.1.2 Risk Control Matrix IT

IT Management		Remarks						
Process:								
Process objective:	Guarantee a safe, secure and uninterrupted work performance through IT systems							
Process owner:	Office Manager + External IT Consultant							
Deputy process owner:	CEO							
Sub-processes		Control Measures				Conclusion		
		Risk analysis						
	Risk factors / risk description	Rating	Impact	Measures / comments	Control frequency	Responsible		
						Type (manual/automatic, preventive / detective)		
IT Equipment								
1	Functioning IT devices are not available	5%	low	Keep always at least one replacement of laptop and other important IT devices. Defective devices are replaced immediately.	When replacing IT devices	Office Manager	m,p	ok
Access to data								
2	Unauthorized change or deletion of data (folders and files)	1%	high	Identify for each user the access right to folders according to his function and approved by the Line Manager. Data are backed up and the system is secured by a 2nd server.	quarterly	Office Manager	m,p	ok
3	Employees cannot log in or have no access to the server.	1%	low	The External IT Consultant can be reached during office hours and in emergencies outside office hours.	Ongoing	External IT Coconsultant	m,d	ok
4	Employee Laptop is stolen	1%	medium	Access to data is secured and electronically documented.	Continuous back up	External IT Coconsultant	m,d	ok
5	System fails / Microsoft is hacked or dow	1%	high	Continuous back up of files and folders is ensured by the External IT Consultant	Continuous back up	External IT Coconsultant	m,p	ok
Access Restriction								
6	Unauthorized person can change programs or applications	1%	high	Only authorized personnel (IT managers / IT external firm) can make changes to programs or applications (separation of functions).	In case of error messages or suspect	External IT Coconsultant	m,d	ok
7	Unauthorized person can access and manipulate the system via interfaces	1%	high	System controls				