

**DI AND GI S.R.L.**

**ORGANIZATION,  
MANAGEMENT AND CONTROL MODEL**

**Legislative Decree N.231 of 8 JUNE 2001**

Approved by the Board of Directors  
on 02/12/2019

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**- GENERAL PART I -**  
**THE REGULATORY FRAMEWORK**

**1. THE LEGISLATIVE DECREE N. 231 / 8 JUNE 2001**

**1.1. THE ADMINISTRATIVE LIABILITY OF BODIES**

The Legislative Decree 8 June 2001, n. 231, which contains the "Discipline of the administrative responsibility of persons legal entities, companies and associations, including those without legal personality "(hereinafter also the" Legislative Decree 231/2001 "or, even just the" Decree "), which entered into force on 4 July 2001 in implementation of art. 11 of Law-Delegation 29 September 2000 n. 300, introduced into the Italian legal system, in accordance with in accordance with the provisions of the EU, the administrative liability of entities, where for "entities" they mean commercial, capital and personal companies and associations, even without legal personality.

This new form of responsibility, although defined as "administrative" by the legislator, has the characteristics related to penal responsibility, the investigation of the offenses being left to the competent penal judge from which it is made to derive and the same guarantees recognized to the person being extended to the entity subjected to investigation or to the accused in the penal trial.

The administrative liability of the entity derives from the carrying out of crimes, expressly indicated in Legislative Decree 231/2001, committed, in the interest or to the advantage of the entity itself, by individuals who hold functions of representation, administration or management of the entity or one of its organizational units financial and functional autonomy, or who exercise, even de facto, management and control (the so-called "top management"), or that are subject to the management or supervision of one of the above subjects indicated (the so-called "subordinates").

In addition to the existence of the requirements described above, Legislative Decree 231/2001 also requires the verification of the culpability of the entity, in order to be able to affirm responsibility. This requirement is attributable to one "Organizational fault", to be understood as the institution's failure to adopt preventive measures adequate to prevent the perpetrators from committing the offenses listed in the following paragraph identified in the Decree.

If the entity is able to demonstrate that it has adopted, and effectively implemented, an organization suitable to avoid the commission of such crimes, through the adoption of the organization and management model and control provided for by Legislative Decree 231/2001, these will not be liable for administrative liability.

**1.2. THE OFFENSES PROVIDED FOR BY THE DECREE**

The offenses from which the administrative liability of the entity derives are those expressly and strictly referred to by Legislative Decree 231/2001 and subsequent amendments and additions. The crimes currently included in the scope of application of Legislative Decree 231/2001 are listed below, specifying, however, that this is a list destined to expand in the near future:

**1. Offenses against the Public Administration (articles 24 and 25):**

- Embezzlement to the detriment of the State (Article 316 bis of the Penal Code);
- Undue receipt of funds to the detriment of the State (Article 316 ter of the Penal Code);
- Fraud to the detriment of the State or other public body (Article 640, paragraph 2, No. 1, Penal Code);
- Aggravated fraud to obtain public funds (Article 640 bis of the Italian Penal Code);
- Computer fraud to the detriment of the State or other public body (Article 640 ter of the Italian Penal Code);
- Extortion (Article 317 of the Penal code);
- Corruption for the exercise of the function (articles 318 of the Penal Code);
- Corruption for an act contrary to official duties (Article 319 of the Penal Code);
- Aggravating circumstances (Article 319 bis of the Penal Code);
- Corruption in judicial acts (art.319 ter of the Penal Code);
- Undue inducement to give or promise benefits (Article 319 quater of the Penal Code);
- Corruption of a person in charge of a public service (Article 320 of the Italian Penal Code);
- Penalties for the briber (Article 321 of the Penal code)
- Incitement to corruption (Article 322 of the Penal code);
- Embezzlement, extortion, undue inducement to give or promise benefits, corruption and incitement bribery of members of international Courts or of the bodies of the European Communities or of international parliamentary assemblies or international organizations and officials of the European Communities and foreign states (322-bis of the Penal code);
- Trafficking of illicit influences (Article 346-bis of the Penal Code).

**2. Computer crimes and unlawful processing of data introduced by Law 48/2008 and amended by Legislative Decree 7 and 8/2016 (Article 24 bis):**

- Falsehood in a public IT document or document with probative value (Article 491 bis of the Italian Penal Code);
- Unauthorized access to an IT or telematic system (Article 615 ter of the Penal Code);
- Unauthorized possession and dissemination of access codes to IT or telematic systems (Article 615 quater of the Penal Code);
- Dissemination of equipment, devices or computer programs aimed at damaging or interrupt an IT or telematic system (Article 615 quinquies of the Penal Code);
- Illicit interception, impediment or interruption of computer or telematics communications (Article 617 quater of the Penal Code);
- Installation of equipment designed to intercept, prevent or interrupt communications or telematic IT systems (Article 617 quinquies of the Penal Code);
- Damage to information, data and computer programs (Article 635 bis of the Penal Code);
- Damage to information, data and computer programs used by the State or other Public body or in any case of public utility (Article 635 ter of the Italian Penal Code);
- Damage to IT and telematic systems (Article 635 quater of the Penal Code);
- Damage to IT and telematic systems of public utility (Article 635 quinquies of the Italian Penal Code);
- Computer fraud by the person providing electronic signature certification services (art.640 quinquies of the Penal Code).

**3. Organized crime offenses introduced by Law 94/2009 and modified by the Law 69/2015 (Article 24 ter):**

- Penal association (Article 416 of the penal code);
- Mafia-type associations, including foreign ones (Article 416 bis of the Penal Code);
- Political - mafia electoral exchange (Article 416 ter of the Italian Penal Code);
- Kidnapping for the purpose of extortion (Article 630 of the Penal Code);
- Penal associations aimed at illicit trafficking in narcotic or psychotropic substances (art. 74, Presidential Decree 9 October 1990, n. 309);
- Crimes of illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or place open to the public of war or war-type weapons or parts of them, of explosives, of clandestine weapons as well as of more common firearms, excluded those provided for by article 2, paragraph 3, of law no. 110 (art. 407, paragraph 2, lett. a), number 5), c.p.p.)

**4. Crimes relating to forgery of money, public credit cards and revenue stamps, introduced by Law 409/2001 and amended by Law 99/2009, as well as, most recently, by Legislative Decree 125/2016 (Article 25 bis):**

- Counterfeiting of coins, spending and introduction into the State, after agreement, of falsified coins (Article 453 of the Penal Code);
- Alteration of money (Article 454 of the Italian Penal Code);
- Spending and introduction into the State, without agreement, of counterfeit money (Article 455 of the Penal Code);
- Spending of counterfeit money received in good faith (Article 457 of the Italian Penal Code);
- Falsification of revenue stamps, introduction into the State, purchase, possession or placing in circulation of counterfeit revenue stamps (Article 459 of the Penal Code);
- Counterfeiting of watermarked paper used for the manufacture of public credit or credit cards duty stamps (Article 460 of the Italian Penal Code);
- Manufacture or possession of watermarks or instruments intended for the counterfeiting of coins, of stamps or watermarked paper (art.461 of the penal code);
- Use of counterfeit or altered revenue stamps (Article 464 of the Penal Code);
- Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and drawings (Article 473 of the penal code);
- Introduction into the State and trade of products with false signs (Article 474 of the Penal Code).

**5. Crimes against industry and trade, introduced by Law 99/2009 (Article 25 bis.1):**

- Disturbed freedom of industry or trade (Article 513 of the penal code);
- Unlawful competition with threats or violence (Article 513 bis of the Penal Code);
- Fraud against national industries (Article 514 of the penal code);
- Fraud in the exercise of trade (Article 515 of the penal code);
- Sale of non-genuine food substances as genuine (Article 516 of the Penal Code);
- Sale of industrial products with misleading signs (Article 517 of the Penal Code);
- Manufacture and trade of goods made by usurping industrial property rights (art.517 ter of the Penal Code);
- Counterfeiting of geographical indications or designations of origin of agri-food products (Article 517 quater of the Italian Penal Code).

**6. Corporate offenses, introduced by Legislative Decree 61/2002 and amended by Law 262/2005, by Law 190/2012, by Law 69/2015 and, most recently, by Legislative Decree 38/2017 (Article 25 ter):**

- False corporate communications (Article 2621 of the Italian Civil Code);
- Minor events (Article 2621 bis of the Italian Civil Code);
- False corporate communications of listed companies (Article 2622 of the Italian Civil Code);
- Prevented control (Article 2625, paragraph 2, of the Italian Civil Code);
- Undue return of contributions (Article 2626 of the Italian Civil Code);
- Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code);
- Unlawful operations on shares or quotas of the company or of the parent company (Article 2628 of the Italian Civil Code);
- Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code);
- Failure to communicate a conflict of interest (Article 2629 bis of the Italian Civil Code);
- Fictitious capital formation (Article 2632 of the Italian Civil Code);
- Undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code);
- Corruption between private individuals (Article 2635, paragraph 3, of the Italian Civil Code);
- Incitement to corruption between private individuals (Article 2635 bis of the Italian Civil Code);
- Unlawful influence on the assembly (Article 2636 of the Italian Civil Code);
- Stock manipulation (Article 2637 of the Italian Civil Code)
- Obstacle to the exercise of the functions of public supervisory authorities (Article 2638, paragraphs 1 and 2 of the Italian Civil Code).

**7. Crimes with the purpose of terrorism or subversion of the democratic order, introduced by Law 7/2003 (art.25 quater):**

- Subversive associations (art.270 of the penal code);
- Associations with the purpose of terrorism, including international or subversion of the democratic order (art.270 bis of the penal code);
- Assistance to associates (art.270 ter of the penal code);
- Enlistment for terrorist purposes, including international terrorism art. 270 quater of the penal code);
- Training in terrorist activities, including international ones (art. 270 quinquies c.p.);
- Financing of conduct for terrorist purposes (Article 270 quinquies.1 of the Penal Code);
- Theft of assets or money subject to seizure (Article 270 quinquies. 2 of the Italian Penal Code);
- Conduct with the purpose of terrorism (Article 270 sexies of the Italian Penal Code);
- Attack for terrorist or subversion purposes (Article 280 of the Penal Code);
- Act of terrorism with deadly or explosive devices (Article 280 bis of the Penal Code);
- Act of nuclear terrorism (art.280 ter of the penal code);
- Kidnapping for the purpose of terrorism or subversion (Article 289 bis of the Penal Code);
- Incitement to commit any of the crimes envisaged by the first and second chapters (Article 302 of the penal code);
- Urgent measures for the protection of democratic order and public security (Article 1 of the Legislative Decree 15/12/1979, n. 625 conv. with mod. in l. 06/02/1980, n. 15);
- International Convention for the Suppression of the Financing of Terrorism New York 9 December 1999 (art.2).

**8. Mutilation practices of female genital organs, introduced by Law 7/2006 (art.25 quater 1):**

- Mutilation practices of female genital organs (Article 583 bis of the Italian Penal Code).

**9. Crimes against the individual, introduced by Law 228/2003 and amended with Law 38/2006, as well as, most recently, with Law 199/2016 (art.25 quinquies):**

- Reduction or maintenance in slavery or servitude (Article 600 of the penal code);
- Child prostitution (Article 600 bis, paragraphs 1 and 2, of the penal code);
- Child pornography (Article 600 ter of the Italian Penal Code);
- Possession of pornographic material (Article 600 quater of the penal code);
- Virtual pornography (art. 600 quater.1 of the penal code);
- Tourist initiatives aimed at the exploitation of child prostitution (art. 600 quinquies of the penal code);
- Trafficking in persons (Article 601 of the Italian Penal Code);
- Purchase and sale of slaves (Article 602 of the Penal Code);
- Illicit brokering and exploitation of labor (Article 603 bis of the Italian Penal Code);
- Solicitation of minors (Article 609 undecies of the Italian Penal Code).

**10. Crimes of abuse of privileged information and market manipulation, introduced by the Law 62/2005 (art.25 sexies):**

- Abuse of privileged information (Article 184 of Legislative Decree 58/1998);
- Market manipulation (Article 185 of Legislative Decree 58/1998).

**11. Transnational crimes, introduced by Law 146/2006:**

- Penal association (Article 416 of the penal code);
- Mafia-type association (Article 416 bis of the Penal Code);
- Penal association aimed at smuggling foreign manufactured tobaccos (Dpr 43/1973, Article 291 quater);
- Association aimed at the illicit trafficking of narcotic or psychotropic substances (Dpr 309/1990, Article 74);
- Provisions against illegal immigration (Legislative Decree 286/1998 art. 12);
- Inducement not to make statements or to make false statements to the judicial authority (Article 377 bis of the Penal Code);
- Personal aiding and abetting (Article 378 of the Penal Code)

**12. Negligent offenses committed in violation of accident prevention and protection regulations of hygiene and health at work, introduced by Law 123/2007 (Article 25 septies):**

- Manslaughter (Article 589 of the Penal Code)
- Negligent, serious or very serious personal injury (Article 590 of the Penal Code).

**13. Crimes of receiving, laundering and use of money, goods or other benefits of illegal origin, as well as self-laundering, introduced by Legislative Decree 231/07 and modified by the Law 186/2014 (Article 25 octies):**

- Receiving stolen goods (art.648 of the penal code);
- Money laundering (Article 648 bis of the Penal Code);
- Use of money, goods or benefits of illicit origin (Article 648 ter of the Penal Code);
- Self-laundering (Article 648 ter.1 of the Penal Code).

**14. Crimes relating to copyright infringement, introduced by Law 99/2009 (art. 25 novies):**

- Broadcasting on telematic network systems available to the public, through connections of any kind of protected intellectual property or part of it (Article 171, first paragraph, lett.a) bis) Law 633/41);
- Offenses referred to in the previous point committed on the works of others not intended for publication if the honor or reputation is offended (Article 171, paragraph 3, Law 633/41);
- Illegal duplication, for profit, of computer programs; import, distribution, sale, holding for commercial or business purposes or licensing in rental of programs contained in media not marked by the SIAE; predisposition of means for removing or circumventing the protection devices of a computer program (Article 171-bis, first paragraph, Law 633/41);
- Reproduction, transfer to another medium, distribution, communication, presentation or public demonstration of the contents of a database; extraction or reuse of database; distribution, sale or leasing of a database (Article 171-bis, paragraph 2, Law 633/41);
- Illegal duplication, reproduction, transmission or dissemination in public with any process, in whole or in part, of intellectual property intended for the television circuit, film, sale or rental, discs, tapes or similar media or any other medium containing phonograms or videograms of musical, cinematographic or audiovisuals works assimilated or sequences of moving images; literary, dramatic works, scientific or didactic, musical or dramatic-musical, multimedia, even if inserted in collective works or databases; unauthorized reproduction, duplication, transmission or dissemination, illegal sale, transfer or import of more than 50 copies or specimens of works protected by copyright and related rights; entry into a system of telematic networks by means of connections of any kind, of intellectual property protected by copyright, or part of it (art. 171-ter, Law 633/41);
- Failure to notify the SIAE of the identification data of the supports not subject to the cash on delivery or false declaration (Article 171-septies, Law 633/41);
- Fraudulent production, sale, import, promotion, installation, modification, use for public and private use of equipment for decoding broadcasts conditional access audiovisuals carried out over the air, via satellite, via cable, in both form analogue and digital (Article 171-octies, Law 633/41).

**15. Crime of induction not to make statements or to make false statements to the judicial authority, introduced by Law 116/2009 and then amended by Legislative Decree 7 July 2011, n. 121 (art.25 decies):**

- Inducement not to make statements or to make false statements to the judicial authority (Article 377 bis of the Penal Code).

**16. Environmental crimes, introduced by Legislative Decree 7 July 2011, no. 121 and modified by the Law 68/2015 and by Legislative Decree 21/2018 (Article 25 undecies):**

- Environmental pollution (Article 452 bis of the Penal Code);
- Environmental disaster (Article 452 quater of the penal code);
- Negligent crimes against the environment (Article 452 quinquies of the Penal Code);



- Traffic and abandonment of highly radioactive material (Article 452 sexies of the Penal Code);
- Aggravating circumstances (Article 452 octies of the Italian Penal Code);
- Organized activities for the illegal trafficking of waste (Article 452 quaterdecies of the Penal Code)
- Killing, destruction, capture, removal, possession of specimens of animal or plant species protected wild animals (Article 727 bis of the Italian Penal Code);
- Destruction or deterioration of habitats within a protected site (Article 733 bis of the Italian Penal Code);
- Discharge of unauthorized wastewater (Article 137 paragraphs 2, 3, 5, 11 and 13 of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Unauthorized waste management activities (Article 256 paragraphs 1, 3, 5 and 6 of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Soil pollution such as to require remediation interventions (Article 257 paragraphs 1 and 2 of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Falsification of the results of waste analyzes (Article 258 paragraph 4 second sentence of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Illegal waste trafficking (Article 259 paragraph 1 of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Ideological falsity of the waste analysis certificate used within the SISTRI –Handling Area, and ideological and material falsity of the SISTRI sheet - Handling Area (Article 260 bis of Legislative Decree 152/2006);
- Violation of the emission limits into the atmosphere and / or non-compliance with what is prescribed in emission authorization (Article 279 paragraph 5 of Legislative Decree 152/2006 "CONSOLIDATED ENVIRONMENTAL TEXT");
- Import, export or re-export, sale, display for sale, holding for the sale, transport, also on behalf of third parties, or possession of specimens of the indicated species in Annex A, Appendix I, in Annex B and in Annex C, Part 1, of Regulation (EEC) no.3626/82 and subsequent amendments (Article 1, paragraphs 1 and 2, 2, paragraphs 1 and 2, and 6, paragraph 4 of Law 150/1992);
- Falsification or alteration of certificates of CITES protected species (art.3-bis of the Law 150/1992);
- Possession of live specimens of mammals and reptiles of wild species and live specimens of mammals and reptiles from captive breeding that pose a danger to health and public safety (Article 6 of Law no. 150/1992);
- Use of ozone depleting substances listed in Table A Law 91/594 / EC (Article 3 paragraph 6 of Law 549/1993);
- Pollution caused by ships (articles 8 and 9 of Legislative Decree 202/2007)

**17. Crime of employment of illegally staying third-country nationals, introduced by Legislative Decree 16 July 2012, n. 109 in implementation of Directive 2009/52 / EC and subsequently amended by Law 161/2017 (art.25 duodecies):**

- Provisions against illegal immigration (Article 12, paragraph 3, 3-bis, 3-ter and 5 of Legislative Decree 286/1998);
- Employment of foreign workers without a residence permit provided for by art. 22 of Legislative Decree 25 July 1998, n. 286, or whose permit has expired - and which has not been requested, within the terms of the law, the renewal - revoked or canceled (Article 22, paragraph 12, Legislative Decree no. 286/98). The aggravated hypotheses (Article 22, paragraph 12bis, Legislative Decree 286/98) in the face of which it becomes applicable, pursuant to art. 2 of Legislative Decree 109/2012, Legislative Decree 231/2001, concern the hypotheses in which the employed workers are (alternatively):
  - more than three;

- minors of non-working age;
- exposed to situations of serious danger, with reference to the services to be performed and working conditions (art. 603bis, paragraph 3 of the penal code).

**18. Crimes of racism and xenophobia, introduced by Law 167/2017, amended by Legislative Decree 21/2018 (Article 25-terdecies):**

- Propaganda and incitement to crime on grounds of ethnic racial discrimination e religious (art. 604 bis of the penal code).

**19. Crimes relating to fraud in sports competitions, abusive exercise of games or betting and games of chance exercised by means of prohibited devices, introduced by Law 39/2019 (Article 25-quaterdecies):**

- Fraud in sports competitions (Article 1 of Law 401/1989);
- Unauthorized exercise of gambling or betting activities (Article 4 of Law 401/1989).

**1.3. SANCTIONS IMPOSED BY THE DECREE**

The sanctioning system described by Legislative Decree 231/2001, for the commission of the crimes listed above, provides, depending on the offenses committed, the application of the following administrative sanctions:

- financial penalties;
- disqualification sanctions;
- confiscation;
- publication of the sentence.

The disqualification sanctions, which can be imposed only where expressly provided for and also on the precautionary way, are the following:

- disqualification from exercising the activity;
- suspension or revocation of authorizations, licenses or concessions functional to the commission of the offense;
- prohibition on contracting with the Public Administration;
- exclusion from concessions, loans, contributions and subsidies, and / or revocation of any already granted;
- ban on advertising goods or services.

Legislative Decree 231/2001 also provides that if there are the conditions for the application of a disqualification sanction that orders the interruption of the activity of the body, the judge, in place of the application of said sanction, can order the continuation of the activity by a judicial commissioner (Article 15 of the Decree) appointed for a period equal to the duration of the disqualification sentence that would have been applied, when it occurs at least one of the following conditions:

- the entity carries out a public service or a service of public need whose interruption can cause serious harm to the community;
- business interruption may have significant repercussions on employment taking into account the size of the entity and the economic conditions of the area in which it is located.

#### **1.4. CONDITION EXEMPTING ADMINISTRATIVE LIABILITY**

Art. 6 of Legislative Decree 231/2001 establishes that the entity is not liable for administrative liability, if you can prove that:

- the management body has adopted and effectively implemented, before the commission of the fact, organization models, management and control suitable for preventing crimes of the kind that occurred;
- the task of supervising the functioning and observance of the models and of looking after the relative ones update, was entrusted to a body of the entity with autonomous powers of initiative e control (so-called Supervisory Body);
- the persons committed the crime by fraudulently evading the organization models management and control;
- there was no omission or insufficient supervision by the Supervisory Body.

The adoption of the organization, management and control model therefore allows the entity to be able to escape to the attribution of administrative responsibility. The mere adoption of this document, by resolution of the administrative body of the entity, is not, however, in itself sufficient to exclude this responsibility, it being necessary that the model be effectively and effectively implemented.

With reference to the effectiveness of the organization, management and control model for the prevention of commission of the offenses provided for by Legislative Decree 231/2001, it is required that it:

- identifies the company activities in the context of which the crimes may be committed;
- provide for specific protocols aimed at planning the formation and implementation of decisions of the entity in relation to the crimes to be prevented;
- identifies methods for managing financial resources suitable for preventing the commission of offenses;
  
- provides for information obligations towards the body in charge of supervising operation and the observance of the models;
- introduces a disciplinary system suitable for sanctioning non-compliance with the measures indicated in organization, management and control model.

With reference to the effective application of the organization, management and control model, Legislative Decree 231/2001 requires:

- a periodic check, and, in the event that significant violations of the provisions are discovered imposed by the model or changes occur in the organization or activity of the entity or legislative changes, modification of the organization, management and control model;
- a disciplinary system suitable for sanctioning non-compliance with the requirements imposed by organization, management and control model

## **1.5. THE BENEFIT OF THE REDUCTION OF THE DURATION OF INTERDICTIVE SANCTIONS**

Paragraph 5-bis of art. 25 of Legislative Decree 231/01, introduced by the Anti-corruption Law n.3 / 2019 "Measures for the contrast of crimes against the public administration, as well as in the matter of prescription of the crime and in transparency of political parties and movements ", provides for a reduction in disqualification sanctions in case of committing the offenses of extortion, undue inducement to give or promise benefits or corruption (for a term between 3 months and 2 years).

The benefit is recognized to the entity that, before the issuance of the first instance sentence, has eliminated the organizational deficiencies that led to the crime through the adoption and implementation of organizational models suitable for preventing crimes of the kind that occurred, and has effectively used:

- to avoid that the penal activity is led to further consequences;
- to ensure evidence of offenses;
- for the identification of those responsible;
- for the seizure of sums or other transferred benefits.

## **1.6. CONFINDUSTRIA "GUIDELINES"**

Art. 6 of Legislative Decree 231/2001 expressly provides that the organization, management and control models can be adopted on the basis of codes of conduct drawn up by the representative associations of entities.

For the purposes of preparing the model, the "Guidelines for the construction of organization, management and control models pursuant to Legislative Decree 231/2001 "(hereinafter only "Guidelines") drawn up by Confindustria and approved by the Ministry of Justice with the D.M. 4 December 2003. The subsequent update, published by Confindustria on 24 May 2004, was approved by the Ministry of Justice, which judged these Guidelines to be suitable for achieving the intended purposes by the Decree. These Guidelines, subsequently updated by Confindustria in 2008 (as of 31 March 2008, then approved by the Ministry of Justice on 2 April 2008), were again updated in March 2014 and approved with a note from the Ministry of Justice on 21 July 2014, after hearing the Concerting Ministries, CONSOB and the Bank of Italy.

In defining the organization, management and control model, the Confindustria Guidelines provide for the following design phases:

- the identification of risks, i.e. the analysis of the business context to highlight in which areas of activities and according to which methods the crimes envisaged by the Legislative Decree 231/2001;
- the preparation of a control system suitable for preventing the risks of crime identified in the phase previous, to be carried out through the evaluation of the existing control system and the relative degree of adaptation to the prevention needs expressed by Legislative Decree 231/2001.

The most relevant components of the control system outlined in the Confindustria Guidelines to guarantee the effectiveness of the organization, management and control model are summarized below:

- the provision of ethical principles and behavioral rules in a Code of Conduct;

- a sufficiently formalized and clear organizational system, in particular with regard to the attribution of responsibilities, the lines of hierarchical dependence and the description of tasks;
- manual and / or IT procedures that regulate the performance of activities, providing for the appropriate and adequate controls;
- authorization and signature powers consistent with the organizational and managerial responsibilities assigned by the institution, providing, where appropriate, spending limits;
- management control systems, capable of promptly reporting possible critical issues;
- information and training of personnel.

The Confindustria Guidelines also specify that the components of the control system described above must comply with a number of control principles, including:

- verifiability, traceability, consistency and congruity of each operation, transaction and action;
- application of the principle of separation of functions and segregation of duties (no one can independently manage an entire process);
- establishment, execution and documentation of the control activity on processes and activities a risk of crime.

## - GENERAL PART II - THE ORGANIZATIONAL MODEL

### 2. THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL

#### 2.1 PURPOSE OF THE MODEL

DI AND GI S.R.L. (hereinafter also "Di and Gi" or the "Company"), a subsidiary of CTS Eventim AG & CO. KGaA (hereinafter also "EVENTIM"), mainly carries out consultancy, production, promotion, advertising, marketing, management and organization of shows on one's own and on behalf of third parties artistic and cultural in general.

That said, Di and Gi, aware of the importance of adopting, and effectively implementing, a system suitable for preventing the commission of unlawful conduct in the corporate context, approved – with resolution of the Board of Directors on 02/12/2019 - this version of the Organization, Management and Control Model pursuant to Legislative Decree 231/2001 (hereinafter the "Model" or "Model 231") on the assumption that it constitutes a valid tool for raising awareness of the recipients (such as defined in paragraph 2.2) to assume correct and transparent behavior, therefore suitable for preventing the risk of the commission of penal offenses included in the category of offenses - presupposition of responsibility administrative bodies.

Through the adoption of the Model, the Company intends to pursue the following purposes:

- prohibit behaviors that could integrate the types of offenses referred to in the Decree;
- spread awareness that the violation of the Decree, of the provisions contained in the Model and principles of the Group Code of Conduct, may result in the application of measures sanctions (of a pecuniary and disqualifying nature) also against the Company;
- allow the Company, thanks to a set of procedures and constant monitoring on the correct implementation of this system, to prevent and / or promptly counteract the commission of relevant crimes pursuant to the Decree.

## 2.2 RECIPIENTS

The provisions of this Model are binding for the entire Board of Directors, for everyone those who hold in Di and Gi, functions of representation, administration and management or management and control (including de facto), for employees, managerial staff and collaborators under management or supervision of the top figures of the Company (hereinafter the "Recipients").

In particular, the recipients of the model are:

- the Board of Directors and all those who hold management and management functions in the Company or in one of its divisions and / or organizational units with financial and functional autonomy, as well as those who also exercise de facto management and control of the Company;
- all those who have a subordinate employment relationship with the Company (employees);
- all those who collaborate with the Company by virtue of a quasi-subordinate employment relationship (eg. apprentices, etc.);
- those who work on behalf of the Company in the context of sensitive activities, such as consultants for example.

The subjects to whom the Model is addressed are required to promptly comply with all the provisions, including in fulfillment of the duties of loyalty, correctness and diligence that arise from the legal relationships established with the Company.

## 2.3 FUNDAMENTAL ELEMENTS OF THE MODEL

The fundamental elements developed by Di and Gi in the definition of the Model, below treated in detail, they can be summarized as follows:

- the mapping of activities at risk of committing the crime (so-called "sensitive" activities), with identification of examples of possible ways of carrying out crimes and processes instrumental / functional within which, in principle, the conditions could occur and / or the means for committing the crimes themselves, formalized in the document called "Risk Assessment "referred to in paragraph 2.5;
- the set of company procedures and policies, overseeing all company activities, including – in particular for the purposes of this Model - those activities which, following the aforementioned activity mapping, were exposed to a potential risk of committing the offenses referred to in Legislative Decree 231/2001;
- the establishment of a Supervisory Body with a collegiate composition (hereinafter also "Body" or "SB"), which are assigned specific supervisory tasks on effective implementation and effective application of the Model in compliance with the Decree;
- a system of sanctions aimed at ensuring the effective implementation of the Model and containing the disciplinary actions and the sanctions applicable to the Recipients, in case of violation of the provisions contained in the Model itself;
- the provision of information and training activities on the contents of this Model;
- the provision of behavioral principles and control protocols defined for each process instrumental / functional aimed at regulating the decisions of Di and Gi declined in the Sections of the "Special Part" of this Model.
- methods for the adoption and effective application of the Model as well as for the necessary changes or additions to the same (update of the Model).

## **2.4 CODE OF CONDUCT AND MODEL**

Di and Gi, sensitive to the need to base the conduct of business activities on compliance with the principle of legality, has adopted the Group Code of Conduct issued by CTS Eventim AG & CO. KGaA.

The Group Code of Conduct which defines a series of principles of "corporate ethics" and rules behavioral, which the Company recognizes as its own and which it requires compliance by both its corporate bodies and employees and by all those who cooperate with it in the pursuit business objectives (i.e. Dealing with business partners, avoiding conflicts of interest and corruption, protection of information and commercial goods).

The Group Code of Conduct therefore has a general scope and represents a whole of rules, spontaneously adopted by the Company, which it recognizes, accepts and shares, direct to spread a solid ethical integrity and a strong sensitivity to compliance with current regulations.

The Model, on the other hand, responds to specific provisions contained in Legislative Decree 231/2001, aimed at expressly to prevent the commission of the types of crimes envisaged by the decree itself (for facts which, apparently committed in the interest or to the advantage of the Company, may give rise to a charge of the same an administrative responsibility for a crime).

In consideration of the fact that the Code of Conduct recalls principles of conduct (including, legality, correctness and transparency) also suitable for preventing unlawful conduct pursuant to Legislative Decree 231/2001, such document acquires relevance for the purposes of the Model and therefore constitutes a complementary element to the same.

## **2.5 METHODOLOGICAL PATH OF DEFINITION OF THE MODEL: RISK ASSESSMENT - INSTRUMENTAL PROCESSES AND PROTECTORS**

Legislative Decree 231/2001 expressly provides, in art. 6, paragraph 2, lett. a), that the Organizational, management and control Model of the entity identifies the business activities in which they may potentially be committed the offenses included in the Decree.

Consequently, the Company proceeded with an analysis, with the support of an external consultant depth of the same. As part of this activity, the Company has, first of all, analyzed its own organizational structure represented in the company organization chart which identifies the Departments / Functions of the company, highlighting roles and hierarchical-functional reporting lines.

The Company has 8 departments entirely dedicated to the functions of: Production, Administration, Accounting, Logistics, Promotion and Social Media, Graphics, Press Office and Ticket Office.

The Company's operational structure includes the following functions / activities:

- the Production has the task of: (i) planning the events; (ii) find suppliers and make sure that the event is carried out as it was planned;
- the Administration has the task of: (i) verifying the regularity of the licenses and permits issued by the Public Administration; (ii) prepare and issue the invoices relating to the performance of the

company's activities; (iii) collect the data of new hires and prepare the relative documentation; (iv) prepare and keep up-to-date the employee attendance book; (v) manage expense reports; (vi) verify compliance with the provisions of the contracts stipulated with the artists; (vii) manage wire transfers relating to the payment of artists; (viii) manage the identification documentation of the artists and people participating in the tour; (ix) manage the execution of contracts with local promoters;

- Accounting has the task of: (i) managing the inspection visits by the Finance Police; (ii) manage taxation; (iii) prepare the financial statements; (iv) keep the company books; (v) manage operations relating to the share capital;

- Logistics has the function of: (i) organizing staff travel and accommodation; (ii) organize the movements of the artists in collaboration with tour managers; (iii) prepare an expense statement for the artist's tour.

- the Promotion and Social Media has the task of: (i) managing the digital, social communication of the website, press office, on TV and radio; (ii) seek sponsors and manage relationships with them.

- Graphics have the function of: (i) managing relations with the artist's management or with agencies of graphics in order to use photos or images of the same; (ii) curate the contents of the sites and create web banner ads.

- the Press Office has the task of: (i) managing relations with newspapers; (ii) manage relations with artists' press offices; (iii) verify the execution of contracts entered into with TV and radio;

- the Ticket Office has the function of: (i) managing the ticket sales activity; (ii) manage relationships with TicketOne; (iii) schedule ticket sales; (iv) entertain direct relationships with clients.

Di and Gi subsequently analyzed its business activities on the basis of the information collected by the company contacts (i.e. Heads of Management / Function) who, by reason of the role held, result equipped with the widest and most profound knowledge of the operations of the related business sector competence.

As anticipated, the results of this activity have been collected and formalized in a descriptive file that forms an integral part of the Model, called "Risk Assessment", which illustrates in detail the profiles of risk of the Company relating to the commission of the offenses included in Legislative Decree 231/2001.

In particular, this document details the areas of activities at risk, the company activities at risk of commission of offenses (so-called "sensitive activities"), the corporate functions / departments involved, the families of offense and the types of offense provided for by Legislative Decree 231/2001 and considered prevalent in the context of reality of the Company and associated with sensitive activities, examples of possible methods and purposes of implementation of the same as well as the processes in which they could carry out, again in principle create the conditions and / or the means for committing the crimes themselves (so-called "instrumental / functional processes")

The Risk Assessment document is kept at the Chief Executive Officer, which takes care of it archiving, making it available - for possible consultation - to the Directors, Statutory Auditor and anyone authorized by the Company to view it.

Specifically, the risk of possible commission of the offenses envisaged by Legislative Decree 231/2001 was identified in the following areas of risk / sensitive activities:

▪ **Areas of activity at risk - crime and relevant cases**



Specifically, from the analysis of the business reality of Di and Gi, the following areas of activities at risk of crime:

- A. Management of relations with subjects belonging to the public administration or other public bodies
- B. Accounting and corporate taxation
- C. Corporate obligations
- D. Staff
- E. Marketing, donations and sponsorships
- F. Event management
- G. Purchases
- H. Sale
- I. Information systems
- L. Health and safety
- M. Environment
- N. Litigation

In consideration of the crime families mentioned above, they were potentially associated with them the following predicate offenses:

- **Art. 24: Undue receipt of funds, fraud to the detriment of the State or a public body or for the achievement of public funds and computer fraud to the detriment of the State or of a public body** - Embezzlement to the detriment of the State (Article 316-bis of the Penal Code); Undue perception of disbursements to the detriment of the State (Article 316-ter of the Penal Code); Fraud to the detriment of the State or other public body (Article 640, paragraph 2, n.1, of the Italian Penal Code); Aggravated fraud for obtaining public funds (art. 640-bis of the Penal Code); Computer fraud to the detriment of the State or other public body (art. 640-ter);

- **Art. 24-bis: Computer crimes and unlawful data processing** - (Falsity in a computer document public or having probative effect (Article 491-bis of the Penal Code); Unauthorized access to a computer or telematic system (Article 615-ter of the Italian Penal Code); Unauthorized possession and dissemination of access codes to computer or telematic systems (art.615-quater of the penal code); Dissemination of computer equipment, devices or programs aimed at damaging or interrupting an IT or telematic system (Article 615-quinquies of the Penal Code); Illicit interception, impediment or interruption of IT or telematic communications (art. 617-quater of the penal code); Installation of equipment designed to intercept, prevent or interrupt IT or telematic communications (Article 617-quinquies of the Penal Code); Corruption of information, data and computer programs (Article 635-bis of the Penal Code); Damage to information, data and programs computer systems used by the State or by another public body or in any case of public utility (Article 635-ter c.p.); Damage to IT or telematic systems (Article 635-quater of the Penal Code); Damage to IT or telematic systems of public utility (Article 635-quinquies of the Penal Code); Computer fraud of the electronic signature certifier (Article 640-quinquies of the Italian Penal Code);

**Art. 24-ter: Organized crime offenses** - Penal association (art. 416 of the Penal code); Mafia-type associations, including foreign ones (Article 416-bis of the Penal Code);

**Art. 25: Extortion, undue inducement to give or promise other benefits and corruption** - Extortion (Article 317 of the Penal Code); Corruption for the exercise of the function (Article 318 of the Penal

Code); Corruption for an act contrary to official duties (Article 319 of the penal code); Aggravating circumstances (Article 319-bis of the Italian Penal Code); Corruption in judicial documents (Article 319-ter of the Italian Penal Code); Undue inducement to give or promise benefits (Article 319-quater c.p.); Bribery of a person in charge of a public service (Article 320 of the Penal Code); Penalties for the briber (art. 321 of the penal code); Incitement to corruption (Article 322 of the penal code); Embezzlement, extortion, undue inducement to give or promise benefits, bribery and incitement to bribery of members of international courts or of bodies of the European Communities or of international assemblies or international organizations and of officials of the European Communities and foreign states (Article 322-bis of the Italian Penal Code); Trafficking of illicit influences (art. 346-bis of the Penal Code);

- **Art. 25-bis: Counterfeiting of coins, public credit cards, revenue stamps and instruments or identification marks** - Introduction into the State and trade of products with false marks (art.474 c.p.);

- **Art. 25-bis.1: Crimes against industry and trade - Disturbed freedom of industry and trade** (Article 513 of the Italian Penal Code); Unlawful competition with threats or violence (Article 513-bis of the Penal Code); Fraud in the exercise of trade (Article 515 of the Italian Penal Code); Sale of industrial products with misleading signs (art.517 of the Penal Code); Manufacture and trade of goods made by usurping industrial property rights (art. 517-ter of the Penal Code);

- **Art. 25-ter: Corporate crimes** - False corporate communications (art. 2621 of the Italian Civil Code); Minor events (art. 2621-bis of the Italian Civil Code); Prevented control (Article 2625 paragraph 2 of the Italian Civil Code); Undue return of contributions (art. 2626 of the Italian Civil Code); Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code); Illegal operations on shares or quotas companies or the parent company (Article 2628 of the Italian Civil Code); Transactions to the detriment of creditors (art.2629 c.c.); Fictitious capital formation (Article 2632 of the Italian Civil Code); Undue distribution of company assets by liquidators (Article 2633 of the Italian Civil Code); Corruption between private individuals (Article 2635 of the Italian Civil Code); Incitement to corruption among private individuals (Article 2635 - bis of the Italian Civil Code); Unlawful influence on the assembly (Article 2636 of the Italian Civil Code); Stock manipulation (Article 2637 of the Italian Civil Code); Obstacle to the exercise of the functions of public supervisory authorities (Article 2638 of the Italian Civil Code);

**Art. 25-quinquies: Crimes against the individual** - Illicit intermediation and exploitation of labor (Article 603-bis of the Italian Penal Code);

- **Art. 25-septies: Crimes of homicide or serious or very serious negligent injury, committed with violation of accident prevention regulations and the protection of hygiene and health in the workplace** - Manslaughter (Article 589 of the Penal Code); Serious or very serious personal injury through negligence (Article 590 of the Penal Code);

- **Art. 25-octies: Receiving, laundering and use of money, goods or benefits of origin unlawfulness, as well as self-laundering** - Receiving stolen goods (Article 648 of the Italian Penal Code); Money laundering (Article 648-bis of the penal code); Use of money, goods or benefits of illicit origin (Article 648-ter of the Penal Code); Self-laundering (Article 648-ter- 1 Penal Code)

- **Art. 25-novies: Crimes relating to copyright infringement** - Broadcasting on network telematics systems available to the public, through connections of any kind, of intellectual property protected or part of them or the works of others not intended for publication if their honor or reputation is offended (Article 171, first paragraph, letter a) bis) and third paragraph of Law 633/41); Abusive duplication, for profit, of computer programs; import, distribution, sale, commercial or business holding or leasing of contained programs in supports not marked by the SIAE; provision of means to remove or circumvent devices protection of a computer program (Article 171-bis, first paragraph, Law 633/41); Abusive duplication, reproduction, transmission or public dissemination of intellectual works (Article 171-ter of the law n. 633/1941); Failure to notify the SIAE of the identification data of the supports not subject to the cash on delivery or false declaration (Article 171-septies, Law 633/41); Fraudulent production, sale, import, promotion, installation, modification, use for public and private use of equipment suitable for the decoding of conditional access audiovisual broadcasts carried out over the air, via satellite, via cable, in both analogue and digital form (Article 171-octies, Law 633/41);

**Art. 25-undecies: Environmental crimes** - Unauthorized waste management activities (Article 256 of Legislative Decree 152/2006) Illicit trafficking of waste (art. 259 C. Amb.); Activities organized for the illicit trafficking of waste (art. 260 C. Amb.); Ideological falsity of the waste analysis certificate used in the context of SISTRI - Handling Area, and ideological and material falsity of the SISTRI - Area sheet Handling (art. 260-bis C. Amb.);

- **Art. 25-duodecies: Employment of illegally staying third-country nationals** - Employment of citizens of third countries whose stay is irregular (Article 22 co. 12-bis of Legislative Decree 286/1998).

▪ **"instrumental / functional" company processes**

As part of the activities represented above, the company identified the business processes so-called instrumental / functional to the commission of the crime, that is, those company processes within which, in line in principle, the conditions and / or the means for the commission of the offenses relevant for the purposes of the Decree and to which sensitive activities have been attributed.

These processes are listed below:

1. Relations with the Public Administration and the Independent Administrative Authorities;
2. Management of financial flows and taxation;
3. Preparation of the financial statements and management of relations with Shareholders, the auditing company and the Sole Auditor;
4. Personnel selection, hiring and management;
5. Management of promotional activities and communication of information;
6. Management of sponsorships, gifts and other generosity;
7. Event management;
8. Management of relations with suppliers;
9. Sales management;
10. Management of obligations regarding health and safety in the workplace pursuant to Legislative Decree 81/2008;
11. Management of environmental obligations;
12. Management of relations with the Judicial Authority;

13. Management of security and maintenance of information systems.

▪ **Control protocols (Ed. Action to be implemented on the basis of the Gap Analysis)**

Once the Company's activities at risk of crime and the related instrumental processes have been identified, being aware of the need to guarantee conditions of fairness and transparency in carrying out one's own business and its activities and, in particular, the need to prevent the commission of the crimes envisaged by the Decree, Di and Gi has decided to integrate its current procedures with additional control protocols (hereinafter, the "**Protocols**").

These documents are reviewed by the managers of the activities considered at risk for their evaluation, approval, updating and distribution.

Each protocol is based on the following general principles, compliance with which must be guaranteed in its performance of the Company's activities:

- principle of compliance with the law;
- principle of objectivity, consistency and completeness;
- principle of separation of functions;
- principle of documentation, traceability and verifiability

The control system involves every sector of the activity carried out by the Company through the distinction of operational tasks from those of control, reasonably reducing any possible conflict of interest.

In particular, the internal control system is based on the following elements:

- formalized and clear organizational system in the attribution of responsibilities;
- procedural system;
- IT systems oriented towards the segregation of functions;
- management control and reporting system;
- authorization and signature powers assigned in accordance with responsibilities;
- internal communication system and staff training.

The following principles are at the basis of the Company's internal control system:

- every operation, transaction and action must be truthful, verifiable, consistent and documented;
- no one must be able to manage an entire process independently (so-called segregation of duties);
- the internal control system must be able to document the performance of controls, including those of supervision.

All staff, within the scope of the functions performed, are responsible for the definition and correctness operation of the control system through line controls, consisting of all the activities of control that the individual operating units carry out over their processes.

In the preparation of the Model and on the basis of the areas of activity at risk of crime found to be relevant, the Company has reviewed the existing organizational and control system, structured in a complex series of safeguards, in order to verify whether it was suitable for preventing the specific crimes envisaged by the Decree.

In particular, the Company's organizational and control system is based, in addition to the principles of conduct and on the control protocols set out in the "Special Section" of this Model, also on the following elements:

- the Group Code of Conduct, which - as already represented in paragraph 2.4 above - establishes principles and rules of conduct;
- respect and concrete implementation of the general principle of separation of duties;
- hierarchical-functional structure (see company organization chart, also with reference to Health and Safety in the workplace). This document reflects the changes that have actually occurred in the organizational structure and is therefore kept constantly updated;
- existence of authorization levels to guarantee adequate control of the decision-making process, supported by a system of proxies and powers of attorney concerning both the internal authorization powers, from which the decision-making processes of the company on the operations to be implemented and the powers depend representation for the signing of deeds or documents intended for external use and suitable for binding the Company towards third parties (so-called special or general "powers of attorney");
- the use of management applications capable of ensuring segregation of roles, authorization levels and automatic controls;
- the implementation of integrated information systems, oriented to the segregation of functions, as well as to a high level of standardization of processes and the protection of information in them contained, with reference to both the management and accounting systems and the systems supporting the activities operational related to the business;
- existence of specific control and monitoring activities.

The current organizational and control system of the Company, understood as an apparatus aimed at managing and monitoring the main business risks, ensures the achievement of the following objectives:

- effectiveness and efficiency in using company resources, in protecting themselves from losses and in safeguard the Company's assets;
- compliance with the laws and regulations applicable in all the operations and actions of the Company;
- reliability of information, to be understood as timely and truthful communications as a guarantee the correct execution of all decision-making processes.

Responsibility for the correct functioning of the internal control system rests with each one Management / Function for all processes for which it is responsible.

It should also be noted that the Company, in compliance with the content of Article 6, paragraph 2, letter c) of Legislative Decree 231/01, uses IT tools, procedures and qualified resources and aims to: i) achieve an orderly and transparent management of financial flows; ii) to counter any possible phenomenon of creation of hidden funds and / or provisions intended for the commission of the offenses envisaged by the Decree itself.

## **2.6 THE COMPANY'S SYSTEM OF PROXIES AND PROXIES**

The authorization and decision-making system translates into a coherent system of delegation of functions and powers of attorney of the Company, based on the following prescriptions: **(Ed. action to be implemented on the basis of Gap Analysis)**

- the proxies must combine each management power with the related responsibility and one adequate position in the organization chart and be updated as a result of organizational changes;

- each delegation must define and describe in a specific and unequivocal way the managerial powers of the delegate and the person to whom the delegate reports hierarchically / functionally;
- the management powers assigned with the proxies and their implementation must be consistent with the business objectives;
- the delegate must have adequate spending powers for the functions assigned to him;
- powers of attorney can only be conferred to subjects with internal or functional delegation of specific assignment and must provide for the extension of the powers of representation and, possibly, the numerical spending limits;
- all those who have relations with the Public Administration on behalf of Di and Gi must have a proxy / power of attorney to that effect.

## **2.7 THE ORGANIZATIONAL STRUCTURE REGARDING HEALTH, SAFETY, ENVIRONMENT (Editor's note action to be implemented based on the results of the Gap Analysis)**

With regard to health and safety in the workplace, the Company has an organizational structure pursuant to Legislative Decree 81/2008 and subsequent amendments (so-called "Consolidated Security Act"), with a view to eliminating it, where this is not possible, to minimize the risks of manslaughter and serious or very serious negligent injuries for workers.

In consideration of the role exercised, the CEO is recognized the related and inherent role of Di and Gi Employer with reference to the company activities and the places where they are carried out, giving it full decision-making and management autonomy in compliance with the approved budget and applicable company procedures.

Legislative Decree 81/2008 leaves the Employer with any evaluation regarding the advisability of delegating specific functions in the field of health and safety, through the delegation of functions prepared in compliance in art. 16 of Legislative Decree 81/2008, to corporate subjects with adequate technical capacity, professionalism and experience in the matter.

The current organizational scheme of the Company therefore provides for the formalization of appointments and proxies functional which ensures the technical skills and powers necessary for verification, evaluation and management risk, also thanks to the attribution of suitable powers to the delegated subjects.

Within this organizational structure, the operating parties listed below:

- Employer
- Client in the case of temporary or mobile construction sites
- the Head of the prevention and protection service (HPPS)
- the Project Manager in the case of temporary or mobile construction sites
- the workers' safety representative (WSR)
- the Safety Coordinator in the execution phase (SCE) in the case of temporary or mobile construction sites
- first aid workers;
- the Fire Prevention Officers;
- the competent Doctor;
- the Workers

It is the specific competence of the Employer to carry out and prepare the Risk Assessment Document ("RAD") as a formalization organized by the company, of the assessment of all related health and safety risks of workers during the exercise of their respective activities and the measures suitable for prevention of injuries and accidents through risk reduction.

The duties and responsibilities of the subjects indicated above are formally defined in accordance with the organizational and functional scheme of the Company, with reference to the specific figures operating in the field of activities at risk of crime relating to health and safety in the workplace.

The management system for compliance with health and safety in the workplace (as indicated, also, in Section 10 of the Special Section, to which reference should be made) provides for a system control also on maintenance over time of the conditions of suitability of the measures adopted, through the work of the Services of Prevention and Protection.

The system also provides for the review and possible modification of the solutions adopted when significant violations of the rules occur relating to accident prevention, or on the occasion of changes in organization and activity in relation to scientific and technological progress (activity carried out through the competent HPPS, in accordance with the provisions of art. 28 of Legislative Decree 81/2008 and on the occasion of the periodic meeting referred to in art. 35 of Legislative Decree 81/2008).

With regard to the system adopted in environmental matters, Di and Gi has adopted an organizational structure pursuant to Legislative Decree 152/2006 and subsequent amendments - Environmental regulations -, with a view to eliminating, or rather where this is not possible, to minimize the risks to the environment as well as to the health of workers and the surrounding population. This organizational structure follows that of health and safety, too in terms of delegated functions pursuant to art. 16 Legislative Decree 81/2008.

Finally, the environmental management system provides for a control system on the implementation of the system itself and on the maintenance over time of the conditions of suitability of the measures adopted, through the work of environmental service.

The Company periodically checks the application and effectiveness of the procedures in force also in order to any modification of the solutions adopted on the occasion of organizational changes or in relation to scientific and technological progress.

### **3 THE SUPERVISORY BODY**

Art. 6, paragraph 1, of Legislative Decree 231/2001 requires, as a condition to benefit from the exemption from administrative responsibility, that the task of supervising the observance and functioning of the Model, taking care of its updating, is entrusted to a Supervisory Body within the entity which, equipped with autonomous powers of initiative and control, exercises the tasks entrusted to it on an ongoing basis.

The Decree requires that the Supervisory Body perform its functions outside the operational processes of the Company, reporting periodically to the Board of Directors, released from any

hierarchical relationship with the Board itself and with the individual heads of the Departments / Functions.

The Confindustria Guidelines highlight that, although the Legislative Decree 231/2001 allows you to opt for one both monochromatic and multi-subject composition, the choice between one or the other solution must take into account of the purposes pursued by the law and, therefore, ensure the effectiveness of controls in relation to the size and organizational complexity of the entity.

In compliance with the provisions of Legislative Decree 231/2001, the Board of Directors of Di and Gi approved - by resolution of 02/12/2019 the appointment of the Supervisory Body with a composite collegial structure by 3 members functionally dependent on the Board itself.

In particular, the composition of the Supervisory Body was defined in order to guarantee the following requirements:

- **Autonomy and independence:** this requirement is ensured by the collegial composition and activity reporting directly to the Board of Directors, without however subordination constraints hierarchical with respect to said body.
- **Professionalism:** requirement guaranteed by the professional, technical and practical knowledge available by the members of the Supervisory Body. In particular, the chosen composition guarantees adequate legal knowledge, knowledge of control principles and techniques and monitoring, as well as knowledge of the Company's organizational structure and processes key.
- **Continuity of action:** with reference to this requirement, the Supervisory Body is required to supervise constantly, through investigative powers, on compliance with the Model by the Recipients, a take care of its implementation and updating, representing a constant reference throughout the Di and Gi staff.

### **3.1 TERM OF OFFICE, FORFEITURE AND REVOCATION**

The Supervisory Body remains in office for the period determined by the BoD in the board resolution of establishment of the Body. The members of the Body are chosen among individuals in possession of an ethical and professional indisputable profile value and must not be in relationships of marriage or kinship within the second degree with the Directors, nor in any other relationship that could cause a conflict of interest.

The members of the Supervisory Body in any case remain in office beyond the deadline set in the resolution advise on the relative appointment until the Board of Directors has done so with specific resolution to recommend the appointment of the Supervisory Body in the new composition or has confirmed the previous one.

Employees of the Company and professionals can be appointed as members of the Supervisory Body external.

The Board of Directors appoints and dismisses the Chairman of the Supervisory Body, chosen from among the external consultants. In the absence of an appointment by the administrative body, the same will be elected by the same Supervisory Body.



The remuneration of the members of the Supervisory Body does not constitute a hypothesis of conflict of interest.

He cannot be appointed as a member of the Supervisory Body, and, if appointed, the interdict, the disabled, the bankrupt or who has been sentenced, albeit with a non-definitive sentence, to a penalty that impose a ban, even temporary, from public offices or the inability to exercise managerial offices, or has been convicted, even with a non-definitive sentence or with a sentence of application of the penalty on request of the parties pursuant to art. 444 c.p.p. (so-called plea bargaining sentence), for having committed one of the offenses provided for by Legislative Decree 231/2001.

Members who have a subordinate employment relationship with the Company automatically expire from the assignment, in the event of termination of said relationship, and regardless of the cause of interruption of the itself, or the assumption of a new job incompatible with the requirements for the composition of the Supervisory Body.

The Board of Directors can revoke, with a board resolution, after hearing the opinion of the Sole Auditor, the members of the Body at any time but only for just cause.

The following constitute just cause for revocation of the members:

- failure to notify the Board of Directors of a conflict of interest that prevents maintaining the role of member of the Body itself;
- the violation of the confidentiality obligations regarding the news and information acquired in the exercise of the functions of the Supervisory Body;
- for members linked to the Company by an employment relationship, the start of a disciplinary procedure for facts from which the sanction of dismissal may arise.

If the revocation occurs without just cause, the revoked member may ask to be immediately reinstated in office.

Instead, it constitutes the cause of forfeiture of the entire Supervisory Body:

- the ascertainment of a serious breach by the Supervisory Body in the performance its verification and control tasks;
- the conviction of the Company, even if it has not become irrevocable, or a sentence of application of the penalty at the request of the parties pursuant to art. 444 c.p.p. (so-called sentence of plea bargaining), where the omitted or insufficient supervision by the Body is apparent from the documents of Supervision.

Each member can withdraw from the assignment at any time with written notice of at least 30 days, to be communicated to the Chairman of the Board of Directors by registered letter with return receipt, who will report in the Board of Directors

In the event that as a result of revocation, withdrawal or forfeiture of a component or other fact that can reduce the composition of the Supervisory Body with only 2 members, the same Body may in any case perform their duties and operate up to the date of the supplementary composition advising resolution with the appointment of the third member.

The Supervisory Body independently regulates the rules for its functioning in a specific Regulations, in particular defining the operating procedures for the performance of the functions such as its remittances. The Regulations are subsequently sent to the Board of Directors for the relative acknowledgement.

### **3.2 POWERS AND FUNCTIONS OF THE SUPERVISORY BODY**

The following tasks are entrusted to the Supervisory Body:

- monitor the dissemination within the Company of knowledge, understanding and compliance with the Model;
- monitor compliance with the Model by the Recipients within the areas of activity potentially at risk of crime;
- monitor the validity and adequacy of the Model, with particular reference to actual capacity of the Model to prevent the commission of the offenses envisaged by the Decree;
- report to the Company the opportunity to update the Model, where there is a need for adjustment in relation to changed corporate and / or regulatory conditions;
- communicate on an ongoing basis to the Board of Directors regarding the activities carried out;
- periodically communicate to the Sole Auditor, at the request of the same, regarding the activities carried out, or for any violations by top management or by the Board of Directors.

In carrying out these activities, the Body provides for the following requirements:

- coordinate and collaborate with the company Departments / Functions (also through specific meetings) for a better monitoring of the corporate activities identified in the Model at risk of crime;
- verify the effective implementation of the information and training initiatives on the Model undertaken by the Company, supporting Mauro Conta - upon request - in verifying the relative adequacy;
- verify the establishment and operation of a specific "dedicated" information channel (i.e. e-mail address), aimed at facilitating the flow of reports and information to the Body;
- carry out targeted checks on certain operations or specific acts, implemented within the scope of the areas of company activity identified at potential risk of crime, also with the support of the Company departments / functions;
- verify the effective implementation of the information and training initiatives on the Model;
- immediately report any violations of the Model to the Board of Directors, deemed founded, by the Directors of the Company or by top management functions of the same;
- immediately report to the Shareholders' Meeting any violations of the Model, withheld founded by the entire Board of Directors.

In order to allow the Body the best knowledge regarding the implementation of the Model, its own effectiveness and its effective functioning, as well as the updating needs of the same, it is essential that the Supervisory Body works in close collaboration with the company Departments / Functions. For the purposes of carrying out the obligations listed above, the Body has the following powers indicated:

- issue provisions and service orders aimed at regulating their activities and preparing update the list of information, called "**Information Flows**" (as defined in paragraph 3.4.), Which must reach him from the Company's Departments / Functions;

- access, without prior authorization, to any company document relevant to the performance of the functions assigned to it by Legislative Decree 231/2001;
- arrange that the heads of the company Departments / Functions and, in any case, all the Recipients, promptly provide the information, data and / or news required to identify the aspects related to the various company activities relevant pursuant to the Model and for verification of the actual implementation of the same;
- use external consultants with proven professionalism in cases where this is necessary for carrying out verification and control activities or updating the Model

For a better performance of its activities, the Body may delegate one or more specific tasks to its individual members, who will carry them out in the name and on behalf of the Body itself. About the tasks delegates, the resulting responsibility falls on the Body as a whole.

The Company's Board of Directors assigns an annual expenditure budget to the Supervisory Body in the amount proposed by the Body itself and, in any case, adequate with respect to the functions assigned to it. The Body autonomously deliberates the expenses to be incurred in compliance with the corporate signature powers and, if necessary expenses exceeding the budget, is authorized directly by the Board of Directors.

### **3.3 REPORTING BY THE SUPERVISORY BODY**

As already mentioned above, in order to guarantee full autonomy and independence in the performance of the related functions, the Supervisory Body communicates directly to the Board of Directors of the Society.

In particular, the Supervisory Body reports the state of implementation of the Model and the results of the activity of supervision carried out in the following ways:

- periodically to the CEO, to ensure constant alignment with the top management company regarding the activities carried out;
- periodically towards the Sole Auditor, also at the request of the same, in relation to performed activities;
- at least once a year through a written report to the Board of Directors, in which are illustrated the monitoring activities carried out by the Body itself, the criticalities that emerged and any corrective or improvement interventions appropriate for the implementation of the Model. The Supervisory Body informs the Sole Auditor about the content of this report;
- occasionally towards the Sole Auditor, where it deems it necessary, in relation to alleged violations carried out by top management or by members of the Board of Directors, being able to receive requests for information or clarifications from the Sole Auditor in about the aforementioned alleged violations.

The Supervisory Body can be convened at any time by either the Board of Directors both by the Sole Auditor and, in turn, may request such bodies to be heard if he deems it the opportunity to report on issues relating to the functioning and effective implementation of the Model or in relation to specific situations.

To guarantee a correct and effective flow of information, as well as for the purpose of a complete and correct exercise of its duties, the Body also has the right to request clarifications or information directly from subjects with the main operational responsibilities.

### **3.4 INFORMATION FLOWS AND REPORTS TO COMPARISON OF THE SUPERVISORY BODY**

Legislative Decree 231/2001 states, among the needs that the Model must meet, the establishment of specific obligations direct information to the Supervisory Body by the Company's Departments / Functions to allow the Body itself to carry out its supervisory and verification activities.

In this regard, the following information (so-called "**Flows information** "):

- on a periodic basis, a series of information, data, news and documents that constitute exceptions and / or exceptions with respect to corporate procedures from the individual Departments / Functions, previously identified and reviewed on a periodic basis by the Supervisory Body, according to methods and timing defined by the Body itself;
- as part of the verification activities of the Supervisory Body, all information, data, news and document deemed useful and / or necessary for carrying out these checks, in advance identified by the Body and formally requested by the individual Departments / Functions;
- without delay any information, data, notice and document that constitutes exceptions or exceptions company procedures;
- occasionally, any other information of any kind concerning the implementation of the Model in areas considered at risk of crime and compliance with the provisions of the Decree, which they can be of help in carrying out the activities of the Supervisory Body (so-called "Report").

Failure to send information to the Supervisory Body constitutes a violation of this Model. In exercising its inspection power, the Supervisory Body can freely access all sources information of the Company, as well as read any document and consult data relating to the itself.

All information and documentation collected in the performance of institutional tasks must be filed and kept by the Supervisory Body, as well as kept for at least 10 years, taking care of keep the documents and information acquired confidential, also in compliance with the privacy legislation.

With regard to the application of Law no. 179 of 30 November 2017 on "Provisions for the protection of authors of reports of crimes or irregularities of which they have become aware in the context of a relationship of public or private work "(so-called" Whistleblowing Law ") please refer to the document" Whistleblowing Procedure" attached to this Model (**Annex 1**)

### **3.5 THE PENALTY SYSTEM**

Pursuant to art. 6, paragraph 2, lett. e), and 7, paragraph 4, lett. b) of the Decree, the Model can be considered effectively implemented only if it provides for a disciplinary system suitable for sanctioning non-compliance of the measures indicated therein.

The violation of the rules of conduct of the Group Code of Conduct and of the measures envisaged by the Model, by employees of the Company in any capacity and, therefore, also managers, constitutes a breach of the obligations arising from the employment relationship, pursuant to art. 2104 of the Italian Civil Code and art. 2106 of the Italian Civil Code.

The application of disciplinary sanctions is independent of the outcome of any criminal proceedings, as the rules of conduct, protocols and internal procedures are binding on the recipients, regardless from the actual carrying out of a crime as a consequence of the behavior committed.

Regarding the conduct, the recipients and the content of the disciplinary sanctions applicable in the event of violation of the provisions of the Model and of the Group Code of Conduct, please refer to the provisions of the document "Disciplinary System" attached to this Model (**Annex 2**).

#### **4 DISSEMINATION OF THE MODEL AND TRAINING**

Di and Gi, aware of the importance that information and training aspects assume in a perspective prevention, has defined communication and training programs aimed at guaranteeing disclosure to Recipients of the main contents of the Decree and of the obligations deriving from it, as well as of the provisions of the Model.

The information and training activities for personnel are organized by providing various levels of detail due to the different degree of involvement of personnel in the activities a risk-offense and in relation to the respective attributions and responsibilities.

With regard to the dissemination of the Model in the corporate context, the Chief Executive Officer

- sends a communication to all staff concerning the successful adoption of the this Model and the Group Code of Conduct and the appointment of the Supervisory Body;
- publishes the Model and the Group Code of Conduct on the company intranet and / or on any other communication tool deemed suitable;
- organizes training activities aimed at spreading the knowledge of Legislative Decree 231/2001 and of the provisions of the Model, as well as plans training sessions for personnel, also in occasion of updates and / or modifications of the Model, in the manner deemed most suitable.

In any case, the training activity aimed at spreading the knowledge of Legislative Decree 231/2001 and the provisions of the Model, is differentiated - in content and disclosure methods - according to the qualification of the Recipients, the level of risk of the area in which they operate and the fact that the same whether or not they perform functions of representation and management of the Company.

The training activity involves all the staff in force, as well as all the resources inserted from time to time in the company organization. In this regard, the related training activities are foreseen and concretely carried out both at the time of hiring and on the occasion of any changes in duties, as well as a following updates and / or changes to the Model.

The documentation relating to information and training activities is kept by Conta Mauro, available for consultation by the Supervisory Body and whoever is authorized to view it.

#### **5 ADOPTION AND UPDATING OF THE MODEL**

The adoption of the Model is the responsibility of the Board of Directors.

Subsequent amendments and / or additions of a substantial nature to this Model are remitted, therefore, to the competence of the Board of Directors of the Company through a resolution issued according to the procedures envisaged for the adoption of the Model itself.

The updating activity, intended as an integration or as a change, is aimed at guaranteeing the adequacy and suitability of the Model, with regard to its preventive function of the offenses envisaged by Legislative Decree 231/2001.

The Supervisory Body, within the scope of the powers conferred pursuant to art. 6, paragraph 1, letter b) and art. 7, paragraph 4 letter a) of the Decree, is responsible for submitting proposals to the Board of Directors updating and adaptation of this Model.

Changes, updates and additions to the Model must always be reported to the Supervisory Body.

The operating procedures adopted in implementation of this Model are amended by the competent authorities corporate functions, if they are ineffective for the purposes of the correct implementation of the provisions of the Model. The competent corporate functions will have to modify or integrate the procedures in order to make effective any revision of this Model.

The Supervisory Body is kept informed of the updating of existing procedures and implementation of the new ones.

Amendments to the Model include those resulting from:

- significant violations of the provisions of the Model;
- identification of new risk areas / sensitive activities and instrumental / functional processes to commission of the offense, connected to the performance of new activities by the Company or variations of those previously identified;
- changes in the organizational structure which have consequences on the Model;
- identification of possible areas for improvement of the Model identified by the Supervisory Body following the periodic verification activities.

In any case, substantial changes are constituted by those affecting the composition, term of office and operation of the Supervisory Body, as well as on the rules of the sanction system.