



Abstract of Xenia S.p.A.'s
Organization, Management
and Control Model pursuant to
Legislative Decree 231/2001

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Ξενία

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Ξενία

*Xenia (Greek: **Ξενία**, translit. xenía, meaning "guest-friendship") is the ancient Greek concept of hospitality, the generosity and courtesy shown to those who are far from home and/or associates of the person bestowing guest-friendship.*

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INTRODUCTION

Legislative Decree no. 231/2001 (the "Decree") has introduced the concept of Administrative Liability for certain types of offences ("predicate offences") when they have been committed by a company's directors, employees, and/or representatives while acting in the name and on behalf of the company.

The Decree states that companies can avoid incurring this type of liability if they demonstrate that they have adopted and effectively implemented an Organization, Management and Control Model (the "Model") appropriate for preventing the committing of the offence.

With a resolution of the Board of Directors on 20 February 2019, Xenia S.p.A. ("Xenia") updated its Model to conform to the indications in the Decree. It consists of:

- General Section, describing the principles of reference informing the entire Model
- Special Sections (from letters A through P), identifying the activities that may be at risk of predicate offences being committed (listed in Annex 1 "Legislative Decree no. 231/2001 and predicate offences").

GENERAL SECTION

The General Section describes the key principles of the Model, referring to the main points of the Decree and the indications of the Confindustria Guidelines that the Company has decided to follow for its development.

Following the indications of the Guidelines, the model has been developed based on the two phases typical of a risk management system:

- identification of risks, through an analysis of the company activities and processes in order to determine in which areas/sectors and in what ways the offences envisaged in the Decree might be committed;
- assessment of the existing preventive control system and possible adjustments, based on their capacity for reducing the identified risks to an acceptable level.

Other factors were also taken into account in the development of the Model, such as the internal operating context (organizational structure, territorial context, dimensions, etc.) and that outside of the company (economic sector, geographic areas of reference).

Taking into account the provisions of the Decree and indications of the Confindustria Guidelines, the Model was structured into the following main phases:

- mapping of the company areas at risk;
- analysis of the potential risks, i.e. a documented map of the potential ways unlawful acts could be perpetrated in the risk area identified;
- indication of the control measures necessary for the risk areas, in particular those having to do with financial resource management, with any adjustments deemed necessary to prevent the perpetration of the offences;
- description of the preventive control system detailing the single system components (the protocols);
- appointment of a Supervisory Body charged with overseeing the functioning of and compliance with the Model;
- establishment of information obligations toward said Supervisory Body;
- introduction of a sanction system for failures to comply with the measures indicated in the Model.

SPECIAL SECTIONS

Special Sections have been set up, based on the company activities, the susceptible processes identified, and the relevant improvement measures, for the various offence categories contemplated in the Decree. In particular, this Model consists of:

- Special Section A, covering "Offences committed in relations with the Public Administration", which applies to the specific types of offences envisaged by Articles 24 and 25 of the Decree;
- Special Section B, covering "Cybercrimes and unlawful processing of data", which applies to the types of offences envisaged by Article 24-bis of the Decree;
- Special Section C, covering offences connected with "organized crime" and "transnational organized crime", which applies to the crimes envisaged by Article 24-ter of the Decree;
- Special Section D, covering "Corporate crimes", which applies to unintentional crimes envisaged by Article 25-ter of the Decree;

- Special Section D1, covering the "Offence of corruption between private parties" and the "Offence of incitement to corruption between private parties", which applies to the offences envisaged by Article 25-ter, letter s-bis, of the Decree;
- Special Section E, covering "Crimes of terrorism and subversion of democracy", which applies to the offences envisaged by Article 25-quater of the Decree;
- Special Section F, covering "Crimes of receiving stolen goods, money laundering, use of money, goods or benefits of unlawful origin, and self-laundering", which applies to the offences envisaged by Article 25-octies of the Decree;
- Special Section G, covering "Crimes of witness tampering or suborning perjury before the court", which applies to the offences envisaged by Article 25-decies of the Decree;
- Special Section H, covering "Environmental crimes", which applies to the offences envisaged by Article 25-undecies of the Decree;
- Special Section I, covering crimes of "Manslaughter" and "Criminal negligence causing bodily harm", which applies to the offences envisaged by Article 25-septies of the Decree;
- Special Section L, covering crimes of "Employment of illegally staying third-country nationals", which applies to the offences envisaged by Article 25-duodecies of the Decree;
- Special Section M, covering "Crimes consisting of the counterfeiting of money, government bonds, or revenue stamps, and the forgery of identification marks", which applies to the offences envisaged by Article 25-bis of the Decree;
- Special Section N, covering "Crimes against the individual", which applies to the offences envisaged by Article 25-quinquies of the Decree;
- Special Section O, covering "Crimes against industry and trade", which applies to the offences envisaged by Article 25-bis of the Decree;
- Special Section P, covering "Copyright infringement crimes", which applies to the offences envisaged by Article 25-novies of the Decree.

SUPERVISORY BODY

On 20 February 2019 Xenia's Board of Directors appointed a Supervisory Body, a collective body with three external members.

Particular attention has been devoted to the information flows to and from the Supervisory Body so that, on the one hand, it can inform the Board of Directors and the Independent Auditors of the results of its activity and of any critical issues and, on the other, its circumstances will be ideal for performing its duties.

TRANSMISSION OF WHISTLEBLOWER REPORTS AND INFORMATION REQUESTS

Xenia provides different channels for whistleblower reports, which can be transmitted, with the guarantee that the whistleblower's identity will remain confidential starting from the moment the report is received, using the following:

- e-mail address: ***odv.xeniahs.whistleblowing@gmail.com***
- website link: ***segnalazioni.xeniahs.com***.

The Supervisory Body has set up a "Register of Whistleblower Reports" serving to document, through the preservation of hard- and/or softcopy documents, the reports received, the names of those responsible, and any sanctions imposed on them.

The keeping of a "Register of Whistleblower Reports" is useful for guaranteeing the total traceability of the measures taken in the performance of its institutional duties.

Any requests for information concerning the Model by employees, corporate governance bodies, consultants, partners, and third-party Recipients can be sent to the Supervisory Body via e-mail to the address shown above.

SISTEMA SANZIONATORIO

All forms of behaviour deemed violations of the Model are subject to disciplinary sanctions. All imposable sanctions fall among those envisaged by the Sanction System.

The type and scope of the specific sanctions will be decided in proportion to the gravity of the violation, in any case on the basis of the following general criteria:

- the subjective nature of the conduct (intentional, unintentional);
- the significance of the obligations breached;
- any committing of other violation(s) in the previous two years (recidivism);
- the potential damages to Xenia and possible application of the sanctions envisaged by the Decree and any subsequent amendments thereto;
- the level of responsibility according to hierarchy, or relating to the compliance with laws, regulations, orders, or rules associated with the job position occupied by the individual concerned;
- the presence of aggravating or attenuating circumstances, in particular concerning the work performed previously by the individual receiving the Model and any disciplinary precedents;
- the possible sharing of responsibility with other employees, or third parties in general, who contributed to determining the violation;
- whether behaviour was cooperative after notification of the violation.



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