RAI - Radiotelevisione italiana SpA

Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001

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Definitions

- “Sensitive Activities”: activities of Rai - Radiotelevisione italiana Spa the scope of which includes the risk of committing the Predicate Offences pursuant to Italian Legislative Decree no. 231/2001;

- “National Collective Bargaining Agreements”: the Italian national collective bargaining agreements currently in force and applied by the Company;

- “Code of Ethics”: document adopted by Rai containing all rights, duties and internal and external responsibilities of all subjects and members of bodies operating with and in Rai, aimed at affirming the recognised and shared standards and conduct, also to prevent and fight possible crimes;

- “Collaborators”: all natural persons collaborating with Rai by virtue of an autonomous, coordinated, continuous collaboration contract or other forms of comparable, non-subordinate collaboration;

- “Consultants”: the natural persons who, by virtue of their proven experience and specialisation, any their potential membership of professional orders, collaborate with Rai SpA by virtue of autonomous/collaboration contracts for the provision of specialised, qualified, professional services;

- “Italian Legislative Decree no. 231/2001”: Italian Legislative Decree no. 231 of 08 June 2001 as subsequently amended and supplemented;

- “Delegation”: the deed whereby a subject (the delegating party) organises his replacement by another subject (the delegated person) in going about the activities for which he is competent;

- “Addressees”: the members of the Board of Directors, Board of Auditors, Shareholders’ Meeting, the members of the Supervisory Body (SB), the General Manager the Employees, including Senior Managers, as defined below, and, for the relevant parts, the Collaborators, Consultants and Suppliers;

- “Employees”: all those who entertain a subordinate working relationship (including managers, journalists and orchestra players) with the Company;

- “Suppliers”: the natural persons and legal entities executing works, supplying goods and providing services in the Company’s favour;

- “Group”: Rai - Radiotelevisione italiana Spa and its subsidiaries in accordance with Art. 2359, paragraphs 1 and 2, of the Italian Civil Code;

- “Rai Reform Law”: Italian Law no. 220 of 28 December 2015 setting out the “Reform of Rai and the radio-television public service”;

- “Guidelines”: the Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree no. 231/2001, prepared by Confindustria;

- “MEF”: Minister for the Economy and Finance.

- “Model”: the organisation, management and control model envisaged by Italian Legislative Decree no. 231/2001, adopted by Rai;
- “Corporate Bodies”: together the Board of Directors (also the “BoD”), the Chairman, the Board of Auditors, the General Manager of Rai - Radiotelevisione italiana SpA and the Shareholders’ Meeting;

- “Supervisory Body (SB)”: the body envisaged by Art. 6 of Italian Legislative Decree no. 231/2001, with the task of monitoring the function of and compliance with the Company’s Organisational Model and its related update;

- “Public Administration”: the subjects pursuant to Art. 1, paragraph 2 of the Consolidated Act on Public Employment and in any case all subjects holding concessions for public services, public enterprises and public law organisations called to operate under the scope of a public function, including the related functionaries, public officials and public servants;

- “National Anti-Corruption Plan (PNA)”: the plan prepared and approved by the National Anti-Corruption Authority (ANAC) with the main aim of ensuring the coordinated implementation of corruption prevention strategies for subjects required to adopt dedicated measures, prepared on a national and international level;

- “Three-Year Plan on Corruption Prevention (PTPC) or Plan”: the plan that, on the basis of the standards and criteria of the PNA, has been adopted by Rai and is updated every year;

- “Corporate Communication and Transparency Plan”: the plan adopted by Rai in implementation of the Rai Reform Law;

- “Power of Attorney”: deed by virtue of which a subject (the represented party) confers upon another subject (the representative), the authorisation and power to act on his behalf;

- “Rai/Company”: Rai - Radiotelevisione italiana SpA;

- “Predicate Offences”: the crimes which, if committed, may result in the administrative liability of the Company in accordance with Italian Legislative Decree no. 231/2001;

- “Responsible for Corruption Prevention (RCP)”: the subject identified by the Company in accordance with the criteria laid down under Art. 1, paragraph 7 of Italian Law no. 190/2012 (the “Anti-Corruption Law”), for the parts applicable to the Company;

- “RMICS”: the Rai Corporate Risk Management and Internal Control System, i.e. the set of tools, organisational structures, corporate rules and standards aimed at ensuring the healthy, correct conduct of the business of Rai SpA, in line with the corporate objectives defined by the BoD, through a suitable process entailing the identification, measurement, management and monitoring of the main risks, and through the structuring of suitable information flows aimed at guaranteeing the circulation of information;

- “Senior Managers”: all those who hold offices of representation, administration or management of a Rai organisational unit with its own financial and functional independence (including regional and foreign offices), as well as all those who legally or in a de facto manner, manage and control it;

- “Supervised Subjects”: all those who are subject to the management or supervision of any of the Senior Managers;

- “231 Team”: working party established to instruct the proposed updates and/or adjustments to the Model;
- "TUSMAR": Italian Legislative Decree no. 177 of 31 July 2005 as subsequently amended and supplemented, setting out the "Consolidated Text on Radio and Audiovisual Media Services";

- "Interests of the Entity": purpose - even if not exclusive - of the unlawful conduct (predicate crime) consisting of favouring Rai, to be ascertained ex ante and existing regardless of whether or not the objective is effectively achieved;

- "Benefit of the Entity": positive result, not necessarily economic in nature, that Rai has objectively achieved regardless of the intention of the person who committed the crime and which must be ascertained ex post.
1. Reference regulatory framework

1.1 Italian Legislative Decree no. 231/2001

On 08 June 2001, in implementation of the delegation pursuant to Art. 11 of Italian Law no. 300 of 29 September 2000, Italian Legislative Decree 231/2001 was issued setting out the “Regulation of the administrative liability of legal entities, companies and associations, even without legal personality”.

Italian Legislative Decree no. 231/2001 is based on various international and European Community conventions, ratified by Italy, which require forms of liability to be envisaged - in addition, in certain conditions, to the liability of the perpetrator of the crime - as lying with entities for certain criminal offences (referred to as “predicate offences”).

Italian Legislative Decree no. 231/2001 saw the legislator introduce into Italy, for the first time, a form of liability defined as “administrative”, which has features of criminal liability, for certain crimes committed or attempted in the interests or to the advantage of the companies, by the Corporate Bodies, Senior Managers or Supervised Subjects (Art. 5, paragraph 1 of Italian Legislative Decree no. 231/2001) if the commitment of the crime was made possible due to a breach of the obligations to management or supervision.

The administrative liability of the companies is in addition and over and above the criminal liability of the natural person who committed the crime and remains within the entity even if the natural person who is the perpetrator of the crime is not identified or cannot be punished.

In order to constitute “administrative” liability, the crime must be committed in the interests or to the benefit of the company. By contrast, the company shall not be held liable if the crime was committed in the exclusive interests of the person himself or third parties (Art. 5, paragraph 2 of the Decree).

The competence to rule on the administrative crimes of the entity lies with the criminal court. Italian Legislative Decree no. 231/2001 regulates and disciplines, under Chapter III, the entire procedure for ascertaining and applying administrative sanctions.

The ascertainment of liability may entail the application of serious, prejudicial sanctions for the entity, such as pecuniary sanctions, prohibitory sanctions (e.g. a ban on carrying out the business; the suspension or revocation of authorisations, licences or concessions functional to the commitment of the crime; a ban on stipulating contracts with the Public Administration; exclusion from benefits, financing, contributions or grants and the potential revocation of any such as may have already been granted; a ban on publicising goods or services), confiscation and publication of the sentence.

Such sanctions may also be applied by way of interim measures, before ascertaining the merits of the existence of the crime and administrative offence on which it is based, where

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1 With the introduction of Italian Legislative Decree no. 231/2001, the Italian legislator sought to adapt the internal legislation to the international conventions to which Italy had already adhered and, in particular:

- the Brussels Convention of 26 July 1995 on the protection of the financial interests of the European Community;
- again, signed in Brussels on 26 May 1997, the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union;
- the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions.
the existence is noted of serious evidence such as to suggest the liability of the entity and there is a danger the crime may be repeated.

Italian Legislative Decree no. 231/2001 also envisages that if there is a basis for the application of a prohibitory sanction ordering the suspension of corporate business, in lieu of said sanction, the court may order that business be continued by a court commissioner (Art. 15 of the Decree), appointed for a period equal to the duration of the prohibitory penalty that would have been applied. To this end, however, at least one of the following conditions must be met:

- the company carries out a public service or service of public necessity, suspension of which may serious damage the general public;
- the suspension of business may have considerable repercussions on employment, considering the size of the company and economic conditions of the territory in which it is situated.

1.2 The crimes envisaged by Italian Legislative Decree no. 231/2001

The Predicate Offences are specifically listed in Italian Legislative Decree no. 231/2001. The entity cannot, in fact, be held liable for a crime if its administrative liability in respect of said crime and the related sanctions are not specifically envisaged by a law that came into force before the events took place (Art. 2).

Below is a list of the “families of crimes” currently covered by Italian Legislative Decree no. 231/2001, with reference made to Annex A “Regulatory Appendix” of this document for details of the individual situations included in each family:

1. Misappropriation of grants, fraud to the detriment of the State or a public entity or to obtain public grants and computer fraud to the detriment of the State or a public entity (Art. 24)
2. Computer crimes and unlawful processing of data (Art. 24-bis)
3. Organised crime (Art. 24-ter)
4. Concussion, undue inducement to give or promise other benefits and corruption (Art. 25)
5. Falsity in monies, public credit cards, stamp duty and identification instruments or signs (Art. 25-bis)
6. Crimes against industry and trade (art. 25-bis.1)
7. Corporate crimes (Art. 25-ter)
8. Crimes committed for the purpose of terrorism or subversion of the democratic order envisaged by the Criminal Code and special laws (Art. 25-quater)
9. Mutilation of female genitalia (Art. 25-quater.1)
10. Crimes against individual personality (Art. 25-quinquies)
11. Crimes of market abuse (Art. 25-sexies)
12. Crimes of manslaughter and grievous or very grievous bodily harm committed in breach of health and safety at work legislation (Art. 25-septies)
13. Receiving, laundering and use of monies, goods or benefits of unlawful origin, and self-laundering (Art. 25-octies)

14. Crimes in breach of copyright (Art. 25-novies)

15. Inducement not to make declarations or to make false declarations to the legal authorities (Art. 25-decies)

16. Environmental crimes (Art. 25-undecies)

17. Use of third country citizens with invalid residency permits (Art. 25-duodecies)

18. Cross-border crimes (Italian Law no. 146/2006)

1.2.1 Crimes committed abroad

Considering the activities, including of a financial nature, and in any case connected with the company’s core business, also carried out abroad by the Company and its employees, it is best to make extensive reference to the provisions of Art. 4 of Italian Legislative Decree no. 231/2001 and the principles of territoriality envisaged by the Italian Criminal Code.

The entity may, in fact, be considered liable in Italy for the commitment, in foreign territory, of certain crimes. More specifically, Art. 4 of the Decree envisages that entities with their main office in State territory shall also be held liable in connection with crimes committed abroad in the cases and under the conditions laid out by Articles 7 to 10 of the Criminal Code, as long as the State of the place where the events occurred does not prosecute them.

Therefore, the entity can be prosecuted when:

- it has its main place of business in Italy, i.e. the effective place where the administrative and management activities take place, even if different from that where the company or the registered office are located (entities with legal personality);
- the State of the place where the events occurred is not prosecuting the entity;
- the request of the Minister of Justice, to which punishment may be subjected, also refers to the entity itself.

These rules regard crimes committed entirely abroad by Corporate Bodies, Senior Managers or Supervised Subjects. For criminal conduct that took place at least partly in Italy, the principle of territoriality applies pursuant to Art. 6 of the Criminal Code, under which “the crime is considered committed in the territory of the State, when the action or omission comprising it took place entirely or partly there, or the event occurred, which is the consequence of the action or omission”.

1.3 The condition exempting administrative liability

Article 6 of Italian Legislative Decree no. 231/2001 establishes that in the case of crimes committed by Senior Managers, the entity shall not be held liable where it can show that:

a) the management body had adopted and efficiently implemented, prior to the event, an Organisation, Management and Control Model suited to preventing crimes of the type that has occurred;

b) the task of supervising the function of and compliance with the Model and of updating such, had been entrusted to an entity Body assigned independent powers
of initiative and control (the so-called “Supervisory Body”, hereinafter also referred to as the “Body” or “SB”);

c) the persons committed the crime by fraudulently avoiding said Model;

d) there was no failure to supervise or insufficient supervision by the Supervisory Body.

If the crime was committed by Supervised Subjects, the entity will be held liable for the crime only where culpable shortcomings can be proven in the obligations to management and supervision.

Therefore, any entity that, before committing the crime, adopts and concretely implements an Organisation, Management and Control Model able to prevent crimes of the type that has occurred, is exempted from liability if the conditions described pursuant to Art. 6 of the Decree, are met.

In this sense, the Decree also provides specific indications as to the needs to be met by the Organisation Models, as more specifically detailed under paragraph 3.2 with reference to the essential elements of the Rai SpA Model, to which reference is made.

The mere adoption of an Organisation Model, however, does not, alone, suffice to exclude said Company liability; the model must also be effectively and efficiently implemented. More specifically, in order to ensure the effective implementation of the Model, the Decree requires:

- regular verification and potential amendment of such when significant violations of the provisions are noted or when changes are made to the organisation or activities;
- the concrete application of a disciplinary system aimed at sanctioning any failure to comply with the measures laid down by the Model.

1.4 The Confindustria Guidelines

Art. 6, paragraph 3 of Italian Legislative Decree no. 231/2001 specifically rules that Organisation, Management and Control Models may be adopted on the basis of codes of conduct drawn up by the representative associations of the entities.

The "Guidelines for the construction of organisation, management and control models pursuant to Italian Legislative Decree no. 231/2001", also with reference to contexts of corporate groups², were issued by Confindustria and approved by the Ministry of Justice in December 2003, in compliance with said Article and, most recently, updated to the new version of July 2014³.

In the definition of the Organisation, Management and Control Model, the Guidelines envisage, amongst others, the following project phases:

- the identification of the risks, i.e. the analysis of the business context to highlight in which areas of activities and in what ways the crimes may be committed, as envisaged by Italian Legislative Decree no. 231/2001;

² As regards the matters connected with the Company’s liability for crimes under the scope of the Group, please refer to paragraph 2.6.

³ Said Guidelines were updated by Confindustria on 31 March 2008 and in March 2014 and approved by the Ministry of Justice respectively in April 2008 and July 2014.
1.5 The connection with anti-corruption and transparency legislation (Italian Law no. 190/2012 and Italian Legislative Decree no. 177/2005)

In implementation of the provisions of Italian Law no. 190/2012 on the prevention and repression of corruption and illegality, Rai has adopted the Three-Year Plan on Corruption Prevention (PTPC) in which, among others, specific preventive measures are outlined and indicators of anomalies given, in line with the provisions of legislation and the indications given by ANAC, also in the latest “Guidelines for the implementation of legislation on the prevention of corruption and transparency by private law companies and entities controlled and invested in by the public administrations and economic public bodies”, and by the MEF.

Moreover, as regards transparency, in implementation of Art. 49, paragraph 10, letter g) of the Consolidated Text on Radio and Audiovisual Media Services, as amended by the Rai Reform Law, Rai has adopted a specific Corporate Communication and Transparency Plan (the “CCT Plan”), setting out specific principles and obligations relating to transparency, lying with the Company.

The organisational measures for the prevention of corruption and the transparency measures identified in the above-specified Plans are considered as additional control measures over and above the Model, with reference to the prevention of the crimes pursuant to Italian Legislative Decree no. 231/2001, in line with the purposes of Italian Law no. 190/2012, which aims to prevent crimes committed also to the detriment of the Company, where, instead, Italian Legislative Decree no. 231/2001 regards crimes committed in its interests or to its benefit.

Consequently, the provisions of the Model concerning the monitoring and supervisory measures on its implementation are coordinated with the contents of said Plans, so as to ensure the correct integration amongst the provisions of the various documents. The synergic combination of the provisions of the Three-Year Plan on Corruption Prevention, the Corporate Communication and Transparency Plan and the Model show us the system used to manage the risk of corruption in the Company, as formalised in said documents.

In compliance with the provisions on anti-corruption and transparency, the players and subjects responsible for the implementation of said Plans, have been identified. In going about their duties, amongst others, these subjects ensure the necessary coordination with the Supervisory Body, to ensure suitable monitoring of the anti-corruption and transparency system, under the scope of their respective responsibilities and prerogatives.

1.6 The connection with legislation governing health and safety at work (Italian Legislative Decree no. 81/2008 as subsequently amended and supplemented)

With reference to crimes relating to health and safety at work, which may result in the administrative liability of the entity, Art. 30 of Italian Legislative Decree no. 81/2008 establishes that the Organisation, Management and Control Model able to be effective in
terms of exempting administrative liability, adopted and efficiently implemented, must ensure a company system by which to fulfil specific legal obligations as duly detailed by said legislation.

In this sense and as better specified in the relevant Special Parts of this Model, the health and safety at work certification process in accordance with standard BS OHSAS 18001:2007 is, for Rai, at an advanced stage of completion.

Moreover, in order to allow for a coordinated, integrated management of all requirements relating to health and safety at work as laid down by current legislation, and to assign the responsibility for said compliance to the specific company departments, the Company has prepared a specific regulation (the “Regulation Governing Safety, the Protection of Health and the Environment”), the aims of which are: the systematic assurance of the best level possible of the protection of workers and all the other persons present in the production cycle; the systematic assurance of the best possible level of environmental protection; the rationalisation of the organisation of the activities relating to safety at work, under the scope of the entire production cycle and in terms that are coherent with the corporate structure; the definition of the company system of safety and the protection of health and the environment in light of the identification of a single Employer - the General Manager - for the whole of the company Rai; the correct distribution of tasks and related responsibilities, in line with said Regulation and by means of the conferral of specific delegations, so as to eliminate any possible confusion or overlay; the optimisation of the role of the Delegated Directors/Managers, so that they play an active role and are suitably involved in the information and decision-making processes relative to their competences.

2. Rai - Radiotelevisione italiana Spa

2.1 Mission

In accordance with Art. 49, paragraph 1 of the Consolidated Text on Radio and Audiovisual Media Services, Rai - Radiotelevisione italiana SpA is the concession-holder of the general Italian radio-television public service.


This mission is regulated by primary and secondary regulations in compliance with said principles.

More specifically, the public service obligations are defined by the combined provisions of the Consolidated Text on Radio and Audiovisual Media Services⁴, as most recently amended by the Rai Reform Law, by the Convention stipulated by the Ministry of Economic Development and Rai for the concession of the radio, television and multimedia public service and by the Service Agreement stipulated with the Ministry of Economic Development.

⁴ For more details on the Definition of the tasks of the radio, television and multimedia public service, please refer to Art. 45 of the Consolidated Text on Radio and Audiovisual Media Services given in chapter 3 of the Regulatory Appendix.
2.2 The institutional structure: bodies and subjects

Board of Directors

The administrative body manages the corporate business and operates with the diligence required by the nature of the appointment and on the basis of the specific competences of its individual members. Without prejudice to any alternative provisions of law and without prejudice to the provisions of the Articles of Association, the Board of Directors carries out all operations necessary to achieving the company’s aim, as it is duly empowered as necessary to administer the Company and has the faculty to carry out all deeds held to be necessary or appropriate to achieving the company’s aims. In addition to being the company’s administrative body, the Board of Directors also performs the control and offers guarantees of the correct fulfilment of the purposes and obligations of the radio, television and multimedia public service.

The administrative body plays a central role in the adoption and effective implementation of the Organisation, Management and Control Model in accordance with Art. 6, paragraph 1 of Italian Legislative Decree no. 231/2001. Moreover, the Board of Directors also defines the essential guidelines to the organisational, administrative and accounting structure and the guidelines to the Corporate Risk Management and Internal Control System (RMICS), so that the main risks, including the crime risks, relating to the Company, are correctly identified, measured, managed and monitored.

Chairman

In accordance with the provisions of the Articles of Association and without prejudice to the attributions assigned to the General Manager, the Board of Directors may assign delegations to the Chairman, in accordance with Art. 49, paragraph 5 of Italian Legislative Decree no. 177 of 31 July 2005, by resolution passed by the Shareholders’ Meeting, in areas of external and institutional relations and the supervision of internal control activities and, in any case, in line with the provisions of law as in force at the time.

More specifically, in relation to the delegations envisaged by the Rai Reform Law, the Chairman has been assigned a delegation to supervise internal control activities, without prejudice to the organisational placement of the Internal Auditing Department, which reports directly to the Chairman, in compliance with the Resolution approved on 16 March 2016, following meeting resolution of 10 March 2016.

General Manager

The General Manager is appointed by the Board of Directors, by agreement with the Shareholders’ Meeting, in compliance with and with the attributions assigned it by the law. The mandate of the General Manager has the same duration as that of the Board of Directors.

More specifically, the General Manager oversees the function of the corporate Internal Control System, enforcing the guidelines defined by the Board of Directors. The General Manager designs, develops and manages the Risk Management and Internal Control System, constantly verifying its overall suitability, effectiveness and efficiency.

Until the first renewal of the Board of Directors after the date of approval of this Model, the

5 For more details on the method of appointment, attributions and duration of the bodies and statutory subjects, reference is made to the related articles of the Articles of Association, available from the Rai institutional website.
General Manager exercises not only the attributions due him according to the Articles of Association, but also the powers and duties assigned by the Managing Director in accordance with the Rai Reform Law.

Manager appointed to prepare the company’s accounting documents

In accordance with the provisions of the Company’s Articles of Association, the Manager appointed to prepare the company’s accounting documents is appointed by the Board of Directors after seeking the compulsory opinion of the Board of Auditors, for a period no shorter than the term of office of the Board of Directors, and no more than six financial years.

More specifically, in line with the provisions of the specific Regulation of the Appointed Manager of Rai - Radiotelevisione italiana SpA, the Manager appointed to prepare the company’s accounting documents, amongst others, ensures suitable administrative and accounting procedures on which basis to prepare the separate and consolidated financial statements, in this sense making him one of the players of the Internal Control System, under the scope of his competence.

Board of Auditors

In accordance with the provisions of the Articles of Association, the Shareholders’ Meeting appoints the Board of Auditors comprising three regular auditors, of whom one acts as Chairman.

Auditors remain in office for three financial years and stand down on the date of the Shareholders’ Meeting convened to approve the financial statements relative to the third year of office; they may stand for re-election.

The Board of Auditors specifically monitors the effectiveness of the RMICS and the suitability of the organisational, administrative and accounting structure of the Company and its actual operation.

Supervisory Body

The Articles of Association of Rai envisages that the Board of Directors shall constitute a single-member or collegial organisation, to which the task is assigned of ensuring the control of the function and observance of the organisation and management models adopted for the prevention of the crimes pursuant to Italian Legislative Decree no. 231 of 08 June 2001, as well as of ensuring it is duly updated as necessary.

This organisation is assigned independent powers of initiative and control in going about its duties and reports to the administrative body or a specific committee as may be established within the administrative body, as well as on the activities for which it is competent with regards to the Board of Directors, the Chairman of the BoD, the General Manager, the Board of Auditors and - in specific areas - the Appointed Manager and the Responsible for Corruption Prevention.

2.3 The organisational structure

Together with the mission and institutional structures, the Company’s organisational

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6 The Company’s organisational structure is published within the “Rai for Transparency” section of the Rai institutional website, under “Organisation and Human Resources”.
structure is of fundamental importance under the scope of the administrative liability of entities, in terms of ensuring an effective implementation of models able to prevent the commitment of crimes.

At present, Rai is structured into six organisational macro areas, as follows:

- **Publishing and Newspapers**, comprising the editorial and journalism activities carried out under the scope of the TV Titles, Generalist Channels, Specialised Channels, Genres, Radio and Radio News Titles, Foreign Correspondents and Creative Management. Moreover, to optimise the rights in each segment of the audiovisual chain, the Parent Company uses the Subsidiary, Rai Cinema, in accordance with a specific service contract;

- **Technology and Production**, which allocated to the responsibility of the Chief Technology Officer, the sector of corporate operations and technologies, structured into the TV Production, ICT, Quality and Panning, Research Centre and Technological Innovation, Frequency Planning and Spectrum Management Departments and the Satellites Structure. The management and development of the radio-television broadcasting and transmission networks is entrusted to the listed subsidiary Rai Way;

- **Finance and Planning**, which allocates to the responsibility of the Chief Financial Officer, the administrative sector, planning and economic/financial control. The structure of the area, according to a logic of incorporating the main equity and financial levers, is structured into the following Departments: Strategic Planning and Management Control; Administration and Finance; Real Estate Assets and Services; Coordination of Regional and Foreign Offices; Charges. Finally, the sector is integrated by the Tax Affairs and Regulatory Support line structures, Methodologies and PMO;

- **Chief Digital Officer**, which allocates to his own responsibility, the Departments Digital, Archive (“Tech”) and the Public Utility Services Structure, with the aim of coordinating, connecting and developing the various components of the digital offer, in line with the Company’s transition from traditional broadcaster to media company, in which the design, production and broadcasting of contents co-exist on all distribution platforms;

- activities relating to the **Advertising and Commercial** area are carried out by the Subsidiaries “Rai Pubblicità” and “Rai Com”, respectively involved in the collection of advertising and the optimisation and distribution of products and rights for Rai productions according to the mandate assigned by the Parent Company;

- the **Corporate and Support**, finally, includes the following Staff Departments: General Management Staff; Communication, External, Institutional and International Relations (which includes the Institutional Relations Department); Legal and Corporate Affairs; Security and Safety (entrusted to the Chief Security Officer), Procurement; Human Resources and Organisation; Television Resources; Sports Rights.

The Television Schedule Editorial Coordination, involving the Scheduling and Marketing Departments, and the Editorial Management for the Information Offer operate in the editorial area, reporting directly to the General Manager, with the aim of specifically overseeing the information area and accompanying the evolution of the offer and organisational models with a structural intervention, guaranteeing the functional coordination of the area involved.
Finally, Rai Quirinale and Rai Vaticano, two production structures allocated to provide support to the editorial cover of the institutions by the same name (i.e. the Quirinale and the Vatican), report directly to the General Manager with structural ranking.

The senior level of the comprehensive structure then includes the Secretariat of the Board of Directors and the Supervisory Body. The Chairman’s Staff Department, the Internal Auditing Department and the Prix Italia structure report to the Chair, whilst the Secretariat of the General Manager reports to the General Manager.

In general, the organisational, governance, regulation and control system of the Company is based, as also described herein, on regulatory tools (policies, protocols, regulations, internal communications, organisational provisions, procedures, instructions, etc.) hinged on general principles of: clear description of hierarchy; capacity to be known, transparency and publishing of the powers attributed (within the Company and with regards to third parties); clear, formal outlining of roles, with a complete description of the tasks associated with each company function, the related powers and responsibilities.

The internal documents relating to the Company’s organisation are characterised by the following elements: i) separation, within each process, between the subject making the decision (decision-making input), the subject executing the decision and the subject to whom the control of the process is entrusted (this structure is referred to as a “segregation of duties”); ii) document traces of each significant step in the process (termed “traceability”); and iii) a suitable level of formalisation of activities.

2.4 The governance and regulatory tools

Due to the role played by Rai, as described above, it is important to stress the key input of corporate governance in implementing controls and, more specifically, in preventing the Predicate Offences.

The Company has developed a set of organisation governance tools that guarantee the Company’s function and are briefly summarised below:

- **Articles of Association**: in compliance with the provisions of current law and essential rules of the Italian Civil Code, this sets out provisions on corporate governance aimed at regulating the life within and function of the Company. More specifically, in complying with legal provisions, the Articles of Association establishes, amongst others, the criteria, methods and procedures by which to identify the subjects who, at the highest level, are involved in various ways in the management and control of the Company;

- **Service Agreement between the Ministry of Economic Development and Rai**: this concerns, under the context of the Convention between the MED and Rai (the model of which was approved by Prime Ministerial Decree of 28 April 2017), the activities carried out by Rai in order to provide the radio, television and multimedia public service and, in particular, the television, radio and multimedia offer broadcast over the various platforms and in all ways; the development of the editorial contents, the supply of technological services for production and the transmission of the signal using analogue and digital technology; and the preparation and management of the control and monitoring systems. The Agreement establishes a set of objectives, operative guidelines, quality parameters, types of programmes whose development is entrusted to the autonomous editorial capacity of the concession-holder, in compliance with the principles and reference national and European Community regulations, of primary and secondary standing;
- **Code of Ethics**: expresses the ethical and professional ethical standards that Rai upholds as its own and with which it demands all those operating to achieve the Company’s objectives, comply. Amongst others, the Code of Ethics identifies standards and conduct that are recognised and shared, aimed at preventing the crimes pursuant to Italian Legislative Decree no. 231/2001 and specifically recalls the Model as a tool useful to operating in compliance with the legislation;

- **Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001**: this envisages standards and measures of control with reference to the crimes included in Italian Legislative Decree no. 231/2001. The Model also contains the methods by which to identify, appoint and revoke, along with the functions, powers and information flows and reports, of the Supervisory Body, envisaged by Art. 6, paragraph 1 of the Decree. The Model also regulates the methods by which staff should be training and Addressees informed, the sanction system and the methods and responsibilities for the approval, incorporation and update of the Model;

- **Organisational configuration - Missions and responsibilities**: this sets out the structures for which missions and responsibilities are formalised. In addition to the macro structure that represents the comprehensive map of reporting to the senior management, this document also explains, for each Department, the mission (i.e. a general summary of the main responsibilities) and the articulated system of first and second level structures and, where present, staff areas. For each structure, the main responsibilities are also formalised. For Newspapers, the structure, typically laid out into themed articles, is a qualifying element for the development of the Editorial Plan of which it is an integral part. The representation of the structure, together with the Service Orders and the Organisational Provisions updating the evolution, is available for employee consultation on the Company’s intranet portal;

- **Structure of powers and delegations**: this establishes, by assigning specific powers of attorney and/or delegations, the powers to represent (i.e. also act for and on behalf of) the Company externally. The architecture of the system of proxies is regulated by specific Organisational Provisions, which establish the criteria for the assignment and the rules for the management of level one powers of attorney and sub powers of attorney for spending, as well as delegations and consequent powers of attorney relating to the figure of the client in accordance with Italian Legislative Decree no. 81/2008. Said system architecture is completed by other power of attorney, such as, for example, financial ones, for which a specific regulatory structure is envisaged. A set of delegations is then regulated, aimed at managing acts of internal relevance for the stipulation of which no specific power of attorney is necessary;

- **Three-Year Plan on Corruption Prevention**: on the basis of the principles and criteria established by the National Anti-Corruption Plan, it analyses and assesses the specific risks of corruption for the Company and, consequently, indicates the organisational interventions aimed at preventing them, by means of specific protocols and anomaly indicators;

- **Corporate Communication and Transparency Plan**: this envisages the methods and ways that are most suitable for informing most users about the work of the Board of Directors, save for special cases in which confidentiality is required and it establishes the terms and conditions for the publication and update, on the Company’s website, in the specific section of “Rai for Transparency”, of data, documents and information, as envisaged by current legislation;
- **Procedure for the Management and Processing of Reports (including anonymous ones):** this regulates the process for the management and treatment of reports (including anonymous ones) made on events that are potentially unlawful, irregular or reprehensible, concerning operative and organisational events of Rai and the subsidiaries;  

- **Regulation of the Activities of Management and Coordination Exercised by Rai with regards to Listed and Unlisted Subsidiaries:** these define the subject and method of exercise, by Rai, of the management and coordination of the listed and unlisted Group companies;  

- **Regulation of the Appointed Manager of Rai - Radiotelevisione italiana SpA:** this regulates the activities, powers and methods of fulfilment of the tasks entrusted to the Manager appointed to prepare the company’s accounting documents as well as the relations and corresponding information flows to the internal and external bodies of the Company;  

- **Internal Auditing Guidelines:** these define the guidelines to Internal Auditing activities and supplement the Guidelines to the Risk Management and Internal Control System (RMICS), identifying the tasks, responsibilities, scope of activities, macro operating procedures and information flows to and from the company senior management and the supervisory/control bodies of Internal Auditing;  

- **Regulation Governing Safety, the Protection of Health and the Environment:** this is adopted by the Company to allow for the coordinated, integrated management of all requirements relating to health and safety at work, as laid down by current legislation and the assignment of responsibilities relating to such requirements to specific company functions;  

- **Regulation for the Management of Inside Information and Internal Dealing, the Keeping of the Insider List and the List of Persons Performing Administration, Management or Control Functions and Persons Closely Associated with them:** this is adopted by the Company as an issuer of bonds listed on regulated markets of European Union Member States, in order to regulate: (i) the process of the identification, management and processing of inside information relating to Rai and its subsidiaries; (ii) the keeping and update of the register of subjects with access to inside information relative to Rai and its subsidiaries; (iii) the disclosure and behavioural obligations that the relevant subjects and persons closely linked to them (as defined by the legislation) are required to respect in connection with relevant operations; and (iv) the keeping and update of the list of subjects pursuant to point (iii);  

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7 By resolution passed by the BoD on 16 July 2015, the reporting policy was updated. In this sense and in compliance with the Guidelines issued by ANAC on whistleblowing, a specific e-mail address has been set up: whistleblowing@rai.it. The change was made necessary also in view of the adjustment to comply with anti-corruption legislation, the introduction of the figure of the RCP in the Rai Group and said Guidelines.  

8 With reference to the method of coordination between the Model and the Regulation Governing Safety, the Protection of Health and the Environment, see paragraph 1.6.  

9 In implementation of current legislation and, in particular, Regulation no. 347/2016 on the precise format of insider lists, Regulation no. 523/2016 on the form of disclosure and communication to the public of transactions carried out by persons who perform administration, management or control functions, Regulation no. 522/2016, relative, amongst others, to the competent authority for notifications of delays in the disclosure of inside information and the types of transactions performed by persons who perform administration, management or control functions subject to notification and Regulation no. 1055/2016, laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014 of the
- **Regulatory Model:** whose system Guidelines have been approved by the Board of Directors, aims to ensure the homogeneous development or an organised *corpus* of corporate rules and procedures - such as the current Procedures, Protocols, Policies, Regulations, Management Systems, Internal Communications and Instructions - aimed at clearly and effectively regulating, in a standardised manner, all relevant processes of the Company and strengthening the Group governance mechanisms;

- **Standards of Conduct and Protocols for the Planning of the Formation and Implementation of Decisions** of Rai, in connection with the crimes to be prevented, contained in the Special Parts of the Model.

All the governance and regulatory tools adopted, as recalled here very briefly, allow for the main methods of forming and implementing company decisions (see Art. 6, paragraph 2, letter b) of Italian Legislative Decree no. 231/2001).

Moreover, the system of said internal documentation, and the subjection to the constant supervision by the bodies and authorities appointed to this end, constitute a tool used to oversee the prevention of unlawful conduct in general, including that envisaged by the specific legislation establishing the administrative liability of entities.

### 2.5 The Risk Management and Internal Control System (RMICS) and additional control measures

The Company has equipped itself with a structured, organic Risk Management and Internal Control System (RMICS), integrated into the more general organisational and corporate governance structures in order to facilitate the making of aware decisions and help ensure the safeguarding of the company assets, the efficiency and effectiveness of company processes, the reliability of financial disclosures, the compliance with laws and regulations, the Articles of Association and internal regulatory instruments.

In this sense, the Company undertakes to keep the RMICS up-to-date and suitable to the prevention and limitation also of the risk of unlawful conduct by its directors, employees, collaborators and consultants and Suppliers.

In line with the adoption of the traditional administration and control system, the main subjects currently responsible for the control, monitoring and supervision processes in the Company are:

- **Board of Directors:** defines the guidelines to the RMICS so that the main corporate risks are correctly identified, suitably measured, managed and monitored; it assesses the suitability and effectiveness of the RMICS;

- **Chairman of the Board of Directors:** supervises internal control activities, by virtue of a specific delegation of the Board of Directors;

- **General Manager:** has the task of implementing the guidelines given by the Board of Directors, by planning, developing and managing the Internal Control System, constantly checking that it is generally suitable, effective and efficient, and identifies and manages company and process risks (including irregularities);

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European Parliament and of the Council on market abuse (the “MAR” or “Market Abuse Regulation”), as well as Irish legislation as in force each time, following the issue, by Rai, of bonds listed on the Irish Stock Exchange.

With the exception of Rai Way S.p.A., which, as it is listed on the Telematic Stock Market organised and managed by Borsa Italiana S.p.A is already, in itself, subject to the above legislation and to an autonomous procedure on matters of inside information, register and internal dealing.

Approved by the meeting of the Board of Directors held on 27/07/2017
- **Management**: under the scope of the duties assigned and the achievement of the related objectives, guarantees the correct design and effective operation over time of the Internal Control System, assisting with the activities for which the General Manager is responsible, according to the risks managed. To this end, it institutes specific control activities and monitoring processes able to ensure the effectiveness and efficiency of the Internal Control System and to prevent and identify any irregularities and/or fraudulent acts;

- **Board of Auditors**: monitors compliance with the law, the Articles of Association and respect of the principles of correct administration, the effectiveness of the Internal Control System and the suitability of the organisational, administrative and accounting structure used by the Company and its correct function;

- **Supervisory Body**: is responsible for the control of function and observance of the Model and is responsible for its update. In Rai, it is a separate statutory body from the Board of Auditors;

- **Chief Financial Officer (CFO)**: the subject in charge of planning and controlling the management, administration and finances;

- **Manager appointed to prepare the company’s accounting documents**: the subject in charge of: i) certifying the consistency with the documented results, books and accounting ledgers of all acts and communications of the company as may be disseminated to the market and relative to the interim and annual accounting disclosure of the company; ii) preparing suitable administrative and accounting procedures for the preparation of the separate and consolidated financial statements and all other financial disclosures; and iii) certifying, together with the delegated administrative body and with a specific report attached to the separate and consolidated financial statements of the Group and corresponding interim positions;

- **Internal Auditing**: is the Company department appointed to carry out independent, objective activities aimed at promoting improvements to the efficiency and effectiveness of the Risk Management and Internal Control System and company organisation. The Internal Auditing Department of Rai SpA depends directly on the Chairman of the BoD and is not responsible for any operative management activities. Internal Auditing reports to the Chairman, the General Manager, the Board of Auditors and the Supervisory Body of the Company;

- **Permanent Commission for the Ethics Committee**: is the reference organisation for the implementation and control of the provisions of the Rai Group Code of Ethics; it monitors the concrete observance of the Code by Addressees and the effectiveness in preventing conduct over time that is in conflict with the principles sanctioned by the Code, proposing any amendments, updates and/or revisions; it assesses any reports received regarding alleged violations committed; it reports to the General Manager and informs the Rai SpA Supervisory Body of any reports received and the activities carried out;

- **Responsible for Corruption Prevention**: carries out the duties indicated by the reference legislation, informing the Chairman of the Board of Directors of the Company, the General Manager, the Board of Auditors and the Rai SpA Supervisory Body, in the cases envisaged by the Three-Year Plan on Corruption Prevention;
- **Anti-Corruption Reference Persons**: heads of senior, central and territorial organisational structures, in view of the significant managerial and decision-making prerogatives they assume, above all under the scope of the respective processes. The Anti-Corruption Reference Persons liaise with the Responsible for Corruption Prevention to implement the anti-corruption policy adopted by the Company, as detailed in the Rai SpA Three-Year Plan on Corruption Prevention;

- **Transparency Reference Persons**: heads of the senior organisational structures that apply the methods for the identification, assessment, management and monitoring of the risks and controls for the respective areas of competence, guaranteeing for the data for which they are competent, the truthfulness, completeness, consistency and compliance with the original documents, as detailed in the Rai SpA Corporate Communication and Transparency Plan;

- **Manager of the “Supplementary Pension Funds in the favour of Rai Managers” and the “Supplementary Pension Funds in the favour of Rai Employees”**: subject appointed in accordance with sector regulations with the task of ensuring the necessary information compliance with regards to the Pension Funds Supervisory Commission (COVIP).

Under the scope of the Risk Management and Internal Control System, in line with reference legislation and the provisions of the Articles of Association, the statutory auditing of the accounts is entrusted to an auditing firm meeting the legal requirements and registered on the specific register.

Rai is also required to produce separate accounting of revenues deriving from the subscription charges and expenses incurred during the previous calendar year for the supply of the radio, television and multimedia public service, on the basis of the scheme approved by the Authority for Communications Guarantees (AGCOM). The separate accounting is subject to control by an auditing firm, appointed by Rai and chosen by AGCOM from those registered with the specific list held by CONSOB. The auditing firm appointed to this end differs from that appointed to perform the statutory audit of the annual financial statements.

Finally, a magistrate of the Court of Auditors attends the meetings of the Board of Directors and Board of Auditors of Rai SpA, under the scope of and in relation to the control that the Court exercises over Rai, in accordance with Italian Law no. 259 of 21 March 1958.

In addition to this, there are also supervisory activities carried out by a series of control bodies/authorities external to the organisation, including: i) the Authority for Communications Guarantees; ii) the Parliamentary Commission for general guidelines and the supervision of radio-television services; iii) the Ministry of Economic Development; and iv) the National Anti-Corruption Authority (ANAC).

### 2.6 The system of delegations and powers of attorney

More specifically with reference to the system of delegations and powers of attorney, we note, in general, that this must be characterised, on the one hand, essentially, by elements of “security” also as regards the prevention of crime (traceability and evidence under the scope of Sensitive Activities) and, at the same time, on the other, it must allow for the efficient management of company activities. The essential requirements of the system of delegations and powers of attorney, to allow for the effective prevention of crimes, are as follows:
a) delegations must match each power with the related responsibilities and a suitable position in the organisational structure;

b) each delegation must specifically and unequivocally define the powers of the delegated party and the subject (body or individual) to whom the delegated party reports hierarchically;

c) all those entertaining relations on behalf of the Company with third parties, including the Public Administration, must have a formal power in this sense (power of attorney);

d) the managerial powers assigned with the delegations and their implementation must be coherent with the corporate objectives;

e) the delegated party must have sufficient spending powers for the duties assigned him;

f) a power of attorney can be conferred on natural persons specifically identified in the power of attorney, or on legal entities that act through their own attorneys assigned, under this scope, similar powers;

g) powers conferred by power of attorney must be homogeneous in terms of position and adequate with respect to the organisational duties covered by the subject receiving the power of attorney and formalised in the company organisational structure.

2.7 Infra-group relations

In going about its business of management and coordination, the Company:

(i) promotes and fosters the autonomous operation by the subsidiaries, individual addressees of the precepts of Italian Legislative Decree no. 231/2001 in the preparation and revision of their own Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, also providing indications in consideration of the Group organisational and operative structure;

(ii) according to its organisational requirements, limits the cases in which said subjects hold senior roles in more than one Group company (referred to as “interlocking directorates”);

(iii) promotes the adoption of general principles overseeing legality also at associates.

Rai uses the means it considers most appropriate to disseminate, to Group companies, knowledge of this Model and all subsequent updates thereto.

Each company adopts and thereafter updates its own, autonomous Organisation, Management and Control Model in accordance with Italian Legislative Decree no. 231/2001 in relation to the concrete organisational and operative needs, approved by the Boards of Directors of the companies and sent to Rai, in implementation of the needs for management and coordination.

In the preparation and update of their own Models, the Group companies may be inspired by the principles of this Model and may choose to incorporate its contents, save for where the analysis of their own activities at risk should reveal the need or desire to adopt different or additional specific prevention measures with respect to that indicated in this Model.
Each subsidiary, with its own Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, for the purposes indicated in the Decree and under its own responsibility, in line with its statutory provisions, institutes its own autonomous, independent Supervisory Body, whose powers and functions may be assigned to the Board of Auditors.

The Parent Company’s Supervisory Body liaises with the Supervisory Bodies of the subsidiaries by means of the exchange of information between the various SBs, in line with the characteristics and specificities of the individual companies and with the management and coordination by the Parent Company, in respect of their respective autonomy, responsibilities and prerogatives.

The services provided by Rai in the favour of subsidiaries and vice versa are regulated by specific service contracts. More specifically, these contracts envisage responsibilities regarding the specific activities and the definition, insofar as we are interested herein, of the following clauses:

- the clause whereby the parties undertake to comply with principles of organisation, management and control able to prevent the commitment of the offences defined in the Model;

- the clause whereby the parties undertake to also act in a way such as to prevent, in all ways, the critical issues and risks highlighted by the Model and to monitor the execution of the contract so as to waylay the risk of the commitment of the crimes envisaged by Italian Legislative Decree no. 231/2001.

3. The Rai SpA Organisation, Management and Control Model

3.1 Model introduction and purpose

In 2005, Rai first equipped itself with its own Model, well aware that, although it was an option and not an obligation, it provided an opportunity by which to strengthen its governance, at the same time making the most of the opportunity to sensitise all internal structures with respect to matters of the control of corporate processes, so as to suitably and effectively prevent the crime risks, behaving in a legal, correct and transparent manner.

In 2013 and 2015, in line with the provisions of the Decree, the Model was updated, also in light of the results of the activities carried out by the Supervisory Body and as a consequence of the regulatory changes that involved the catalogue of predicate offences and the organisational changes affecting the Company and Group.

The Model consists of this General Part, comprising eight sections, and the Special Parts containing the various examples of predicate offence concretely and potentially relevant to the Company by virtue of the activities carried out, the activities at risk of crime and the general and specific control and behavioural standards overseeing the activities at risk.

The principles expressed in the Model are in line with the Code of Ethics, an integral part of the Model, as is the Three-Year Plan on Corruption Prevention, adopted by the Company in compliance with the provisions of Italian Law no. 190/2012, which constitutes a complementary element.

With the adoption of the Model, prepared, as specified under paragraph 1.4, on the basis of indications envisaged by the Confindustria Guidelines and with specific reference to the
concrete company context, so that it is possible to effectively prevent the Predicate Offences, the Company intends to pursue the following purposes:

- to spread awareness that, the violation of the provisions of the Model and the standards of the Code of Ethics, may result in the application of sanction measures (pecuniary and prohibitive) also as regards the Company;

- to allow the Company, thanks to a structured system of rules, procedures and sanctions and a constant action of monitoring of the correct implementation of said system, to prevent and/or promptly combat the committing of crimes relevant in accordance with the Decree.

### 3.2 Essential elements of the Rai SpA Model

As specified above, under paragraph 1.3, Italian Legislative Decree no. 231/2001, attributes, together with the onset of the other circumstances envisaged by Articles 6, 11 and 7 of the Decree, an exemption value to the adoption and effective implementation of the Organisation, Management and Control Models, insofar as the latter are able to prevent, with reasonable certainty, the committing or attempted committing of the crimes recalled by the Decree.

In particular, the elements comprising the Rai Model - structured into a complex set of documents, in compliance with paragraph 2 of Art. 6 of Italian Legislative Decree no. 231/2001 - on the basis of the indications given by the Confindustria Guidelines, can be summarised as follows:

- adoption of the ethical standards and behavioural rule, also sanctioned in the Code of Ethics, aimed at preventing conduct that may constitute the types of crime envisaged;

- organisational system that is sufficiently formalised and clear, in particular with regards to the assignment of responsibilities, the hierarchy and description of duties with a specific provision for control principles;

- manual and/or IT procedures that regulate the conduct of activities, envisaging suitable controls;

- powers of authorisation and signature in line with the organisational and managerial responsibilities assigned, envisaging corresponding limits to spending, where appropriate;

- identification of the methods for the management of financial resources able to prevent the committing of crimes;

- management control systems able to promptly reveal any critical issues;

- identification of “Sensitive Activities” carried out by means of the analysis of the company processes and possible methods for developing relevant crime situations;

- preparation and update of specific standards of conduct, protocols and regulatory instruments proportional to the size and complexity of the Company, intended to schedule the training and implementation of decision-making processes relative to the Sensitive Activities pursuant to the previous point;

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11 For more details on said provision, see the full text of Article 6 of Italian Legislative Decree no. 231/2001 given in chapter 1 of the Regulatory Appendix.

12 For more details on said provision, see the full text of Article 7 of Italian Legislative Decree no. 231/2001 given in chapter 1 of the Regulatory Appendix.
- provision for control standards in connection with the Sensitive Activities identified\textsuperscript{13} pursuant to paragraph 3.5 below;
- programme of verifications on Sensitive Activities and the related control standards;
- appointment of the Supervisory Body, with the assignment of specific supervisory duties on the effective implementation and application of the Model concerned and in whose regard, there are specific information obligations;
- staff training and disclosure plan;
- sanction system able to guarantee the effectiveness of the Model, containing the regulatory measures applicable in the event of violation of the provisions of the Model;
- criteria and methods for the adoption and effective application of the Model and its necessary update or adjustment.

The Model therefore represents a coherent set of standards, protocols, procedures and provisions, which:
- affect the internal function of the Company and the ways by which it entertains relations with the outside world;
- regulate the management of a system for controlling Sensitive Activities, aimed at preventing the commitment, or attempted commitment, of the crimes recalled by Italian Legislative Decree no. 231/2001.

The above constituting elements are implemented in the following documents:
- General Part of the Model (this document) and the Special Parts;
- Code of Ethics.

More specifically, the Model contains:

(i) in the General Part, a description of:
- the reference regulatory framework (with a list of crimes and legislation recalled, detailed in the Regulatory Appendix - Annex A);
- the institutional and organisational structure, the internal regulation and governance tools, the Corporate Risk Management and Internal Control System, the system of delegations and powers of attorney of Rai SpA;
- the essential elements of the Model;
- the identification and appointment of the SB, with the specification of powers, duties and information flows regarding it;
- the training and communication plan to be adopted to guarantee knowledge of the measures and provisions of the Model;
- the function of the disciplinary system and related sanction system;
- the criteria for the Model update and adjustment;

\textsuperscript{13} The Confindustria Guidelines specify that the components of the control system must comply with a series of control principles, including:
- verifiability, traceability, coherence and fairness of all operations, transactions and actions;
- application of the principle of the separation of duties and segregation of tasks (no one person can independently manage an entire process);
- institution, execution and documentation of the control activities on processes and activities at risk of crime.
(ii) in the individual Special Parts, a description of:
- the main types of Crimes recalled by Italian Legislative Decree no. 231/2001 that are relevant to the Company;
- the Sensitive Activities and related general and specific control standards;
- the standards of conduct and implementation of decision-making processes with reference to the crimes and Sensitive Activities.

3.3 Model, Code of Ethics and the Three-Year Plan on Corruption Prevention

The rules of conduct contained in this Model, together with those pursuant to the Code of Ethics and the Three-Year Plan on Corruption Prevention adopted by the Company, constitute an articulated, coherent control system. More specifically:

- the Model complies with specific provisions of Italian Legislative Decree no. 231/2001 aimed at preventing the commitment of specific types of crimes for events that, where committed in the interests or to the benefit of the company, may entail administrative liability for the crime, in accordance with the provisions of said Decree. The Model lays down rules and envisages procedural standards that must be respected for the entity not to be held liable in accordance with Italian Legislative Decree no. 231/2001;

- the Code of Ethics is an autonomous tool that is also subject to application by the Group companies, to express principles of “corporate ethics” that the Group acknowledges as its own and with which it demands compliance by all Corporate Bodies, the General Manager, the Employees, Code of Ethics, Consultants and Suppliers. The standards set out therein also become relevant for the purposes of the Model, of which the Code of Ethics constitutes an integral part;

- the Three-Year Plan on Corruption Prevention aims to prevent conduct that is potentially relating to situations of corruption, as qualified by the Anti-Corruption Law and the National Anti-Corruption Plan, as “maladministration”, to the detriment of the Company, or rather the assumption of decisions diverted from a care for the general interests due to the improper influence of specific interests. In this broader context, with specific reference to the crimes of corruption pursuant to Italian Legislative Decree no. 231/2001, as already specified under paragraph 1.5, the Three-Year Plan on Corruption Prevention is a means for specific, additional prevention over and above that envisaged by the Model and the pertinent Special Parts with respect to said crimes.

3.4 Identification of activities at risk

As mentioned, Art. 6, paragraph 2, letter a) of Italian Legislative Decree no. 231/2001 indicates, amongst the Model requirements, the identification of the processes and activities under whose scope the crimes specifically envisaged by the Decree may potentially be committed. In other words, these are the business processes and activities that are commonly defined as “sensitive” (hereinafter referred to as the “Sensitive Activities”).

In compliance with said regulations and considering the methodological approaches...
contained in the reference Guidelines, the corporate scopes of potential exposure were therefore identified, for the Company, to the various 231 crime risks, the relevant Sensitive Activities and the corresponding departments responsible.

On the basis of the needs expressed each time (e.g. adjustment to a regulatory update or a different organisational structure), also upon completion of verifications of Sensitive Activities and the related control standards, the Model will be updated in all its components, in accordance with the provisions of the Decree, the best practices and the indications given by the reference Guidelines, implementing the improvements suggested by the gap analysis, where necessary.

3.5 The control system: “general” control standards and “specific” control standards

Upon completion of the relevant crime-risk analysis (as will then be detailed in the Special Parts of the Model), in line with the suggestions made by the Confindustria Guidelines and under the scope of the more articulated Corporate Risk Management and Internal Control System (RMICS) described above and of which the Model control system is an integral part, the Company has perfected its control system with reference to the areas and Sensitive Activities identified, through the identification of “general” control standards and “specific” control standards:

- “general” control standards, applicable to all Sensitive Activities;
- “specific” control standards, applicable to certain Sensitive Activities and reported in the individual Special Parts, promptly structured in detail and divided up into Standards of conduct and Standards of implementation of decision-making processes.

General control standards

The general control standards to be considered and applied with reference to all Sensitive Activities are as follows:

- segregation of duties/activities: respect is required of the principle of the separation of duties between those authorising, those executing and those controlling;
- rules/circulars: there must be internal company provisions and formalised procedures suitable to supplying standards of conduct, operating procedures for the carrying out of all Sensitive Activities and methods for archiving the relevant documentation;
- powers of authorisation and signature: the powers of authorisation and signature must: (a) be coherent with the organisational and managerial responsibilities assigned, envisaging the indication of the thresholds of spending approved, where required; (b) be clearly defined and known within the company. Moreover, the exercise of powers of authorisation and signature is regulated by internal procedures;
- traceability: each operation relative to the Sensitive Activities must, where possible, be suitably registered and archived, including through the use of a specific IT tool, which guarantees the confidentiality of documents and tracking of activities. The decision, authorisation and conduct process of the Sensitive Activity must be verifiable ex post, including through specific documented evidence and, in any case, there must be a specific provision for a ban on deleting or destroying the documents offered in support of the traceability of the decision-making processes or, as applicable, the possibility of deleting or destroying such document must be regulated.

Specific control standards

On the basis of the general control standards specified above, the specific control standards, which refer to the first, are prepared so that:

a) all operations, formation and implementation of Company decisions are compliant with the principles and provisions contained in the provisions of the law, the Articles of Association, the Code of Ethics and the company procedures;

b) the company provisions able to supply standards of conduct, operating procedures for the carrying out of all Sensitive Activities and methods for archiving the relevant documentation are defined and duly disclosed;

c) for all operations:

- the responsibilities are formalised for the management, coordination and control within the company, as well as the levels of hierarchy and the description of the related responsibilities;

- the phases of the formation of deeds and authorisation levels for the formation of deeds are always able to be documented and reconstructed, thereby offering a guarantee of the transparency of the choices made;

- the Company adopts communication tools of the powers of signature assigned and a system of delegations and powers of attorney;

- the assignment and exercise of powers under the scope of a decision-making process is in line with the positions of responsibility and with the relevance and/or critical level of the underlying economic transactions;

- those making or implementing the decisions are different from those who need to provide accounting evidence of the operations decided and again different from those required to carry out the controls on such as envisaged by the law and procedures of the internal control system;

- access to and intervention on Company data is only permitted for persons authorised in compliance with Italian Legislative Decree no. 196/2003 as subsequently amended and supplemented, including regulatory;

- confidentiality is guaranteed in the transmission of information and a commitment made to keep private and consider subject to an obligation to confidentiality all confidential information learned;

- documents regarding the formation of decisions and their implementation are archived and stored by the competent function, in ways such as to prevent them from being modified at a later date, unless evidenced.
As regards Sensitive Activities showing a high degree of complexity and specificity, in the preparation of control measures reference legislation and international standards have been considered for the implementation of certified management systems (such as, for example, those relating to health and safety at work).

Reference is made to the Special Parts of the Model for a detailed description of the relevant Sensitive Activities and the Standards of conduct and Standards of implementation of decision-making processes, in line with the above-listed control standards. These Standards of conduct and the implementation of decision-making processes, constitute timely measures by which to regulate in detail the execution of the Sensitive Activities concerned each time.

4. The Supervisory Body pursuant to Italian Legislative Decree no. 231/2001 of Rai SpA

In accordance with the provisions of Italian Legislative Decree no. 231/2001 - Art. 6, paragraph 1, letters a) and b) - the Company shall not be held liable for the commitment of Predicate Offences by qualified subjects pursuant to Art. 5 of Italian Legislative Decree no. 231/2001, if the management body has, amongst others:

- adopted and efficiently implemented, prior to the event, organisation, management and control models able to prevent the crimes considered;

- entrusted the task of monitoring the function and observance of the Model and of ensuring its update to an organisation of the entity that has autonomous powers of initiative and control.

The entrusting of said tasks to an organisation assigned independent powers of initiative and control, together with the correct, effective implementation of such, therefore represent an essential basis for the exoneration from liability envisaged by Italian Legislative Decree no. 231/2001.

The Company has opted for a solution that is able to ensure, in connection with its dimensions and organisational complexity, the effectiveness of the controls assigned to the supervisory body.

In compliance with the provisions of Art. 6, paragraph 1, letter b) of Italian Legislative Decree no. 231/2001, the Company has therefore identified its own supervisory body (hereinafter also referred to as the “Supervisory Body” or “SB”), as a body comprising multiple subjects including the Internal Auditing Manager and two external members, one of whom shall act as Chair.

The SB has a staff position with respect to the Board of Directors and reports to it through the information flows regulated under paragraph 4.3.

4.1 Identification, appointment and revocation of SB members

The SB is established by resolution of the Board of Directors and stands down at the expiry date of the mandate of the administrative body, although it continues to go about its duties on an interim basis until a new SB is appointed by the new Board of Directors.

The appointment as member of the SB is conditional on the meeting of subjective requirements of honour, independence and professionalism as well as the absence of any
grounds of incompatibility with the appointment.

The members of the Body are chosen from subjects with the professional competences necessary to fulfil the duties.

Body members may hold offices or roles within the company as long as they do not involve individual powers of management or administration that are incompatible with the duties of the Body.

Grounds for ineligibility or forfeiture of the members of the Supervisory Body include:

a) sentencing or plea bargaining pursuant to Art. 444 ff of the Italian Code of Criminal Procedure, with a ruling even in the first instance, for any of the crimes envisaged by Italian Legislative Decree no. 231/2001, or which, due to their severity, affect the moral and professional reliability of the subject;

b) sentencing, with a ruling even in the first instance, of a penalty that involves the permanent or temporary prohibition from entry of public offices, or the temporary prohibition from entering management offices of legal entities and companies;

c) the legal condition of being prohibited, incapacitated or bankrupt;

d) the application of prevention measures pursuant to Italian Law no. 1423 of 27 December 1956 as subsequently amended and supplemented; and of anti-Mafia measures pursuant to Italian Law no. 575 of 31 May 1965 as subsequently amended and supplemented.

The members of the SB must declare, at their own responsibility, that they are not in any of the situations of ineligibility or in any other situation of conflict of interest with regards to the tasks/duties of the Supervisory Body, undertaking, if any such situations should arise, and without prejudice to the absolute, essential obligation to abstain in any such cases, to immediately inform the Chairman of the Board of Directors and the General Manager to this end.

Cessation of office is determined by the waiver, forfeiture, revocation or permanent impediment and, as regards members appointed by virtue of the office they hold in the company, loss of said office.

Waiver by members of the SB can be exercised at any time and must be notified to the Board of Directors in writing, together with an explanation of the reasons for such.

Revocation of the appointment conferred upon members of the SB may be resolved by the Board of Directors where there is just cause to do so.

To this end, the term “just cause” is used for the revocation of the powers connected with the appointment as member of the SB, to refer, merely by way of example, to:

a) the loss of subjective requirements of honour, independence and professionalism that were instead present at the time of appointment;

b) onset grounds of incompatibility;

c) gross negligence in fulfilling the duties connected with the professional appointment;
d) failure or insufficient supervision by the SB - in accordance with the provisions of Art. 6, paragraph 1, letter d) of Italian Legislative Decree no. 231/2001 - resulting from a sentence, even including of first instance, issued with regards to the Company in accordance with Italian Legislative Decree no. 231/2001, or from plea bargaining;

e) the attribution of duties and operative responsibilities within the company organisation that are incompatible with the requirements of autonomy and independence and continuity of action of the SB;

f) violation of the ban on disclosing information pursuant to paragraph 4.2.

In any case, in situations of particularly evident severity as may involve the entire SB, the Board of Directors may rule - having first consulted with the Board of Auditors - on the suspension of its powers and the appointment of a Supervisory Body *ad interim*.

### 4.2 Duties and powers

The SB, the control body instituted in implementation of a specific statutory provisions, has autonomous powers of initiative and control that must be exercised to ensure the effective and timely fulfilment of the duties envisaged by the Model. These powers, which extend to include all sectors and functions of the Company, aim to ensure an effective, efficient monitoring of the function, observance and update of the Model, in accordance with that established by Art. 6 of Italian Legislative Decree no. 231/2001.

The verification and control activities carried out by the Supervisory Body are strictly functional to the objectives of effectively implementing the Model.

To assist the definition and conduct of the activities of competence and allow for maximum adhesion to the requirements of professionalism and continuity of action and legal duties, the Supervisory Body avails itself of a Technical Secretariat.

More specifically, the SB is assigned the following tasks and powers with which to go about and exercise its duties:

1) to regulate its function and report on this to the Board of Directors. The regulation of the activities of the SB must also envisage: the scheduling of activities, the determination of the frequency of controls, the identification of the criteria and procedures for analysis and the regulation of the information flows from the corporate structures;

2) to approve the annual schedule of supervisory activities in line with the principles and contents of the Model, on the basis of a proposal made by the Internal Auditing Department, which typically includes the 231 audits envisaged under the scope of the Annual Internal Auditing Plan, as well as the results of the activities carried out by the SB;

3) to verify the suitability of the Model both with respect to the prevention of the commitment of the crimes recalled by Italian Legislative Decree no. 231/2001 and as regards the capacity to reveal any unlawful conduct effectively implemented;
To verify the effectiveness and efficiency of the Model, also in terms of the consistency of the operating procedures adopted in concrete terms and the procedures formally envisaged by the Model;

5) to ensure, develop and promote the constant update of the Model, where necessary providing indications for any updates and adjustments as envisaged in chapter 7. Model updates;

6) to note any behavioural differences with respect to the Model as may emerge from an analysis of information flows and information required of the managers of the various departments/structures;

7) to promptly inform the Chairman of the Board of Directors and the General Manager, for all due action as may be necessary, of any violations ascertained of the Model, which may entail the onset of liability for the Company;

8) to prepare reports and ensure the information flows of competence to the Board of Directors, the Chairman of the Board of Directors, the General Manager, the Board of Auditors, and the Manager appointed to prepare the company’s accounting documents;

9) to promote initiatives for the dissemination of knowledge and understanding of the Model, as well as to train staff and sensitize them to compliance with the Model principles;

10) to promote communication and training interventions on the contents of Italian Legislative Decree no. 231/2001, on the impacts of the legislation on the Company’s business and on the rules of conduct;

11) to verify the preparation of an effective system of internal communication to allow for the transmission of information relevant for the purpose of Italian Legislative Decree no. 231/2001, guaranteeing the protection and confidentiality of the reporter;

12) to report to the competent Bodies/Departments/Structures on any violation of the Model and monitor, together with the Human Resources and Organisation Department, the application of disciplinary sanctions;

13) to verify and assess, in collaboration with the Human Resources and Organisation Manager, the suitability of the disciplinary system in accordance with and pursuant to Italian Legislative Decree no. 231/2001.

To go about the duties and exercise its powers, the SB:

a) has free access to company documents and information;

b) can seek the support and cooperation of the Departments/Structures and external specialised consultants;

c) can request information from the Corporate Bodies and the auditing firm;

d) avails itself of the Internal Auditing Department to plan and carry out the supervisory activities in such a way as to use the operating procedures that are already consolidated and resources with suitable technical competences, also with a view to avoid any overlay of activities.
The forecast expense for the fulfilment of the tasks assigned it, which must guarantee the regular fulfilment of its activities, is approved by the Board of Directors. To use these spending powers, reference is made to the company procedures.

The Board of Directors ensures the appropriate communication to the company structures of the tasks of the SB and its powers.

The SB shall not have any powers of management or decision-making relative to the conduct of the Company’s activities, powers of organisation or to change the company structure, nor disciplinary and sanctioning powers. The members of the SB and the subjects used in any way by the Supervisory Body, are required to guarantee the confidentiality of acts and their contents and to respect the obligation to confidentiality regarding all information of which they may become aware in going about their duties.

The information, notifications, documentation and reports envisaged in the Model are kept by the SB in a specific archive (on a computer or as hard copies) for at least 10 years.

4.3. Information flows to and from the SB

4.3.1 SB reporting to corporate bodies

The SB reports on the implementation of the Model, the emerging of any critical aspects and the need for amendments. The following reporting lines are envisaged:

I. continuously, directly to the Chairman of the Board of Directors and the General Manager, who shall inform the Board of Directors under the scope of the disclosure they are required to make in exercising its powers;

II. once every six months, with regards to the Board of Directors, the Chairman of the Board of Directors, the General Manager and the Board of Auditors.

More specifically, the SB prepares a half-yearly written report that must contain at least the following:

a) a summary of the activities carried out during the last six months;

b) any problems or critical issues that have been revealed during the supervisory activities;

c) the indications as to the corrective action to be taken to ensure the effectiveness and/or efficiency of the Model, including those necessary to remedy any organisational or procedural shortcomings ascertained and which may potentially expose the Company to the risk of the commitment of the crimes relevant to the Decree;

d) an indication of any conduct that is not in line with the Model and consequent observations regarding the sanction considered to be most appropriate with regards to the party responsible for the violation or the Department/Structure and/or the process concerned, in compliance with the terms and conditions indicated in the sanction system adopted by the Company in accordance with Italian Legislative Decree no. 231/2001;

e) the report of notifications received from internal and external subjects and those noted directly by the SB, as regards alleged violations of the Model.
provisions, prevention protocols and related implementing procedures, including the outcome of the consequent verifications, and the violation of the provisions of the Code of Ethics, reported to the Permanent Commission for the Code of Ethics;

f) the disclosure on any commitment of the crimes relevant to the Decree;

g) any sanctions as may be applied by the Company with reference to violations of the provisions of this Model and the related implementing procedures;

h) an overall assessment of the function and effectiveness of the Model with any indications for its integration, correction or amendment, to consider any new Sensitive Activities identified;

i) the reporting of any changes to the regulatory framework and/or significant changes to the internal Company structure and/or the methods by which the company business is pursued, requiring an update to the Model;

j) the reporting of any situations of conflict of interest, even if only potential, of an SB member;

k) the report of expenses incurred during the reference period.

Meeting with corporate bodies to which the SB reports must be documented.

4.3.2 Disclosures to the SB

The SB must be promptly informed of any acts, conduct or events that may determine a violation of the Model or, more generally, which are relevant in terms of improving the Model’s effectiveness and efficiency.

All Model Addressees shall notify the SB of any information deemed useful to its verifications of the correct implementation of the Model. More specifically:

1. The Department/Structure Managers - including the Manager appointed to prepare the company’s accounting documents - in accordance with their respective organisational attributes, must notify the SB, promptly, in the form of a written note, of any information relating to:

   a) the issue and/or update of organisational documents;

   b) events coming under the responsibility of the Departments/Structures involved by the activities at risk and the update of the system of company delegations and powers of attorney;

   c) the reports prepared by the control Bodies/Departments/Structures (including the Auditing Firm and the Manager appointed to prepare the company’s accounting documents), under the scope of their audits, which may reveal facts, acts, events or omissions that look to be critical with respect to compliance with the provisions of the Decree or Model;

   d) requests for legal assistance submitted by employees in the event of the start of legal proceedings against them and in connection with the crimes pursuant to Italian Legislative Decree no. 231/2001, except where specifically prohibited by the legal authority;
e) proceedings launched for violations of the Model, provisions for the archiving of such proceedings and the related reasons for such, the application of sanctions for violation of the Code of Ethics, Model or procedures established for its implementation;

f) the provisions and/or information from the legal police bodies or any other authority or parties concerned, revealing that investigations are underway for crimes considered by Italian Legislative Decree no. 231/2001, and which may involve the Company, in compliance with the obligations set out by current applicable legislation and considering the envisaged regime of confidentiality and disclosure of acts of criminal proceedings;

g) reports prepared by the managers of other company Departments/Structures under the scope of their control activity and which may reveal facts, acts, events or omissions that look to be critical with respect to compliance with the provisions of the Model.

2. Each Manager of a Department/Structure identified in advance by the Human Resources and Organisation Department and the Manager appointed to prepare the company’s accounting documents, shall send the SB, upon adoption of the Model and any amendments, a declaration of knowledge and observance of the principles of the Model described therein and shall produce a six-monthly declaration that he is not/is aware of conduct not in line with the principles and contents of the Model under the scope of the Sensitive Activities for which he is competent, save anything that has already been reported.

3. The members of the Corporate Bodies, the General Manager and the Company Employees must promptly report any commitment or alleged commitment of crimes pursuant to the Decree or reasonable danger of their being committed by third parties, of which they may become aware, as well as any violation or alleged violation of the Model or procedures established in implementation of it, of which they become aware.

4. The Collaborators, Consultants, Suppliers and other addressees of the Model external to the Company are required to make an immediate disclosure directly to the SB if they should directly or indirectly receive, from an employee/representative of the Company, a request for conduct that may determine a violation of the general principles of the Model and the Code of Ethics.

Moreover, in line with the provisions of the Three-Year Plan on Corruption Prevention, a system of systematic, structured reports is prepared and must be implemented regarding subjects/events at risk, the detection and analysis of which constitutes the point from which action may ensue and further investigation by the control bodies and senior management, of any abnormal situation and/or crime. More specifically, a regular flow of information is assured to and from the Responsible for Corruption Prevention (RCP) in connection with the results of the activities carried out in the reference period and any violations of the Three-Year Plan on Corruption Prevention.

Finally, as regards the activities for which he is competent and in accordance with the provisions of the Regulation of the Appointed Manager adopted by the Company, the Appointed Manager shall play an active part in the information flows to and from the Supervisory Body and, if required, shall collaborate with it under the scope of the controls and verifications the Body intends to carry out on the preparation of the corporate accounting documents.

More generally, with a view to ensuring the progressive strengthening of the Risk
Management and Internal Control System, in view of the relevance increasingly seen in this area for the phenomenon of reports, by resolution of the Rai SpA BoD, the “Procedure for the Management and Processing of Reports (including anonymous ones)”, was adopted. In line with regulatory provisions (Art. 6, paragraph 2, letter d) of Italian Legislative Decree no. 231/2001), reports concerning potential violations of the Model must be forwarded to the SB for subsequent resolutions.

The SB assesses any reports received providing a written explanation of its decisions.

The obligation to report any conduct in conflict with the Model provisions comes under the scope of the more extensive duty to diligence and loyalty of the worker. The correct fulfilment of said obligation to report lying with the worker, cannot, therefore, result in any disciplinary sanction.

The Company shall adopt suitable, effective measures to ensure that confidentiality is always guaranteed as regards the identity of those sending the SB useful information to identify conduct that is in conflict with the Model provisions, the procedures established for its implementation and the procedures established by the RMICS, without prejudice to obligations of law and to protect the rights of the Company or persons accused incorrectly and/or in bad faith.

All forms of retaliation, discrimination or penalisation with regards to anyone making reports in good faith to the SB, is strictly prohibited. The Company reserves the right to take appropriate action against anyone making untruthful reports in bad faith.

To allow for the timely respect of the provisions and to facilitate the flow of communications and information for the purposes of the Model, a dedicated e-mail address is established.

4.4. Convening, voting and resolutions

The Chairman of the SB shall convene meetings of the SB, verify that they are regularly constituted, govern the events and ascertain the results of votes cast.

If the Chairman of the SB should be absent or otherwise engaged, his duties are performed by the most elderly member of the SB.

The SB meets each time it is considered appropriate by the Chairman of the SB or whenever the two members so request. In any case, the SB must meet at least once every three months.

The SB meets when convened by the Chairman of the SB. The meeting must be convened with a notice setting out the agenda, to be sent to the SB members by e-mail or any other means of common use. The documentation necessary for discussion of the agenda must be made available to all SB members. Each member also has the right to request that an item be included on the agenda. In urgent cases, the agenda may be supplemented before each meeting starts. In this case, each member of the SB shall be entitled to oppose discussion if he believes he has not been adequately informed and may ask that discussion of this item of the agenda be deferred, with a new meeting to be convened within the next five days.

Meetings may also be held with interventions in different physical places, near or distant from each other, connected by audio or video conference, using methods that must be noted in the minutes. The meeting will be considered as held in the place where the Chairman of the SB is physically located.
Any members of the SB who are unable to attend meetings must notify the Chairman of the SB.

SB meetings are valid where the majority of the members in office are in attendance and are chaired by the Chairman of the SB. In any case, meetings are considered as validly convened when, even without formal notice, all SB members are in attendance.

Resolutions passed by the SB are adopted by the majority of the members in attendance with voting rights.

Each member of the SB must inform the other members of any interest he may have, on his own account or for third parties, in connection with an activity involving the SB, specifying the related nature, terms, source and scope and abstaining from participating in any decisions made in this regard. Any such circumstances shall be noted in the minutes.

If situations of conflict of interests should arise with regards to duties and tasks of the Supervisory Body, without prejudice to the absolute obligation to abstain, the members must immediately inform the Chairman of the Board of Directors and the General Manager to this end.

5. Resource training and dissemination of the Model

5.1. Introduction

To ensure the efficient implementation of the Model, the Company assures the suitable dissemination of its contents and principles both within and outside its organisation.

More specifically, the Company aims to extend the communication of the contents and principles of the Model not only to its employees but also to all subjects who, despite not formally being classified as such, do operate to achieve the objectives of Rai under contracts stipulated to this end.

Communication and training is diversified according to the addressees it targets and is, in any case, hinged on principles of completeness, clarity, accessibility and continuity to allow the various addressees to have full knowledge of the company provisions they are required to respect and the ethical rules that must inspire their conduct.

Communication and training on the Model principles and contents are also guaranteed by the managers of the individual departments/structures that, as indicated and planned by the SB, identify the best ways to use these services (e.g. training programmes, including through the intranet, staff meetings, etc.).

Communication and training is supervised by the SB, which, amongst others, is assigned the tasks of promoting initiatives for the dissemination of knowledge and understanding of the Model, as well as to train staff and sensitise staff to compliance with the Model principles and to promote communication and training interventions on the contents of Italian Legislative Decree no. 231/2001, on the impacts of the legislation on the company’s business and on the rules of conduct.

5.2 Employees

Each employee is required to:
- acquire awareness of the principles and contents of the Model;
- know the operating procedures with which their activities must be carried out, with specific reference to Sensitive Activities;
- make an active contribution, in respect of their roles and responsibilities, towards the effective implementation of the Model, noting any shortcomings seen therein.

To guarantee an effective, rational communication activity, the Company intends to promote and facilitate knowledge of the contents of the Model by employees, to differing degrees depending on the position and role held, as well as the areas of operation.

The adoption of this Model is notified to all resources in the company at the time it is approved. Employees are also guaranteed the possibility of accessing and consulting the documentation constituting the Model (the Model, Code of Ethics, information on the Company’s organisational structures, on company procedures and activities), directly from the dedicated area of the company intranet.

New employees are provided, at the time of recruitment, with a copy of the Model and Code of Ethics, or are notified that said documents are available for consultation on the company intranet and a signed declaration is acquired of their knowledge and observance of the principles of the Model described therein.

In a parallel fashion to that envisaged for employees, new members of the Corporate Bodies and the General Manager, at the time of taking up office, are provided with the Model at the time they accept the office conferred upon them and they are asked to sign a declaration to the effect that they will comply with the Model.

Suitable communication tools will be adopted to inform employees of any changes/updates made to the Model.

5.3 Other addressees

Communication of the contents and general principles of the Model must also be addressed to any third parties collaborating with the Company under regulated contracts or who provide services for Rai by virtue of an autonomous working relationship (e.g. collaborators and consultants) and to suppliers of goods, services and supplies.

Considering the purpose of the Model, the Company shall assess the opportunity of notifying other subjects of the contents and general principles of the Model, not included in the figures specified above by way of example.

6. Sanction system

6.1 Function of the sanction system

Art. 6, paragraph 2, letter e) and Art. 7, paragraph 4, letter b) of Italian Legislative Decree no. 231/2001 specify, as a condition for the effective implementation of the organisation, management and control model, the introduction of a regulatory system that can sanction failure to comply with the measures laid down by the Model.

Therefore, the definition of a suitable regulatory system constitutes an essential aspect of
the value of the Model in terms of exempting Rai from administrative liability.

The application of the disciplinary system and the related sanctions is independent of the carrying out and results of any criminal proceedings as may be brought by the legal authority if any conduct worthy of censure should also constitute a crime relevant in accordance with Italian Legislative Decree no. 231/2001.

6.2 Measures with regards to Employees: disciplinary system

Rai SpA has its own disciplinary system that will also apply to any violations of the Model.

In actual fact, as a premise, an essential element for the function and implementation of the Model is precisely the application of a disciplinary system aimed at sanctioning any conduct in conflict with the Model provisions.

Any subject found to be in violation of the Model provisions will be charged a sanction proportional: i) to the severity of the violation; ii) to the consequences of the violation; iii) to the personality of the agent; and iv) to the position held. Any subject who failed to administer said sanction shall also be subject to sanction.

Compliance with the provisions and rules of conduct envisaged by the Model constitutes compliance, by the Supervised Subjects, with the obligations envisaged by Art. 2104, paragraph 2 of the Italian Civil Code and violation of the measures indicated constitutes breach of contract, which can be disciplined in accordance with Art. 7 of the Workers' Statute (Italian Law no. 300 of 20 May 1970) and determines the application of the sanctions envisaged by the disciplinary rules of the Disciplinary Regulation, as well as by current provisions of the respective collective contracts of employment applied, depending on the severity of the infractions:

- written warning;
- fine of up to 4 hours of remuneration;
- suspension from work and salary for 1 to 3 days;
- suspension from work and salary for 4 to 6 days;
- suspension from work and salary for 7 to 10 days;
- dismissal.

Violation of the individual provisions and rules of conduct pursuant to the Model by employees is, therefore, always a disciplinary offence. The sanctions envisaged by the disciplinary system, following the disciplinary procedure pursuant to Art. 7 of the Workers' Statute, will be applied to all violations of the provisions of this Model, regardless of whether or not a crime was committed or any outcome of any criminal proceedings as may be brought by the legal authority.

Upon completion of any report of violation of the Model received by the competent offices, a disciplinary investigation will be promoted if the subject of the report appears to be grounded. In particular, if a probable violation of the Model is noted, the consequent disciplinary proceedings will be launched.

The Supervisory Body will be promptly notified of the start and end of disciplinary
proceedings (both if a sanction is applied and if it is annulled).

6.3 Measures with regards to Directors

In the event of breach of the Model by one or more members of the Board of Directors, the SB shall promptly inform the Chairman of the Board of Auditors and the entire Board of Directors for all appropriate action.

6.4 Measures with regards to Auditors

In the event of breach of this Model by one or more Auditors, the SB shall promptly inform the whole of the Board of Auditors and the Chairman of the Board of Directors for all appropriate action.

6.5 Measures with regards to Collaborators, Consultants and Suppliers

Any violation by Collaborators, Consultants or Suppliers of the provisions pursuant to this Model applicable to them or the commitment of Crimes, is sanctioned in accordance with that described in the specific contractual clauses.

This is without prejudice to the prerogative of the Company to demand compensation if said conduct results in concrete damages or in any case prejudicial consequences as in the case of application to it by the court of the measures envisaged by Italian Legislative Decree no. 231/2001.

6.6 Measures with regards to members of the Supervisory Body

In the event of breach of this Model by one or more members of the Supervisory Body, the Chairman of the Board of Auditors and the Chairman of the Board of Directors of the Company are immediately notified to this end. These bodies, after noting the violation and acknowledging any defensive arguments submitted, shall take all appropriate action, including the forfeiture/revocation of appointment by the Board of Directors.

7. Model updates

The Board of Directors shall resolve on the update of the Model and its adaptation in connection with any amendments and/or supplements as may become necessary as a consequence of:

- changes to legislation governing the administrative liability of entities;
- changes to the internal Company structure and/or the model of business used;
- identification of new Sensitive Activities or variations to those identified previously, even potentially connected with the launch of new company business;
- commitment of the crimes recalled by Italian Legislative Decree no. 231/2001 by the addressees of the Model provisions or, more generally, significant violations of the Model;
- noting of shortcomings and/or failings in the Model provisions following verifications of its effectiveness.

Proposed updates and/or adjustments, submitted by the General Manager to the Board of Directors, are instructed by the 231 Team, having informed the Supervisory Body.

The initiative to update and/or adjust may be launched by the SB, which is responsible for ensuring the Model update in accordance with the provisions of Italian Legislative Decree no. 231/2001, by the Managers of the Department/Structure and by the 231 Team.

The 231 Team comprises the Legal and Corporate Affairs, Internal Auditing (only as consultant), Human Resources and Organisation, Staff of the General Manager, Finance and Planning Departments, as well as the Secretariat of the Board of Directors and the Staff of the Chairman, one of whom assumes, by specific notification of the General Manager, the tasks of coordination, without prejudice to any changes/supplements as may be duly explained.

Each time, the 231 Team shall identify the Departments/Structures that will complete the Team.

Moreover, in order to guarantee that changes to the Model are made as quickly and as effectively as possible, without, at the same time, incurring flaws of coordination between the operative processes, the provisions of the Model and their dissemination, the General Manager (specifically delegated to this end by the Board of Directors), with the support of the 231 Team, is responsible for making all the necessary changes to the Model relating to descriptive matters or in any case aspects that do not substantially affect the prescriptive contents of the Model, after informing the SB. The General Manager also informs the Board of Directors of the changes made.

In any case, the Model will be reviewed regularly and at least once every three years.

8. Final provisions

At the first renewal of the Board of Directors after the date of approval of this Model, the competences and duties of the General Manager shall be intended as referring to the Managing Director.